Factors Influencing Success in Fashion Designer Entrepreneurship in Sri Lanka

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Abstract

Factors influencing entrepreneurship success have long been established as an important research domain. Even though fashion designer entrepreneurship has been growing to be a significant industry sector in Sri Lanka, this sector has not attracted systematic academic research. This paper therefore attempts to identify factors influencing success in fashion designer entrepreneurship in Sri Lanka. The paper is based on an initial qualitative exploratory stage of an ongoing study. Based on in-depth interview techniques, this paper investigates factors influencing entrepreneurial success as perceived by the interview participants. The study reveals key success factors in four main propositions: behavioural factors, social capital, human capital and strategic factors. The most highlighted behavioural factors are being proactive, opportunity recognition and creativity. Innovative orientation strategies, competitive strategies and human resources strategies are the most emphasized strategic factors. Even though the sample size is limited to differentiate between the strategies implemented by the start-up and the established entrepreneurs, the innovation process can be differentiated between the two categories. The findings of this research will help practitioners and policy makers in nurturing entrepreneurial initiatives in creative industries, particularly in the SME fashion designers sector in Sri Lanka. The outcome of this initial exploratory phase will be used along with the literature findings to develop the conceptual framework and to identify operational measures for the quantitative survey. The outcome of the quantitative phase will be helpful to validate these research findings to a larger population of fashion designer entrepreneurs.

1. Introduction

1.1 Background and Motivation

Successful entrepreneurship plays a significant role in driving economic development. It is therefore important to identify human qualities that make for successful entrepreneurs, and the social and economic conditions needed to promote the emergence of successful entrepreneurship.

‘The fashion design industry in Sri Lanka was almost non-existent about three years ago whereas today the local stores are earning around US Dollar 10 million annually. The local retailers of the local fashion labels have the potential to reach US Dollar 500 million in the next few years’ [1]. Today, Sri Lanka has developed a creative fashion industry of its own, with a range of styles and innovations[1]. Even though fashion designer entrepreneurship is recognized as an important creative industry sector in many entrepreneurship models (e.g. UNCTAD Classification of Creative Industries, UK DCMS Model, Symbolic Text Model, WIPO Copyrights Model) [2], this sector has not attracted systematic academic research in Sri Lanka. Therefore, the purpose of the study presented in this paper is to apply a systematic and methodical approach to identify factors influencing success in fashion designer entrepreneurship in Sri Lanka.

1.2 Literature Review

The literature review of this paper focuses on four aspects.

Firstly to form a basic introduction to fashion designer entrepreneurship and secondly to understand the concept of entrepreneurship and the entrepreneur with reference to the context of Sri Lanka’s fashion designer entrepreneurship, in order to understand and access right people for the study. Third, a definition of small and medium businesses in Sri Lanka will be provided to contextualize the study. Fourth, extant literature on entrepreneurship success has been examined, and this has provided a starting point to the study of factors influencing success in fashion designer entrepreneurship in Sri Lanka. However, the paucity of existing theory and empirically based research on fashion designer entrepreneurship has necessitated triangulation of theories from the general entrepreneurship literature.

1.2.1 Fashion Designer Entrepreneurship

Different countries and regions have defined fashion designer entrepreneurship according to their pertinent market contexts. This study identifies fashion designer entrepreneurship based on the criteria that ‘firms or individuals involved in clothing and having a primary focus on design, as distinct from manufacture of clothing’ and to include (1) Established fashion labels (2) Lifestyle clothing (3) Niche market brands (4) Emerging new designers [3].

1.2.2 Entrepreneurship and the Entrepreneur

Extant literature identifies entrepreneurship and entrepreneur with many and varied definitions. Drucker (2000) cited in [4] proclaims entrepreneurship as comprising of five parameters: creating new markets, delivering value to customer, providing something new, changing customer value, and process innovation. In the same vein, entrepreneur has been identified as ‘an individual responsible for the process of creating new value’ (an innovation and/or a new organisation) [5].
These two definitions of the entrepreneur and entrepreneurship were found to be aligned with the creative nature of fashion designer entrepreneurship and hence entrepreneurial fashion designers were identified based on the criterion defined by [4] - [5].

