

A STUDY ON THE EFFECTS OF SMALL AND MEDIUM
ENTERPRISES DEVELOPMENT ORGANIZATION (KOSGEB)
ADVANCED ENTREPRENEUR SUPPORT PROGRAM ON SMES



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PLAGIARISM

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

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ABSTRACT

A STUDY ON THE EFFECTS OF SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ORGANIZATION (KOSGEB) ADVANCED ENTREPRENEUR SUPPORT PROGRAM ON SMES

Entrepreneurship is considered as the driving force of the economy, especially for developing countries. Enterprises not only bring vitality to the economy but also create new employment opportunities and ensure the preservation of socio-economic balance. The degree of commercialization of technological and scientific developments also depends on entrepreneurial activities. Therefore, the sustainability of economic development is possible by spreading the culture of entrepreneurship to society. However, the increase in the interaction between the economies with globalization, and the developments in the field of developing technology, communication, and logistics have carried the competition between the enterprises from the local to the global level. Financing is one of the most serious problems of entrepreneurial SMEs, one of the symbols of social and economic development in the world, in order to sustain its existence in the current competitive environment. For this reason, it is very important to support enterprises in their first years, which can be considered their infancy.

In Turkey, the concept of entrepreneurship is almost identified with Small and Medium Enterprises Development Organization (KOSGEB). KOSGEB is the most important actor in this field with its applied entrepreneurship training and entrepreneurship support programs carried out for many years. KOSGEB's duties and responsibilities are to create a healthy entrepreneurial ecosystem, develop and support entrepreneurship, promote entrepreneurship culture, solve employment problems, and finally bring businesses to a competitive level in the international market.

This study aims to examine the contributions of the Advanced Entrepreneur Support Program implemented by KOSGEB to the small and medium enterprises and entrepreneurship ecosystem. The results of the study conducted with the entrepreneurs who started the support process by giving a commitment within the scope of the Advanced Entrepreneur Support Program between the years 2019 and 2022 were evaluated. 455 entrepreneurs participated in the study, inferences were made according to the results of the data obtained. It has been observed that the program has positive effects on issues such as the number of employed personnel, net sales revenue, and exports, which can be considered economic indicators. In addition, the relations between the variables affecting the support rates and the economic indicators were examined by hypothesis tests. At the end of the study, the results related to the analyses regarding the determinations and other questions of the survey were evaluated and some suggestions were presented.

Keywords: Entrepreneurship, Advanced Entrepreneur, SME, KOSGEB.

ÖZET

KOSGEB İLERİ GİRİŞİMCİ DESTEK PROGRAMININ KOBİLER ÜZERİNDEKİ ETKİLERİNİN ARAŞTIRILMASI

Girişimcilik günümüzde özellikle gelişmekte olan ülkeler için ekonominin itici gücü olarak değerlendirilmektedir. Girişimci işletmeler ekonomiye canlılık kazandırmalarının yanı sıra yeni istihdam olanakları yaratarak sosyo-ekonomik dengenin korunmasını sağlarlar. Teknolojik ve bilimsel gelişmelerin ticarileşme derecesi de girişimcilik faaliyetlerine bağlıdır. Bu yüzden ekonomik kalkınmanın sürdürülebilir olması girişimcilik kültürünün topluma yayılması ile mümkündür. Bununla birlikte küreselleşme ile birlikte ekonomiler arası etkileşimin artması, gelişen teknoloji, iletişim ve lojistik alanındaki gelişmeler işletmeler arası rekabeti yerelden küresel düzeye taşımıştır. Dünyada sosyal ve ekonomik gelişmişliğin sembollerinden biri olan girişimci KOBİ'lerin mevcut rekabet ortamında var olabilmek adına en ciddi sorunlarının başında finansman gelmektedir. Bu nedenle girişimci işletmelerin emekleme dönemleri sayılabilecek olan ilk yıllarında desteklenmeleri oldukça önemlidir.

Ülkemizde girişimcilik kavramı neredeyse KOSGEB ile özdeşleşmiş durumdadır. KOSGEB uzun yıllardır yürüttüğü uygulamalı girişimcilik eğitimleri ve girişimcilik destek programları ile bu alandaki en önemli aktördür. Sağlıklı bir girişimcilik ekosisteminin oluşturulması, girişimciliğin geliştirilmesi ve desteklenmesi, girişimcilik kültürünün yaygınlaştırılması, istihdam sorunlarının çözümü ve nihayetinde işletmelerin uluslararası piyasada rekabet edebilir seviyeye gelmesi KOSGEB'in görev ve sorumlulukları arasındadır.

Bu çalışmanın amacı KOSGEB'in uygulamaya koyduğu İleri Girişimci Destek Programı'nın KOBİ'lere ve girişimcilik ekosistemine katkılarını incelemektir. Çalışma üç bölümden oluşmaktadır. İlk bölümde girişimcilik kavramı ayrıntılı bir şekilde ele alınmış, girişimcilik türleri ve Türkiye'de girişimciliğin tarihsel gelişimi ortaya konmuştur. İkinci bölümde KOBİ kavramı ve öneminden bahsedilmiş, KOSGEB hakkında genel bilgilere ve KOSGEB tarafından yürütülen İleri Girişimci Destek Programına yer verilmiştir. Çalışmanın son bölümünde 2019-2022 yılları arasında İleri Girişimci Destek Programından yararlanmaya başlamış girişimciler ile yapılan anket sonuçları değerlendirilmiştir. Çalışmaya 455 girişimci katılmış, elde edilen verilerin sonuçlarına göre çıkarımlar yapılmıştır. Programın ekonomik gösterge olarak değerlendirilebilecek istihdam edilen personel sayısı, net satış hasılatı, ihracat gibi konularda olumlu etkileri olduğu gözlemlenmiştir. Ayrıca hipotez testleri ile destek oranlarını etkileyen değişkenlerin ekonomik göstergelerle ilişkileri incelenmiştir. Çalışmanın sonunda söz konusu tespitler ve anketin diğer soruları ile ilgili yapılan analizlere ilişkin bulgular değerlendirilmiş ve bazı öneriler sunulmuştur.

Anahtar kelimeler: Girişimcilik, İleri Girişimci, KOBİ, KOSGEB.

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ABBREVIATIONS

etc.	: Et cetera
EU	: European Union
GEM	: Global Entrepreneurship Monitor
IMF	: International Monetary Fund
IMKB	: Istanbul Stock Exchange
İŞGEM	: Business Development Center
KOSGEB	: Small and Medium Enterprises Development Organization
KSEP	: SME Strategic Action Plan
KÜSGEM	: Small Industry Development Center
KÜSGET	: Small Industry Development Organization General Directorate
NACE	: Classification of Economic Activities in the European Community (Nomenclature Statistique Des Activites Economiques Dans La Communaute Européenne)
OECD	: Organization for Economic Cooperation and Development
OSB	: Organized Industrial Zone
R&D	: Research and Development
SME	: Small- and Medium-sized Enterprise
SPSS	: Statistical Packages for the Social Sciences
TL	: Turkish Lira
TOBB	: Union of Chambers and Commodity Exchanges of Turkey
TSKB	: Industrial Development Bank of Turkey
TÜİK	: Turkish Statistical Institute
TÜSİAD	: Turkish Industry and Business Association
USA	: United States of America
USD	: United States Dollar

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INTRODUCTION

The importance of labor has decreased and mental labor has become more valuable with the transition from an industrial society to an information society. Efficient utilization of natural resources; introduction of new products, processes, and methods; diversification of employment areas; and bringing material resources into the economy are possible with entrepreneurial activities, the products of a mental effort. Today, it is possible to state that the development level of a country is directly proportional to its entrepreneurial potential. Consequently, it is very important to generalize entrepreneurship culture and also support entrepreneurship in developing countries such as Turkey.

Considering all sectors in the world and in our country, the industrial sector is certain to act as a locomotive for economies. The development of a country depends on its success in the industrial sector. In our country, importance has been attached to the support and development of the industrial sector; and the industrial sector, particularly the manufacturing industry, has had a special place in the preparation of development plans and economic policies. The manufacturing industry has also been subjected to subdivisions depending on the technology intensity. To summarize; fields such as aviation, medical, electronics, and informatics are considered at a high technology level; sectors such as electrical appliances, machinery manufacturing, and sea and land vehicles are considered at a medium-high technology level; and productions such as textiles, furniture, food, etc. are considered at a low technology level. All such sectors are considered important in our country.

SMEs and particularly entrepreneurial SMEs are important economic units for development. The establishment of new enterprises and investments in different sectors will accelerate through the support of entrepreneurs and the intervention of the state in the economy will thusly be minimized.

Although different institutions are operating to develop and support entrepreneurship in our country, the most important institution in this regard is KOSGEB.

Within the scope of the Entrepreneurship Support Program carried out by KOSGEB between 2010 and 2019, 66,148 enterprises received a total of 1.7 Billion TL support, 603,000 people were employed in these enterprises and a total export of 550 million USD was realized. Despite the profound success of this program, the Entrepreneurship Development Support Program came into effect in 2019 as a consequence of feedback from SMEs, the determination of the manufacturing industry as the target group, and the update of the support rates. This program has been divided into 2, i.e., Traditional Entrepreneur Support Program and Advanced Entrepreneur Support Program. The Traditional Entrepreneur Support Program is oriented towards the service sector, while the Advanced Entrepreneur Support Program has been designed for the benefit of manufacturer entrepreneurs (including the IT sector).