1.2.3 Small and Medium Businesses in Sri Lanka
Entrepreneurship is strongly linked to small and medium sized enterprises (SME) [6]. However, Sri Lanka does not have a nationally accepted definition for the SMEs. SMEs have been defined based on three main criteria; (a) total assets value, (b) the number of full-time employees, (c) turnover or production [7]. In Sri Lanka, when measuring size by employment the following definitions are used: Micro < five employees, small 5-29 employees, medium 30 -149 employees, and large 150 employees and above [7]. Considering the nature of the fashion designer entrepreneurship, using total assets value and the turnover as criteria to define the business size is problematic [8]. Therefore, this paper uses the aforementioned definition, based on the number of employees to differentiate small, medium and large enterprise sectors.

However, the literature suggests that most fashion designer entrepreneurs do not recruit permanent employees until their labels develop as public profiles [8], [9]. Due to the cyclical nature of the industry, typically when assistance is needed, out-sourcing operations (e.g. pattern making or machining) is the preferred option with most designers having dedicated contractors who work for them during particular phases in the production cycle [8]. Nevertheless, the work-process between fashion designer entrepreneurs and their outsourced contractors is quite similar to the work-process between an employer and an employee rather than the one between a business and its suppliers. Therefore, the present study considers outsourced contractors as outsourced-employees rather than suppliers.

1.2.4 Success Factors
There is little agreement on what factors affect business success and failure [6] - [7]. Some of the key areas that have been identified in the literature include personality traits, attitudes and behavioural factors [8] - [9]; social capital [13] - [14]; human capital [12] - [13] and a vast array of strategic factors [4], [10], [14] - [15].

Attitudes and Behavioural factors
The entrepreneurial process comprises attitude and behaviour as components. The behavioural approach portrays an entrepreneur who exhibits proactive and opportunistic behaviour of identifying and exploiting potential opportunities [4]. Entrepreneurial attitudes and behavioural characteristics emphasised in the past research include opportunity recognition, [17], being proactive [18], creativity [19], need for achievement [20], internal locus of control [21], tolerance for ambiguity [22], managing risk [4] and desire for independence and autonomy [21].

Creativity, Proactiveness and Opportunity Recognition
Reference [19] defines creativity as ‘divergent thinking to conceive new ideas’. Creativity is frequently a defining feature of entrepreneurs. Entrepreneurial opportunity has increasingly been associated with creativity in the entrepreneurship literature. A number of authors have described the opportunity recognition process either as being influenced by creativity or more specifically as a creative process in-and-of itself [17], [23]. Successful entrepreneurs are creative in recognizing and responding to opportunities. They are proactive and are frequently the first to offer new ideas to the market [18].

Fashion design is typically portrayed as tied to the individual and his or her creativity [8]. However, aesthetic creativity might not always ensure entrepreneurial creativity and success as a business person [8].

Risk/Uncertainty Tolerance
Risk management could be referred to as the process employed by entrepreneurs in order to effectively manage unexpected events and prevent loss [4]. Some of the empirical findings are contradictory to the view that entrepreneurs are high-risk-takers. Some researchers argue that entrepreneurs are moderate risk takers and risk managers, rather than risk-takers.

Social Capital
Entrepreneurship research increasingly recognizes the critical importance of social capital in entrepreneurial development. Entrepreneurship research has produced increasing evidence that personal and professional networks are crucial in both founding and nurturing new ventures. Hence entrepreneurs who can rely on broad and diverse networks tend to be more successful [4], [6], [21]. Most definitions of social capital regard networks and relationships as core to the concept of social capital [14]. The present study is based on the interpretation of using personal and professional social networks as a proxy for social capital.

Human Capital
Reference [24] considers human capital as knowledge, education, skills and experience of an individual. Some researchers have found positive relationships between variables such as education and previous experience and business success [25], while others have found no relationship between these variables.

Strategic factors
The dominant assumption of the strategy-oriented literature is that success is primarily dependent upon the entrepreneur’s ability to develop and execute effective strategies [22]. Entrepreneurial firms, relative to conservative firms, have higher scores on variables representing innovative products and marketing, innovative operations, human resources, proactiveness and competitive orientation, industry awareness, service/support, and long-term financial orientation [18].

Innovation is frequently a defining feature of entrepreneurship. Innovative orientation strategy refers to creativity and experimentation through the introduction of new products/services as well as technological leadership
via research and development (R&D) in new processes [26].