The Advanced Entrepreneur Support Program can be considered a relatively new program. There is no academic study on this support program. The final effects of a support program can only be understood after the completion of the program and the availability of the official data. However, today's rapid change in every field renders the examination of the performance of support provided by public resources inevitable. Therefore, this thesis can be considered an early-period review of the Advanced Entrepreneur Support Program. During the preparation of the study, the number of enterprises having completed the program, which had a support period of 2 years and came into effect in 2019, was not at a sufficient level to obtain meaningful inferences. Therefore, a questionnaire was sent to all enterprises that benefited from the program, and meaningful results were revealed by evaluating the data of these enterprises for the last fiscal year, 2021. The study consists of three sections. In section one, the concept of entrepreneurship is discussed in detail, the types of entrepreneurship and the development of entrepreneurship in Turkey are revealed. In section two, the concept of SME and its importance are mentioned, and general information about KOSGEB and the Advanced Entrepreneur Support Program carried out by KOSGEB is given. In the last section of the study, the results of the questionnaire applied to the enterprises benefiting from the program were evaluated.

SECTION ONE

CONCEPTUAL FRAMEWORK OF ENTREPRENEURSHIP

In the first section, the definitions of entrepreneur and entrepreneurship will be explained; the types, characteristics, and affecting factors of entrepreneurship will be emphasized, and general information will be given on the importance of entrepreneurship.

1.1. CONCEPTS OF ENTREPRENEUR AND ENTREPRENEURSHIP

Every individual is considered a consumer due to their needs and desires which are inevitable for the sustainability of life. The concept of consumption is directly related to the concept of production. Production is defined in the dictionary of the Turkish Language Association as "creating a new good or service as a result of certain activities and procedures". When handled in an economic context, there are 4 basic factors to realize production. These are natural resources (raw materials, soil, etc.), labor (labor force), capital, and entrepreneurship (Mankiw, 2014).

Entrepreneurship, which has the meaning of starting or launching an enterprise in Turkish, is defined as "an economic unit with a certain title, location, capital, and organization" (Parıltı and Aydıntan, 2008: 352). The person who initiates an enterprise is called an entrepreneur.

Entrepreneurship is a term widely discussed by ordinary people, academics, and enterprises. However, there is some confusion regarding the definition of the term in terms of its meaning and scope. Some believe that entrepreneurial action is related to specific people who have decided to start a new enterprise, while others consider the concepts in a trans-corporate context. Despite several studies and research in the field of entrepreneurship, there is no absolute definition of the entrepreneur (Shane, 2003).

The term entrepreneur was first defined by Irish-French economist Richard Cantillon in his work "Essai sur la nature du commerce en général" in 1755 in the economics literature. According to Cantillon, an entrepreneur is an investor who

undertakes a risk by buying a good at a certain price in order to sell the same at an uncertain price in order to make a profit (Çetindamar, 2002: 33). The definition of Cantillon highlights the aspect of risk. In addition to Cantillon, another Frenchman Jean Baptiste Say defines an entrepreneur as a person who leads transformation by increasing the efficiency of the inputs of production and has management skills (Demirel and Tikici, 2010). German economist Joseph Alois Schumpeter defines an entrepreneur as a person who creates innovations and changes in the product or production process, thereby emphasizing the innovative aspect of the entrepreneur in his book *The Theory of Economic Development* (1911) (Odabaşı, 2005: 91).

Despite the presence of different definitions of the concept of entrepreneur, it is seen that new features are associated with entrepreneur and entrepreneurship in the process from the past to the present. However, it can basically be stated that features such as taking risks, creating innovations, and seizing opportunities are mentioned in all definitions regarding the entrepreneur. In the modern context, an entrepreneur can be defined as a person who can turn opportunities into profit by taking advantage of opportunities in market conditions involving risk and high uncertainty. The entrepreneur creates value by bringing together natural resources, labor, and capital. Other factors of production lack meaning without an entrepreneur (Kirzner, 1973).

The concept of entrepreneurship is sometimes confused with concepts such as business owner, capitalist, manager, and/or employer. All aforementioned concepts are involved in the term entrepreneurship, but none of them can merely be used interchangeably with entrepreneurship (Stevenson and Jarillo, 2007).

Entrepreneurship has also been studied in the disciplines of psychology and sociology apart from economics. While psychology studies entrepreneurship in the context of the entrepreneur's personal characteristics, sociology handles its environmental effects. Whether personal characteristics or environmental factors are effective on entrepreneurship has been the subject of many pieces of research. While studies that emphasize personal characteristics focus on the need to achieve, risk, and having control,

studies on environmental factors focus on external environmental factors such as market structure and the state as well as cultural structures and traditions (Aytaç, 2006: 142).

Entrepreneurship creates positive social change as well. It encourages innovation and technical change and transforms new knowledge into products and services. Entrepreneurship contributes to social welfare by creating new products, new technologies, new markets, new industries, new jobs, and new corporate forms. Entrepreneurs both work to solve problems and create more creative and innovative approaches for efficient problem-solving. If new jobs and social changes were not created continuously, economies would come to a standstill (Baumol, 1990).

The subject of entrepreneurship has been attracting attention since the 1980s. The main reason for this is that entrepreneurship is increasingly accepted as a fundamental practice for the economic development of countries. Technological developments, start-up culture, innovative ideas, investor networks, and public incentives in all societies have made entrepreneurship popular and increased the number of works in this field (Shane, 2009).

1.2. CHARACTERISTICS OF ENTREPRENEURS

Despite the differences in personal characteristics of entrepreneurs, some characteristics are expected to be found in all entrepreneurs. There are different opinions about which features should be present in entrepreneurs, but there are some characteristics that are agreed on in almost all studies (Gartner, 1985).

Taking risks is a feature included in most research when describing the entrepreneur since Cantillon. The reason is that the entrepreneurial process consists of multivariate uncertainties. Mentioned here is not the tendency of entrepreneurs to take high risks, but their success in managing risk. There are four types of risk in entrepreneurship. These are economic risk, career risk, social risk, and psychological risk (Timuroğlu and Çakır, 2014: 123).

Risk refers to the probability of a situation, while uncertainty is the expectation regarding a situation, regardless of the probability. Therefore, the entrepreneur in the position of decision maker should be able to give positive reactions in the presence of high uncertainty, stand behind his decisions, and have tolerance in the face of uncertainties (Hofstede, 1991).

Independence is the freedom of the entrepreneur to act independently in the process of evaluating opportunities and decision-making (Brenkert, 2009). An independent person does not subject himself to manipulation and does not need others to confirm his opinions.

The concepts of innovation and creativity are indispensable characteristics of an entrepreneur. All innovations are created by creativity. Creativity refers to a process, while innovation refers to a result. Only creative individuals can make dreams come true. These individuals are also social, sensitive, and open to learning. Innovations can be an innovation in a product or market or can manifest themselves as technological innovations. For a broader explanation, creating a new product, process, and production method or ensuring the differentiation of existing products can be expressed as innovation (Rogers, 2003).

Self-efficacy is an individual's belief in their abilities to overcome difficulties. People with high self-efficacy awareness can use personal initiative while making decisions. These people tend to cope with difficult conditions (Speier et al., 1997).

The concept of locus of control (supervision) is one of the crucial concepts associated with entrepreneurship. Some people consider daily life events as the result of their actions. These people with an internal locus of control believe that changes and events are affected by their knowledge, experiences, and choices. Some people, on the other hand, tend to explain all events with external factors such as chance, coincidence, and fate. Having an external locus of control causes indifference in people while people with an internal locus of control are open to trying more to achieve and questioning

themselves in the face of events. Therefore, an entrepreneur is expected to have an internal locus of control (Zahra and Covin, 1995).

Leadership is the ability to lead people. The leader brings together, influences, and directs individuals in line with organizational goals. The duties of a leader are the management of the group, establishing a balance among people, and providing coordination for organizational success (Akyürek, 2020: 17). The entrepreneur is required to lead the established organization and guide the initiative towards its goals.

In addition to all these, the features included in the extensive studies in the literature are the ability to plan, build relationships, determination, communication skills, and commitment (Hisrich, Peters and Shepherd, 2019).

1.3. FACTORS AFFECTING ENTREPRENEURSHIP

Entrepreneurship is a complex process affected by a number of factors. This complex socioeconomic structure will be more easily understood by examining the factors affecting said process. In addition to the personality traits described in the previous section, 4 main entrepreneurship-affecting factors may be mentioned. These are demographic factors, environmental factors, cultural factors, and psychological factors. Entrepreneurship is shaped in line with these fundamental factors (Hofstede, 1980).

1.3.1. Demographic Factors

Demographic factors consist of age, gender, and education variables (Kutanis and Tütüncü, 2010).