Proactiveness is an opportunity-seeking, forward-looking perspective characterized by the introduction of new products and services ahead of the competition and acting in anticipation of future demand [26]. The literature suggests that successful entrepreneurs are proactive, take personal initiative and they are creative to recognize and respond to opportunities. They often initiate actions to which competitors then respond, and are frequently the first to offer new products to the market [18]. As such, proactiveness is crucial to successful entrepreneurial activity, because it suggests a forward-looking perspective that is accompanied by innovative or new-venturing activity [27].

2. Methodology

The mixed method approach is suggested in the ongoing main study, and this paper is based on the initial qualitative exploratory phase which is administered to identify the applicability of success factors reviewed in the literature in the context of the present study.

The literature review of this study identifies a theoretical framework in terms of factors influencing various sectors of entrepreneurship. However, there is a remarkable paucity of research on factors influencing fashion designer entrepreneurship. Even in developed countries, few researches on fashion designer entrepreneurship have been conducted despite their ‘much larger economies, different market demographics and considerably more resources for both supporting new enterprises and studying them’ [8]. If a concept or phenomenon needs to be understood because little research has been done on it, then qualitative research would be a better approach [8].

On the one hand, fashion design is typically portrayed as ‘tied to the individual and his or her creativity’. On the other hand, ‘circumstances that allow design to occur within a commercial context are predominantly social’ [8]. Therefore, it is important to consider the subjective and socially constructed reality when selecting suitable methodology.

Therefore, the qualitative method of interviewing was used to investigate in-depth different success factors perceived by the fashion designer entrepreneurs. A semi-structured interview guide focusing on success factors that have been identified in the literature review was used in the in-depth interviews. However, the participants were encouraged to share their perceptions without being limiting to the literature findings.

2.1 The Sample

The sampling for qualitative research should be ‘purposive’ rather than random [13], [25]. Even though there is no ideal number of interviews, a number between four to ten interviews is satisfactory [25]. A purposive sample of six entrepreneurs was selected for in-depth interviews. Seeking maximum variation, the sample consisted of three start-up fashion businesses and three established fashion businesses. Following [8] the start-up phase was defined as being within seven years of label launch. Table 1 represents an overview of the interviewees who participated in the study.

<table>
<thead>
<tr>
<th>Background</th>
<th>Rspt A</th>
<th>Rspt B</th>
<th>Rspt C</th>
<th>Rspt D</th>
<th>Rspt E</th>
<th>Rspt F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous experience</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Designer’s education</td>
<td>Bachelors in Textile Technology</td>
<td>MBA in International Business</td>
<td>Diploma in Textiles and Marketing</td>
<td>Bachelors in Fashion Design</td>
<td>Diploma in MBA</td>
<td></td>
</tr>
<tr>
<td>Ways of distribution and selling</td>
<td>Online, Through one retail outlet, export, bespoke</td>
<td>Online, retail outlets, wholesale export</td>
<td>Retail outlets (own), export, bespoke</td>
<td>Retail outlet, bespoke</td>
<td>Online, own retail outlet</td>
<td>Service Through an institution</td>
</tr>
<tr>
<td>Number of brands/labels/services</td>
<td>One</td>
<td>Four</td>
<td>One</td>
<td>One</td>
<td>Core brand and five diffusion brands</td>
<td>Four</td>
</tr>
<tr>
<td>Products/Services</td>
<td>Women’s wear</td>
<td>Men’s wear, Women’s wear, Footwear, Event service</td>
<td>Women’s wear</td>
<td>Women’s wear</td>
<td>Women’s wear</td>
<td>Design education, Design events, livelihood development</td>
</tr>
<tr>
<td>Speciality</td>
<td>Sustainability, industry post-waste</td>
<td>Batik and silk painting</td>
<td>Handloom, textiles with craft origin</td>
<td>‘Classic’</td>
<td>Creative industries</td>
<td></td>
</tr>
</tbody>
</table>

(Source: constructed by the author based on the interview data, 2012)

Rspt = Respondent
2.2 Data Analysis

Interview transcripts were analysed through a process of comparing and contrasting to identify significant themes and categories, both common and distinctive, underlying the respondents’ views [23], [25]. Following [25], a four-step process consisting of data organising; generating categories, themes and patterns; comparing and contrasting with the extant literature and writing of the analysis was followed. The data analysis software tool, ‘QSR Nvivo, Qualitative Data Software’ was used to manage data efficiently throughout the course of the research project. A review of the transcribed interviews indicated repeating ideas, suggesting information saturation [25]. Credibility and reliability of data were achieved through data triangulation. Data source triangulation was achieved through use of multiple sources such as newspaper articles, television and radio interviews. Research methods were triangulated using different research methods such as in-field observation, interviews and presenting interview scripts back to the participants for verification. In the following discussion of results, an interpretative summary, supported with illustrative quotes has been provided.