1.3.1.1. Age

There is a significant correlation between the tendency to be an entrepreneur and age. Most studies state that the most suitable age for entrepreneurship is between 22 and 45 years old. The fact that young individuals have fewer responsibilities than older

individuals increases their entrepreneurial tendencies. The main reason for this is the uncertainty of the world of entrepreneurship. It is a fact that young people in their 20s, despite their high energy and motivation, lack capital, experience, and environment. On the other hand, individuals in their 40s, despite having the necessary capital, experience, social status, and environment may avoid entrepreneurship due to their family responsibilities and the environment of uncertainty. Furthermore, it will be very difficult to compensate for a possible failure at this age. For these reasons, some studies have stated that the ideal age to start an enterprise for entrepreneurs is the early 30s for men and the mid-30s for women (Hisrich, 1985).

1.3.1.2. Gender

According to TÜİK's (Turkish Statistical Institute) Women with Statistics 2020 report dated March 2021, only 28.7% of those employed in Turkey in 2019 were women. According to the same report, as of 2019, the rate of graduation from college or faculty over the age of 25 in Turkey is 23.1% for the male population, while this rate is 18.5% for the female population (TÜİK, 2021). These rates are directly related to the meanings attributed to genders by society and the roles assigned to individuals. It would not be wrong to state that similar data apply to the whole world population. Studies in the literature indicate a higher rate of entrepreneurial tendency in men than in women.

1.3.1.3. Education

Education is one of the important demographic factors affecting entrepreneurship. In today's competitive environment, knowledge, skills, and abilities acquired through education are the keys to success. Many studies have revealed a positive and significant correlation between education and entrepreneurship. In recent years, in addition to traditional training, entrepreneurship courses aimed at encouraging creativity and innovation, risk-taking, and independence have gained importance. The reason for this is the increase in the need for entrepreneurship in all economies (İrmiş et al., 2010: 25).

1.3.2. Social Factors

Most of the research in the field of social factors affecting the entrepreneur has focused on the family and the environmental and cultural structure of the entrepreneur (Aldrich and Cliff, 2003).

1.3.2.1. Family

The family in which an individual was born and grew up affects the decisions to be made throughout his life directly or indirectly. Encouragement of children from an early age by their family and the support in their decisions increases self-confidence and courage (Durak, 2011). A person brought up in a non-restrictive family environment will certainly be more successful in making independent decisions. Additionally, supporting children even in their mistakes will provide them with the ability to take risks in their later ages. Studies examining the effect of the family on entrepreneurship have revealed that the occupations of the parents affect the entrepreneurial tendency of the person. Individuals with an entrepreneur in their family tend to be more entrepreneurial (Hisrich, 1985).

1.3.2.2. Environmental and Cultural Structure

Human nature has an obligation to interact with its environment. Therefore, the entrepreneur cannot remain indifferent to the conditions around him and is greatly affected by them. Elements of the entrepreneur's environment can be defined as partners, employees, customers, market conditions, competitors, government and government agencies, policies, financial institutions, international organizations, laws, and regulations (Zahra and Wright, 2016).

The success of an enterprise depends on environmental conditions as much as personal characteristics. For example, a gap in the market can trigger entrepreneurial activity and enable the utilization of this opportunity. Incentive policies of a government can increase the R&D activities of enterprises. Financial institutions can provide micro

loans to entrepreneurs who want to start an enterprise. These examples can be multiplied; however, no matter what, environmental factors should not be ignored while examining entrepreneurship (Parker, 2009).

Culture regulates and directs all relations and interactions of the group within its scope. Social norms, traditions, and lifestyles are the reflections of our culture in our lives. In this context, it is impossible for entrepreneurship not to be affected by culture. Researches reveal a relationship between entrepreneurship and culture. According to Morrison, the culture encourages entrepreneurship. For example, tolerance for failure in democratic cultures encourages entrepreneurs to try new things. As a result, the entrepreneurial ecosystem is more developed in egalitarian cultures such as the USA, Canada, and Australia (Morrison, 2000: 62-66).

1.3.3. Psychological Factors

There are some psychological factors underlying an individual's being an entrepreneur. The individual may decide to become an entrepreneur for reasons such as better working conditions, the need for success, the need for independence, the need for financial freedom, social status, and self-actualization. In addition, professional experience and role models are among the psychological reasons as well (Davidsson, 2006).

1.3.3.1. Need for Success and Power

Success may be insignificant for some of us, while anything can be done for success for others. Although the hunger for success differs from individual to individual, it can be defined as one of the most important motivational factors for entrepreneurs (Gartner, 1989).

Individuals with a higher need for success are more likely to engage in activities that require individual skill and effort, require a high degree of responsibility for positive outcomes, are moderately risky, and require clear feedback on performance than those

with a lower need for success. Therefore, people with a higher need for success will be more likely to continue their careers as entrepreneurs (McClelland, 1962). The need for success has a very useful role in explaining the entrepreneurial activity and is an effective tool for distinguishing between entrepreneurs and the general population (Johnson, 1990).

1.3.3.2 Need for Independence and Financial Freedom

Independence requires taking responsibility for one's own life rather than living in the shadow of others and using one's judgment. Many studies point to the desire for independence as the main reason for an individual to become an entrepreneur. People who want to spend their time and energy for themselves rather than others are more likely to be entrepreneurs. The main motivation of these people is the desire not to take orders from others (Shane et al., 2000: 260).

The need for financial freedom is one of the factors that drive many people to become entrepreneurs. Money cannot solve every problem, but we know that money can make life easier somehow. What lies under the desire for financial freedom is the need for people to secure their standard of living and increase their family income level. Therefore, people with the motivation to become entrepreneurs often have a stronger desire to make more money despite financial risks compared to others (Krueger, 1993).

1.3.3.3 Need for Self-Realization and Social Status

Abraham Maslow classified human needs with his theory of needs in 1943 (Maslow, 1943).

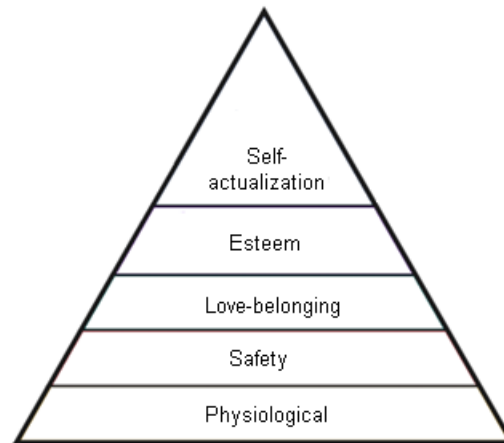


Fig. 1. Maslow's Hierarchy of Needs

Self-actualization needs are located at the top of Maslow's hierarchy of needs. According to Maslow, even if the needs of individuals such as shelter, food, drink, security, love, and respect in society are met, individuals still need to realize themselves and take actions in accordance with their potential. Maslow defines the need for self-actualization as follows: "Even if the needs in lower levels are met, an individual is often restless and dissatisfied unless he self-actualizes himself. If he will be happy in the end, a musician should make music, an artist should paint, and a poet should write. This need can be called self-actualization" (Maslow, 1943).

One of the important elements that initiate the entrepreneurial process is the need for self-actualization of individuals. It can be stated that individuals with a higher drive for self-actualization are more willing to succeed, and individuals in this situation have a higher tendency to become entrepreneurs (Özden et al., 2008: 5).

1.4. IMPORTANCE OF ENTREPRENEURSHIP

After the industrial revolution, the rapid development of technology and the transition to the information society have created radical changes in the field of production and management. This period, in which micro-level changes created macro-level effects, was the beginning of globalization. In this period, national economies have been substituted by international economies. While all sectors were experiencing a new

transformation process with globalization, the importance of entrepreneurship has increased to a great extent (Ersoy, Parıltı and Okur, 2006).

To understand the importance of entrepreneurship, this subject should be handled with respect to two important functions. Entrepreneurship affects societies in both economic and social aspects.

1.4.1 Economic Function of Entrepreneurship

The economic function of entrepreneurship is shown in Table 1 at an individual level, enterprise level, and macro level.

Table 1. Role of Entrepreneurship in Economic Development

Process	Outcome
Individual Level	Individual Success
	Individual Development
	Individual Income
	Individual Satisfaction
Enterprise Level	Employment
	Transfer of Resources to Economy
Macro Level	New Product and Technology
	Increase in Supply and Demand
	Economic Growth

Reference: Güney, 2008: 68.

When entrepreneurship is evaluated at the individual level, it is seen to be a process that provides success, development, income, and satisfaction to the entrepreneur. The process of entrepreneurship at the enterprise level ensures the development of employment opportunities and the transfer of resources to the economy. When evaluated at the macro level, new products, processes, and technologies, increase in supply and demand, and economic growth can be considered as the outputs of the entrepreneurial process (Baumol, 2010).

Entrepreneurs affect not only their enterprises but also the level of economic development in their region. The establishment of new enterprises by entrepreneurs increases competition and productivity, thusly ensuring the effective use of resources and their transfer to the economy. New enterprises create new industries. Economic resources are transferred from the low-efficiency area to the high-efficiency area (TÜSİAD, 2002: 42). In addition, as an important subject in our present day, new employment opportunities enabled by new investments are of vital importance in the fight against unemployment. New enterprises established by entrepreneurs have positive contributions to employment. Enterprises are, in addition to economic growth, also the key to social welfare, as these enterprises attract investments in the regions of their location and keep the income within the region. One of the most important examples is Silicon Valley in the USA. Hewlett-Packard (HP), which was founded in 1939 in Palo Alto, California has led this region to become a technology base. Many technology-based enterprises have been established in the region with the encouragement of Stanford University. Companies such as Apple, Adobe, Cisco, E-bay, Facebook, Intel, Netflix, Nvidia, Tesla, and Twitter, which are a few of the most important companies in the world today, are located in this region. According to the 2011 report by the research firm Fenwick, Silicon Valley received 41% of all US entrepreneurship investments in 2011 (Kramer and Patrick, 2012). San Jose, where Silicon Valley is located, is the 3rd region in the world with the highest per capita income after Zürich and Oslo (Hall, 2015).