3. Results and Discussion

The success factors that have been identified by the respondents as being critical in their businesses are summarised in Table 2. The following section discusses and interprets the most-highlighted factors.

Table 2: Summary of the key success factors identified by the respondents

<table>
<thead>
<tr>
<th>Main themes</th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personality and behavioural factors</td>
<td>Entrepreneurial creativity, proactiveness and opportunity recognition</td>
</tr>
<tr>
<td></td>
<td>Creative awareness, artistic creativity and sensitivity</td>
</tr>
<tr>
<td></td>
<td>Risk taking/risk management</td>
</tr>
<tr>
<td></td>
<td>Determination, hard working, inner drive, initiative, self-believing, persistence, achievement oriented</td>
</tr>
<tr>
<td>Social capital</td>
<td>Family background and support, networking, support network, social recognition</td>
</tr>
<tr>
<td>Human capital</td>
<td>Education and experience (design, management, other), creative skills</td>
</tr>
<tr>
<td>Strategic factors</td>
<td>Innovation strategies, continuous innovation, value creation, competitive orientation strategies, product strategy, product differentiation, niche-markets, marketing strategy, customer intelligence, personnel strategies Human resources strategies based on personal values, social responsibility, kinship and family feeling</td>
</tr>
<tr>
<td>External factors</td>
<td>Turbulence, hostility and challenges: Competition, consumer attitudes, high-obsoleve rates of products, access to raw materials, access to manufacturing</td>
</tr>
</tbody>
</table>

3.1 Attitudes and Behavioural Factors

3.1.1 Creativity, Proactiveness and Opportunity Recognition

All the respondents emphasized entrepreneurial creativity, proactiveness and the ability to recognize opportunities as key factors that influenced their success. Rsp F suggested that ‘I think if you are an entrepreneur kind, you generally tend to see the ‘need gap’ very clearly’. A mass of literature support the view that proactive and identifying promising opportunities is one of the key characteristics for successful new ventures [16], [27]. As Rsp E identified: ‘As a design person I could design the most beautiful garment which cannot be sold, which is not practical… So my winning thing was that I really concentrated on women’s problems, their body shapes and the fact that Sri Lankan consumers have different body shapes to the Europeans’. Literature indicates that the entrepreneurs who act ‘proactively’ by recognizing exciting opportunities show better performance in entrepreneurial satisfaction and innovative capability [17].

Creativity is important for entrepreneurs to recognize potential or hidden opportunities and to satisfy customers’ needs. In pursuit of opportunities, entrepreneurs need to creatively use resources, and generate creative ideas for products, technology, processes and services [17]. All the participants highlighted that their creativity (both entrepreneurial and aesthetic) greatly influenced their success. As Rspt C exemplified: ‘… I have no threat from the other people [competitors], because I’m a creative person… I can close my eyes and imagine and think what I’m going to turn out. I can always think of new ideas if competitors copy my designs’. The product differentiation resulting from creative ideas is also one determinant for a new venture’s success in fashion designer entrepreneurship [8].

(source: Author constructed)
3.1.2 Risk-taking behaviour
The respondents are challenged by risks associated with access to quality raw materials and efficient manufacturing technology, trained workforce, market access and political decisions. Other socio-cultural factors such as customer attitudes, cultural and family issues also create entrepreneurial risks. The participant entrepreneurs emphasized that the Sri Lankan political environment and bureaucracy in financial organizations have created a risky environment for entrepreneurship.

Some of the respondents supported the view that taking risks was one of the factors that influenced their success. As Rspt A suggested: ‘I think risk taking influenced my business success. …Wanting to do something on your own and wanting to know that I can do this on my own. Willing to go on that bumpy ride’. Nevertheless, a majority of the participants took a cautious approach in taking risks. They have carefully considered financial options in their business inceptions and have opted for self-financing rather than bank financing due to the ‘risks’ associated with getting a bank loan. In this sense, participants acted as ‘calculated risk-takers’ [28] who carefully measured risks versus the benefits that are associated with their decisions.

Reference [30] proclaims that unlike in the Western societies, Sri Lankan entrepreneurs generally do not demonstrate an ‘aggressive’ attitude towards risk-taking. Reference [29] also asserts that risk management as conceptualised in the Western models do not explain entrepreneurial risk-handling behaviour in the Sri Lankan society. Rather, Sri Lankan socio-cultural norms have influenced a value-based risk-handling culture [31].

3.1.3 Other Behavioural Characteristics
All the respondents asserted that behaviours such as being hard working, persistence, determination and achievement orientation also highly influenced their business success. As Rspt E proclaimed: ‘You have to hold on. You just can’t give up. Things are not going to be easy. There will be some months that you won’t get any money to survive. But you have to just hold on. During the path you gain experience. So it’s a learning curve I think if you don’t give up. Some people used to say “what are you doing, it’s not working”. But I knew there will be a tipping point. You have to just go on’.

Achievement motivation represents most of the characteristics of successful entrepreneurs, such as internal locus of control, high-risk taking propensity, high need for autonomy, the capacity for endurance, self-consciousness, working hard and an itch to self development and learning [22], [31]–[32].

3.2 Social Capital
All the respondents strongly believed that their personal and professional networks influenced their business success. Personal networks and personal social capital that consist of family, friends and close acquaintances have provided financial support and morale-support (Rspt: A, C, D, E, F); support in manufacturing technology, marketing and selling (Rspt: C, E); and support network built up by the family’s social status (Rspt: A, C, E). However, two respondents (Rspt: B and D) emphasized that they did not receive significant support from their personal networks. Rather, the professional networks that they have built up in the previous careers have influenced their success by way of easily locating manufacturing resources and technology, and gaining marketing support. Nevertheless, even the respondents B and C stated that they have families that encouraged independent-behaviour and creative thinking and hence their families were not discouraging them in their entrepreneurial pursuits. As Rspt A exemplified the support of professional networks in her business success, ‘I think networking is just absolutely key, because at that time of venturing out you need people who hold hands with you. My relationships I’ve built as a professional are still backed-on me. My first job was working with [Factory name] at buying office for one year. Twenty years later, they are the factory today saying “Whatever you design, we’ll make it for you.”’ Literature also suggests that social capital provides opportunities for entrepreneurs with identification of information, resources, influence, control and power [14].

The literature emphasized that successful entrepreneurs use qualitative information provided by their social capital to analyse market opportunities and to act proactively rather than using published data [29]. All the participant entrepreneurs realised market opportunities through their social interactions, rather than systematic market research and business plans. They acted proactively to secure their initial capital, information, initial manufacturing support through their social capital.

Another finding revealed in the study is that not only social recognition and social power have influenced entrepreneurial success, but also achieving social power and recognition was one of the expectations of being a successful entrepreneur. Rspt D stated that ‘I had to make a very big image in the Sri Lankan society. Emotional satisfaction gained from this recognition, image, and your self-behaviours are important. You could be able to play a big role as a leader. And a big role as a good example for the society, to the new generation’. Reference [29] proclaims that the entrepreneurial process in Sri Lanka is highly influenced by ‘conscious or unconscious sense of social intimacy and social power’. This study demonstrates that emerging in social power is a significant influence in entrepreneurial success in Sri Lanka.

3.3 Human Capital
Human capital variables such as age, education, experience and skills are generally accepted in literature as positively influencing entrepreneurial success. Nevertheless, some of the respondents who own highly successful ventures (Rspt C and E) emphasized that they did not have any work experiences before starting their businesses. Nevertheless, they have spent a considerable amount of time to learn the manufacturing and marketing aspects through various study programmes. While education in fashion and design sectors have supported some respondents, others (Rspt: B, F) have used their business education knowledge to achieve their entrepreneurial objectives. Though the sample is too small to generalize the findings, it was observed that those respondents who have business related education were the
ones who have moved into diverse areas of the fashion business.

3.4 Strategic Factors

Some of the key strategies that have influenced the respondents’ business success include innovative orientation strategies, competitive strategies and human resources strategies.