Entrepreneurs ensure the spread of innovation in the field of production by creating new production processes. High value-added products and production processes provided by entrepreneurs, by creating new industries, both contribute to the economy of the countries and raise living standards by responding to social needs on a global scale (OECD, 2003: 38). In addition, new products affect total demand and supply, thereby accelerating economic growth.

1.4.2. Social Function of Entrepreneurship

Entrepreneurship is profoundly important in terms of both economic and social benefits. Entrepreneurs create new products or services with the purpose of providing

social benefits. Entrepreneurship, a stimulation for creative thinking by its nature, is very important in the emergence of new ideas in society. Entrepreneurship is functional in the change and development processes of societies due to its innovative and pioneering characteristics (Bozkurt et al., 2012).

1.5. TYPES OF ENTREPRENEURSHIP

Over the years, there have been changes in the definition of entrepreneurship as well as in its types. Many types of entrepreneurs are mentioned in the researches. GEM divides entrepreneurs into two. These are entrepreneurs of opportunity and entrepreneurs of necessity. In some studies in the literature, entrepreneurs have different classifications according to their ownership status, enterprise size, and purpose. The types frequently encountered in the literature are given below.

- **Opportunistic Entrepreneurship:** Recognizing and evaluating opportunities before other people is the underlying phenomenon of entrepreneurship. Opportunity entrepreneurship is, by anticipating changes in the market, possible crises, and the demands of the market, the introduction of products or services to the market at the right time of need. Norman Smith, in a study in 1967, defines opportunistic entrepreneurs as individuals from the middle class, educated and experienced in the field of management, and developing innovative strategies by sensing opportunities (Rauch and Frese, 2000).

- **Creative Entrepreneurship:** Creativity is one of the distinctive personality traits of an entrepreneur. Creative entrepreneurship is the creation of a new product or service to make a profit, or the differentiation of an existing product or service in terms of quality, price, or design, and the introduction of the same to the market (Ulaş, 2006).

- **Public and Private Sector Entrepreneurship:** A distinction is made between the public and private sectors in the classification of entrepreneurs according to their ownership status. Public entrepreneurship is the state's engagement in or supporting entrepreneurial activities with public resources considering the benefit of society. This type generally emerges with the objectives of public interest such as increasing the

employment opportunities provided to the citizens and the realization of domestic production. In private sector entrepreneurship, enterprise ownership belongs to the entrepreneur, the entrepreneur provides capital for his enterprise and carries out his commercial activities by assuming the risk. What is important in the private sector entrepreneurship is that the entrepreneur makes a profit on his own behalf (Alper, 2020).

- **Internal Entrepreneurship:** It is a situation that arises within the existing enterprise and is independent of the scale of the enterprise. Internal entrepreneurship is defined as the development of new products, methods, or processes by creative employees in an organization with the purpose of seizing opportunities by using business resources. This phenomenon increases the competitiveness among employees and profitability and productivity at the enterprise scale (Ağca and Baş, 2014). While performing an entrepreneurial activity at the individual level, entrepreneurs must cope with all the difficulties encountered; however, as business resources are used in internal entrepreneurship, the process works more smoothly as long as employees can be motivated.

- **Technology Entrepreneurship:** The rapid change and development of technology make the emergence of new types of entrepreneurs inevitable. Technology entrepreneurship is a type of entrepreneurship that focuses on research and development activities, is technology-based, and highlights innovation and creativity. It is usually carried out by teams united with the same goal (Top, 2006).

- **Original Entrepreneurship:** Original entrepreneurs are individuals who take action to realize an idea within the scope of their knowledge, skills, and experience. Originality as used herein refers to the first use of an idea or invention. This type of entrepreneur is often the first to bring a product, service, or method to market.

- **Women Entrepreneurship:** On examination of the studies in the literature, it is seen, especially in recent years, that the subject of women entrepreneurship has been handled separately from the general field of entrepreneurship. Developing technology and the increase in education level have changed the role of women in social life and ensured

their higher participation in business life. Today, women entrepreneurship has become a subject that is discussed separately due to the development and change in social, demographic, industrial, and economic fields (Güney, 2008). Some studies reveal that the main motivation of male entrepreneurs is to make a profit, while female entrepreneurs focus on reasons such as social acceptance and reputation (Karadal and Kaygın, 2014).

- **Social Entrepreneurship:** While social entrepreneurship includes aspects such as taking risks, creating innovations for solving problems, and utilizing opportunities in other types of entrepreneurship, the main purpose of this type is not to make a profit, but to produce solutions to the problems in the society (Kılıç, 2020). The social entrepreneur notices a social problem, creates a project that focuses on the solution of this problem, creates resources for the implementation of the project, and finds a method for its sustainability. Social entrepreneurs are as important as commercial entrepreneurs in the development of societies (Denizalp, 2007).

- **Eco-entrepreneurship:** Eco-entrepreneurship, which can also be referred to as environmental entrepreneurship, aims at environment-oriented development. Today, along with urbanization, industrial activities have increased considerably compared to previous years. Preservation of the environment has become important for governments, companies, non-governmental organizations, and normal individuals today. Eco-entrepreneurs strive to minimize the damage to the environment, as well as to earn profits during their commercial activities. Since the sustainability of enterprises and human life depends on natural resources, an innovative perspective that puts the environment at the forefront is very important for sustainable development (Ganiyusufoğlu, 2018).

Apart from the above-mentioned types of entrepreneurship, there are different definitions in the literature such as large-, small- and medium-sized entrepreneurship, positive entrepreneurship, imitative entrepreneurship, virtual entrepreneurship, corporate entrepreneurship, professional entrepreneurship, academic entrepreneurship, youth entrepreneurship, and entrepreneurial entrepreneurship.

1.6. DEVELOPMENT OF ENTREPRENEURSHIP IN TURKEY

In the studies in the literature, the development of entrepreneurship in Turkey has been handled to cover the period both before and after the republican period. However, in the pre-republican period, the Turks were not very interested in manufacturing and trade; were directed to jobs such as military service, bureaucracy, animal husbandry, and agriculture, and non-Muslim origins such as Greeks, Armenians, and Jews living in the region mostly undertook jobs such as manufacturing and trade.

Studies on pre-republican entrepreneurship generally start from the Anatolian Seljuk period. In the 13th century, the Ahi organization, similar to today's unions of tradesmen and craftsmen, was founded. The Ahi organization, which was based on cooperation and solidarity in trade, accelerated the urbanization of the nomadic Turks, ensured the participation of Turks in commercial activities in the region, and accelerated the Turkification of Anatolia and the spread of the religion of Islam.

Another economic development in the Anatolian Seljuk period was the land reform called the Iqta system. With the Iqta system, the ownership of the land was considered to belong to the state, and the peasants engaged in agricultural activities were considered tenants. Thanks to this structure, the feudal regime and land aristocracy came to an end, and the peasants were made landlords (Tabakoğlu, 2009).

During the Ottoman period, commercial activities were under the control of the state. Manufacture, trade, and prices were regulated. With the Timar system, agricultural activities were carried out uninterruptedly, and production activities were carried out by guild organizations. Qadis and Ihtisab collectors controlled and regulated the quantity, quality, and prices of the products produced.

A guild system is a form of organization between tradesmen based on the Ahi organization. The guilds provided solidarity among the city tradesmen, encouraged production, trained qualified personnel and craftsmen, and improved work ethic (Ganiyusufoğlu, 2018). In the Ottoman Empire, the economy remained dependent on

agriculture, and the Timar system formed the basis of both agriculture and the economy. As in the Anatolian Seljuks, the land was considered the property of the state, and the farmer cultivating the land was considered a tenant. The tax was mostly collected as crop, the excess was converted into cash and transferred to the treasury. In addition, Timar owners were responsible for providing the livelihood of a certain number of soldiers depending on their land size (Tezel, 1994).

At the beginning of the 20th century, a basic industry could not be established in the Ottoman Empire, and no national bourgeois class was formed in the country to ensure capital accumulation. The capitalist class disappeared, especially following the First World I when the minorities having a significant part of the capital left the country.

Between February 17 and March 4, 1923, before the declaration of the republic, the Izmir Economy Congress was held to determine the development plan of the new state. Important decisions were taken for economic independence at the congress with the opening speech held by Mustafa Kemal Atatürk. The main aim is the transition to a liberal economic model with the help of domestic capital instead of the economy directed by foreign investors.

Some of the important decisions taken at the Izmir Economics Congress are as follows (Kayıran and Saygın, 2019);

- A State Bank should be established to support private enterprises,
- The logistics problem should be solved with railway construction,
- Employees should be called "workers" instead of "laborers" and union activities should be supported,
- Industrial branches based on domestic raw materials should be established, and forests and underground resources should be protected,
- Formations based on foreign capital should be avoided,
- State-sponsored investments should be made in areas unfavored by the private sector,

- A transition should be ensured from micro-level manufacturing to a large-scale enterprise model and the establishment of joint stock companies should be encouraged.

The development of industry and commerce guided by Turkish entrepreneurs and the transition to a domestic and national economy was aimed at this congress. With the same purposes, the "Industrial Promotion Law" came into force in 1927. Although the state aimed to help entrepreneurs with this law, most of the enterprises benefiting from this law were not industrial enterprises. Turkey was affected by the 1929 crisis called the Great Depression as well, and the activities of private enterprises were damaged. With the crisis, a statist and planning economic model was adopted. According to the surveys carried out at that time, the number of industrial establishments within the scope of the Industrial Promotion Law in 1932 was 1,473, and only 31 of them were state institutions. In 1939, the number of establishments decreased down to 1,144 and the number of state institutions became 111. Briefly, the share of state institutions in the industry increased from 2.1% to 9.7%. World War II, which started after the economic crisis, was also effective in this increase (Kasalak, 2012).

Although the 1950s and 1960s were the transition period to a liberal economy, the state continued market-narrowing interventions. In this period, having planned to transfer state enterprises to the private sector, the Democratic Party government had to increase public investments instead. Investments were made in industrial branches such as energy, coal, and cement, and highway construction was accelerated. The Turkish Industrial Development Bank was established during these years with the purpose of supporting and developing the private sector. The founding purpose of TSKB (Turkish Industrial Development Bank) can be explained as providing loans to the private sector, technical consultancy for private sector projects, studies on the capital market, and providing foreign exchange for imports (TSKB, 2021).

Entrepreneurship activities were adversely affected due to the ideological fights between 1960 and 1980, the foreign oil crises, the embargoes applied after the 1974 Cyprus Operation of Peace, and the problems in foreign exchange, thereby slowing down the development of entrepreneurial culture. In addition, due to the import policies

implemented in this period, which continued until 1980, an inefficient industry was formed which was far from competition and quality and led to expensive production. One of the most important developments of this period was the establishment of the Turkish Industry and Business Association (TÜSİAD) in 1971.

One of the milestones of entrepreneurship in Turkey is the implementation of the strategic program known as the "Decisions of January 24" on January 24, 1980. With this plan created under the leadership of the Prime Ministry Undersecretary, Turgut Özal, the daily exchange rate was applied with devaluation, and measures were taken to reduce the share of the state in the economy. The transition to an open growth strategy instead of an import substitution growth strategy laid the foundations of the market economy. The program focused on payment difficulties, inflation, and the acceleration of economic growth in the short term, and aimed at reducing intervention in the markets by the government and shrinkage of the public sector in the long term (Karluk, 1996: 401). The participation in the Customs Union in 1995 revitalized the private sector and increased the harmony of our country's economy with the outside world.

The 1997 Asian financial crisis that started in Thailand in 1997 and the Russian crisis, the agreement with the IMF, the political instability in the country, and the developments in the banking sector dragged Turkey into a major economic crisis. In the period known as the November 2000 crisis, interest rates increased from 36% to 65%, but this period was recovered with a loan from the IMF. However, this temporary solution did not suffice. A debate between the President and the Prime Minister in February 2001 triggered a new crisis. On February 21, 2001, known as Black Wednesday, there was a decrease of 18.1% in the Istanbul Stock Exchange Market, and the overnight interest rate increased to 6200% on the same day. A strategic plan "Strong Economy Transition Program" was put into practice for the solution to this crisis (Ongun, 2001).

The political change in 2002 affected economic policies as well. In this period, great steps were taken towards privatization, and a period of rapid growth was initiated with structural reforms to ensure stability, tight monetary and fiscal policies, and the support of global economies. According to TOBB statistics, the number of newly

established enterprises in Turkey was 51,971 in 2010 while 67,622 new enterprises were established in 2015 and 133,830 in 2020 (TOBB, 2021).



SECTION TWO

CONCEPT OF SME AND KOSGEB

In section two, SME definitions will be mentioned, and the characteristics of SMEs and the factors affecting SMEs will be emphasized. General information will be provided about the Small- and Medium Enterprises Development Organization (KOSGEB) and the support programs provided by KOSGEB to entrepreneurs will be examined.

2.1. CONCEPT OF SME

There is no universal, mutually agreed definition of the term SME, which is used to describe small- and medium-sized enterprises. The main reason is that countries classify small- and medium-sized enterprises depending on their economic conditions. SMEs are labor-based enterprises that operate on a local basis, have low production and management costs, are capable of making quick decisions, and have independent administrations (İraz, 2005). In international definitions, SMEs are seen to be generally classified by their quantitative characteristics.

The definition of SME in Turkey was first made within the scope of the "Regulation on Definition, Qualifications, and Classification of SMEs" in 2005. The definition of SME was then revised with the "Regulation on Definition, Qualifications, and Classification of Small- and Medium-sized Enterprises" published in the Official Gazette dated March 18, 2022 and entered into force with the decision number 2022/31782. With this regulation amendment, enterprises with an annual net sales revenue or financial balance sheet below 250 million Turkish Liras and employing less than 250 personnel are defined as SMEs. SMEs are further classified as micro-, small-, and medium-sized enterprises.

Table 2. Classification of Small- and Medium-sized Enterprises in Turkey

Scale	Number of Employees	Annual Net Sales Revenue or Financial Balance Sheet (Million TL)
Micro-sized Enterprise	<10	≤5
Small-sized Enterprise	10-49	≤50
Medium-sized Enterprise	50-249	≤250

Reference: Official Gazette No. 31782 dated 18.03.2022

According to the revised amounts published in the official gazette dated March 18, 2022, an enterprise is considered a micro-sized enterprise in case of an employee number below 10 and net sales revenue or total financial balance sheet below 5 million TL; an enterprise is considered a small-sized enterprise in case of an employee number between 10-49 and net sales revenue or total financial balance sheet below 50 million TL, and an enterprise is considered a large-sized enterprise in case of an employee number between 50-249 and net sales revenue or total financial balance sheet below 250 million TL

SME classification in the European Union was made with the decision of the European Commission dated May 6, 2003 and numbered 2003/361. The classification of the European Union was made based on the number of employees, net sales revenue, and total balance sheets of the enterprises.

Table 3. Classification of Small- and Medium-sized Enterprises in the European Union

Scale	Number of Employees	Annual Net Sales Revenue (Million EUR)	Total Financial Balance Sheet (Million EUR)
Micro-sized Enterprise	<10	≤2	≤2
Small-sized Enterprise	10-49	≤10	≤10
Medium-sized Enterprise	50-249	≤50	≤43

Reference: European Commission Recommendation 2003/361

SME definition may change in some EU member states. In some countries, different criteria not included in the table above gain importance. For example, an independent management, a qualitative criterion in the Netherlands, determines the status

of SMEs. A sector-based identification method is used in the UK. Accordingly, an enterprise operating in the sector of construction and mining must have a maximum of 25 employees to be considered an SME. This number is 250 for the manufacturing sector (Çelik, 2007). In France and Germany, enterprises with less than 50 employees are considered small-sized enterprises. For medium-sized enterprises, this number is defined as more than 50 and less than 250 in France, while enterprises with more than 50 and less than 500 employees are considered medium-sized enterprises in Germany.

The United States of America (USA) also took the sectoral distinction into account while classifying SMEs. The enterprises that are divided into manufacturing, wholesale trade, retail trade and service, and agricultural enterprises are evaluated based on different employee numbers and annual sales revenues. The table below shows the SME classification in the USA.

Table 4. Classification of Small- and Medium-sized Enterprises in the United States

Sector	Scale	Number of Employees	Annual Net Sales Revenue (Million USD)
Manufacture	Small-sized Enterprise	1-49	<2.5
	Medium-sized Enterprise	50-499	2.5-21
Wholesale Trade	Small-sized Enterprise	1-49	<7
	Medium-sized Enterprise	50-499	7-25
Retail Trade and Service	Small-sized Enterprise	-	<3
	Medium-sized Enterprise	-	3-13
Agriculture	Small-sized Enterprise	-	<0.5
	Medium-sized Enterprise	-	0.5-9

Reference: Müftüoğlu, T., Durukan, T. (2004) Girişimcilik ve Kobiler, Gazi Kitabevi, Ankara.

Similar to the USA, Japan also uses a sector-based calculation method when classifying SMEs. In Japan, enterprises below a certain amount of capital are classified according to the number of their employees.

Table 5. Classification of Small- and Medium-sized Enterprises in Japan

Sector	Medium-sized Enterprises		Small-sized Enterprises
	Capital (Million Yen)	Number of Employees	Number of Employees
Manufacture	< 300	< 300	< 20
Wholesale Trade	< 100	< 100	< 5
Service	< 50	< 100	< 5
Retail Trade	< 50	< 50	< 5

Reference: The Small and Medium Enterprise Agency (<https://www.chusho.meti.go.jp/>)

2.2. STRUCTURAL CHARACTERISTICS OF SMES

Since the managers of the SME enterprises are also the owners of these enterprises, the owners have the characteristics of the managers of the enterprises. Therefore, SMEs have a strong sense of initiative, aim to maintain their independence, and reach results faster by making quick decisions (Melemen, 2001). SMEs easily overcome the bureaucracy in large-sized enterprises with their personnel numbers and organizational structures. Thus, they can adapt to new applications more quickly by making quick decisions. In addition, it enables them to adapt these flexible structures to rapidly changing market conditions and rapidly developing technology.