The sample size is limited to differentiate between the strategies implemented by the start-up and the established entrepreneurs for success. All the participant entrepreneurs were generally creative, innovative oriented have identified niche market opportunities and have implemented strong human resources strategies. Nevertheless, the innovation and opportunity recognition process can be differentiated between the start-up and the established categories. The start-up entrepreneurs’ innovation process seems to be influenced by social and environmental concerns such as sustainability, preserving traditional craftsmanship and supporting the craft communities. The established entrepreneurs were generally motivated by a need to express their creative personalities. As emphasised by the Rspt E: ‘I wanted to create I think. I didn’t want that fame or coming forward, it was not so important. I just wanted to create. I think it’s an artist’s dream. I wanted to create and to see the end product of something that you visualize and to see that it’s really happening’.

As proclaimed by [8], the entrepreneurs who were motivated by a strong need to express their creative personalities (e.g. Rspt C,E) faced ‘creativity-business tension’. Sometimes significant conceptual shifts or fundamental adjustments in business strategy were required to stay in business and often these shifts challenged the participant’s original rationale for starting a design business [8]. Reference [8] suggests that a conceptual shift involved expanding the notion of good design to accommodate the tastes of others. This was usually accompanied by the creation of product ranges that reflected current trends and retailers’ requirements rather than just the designer’s concept of style. For example, Rspt E observed: ‘…So it has changed in the sense that I have to be little bit more commercial to make it work. Still I want to create and to do what I love to do, but I can’t do it the way I did before. It might not be enough to sustain. So I have to diversify a little bit and get other sub brands coming in…’

3.4.1 Innovative Orientation

Innovation and creativity are essential elements in entrepreneurship. Entrepreneurial and artistic creativity that lead to successful innovations are essential to be successful entrepreneurs in the fashion industry [8]. All the respondents strongly emphasised different facets of innovation as key aspects to their success. They strongly emphasised the need of innovating a unique and significant identity: ‘Have something that is quality and something that is completely different to what is available in our country. So it will be only one of a kind’ (Rspt C). They also very strongly emphasised the need to continuously innovate in response to competitors imitating their products: ‘You should have the ability to change the design, if competitors copy’ (Rspt C). Fashion consumers expect and thrive on constant change and so new products have to be available on a frequent basis [33]. Therefore, continuous innovation has also been highlighted as a strategy to retain the consumer interest: ‘When you have been accepted, there’s a promise that you gave the consumer. You have to hold on to that promise to ensure that you are continuously being accepted, and continuously that you are fulfilling promise. So how do you fulfil promise? You keep refreshing yourself’ (Rspt B).

Market research indicates lucrative opportunities in the local market for self-expressive products. The self-expressive products market in Sri Lanka is growing at a rate of over 30 per cent’ [34]. This trend marks exciting opportunities for local fashion designers to produce innovative products by exploring different avenues of fashion, not merely as a piece of clothing, but also as a self-expressive product.

3.4.2 Proactiveness and competitive orientation

As emphasized by the participant entrepreneurs, they were motivated by a competitive orientation to recognize business opportunity by a proactive approach. All respondents considered competition and competitor activities as being strong motivators to do well in business. They were even ‘pleased’ that competitors ‘copy’ their products. As exemplified by Rspt D: ‘The competition should be there in a good way, to motivate the market. Now we do have a good competition; to find the artisans, to find a good market. What happens at the end is that you are gaining your market. You don’t feel lazy. You don’t feel that “OK you are done”. Still you have to do; still you are motivated’.

Product and market diversification is one of the significant competitive and proactive strategies identified by the entrepreneurs [35]. All the respondent entrepreneurs developed sub-brands and diffusion ranges under the main brand to fulfill the changing needs of the consumers. As Rspt E exemplified ‘My response to the challenge of competition was that I started these other sub-brands [names] for younger, “cheaper” market. But I kept the core product as a niche thing’.