Some of the generally accepted characteristics of SMEs are as follows (Tatlıdil and Candemir, 1998: 3):

- The enterprises consist of an individual structure or a sole proprietorship structure.
- In general, professional managers are not employed in the enterprise and the enterprise owners are also managers.
- Since the managers are the owners of the enterprise, they are not supervised by a higher authority, thereby ensuring faster and more independent decisions.
- Due to the vague definition of job descriptions within the enterprise, employees' level of specialization is generally low.

- The proximity between enterprise and consumer, worker and employer, and supplier and enterprise is much greater than in large-sized enterprises.

2.3. ADVANTAGES OF SMES

SMEs assuming a very important role in the global economy have many advantages compared to large-sized enterprises. The success of SMEs in economic indicators and the fact that SMEs carry out most of the global economic activities cannot be explained by coincidence or luck. In addition, this is not the result of SME policies and support, but their advantages compared to large enterprises (Bulut, Öngören and Engin, 2006: 153).

SMEs employ personnel much more easily than large enterprises. While large enterprises tend towards more qualified personnel, SMEs can hire the required personnel in a very short time with lower costs (Türkoğlu, 2003). These low-paid employees have closer relationships with managers and enterprise owners. This increases their motivation, enables them to perform better, and these employees are highly committed to the enterprise. Thanks to their easy and unmediated communication, employees share their recommendations or negative experiences with managers and work in a relatively comfortable work environment.

SMEs can quickly change their production and service methods in line with the demands of their customers. Changes or investments in resources such as machinery-equipment, raw materials, and labor require meticulous planning in large enterprises. Another handicap is the long decision-making process. SMEs, with their flexible structures, can quickly adapt to the changing trends in the market and technology and thusly fill the gaps of large enterprises. Furthermore, SMEs have a very high ability to foresee the opportunities that may arise thanks to their close relationships with their customers (Kusmintarti and Basuki, 2019).

Enterprises meet the required raw materials and intermediate products from each other. The output of an enterprise can often be an input to a customer business. Enterprises

cannot produce every intermediate good of necessity. Therefore, some products can be purchased ready-made from outside or outsourced to a different enterprise. This frequently encountered situation in large enterprises creates a profitable market for SMEs, which are suppliers of related intermediate products (Aykaç, Parlak, and Özdemir, 2008).

Small- and medium-sized enterprises with high growth motivations tend to take more risks than large-sized enterprises. Despite their relatively lower production volumes than the large enterprises, they can sometimes create a price advantage compared to large enterprises due to their low input costs. These enterprises specialized in their sectors of operation follow innovations and opportunities better (KOSGEB, 2015: 48).

2.4. DISADVANTAGES OF SMES

The biggest problem of SMEs is the lack of equity capital. However, there are other problems encountered in the use of loans, high loan interest rates, and lack of information experienced in reaching the necessary financing for the enterprise. Another problem for SMEs that make their investments with their capital is the unpunctual collection of their receivables. This makes it difficult for them to make new technology investments and causes them to be deprived of the opportunities and advantages they otherwise can catch (Zengin, 2010). The inability to employ expert-level finance personnel in small- and medium-sized enterprises moves the enterprises away from economic discipline and prevents the forecasting of the unfavorable course in the financial situation (Çakır, 2011).

Another disadvantage of SMEs is marketing. The failure to follow up-to-date marketing strategies, not having sufficient budgets for sales and marketing, and failure to create a brand causes them to be in a disadvantageous position against large enterprises. It is very important to reach customers in markets with intense competition. However, this requires good planning, correct organization, and rational distribution of work (Yalçınkaya, 2006).

The management of enterprises by their owners provides an advantage to SMEs at the point of quick decision-making. However, the lack of expertise-entailing knowledge of enterprise owners in the fields of marketing, planning, finance, and accounting brings management and organizational problems together. The inability to transfer the management to professionals and the problems experienced in institutionalization limit the enterprise to the education and vision of its owner (Özbek, 2017).

Another problem for SMEs is the lack of information experienced in accessing foreign markets. These enterprises, which have difficulties in the area of international trade, cannot usually go beyond the local level due to production countries such as China, which can make production with cheap labor and low costs. In addition, due to the insufficient R&D and innovation activities within the enterprise, products with added value can be produced at a limited level (Yapraklı and Arslan, 2018).

2.5. IMPORTANCE OF SMES

From the industrial revolution to the 1970s, large enterprises were thought to be the foundations of economic development, and SMEs were thought to be insignificant units that could survive as long as large enterprises existed. In this period, with the fading of the concept of scale economy, large enterprises left their places to SMEs, which can make easy decisions, are flexible, and are the driving force in employment and regional development (Küçük, 2005).

According to the SME performance report published by the European Commission in 2019, SMEs in EU28 member states in 2018 provided job opportunities to 97,738,952 people by assuming 66.6% of the total employment. In addition, 56.4% of the total value added was created by SMEs. While 99.8% of the total enterprises were SMEs, 93% of them were micro-sized enterprises. Small-sized enterprises had a share of 5.9% and medium-sized enterprises had a share of only 0.9%. Large enterprises not included in the SME class employed 49,045,644 people. The number of enterprises,

employee number, and added value are given in the table below (European Commission, 2017a: 12).

Table 6. 2018 SME Summary of EU28 Member States

	Micro	Small	Medium	SMEs	Large	Total
Number of Enterprises						
Count (Thousand)	23,323	1,472	235	25,032	47	25,079
Ratio in all businesses	93.0%	5.9%	0.9%	99.8%	0.2%	100%
Employee Number						
Count (Thousand)	43,527	29,541	24,670	97,738	49,045	146,784
Ratio in all employment	29.7%	20.1%	16.8%	66.6%	33.4%	100%
Added Value						
Trillion (€)	1,610	1,358	1,388	4,357	3,367	7,723
Ratio in total value added	20.8%	17.6%	18%	56.4%	43.6%	100%

Reference: European Commission SME Performance Review

There is a similar situation in our country as well. According to the "Small- and Medium-sized Enterprise Statistics, 2019" report published by TÜİK (Turkish Statistical Institute) in December 2020, 99.8% of the total enterprises in 2019 were SMEs. 72.4% of total employment and 50.4% of total turnover were realized by SMEs. 92.4% of these SMEs were micro-sized, 6.4% small-sized, and 1.1% medium-sized enterprises.

Table 7. Turkey's Small- and Medium-sized Enterprise Statistics

	Micro	Small	Medium	SMEs	Large	Total
Number of Enterprises						
Count (Thousand)	2,979	207	34	3,221	7	3,228
Ratio in all businesses	92.3%	6.4%	1.1%	99.8%	0.2%	100%
Employee Number						
Count (Thousand)	5,620	3,110	2,597	11,329	4,327	15,656
Ratio in all employment	35.9%	19.9%	16.6%	72.4%	27.6%	100%
Added Value						
Billion (TL)	1,063	1,733	1,710	4,506	4,433	8,940
Ratio in total value added	11.9%	19.4%	19.1%	50.4%	49.6%	100%

Reference: TÜİK Küçük ve Orta Büyüklükteki Girişim İstatistikleri, 2019

According to the TÜİK's report, 36.6% of total exports in 2019 were made by SMEs. In addition, 31% of the total R&D expenses were made by enterprises in SME status. 325 of 1,396 patents registered in Turkey in 2019 were registered by SMEs. Similar statistics may be revealed in the world as well. Therefore, policies and incentives for SMEs as the driving force in national economies have gained importance in all countries (TÜİK, 2020).

SMEs ensure the continuity of competition within the economic system. The establishment of new enterprises every day and the presence of multiple companies in the market are very crucial for the market economy. In addition, generally owned by middle-class people, these enterprises lead to the equal distribution of income in society. Small- and medium-sized enterprises are mostly suppliers to larger enterprises. This increases inter-business loyalty, too. In addition to their contribution to employment and the production of new products, SMEs ensure the utilization of their owners' savings in the market by turning them into investments (Aykol and Taşkın, 2019).

2.6. INSTITUTIONS FOR SME ECOSYSTEM IN TURKEY AND THEIR DUTIES

Several studies have been carried out to create an effective SME policy in Turkey. The duties of the institutions responsible for the implementation of these policies are presented in detail in the study KSEP KOBİ Stratejisi ve Eylem Planı 2015-2018 (KSEP SME Strategy and Action Plan 2015-2018) prepared by the Small and Medium Enterprises Development Organization (KOSGEB). The organizational structures or names of some institutions in this study have changed until the present day, and the relevant changes are indicated in the section 2.6.

a. Ministry of Industry and Technology (Ministry of Science, Industry, and Technology)

To strengthen the technological infrastructure of the country's industry and to increase its competitiveness with the support given to entrepreneurship, innovation, and R&D studies, especially to SMEs, by developing and

implementing policies, strategies, plans, and programs in the field of industry and technology.

b. Department of Strategy and Budget (Ministry of Development)

To ensure the coordination of the preparation and implementation of policies regarding SMEs in development plans and annual programs. To prepare the development plan, medium-term program, medium-term financial plan, and Presidential annual programs.

c. Ministry of Commerce (Ministry of Economy)

To ensure the organization, support, and development of exports for the benefit of the country's economy in line with the principles, goals, and policies specified in the development plans and annual programs. To determine the policies, principles, and targets regarding tradesmen and craftsmen; to develop strategies for this target group; to ensure the management of MERSİS (Central Registration System) with the Tradesmen and Craftsmen Information System by carrying out services for the registry of tradesmen and craftsmen.

d. Ministry of Treasury and Finance (Ministry of Finance)

To implement tax incentives.

e. Presidency of the Council of the European Union (Ministry of EU)

To monitor and coordinate the harmonization with the EU legislation; to study and extend examples of good practice.

f. Turkish Standards Institute (TSE)

To carry out studies for the determination and publication of service and production standards of SMEs; to prepare international standards for export-oriented SMEs and to work in cooperation with SMEs to publish these studies in our country.

g. Scientific and Technological Research Council of Turkey (TÜBİTAK)

To develop science and technology policies; to encourage, support, coordinate, and carry out R&D activities.

h. Union of Chambers and Commodity Exchanges of Turkey (TOBB)

To reflect the views and contributions of the Union, its chambers, and members by taking part in policy and project development platforms for SMEs; to carry out research and solution development studies for sectoral problems by means of forming sectoral councils; to carry out informing and awareness-raising activities for SMEs.

i. Confederation of Turkish Tradesmen and Craftsmen (TESK)

To take part in policy and project development platforms for tradesmen and craftsmen, to carry out informing and awareness-raising activities for tradesmen and craftsmen.

j. Development Agencies

To implement regional project-based supports with 26 agencies in the Classification of Statistical Regional Units (NUTS) level 2 regions; to prepare regional plans.

k. Export Credit Bank of Turkey (Türk Eximbank)

To support export-oriented manufacturers with credit, insurance, and guarantee programs.

l. Credit Guarantee Fund (KGF)

To provide loan guarantee services for loans received by SMEs from banks.

m. Small and Medium Enterprises Development Organization (KOSGEB)

To coordinate the preparation and execution of the KSEP (SME Strategy and Action Plan); to provide services and support to SMEs.

2.7. SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ORGANIZATION (KOSGEB)

Under this headline, the development of KOSGEB from the past to the present, its operation and target population, and the support programs offered by KOSGEB to entrepreneurs will be highlighted.

2.7.1. Historical Development of KOSGEB

KÜSGEM (Small Industry Development Center), which was established in Gaziantep in 1973 within the framework of the agreement signed by our country with the United Nations Industrial Development Organization, constituted the basis of KOSGEB. This center, which was a pilot project, started to serve small-scale industrial enterprises with joint convenience workshops (KOSGEB, 2010).

In 1978, SEGEM (General Directorate of Industrial Training and Development Center) started its activities. SEGEM has pioneered the training of qualified personnel sufficient to meet the needs of industrial organizations, both in the classroom environment and in-plant job training (KOSGEB, 2010).

Following these studies, KÜSGET (Small Industry Development Organization General Directorate) started its activities according to the International Agreement on the "Development of Small Industry Extension Services" published in the Official Gazette dated September 6, 1984 and numbered 18157. KÜSGET carried out technical consultancy services, put the principles of modern management into practice, worked on the establishment and dissemination of world-standard quality awareness, raising the level of technological production, increasing the employment capacity, and also tried to perform services for strengthening the technical infrastructure for the achievement of modern management skills (KSEP, 2015: 3-4).

For sustainability and dissemination of SEGEM and KÜSGET services, the "Law on the Establishment of the Small and Medium Enterprises Development Organization"

dated April 12, 1990 and numbered 3624 was prepared and entered into force after its publication in the Official Gazette dated April 20, 1990 and numbered 20498. KOSGEB, which was established in 1990, provided support and services only to SMEs operating in the manufacturing industry until 2009, and the necessary legal basis was established for KOSGEB to support SMEs outside the manufacturing industry with the Law amendment made in 2009 (KSEP, 2015: 3-4).

2.7.2. General Operation and Target Population of KOSGEB

Small and Medium Enterprises Development Organization was established with the aim of increasing the share and efficiency of small- and medium-sized enterprises in meeting the economic and social needs of the country, increasing these SMEs' competitiveness and level, and realizing the integration in the industry in accordance with economic developments. The abbreviation of the organization is KOSGEB (Presidential Decree, 2018: 87).

The administrative bodies of KOSGEB are the General Assembly, the Executive Committee, and the Presidency. The Presidency is the executive body of KOSGEB and consists of the units in the central organization and KOSGEB Directorates in the provincial organization (KOSGEB, 2020a: 5). Headquartered in Ankara, KOSGEB continues its services with 88 Directorates in 81 provinces as of 2021.

KOSGEB's target population consists of SMEs and entrepreneurs employing less than 250 people per year and with annual net sales revenue or financial balance sheet below 125 million Turkish Liras. In addition, these enterprises within the definition of SME are required to operate in the sectors determined by the Decision on the Determination of Sectoral and Regional Priorities for Small- and Medium-sized Enterprises to Benefit from the Services and Supports of KOSGEB (KOSGEB, 2020a: 3).

SMEs and entrepreneurs are supported by the support programs established within the scope of the Regulation on KOSGEB's Support Programs published in the Official

Gazette dated June 15, 2010 and numbered 27612 (KOSGEB, 2020a: 13). As of 2021, KOSGEB's supports are classified under the following four main titles (www.kosgeb.gov.tr),

- Entrepreneurship Supports
- R&D, Technological Production, and Localization Supports
- Business Development, Growth, and Internationalization Supports
- SME Financing Supports

2.7.3. KOSGEB's Supports for Entrepreneurs

The first program carried out by KOSGEB for entrepreneurs is the Entrepreneurship Support Program, which was put into practice in July 2010. Application acceptance was allowed until 2019, and 66,148 newly established enterprises were supported within the scope of the relevant program during these 9 years. 1.2 million people attended the Applied Entrepreneurship Trainings, a prerequisite to benefit from the program. According to the New Entrepreneur Support Final Evaluation Report published by KOSGEB in 2020, the total payment made to the enterprises within the scope of this program was 1.7 billion TL. These enterprises have tax payments of 1.2 billion TL and SGK premium payments of 3 billion TL. In addition, 603,000 people were employed in these newly established enterprises and reached a total export amount of 550 million USD (KOSGEB, 2020b;1). The support amounts before the termination of the program was 2,000 TL for enterprise establishment expenses; 18,000 TL for machinery-equipment, office hardware, and software expenses; and 30,000 TL for operating expenses such as rent and employment. Entrepreneurs were also given an interest-free loan of 100,000 TL for machinery-equipment, office hardware, and software expenses (KOSGEB, 2018).

The biggest disadvantage of the Entrepreneurship Support Program, which has been terminated as of 2019, was that the enterprises within the scope of the program were not subject to any classification. There was no difference between an enterprise operating in the service sector and a manufacturer enterprise at an advanced technology level in

terms of the scope of the upper limits for the supports within the program. In addition, with such developments as inflation, exchange rate, etc., the upper limits of support became insufficient. As a result of the feedback from SMEs and the research on the support program, the Entrepreneurship Development Support Program was put into effect in 2019. The program consisted of two components, the Traditional Entrepreneur Support Program and the Advanced Entrepreneur Support Program. With the subsequent amendments, these programs became two separate programs.

One can benefit from the Traditional Entrepreneur Support Program and the Advanced Entrepreneur Support Program only once. The enterprise to benefit from the program should not be established to develop an existing business, rather should be an independent and newly established enterprise. The entrepreneur who will benefit from the support program must not have a business of natural person status from 3 years before the establishment date of his enterprise until the date of application for the program, and should not have a 30% or more partnership in any equity company. The entrepreneur, who has to apply to KOSGEB within one year after the establishment of the enterprise, must complete the Entrepreneurship Training before the establishment of the enterprise. The number of enterprises supported within the scope of Traditional and Advanced Entrepreneurship Support Programs as of the end of 2022 according to the KOSGEB database is given in Table 8. These data were obtained as a result of a written application to KOSGEB.

Table 8. Number of Supported Enterprises

Year	Number of Supported Enterprises	
	Traditional Entrepreneur Support Program	Advanced Entrepreneur Support Program
2019	3852	2504
2020	11788	5522
2021	17790	7042
2022	17768	6064

Reference: KOSGEB Database

2.7.3.1. Entrepreneurship Training

The prerequisite for benefiting from KOSGEB's entrepreneurship supports is to have completed the Entrepreneurship Training given by KOSGEB. This training was initially provided, along with KOSGEB, by stakeholders such as İŞKUR (Turkish Employment Organization), municipality, chambers of tradesmen, chambers of commerce and/or industry, etc. under the name of Applied Entrepreneurship Training. KOSGEB declared with its announcement published on its website on August 1, 2019 that the trainings have been completely transferred to the virtual environment, and those who want can receive the training can log in with their e-government password at lms.kosgeb.gov.tr. In addition, the training content was arranged according to the newly implemented programs. The Entrepreneurship Training consists of 2 parts, i.e., Traditional Entrepreneur Training and Advanced Entrepreneur Training. The completion of the Traditional Entrepreneur Training is a prerequisite for receiving the Advanced Entrepreneur Training (KOSGEB, 2019a).