3.4.3 Human resources strategies

Respondents have used strong relationship strategies to achieve business success. The respondents have identified relationship-based human resources practices and they emphasised the importance of human resources strategies based on traditional values of kinship and social responsibility in order to retain a skilled workforce within/for the business. A relationship-based human resources practice was also one of the strongest indications of emotional fulfillment and satisfaction of the respondents. Rspt C exemplified: ‘When they fall ill I have always channelled them. There was such an incident recently. Then the moment I came, she [employee] came and worshiped me. For me, that is very important in life. To look after them. This staff has worked with me for the last thirty years. We all grew up together. So they know what to do if I tell. Because if I get a new one, it’s very difficult, because I have to train them’.
The respondents identified the need to continuously encourage and support their employees, to educate them and to guide them, in order to continuously improve the product quality and the aesthetic appeal. However, rather than organized training programmes and corporate human resources practices, respondents achieved this by relationship-based human resources practices. Rspt D identified as: ‘I have to perform very well to show their [artisans] skills; I have to show their results…I try to pay more to motivate them, to keep them for myself and to show them their strength. The backbone of my brand is the craft people. I always try to convince them and also educate them. Because sometimes they don’t understand what I need, sometimes they can’t understand what the contemporary need is. Sometimes they put so much of effort and time to create such complicated creations that don’t have any marketable value. But I trained them and I changed it actually, by showing how to do very simple, very commercial, design elements. Now they know how to create something simple, elegant and how to sell that at very good prices’.

Reference [29] suggests that Sri Lankan entrepreneurs are influenced by socio-cultural patterns such as ‘dependence, accepting the status quo, work for livelihood, kinship and respect for authority’. Therefore, unlike in the Western world, human resources strategies, especially in small business organisations are based on these traditional values [29].

3.5 External Factors
External factors that influenced entrepreneurial success included aspects such as competition, consumer attitudes, challenges in accessing raw materials, manufacturing technology and finance resources, lack of skilled workforce, lack of organisational level support and environment hostility factors. These external factors were identified as challenges in achieving business success. While the market infrastructure and organisational-level support appears to be relatively unfavourable to designer entrepreneurs, it appears from the interviews that designer entrepreneurs have used distinctive strategies as discussed earlier to overcome those challenges. All the respondents have used their social capital and network support in response to low organisational-level support. They have used local and international social networks to develop their brand images. As a result, the social image of the designer entrepreneur and the brand image have helped the respondents to gain the local market’s recognition and to change the consumers’ attitude [8]. They have capitalized on entrepreneurial behavioural factors such as creativity and being proactive to overcome challenges induced by the external factors.

4. Conclusion and Recommendations
Research on factors influencing success in fashion designer entrepreneurship is at an early stage. Any research effort in this vein is complicated by the overlapping and fragmented nature of the literature in this field. This paper presented factors influencing success in fashion designer entrepreneurship based on the initial exploratory phase of an ongoing study. The in-depth interviews with fashion designer entrepreneurs revealed several factors that the respondents perceived as significant to achieve success in their businesses. The paper offers some prospects of isolating and understanding how the different factors influence entrepreneurial success as perceived by the respondents. While the external factors remain generally uniform to all entrepreneurs, successful entrepreneurs seem to have capitalized on social capital, human capital, entrepreneurial behavioural factors, and strong business strategies. However, as this study was limited to small and medium organisations, there might be deviations in the findings when applied to large-scale fashion designer businesses. Data collected in this study were restricted to the fashion designer entrepreneurship. However, the same combination of strategies and factors would be contributing to other entrepreneurship sectors, and therefore further exploration of this study is encouraged.

Based on the themes derived from this inductive exploratory phase, a conceptual framework will be developed for the deductive survey phase of the ongoing study. The existing theoretical and empirical studies in the area of entrepreneurship success also will be used to develop the conceptual framework. The conceptual framework will aid the survey phase to investigate factors influencing success in fashion designer entrepreneurship under three dimensions: the individual entrepreneur, the organization, and the environment. Operational measures of variables will be derived from the literature and will be adapted according to the contextual factors identified in the exploratory data analysis discussed in this paper.

A questionnaire will be developed to operationalise the variables of the conceptual framework. It will then be pilot-tested with ten entrepreneurs. After checking for the reliability and validity of the measures, the questionnaire will be administered to a random sample of 100 successful fashion designer entrepreneurs as well as 20 entrepreneurs who have ceased their business operations. Survey data will be statistically analysed using exploratory and confirmatory factor analysis with Structural Equation Modelling. The statistical analysis will support generalizing the results discussed in this paper to a larger population of creative-industry entrepreneurs, specifically in the creative fashion entrepreneurship.

References