The Traditional Entrepreneur Training consists of the following 8 sections (KOSGEB, 2019a);

- Basic concepts of entrepreneurship
- Seeing startup opportunities and generating/developing ideas
- Feasibility analysis
- Business models, customers, value propositions, and sources of income
- Economy, industry, competition, and customer analysis
- Legal background
- Ethical foundations of the enterprise
- Marketing principles and management

Entrepreneurs who want to benefit from the Advanced Entrepreneur Support Program and will operate in the predetermined sectors must complete the Advanced Entrepreneur Training in addition to the first module, which again consists of 8 sections given below (KOSGEB, 2019a);

- Networking
- Determination and management of the enterprise's financial structure
- Access to financial resources for new ventures
- Innovation management
- Intellectual property rights
- Professional management of enterprise and strategic management in SMEs
- Management of the growth process and growth strategies
- Business plan development

Entrepreneurs who complete the entrepreneurship training and meet the other requirements register to the KOSGEB database after completing the official establishment of their enterprises and apply for the program (KOSGEB, 2019a).

2.7.3.2. Traditional Entrepreneur Support Program

The Traditional Entrepreneur Support Program aims to increase the survival rate of new enterprises established by entrepreneurs. All entrepreneurial enterprises operating in the sectors supported by KOSGEB can benefit from this program. However, entrepreneurs who have previously benefited from the entrepreneurship supports provided by KOSGEB cannot benefit from this program. The duration of the program is 2 years, and enterprises can receive a support amount of up to 65,000 TL within the scope of the program. Within the scope of the support program, the enterprises are provided with establishment support, performance support, and certificate support (KOSGEB, 2019b).

- **Establishment Support:** Non-refundable support of 5,000 TL is provided to enterprises with a natural person status, and 10,000 TL to enterprises with a capital company status.
- **Performance Support:** This support is paid based on the number of premium days for the personnel employed before the SGK (Turkish Social Security Institution) within the scope of 4a in the relevant period at the end of the 1st

and 2nd years of the program. For the first performance period, 5,000 TL is paid to the enterprise with a total number of premium days between 180-539, 10,000 TL to the enterprise with a total number of premium days between 540-1,079, and 20,000 TL to the enterprise with the total number of premium days of 1,080 days or more. For the second performance period, a support of 5,000 TL is given to the enterprise with the number of premium days between 360-1,079, 10,000 TL to the enterprise with the number of premium days between 1,080-1,439, and 20,000 TL to the enterprise with the number of premium days of 1,440 days or more. In addition, in case an entrepreneur is a young person (under 30), woman, disabled, veteran, or first-degree relative of a martyr, 5,000 TL is added to the determined amounts in each performance period.

- **Certificate Support:** This support can be benefited by enterprises with the NACE Code in the dangerous and very hazardous class of the business lines included in the current Workplace Hazard Classes List in accordance with the Occupational Health and Safety Law No. 6331. Within the scope of the support, non-refundable support of up to 5,000 TL is provided for the occupational and technical certificates in compliance with the field of activity of the enterprise.

2.7.3.3. Advanced Entrepreneur Support Program

The Advanced Entrepreneur Support Program aims to increase the survival rate of new enterprises established by entrepreneurs in sectors determined in line with the strategic priorities of our country. This program can be utilized by enterprises operating within the scope of the Advanced Entrepreneur Support Program Activity Subjects Table according to the NACE Rev.2 classification system published by KOSGEB. In the related table, the activities to benefit from the program are also classified according to their technology levels as low, medium-low, medium-high, and high. Within the scope of the Advanced Entrepreneur Support Program, support is provided to enterprises operating in the IT-software field and R&D companies in natural sciences and engineering as well as in the manufacturing sector. The duration of the program is 2 years, and enterprises can

receive a support amount of up to 375,000 TL within the scope of the program depending on their technology level. Within the scope of the support program, the entrepreneurial enterprises are provided with establishment support, performance support, machinery-equipment and software support, mentorship, consultancy, business coaching support and certificate support (KOSGEB, 2019c).

- **Establishment Support:** Non-refundable support of 5,000 TL is provided to enterprises with a natural person status, and 10,000 TL to enterprises with a capital company status.
- **Performance Support:** This support is paid based on the number of premium days for the personnel employed before the SGK (Turkish Social Security Institution) within the scope of 4a in the relevant period at the end of the 1st and 2nd years of the program. For the first performance period, 5,000 TL is paid to the enterprise with a total number of premium days between 180-539, 10,000 TL to the enterprise with a total number of premium days between 540-1,079, and 20,000 TL to the enterprise with the total number of premium days of 1,080 days or more. For the second performance period, a support of 5,000 TL is given to the enterprise with the number of premium days between 360-1,079, 10,000 TL to the enterprise with the number of premium days between 1080-1,439, and 20,000 TL to the enterprise with the number of premium days of 1,440 days or more. In addition, in case an entrepreneur is a young person (under 30), woman, disabled, veteran, or first-degree relative of a martyr, 5,000 TL is added to the determined amounts in each performance period.
- **Machinery-Equipment and Software Support:** It is a support provided for the machinery-equipment and software to be purchased from the establishment date until the end of the 1st year of the program in the activity field of the enterprise. A support upper limit of 100,000 TL is given for enterprises operating at the low and medium-low technology levels, 200,000 TL at the medium-high technology level, and 300,000 TL at the high technology level. The rate of this support is 75%, and 15% is added to the support rate for

machinery-equipment and software with a domestic product certificate at the time of purchase.

- **Mentorship, Consultancy, and Business Coaching Support:** This support, which can be utilized by enterprises operating at the medium-high and advanced technology levels, is paid based on the consultancy and business coaching expenses that are started and completed during the program period. The upper limit of support is 10.000 TL and the support rate is 75%.
- **Certificate Support:** This support can be benefited by enterprises with the NACE Code in the hazardous and very hazardous classes of the business lines included in the current Workplace Hazard Classes List in accordance with the Occupational Health and Safety Law No. 6331. Within the scope of the support, non-refundable support of up to 5,000 TL is provided for the occupational and technical certificates in compliance with the field of activity of the enterprise.

SECTION THREE

THE EFFECTS OF KOSGEB ADVANCED ENTREPRENEUR SUPPORT PROGRAM ON SMES

In the third section of the study, the results of the survey conducted with the entrepreneurs were evaluated, whose applications were approved within the scope of KOSGEB's Advanced Entrepreneur Support Program and whose support process started between 2019 and 2022.

3.1. AIM AND IMPORTANCE OF THE STUDY

KOSGEB has encouraged many people to become entrepreneurs and start enterprises with its entrepreneurship-supporting programs for many years. However, it is very important to determine the effective utilization of the public resources allocated to the enterprises for designing such support programs according to our economic policies. This study aims is to examine the economic contributions of the Advanced Entrepreneur Support Program of KOSGEB, the leading institution in the development and support of SMEs in our country, which has been running since 2019.

The biggest obstacle to Turkey's economic growth and development today is the import-based economic system. For this reason, it is profoundly important to develop and support enterprises operating in the manufacturing sector. The main return of this approach is to bring resources to the economy, create new employment opportunities, make value-added production, and ensure exportation in the manufacturing sector. With this study carried out with the participation of manufacturing companies from all cities of Turkey, the effectiveness of the program will be evaluated by examining its contributions to employment, sales, and exports of the enterprises.

3.2. METHOD, LIMITATIONS OF THE STUDY AND HYPOTHESIS

In this study, the survey technique, which is one of the quantitative data collection methods, was used. The Questionnaire Form was sent to entrepreneurs across Turkey, whose applications to KOSGEB's Advanced Entrepreneurship Support Program were approved by the Evaluation Board and for whom the Advanced Entrepreneur Support Program process started. This method was preferred due to its ease in implementation, fastness and convenience to collect information directly.

During the preparation of the questionnaire, a literature review was conducted on studies on KOSGEB's supports and entrepreneurship. In this scope, a questionnaire form was formed by examining a number of studies, in particular "Yılmaz Akyüz (2013) *A Research on University Students' Perspectives on KOSGEB Supports and Entrepreneurial Tendencies: A Case Study of Uşak University.* ", "Evren Arıkan (2017) *Effects of KOSGEB supports on SME's: Case of Batman province* ", "Hasan Solmaz (2014) *Efficiency of government supports provided to SMEs and an application of SME's development organization in Diyarbakir* ", and "Hasan Güner (2016) *A research on KOSGEB applied entrepreneurship training and new entrepreneur support program as a support model* ". The studies conducted by KOSGEB were also used.

After the preparation of the questions to be included in the survey, a pilot study was made on 20 entrepreneurs. The questionnaire form consists of three sections and 48 questions. The first section consists of general information about the enterprise and entrepreneur, the second section consists of specific information about the enterprise, and the third section consists of questions containing general evaluations of KOSGEB and the Advanced Entrepreneur Support Program. 37 of the 48 questions in the questionnaire consist of multiple-choice questions and 11 of these questions are Likert-type statements. The purpose of using Likert -type questions in the study is to understand the perspectives, regardless of the main subject of the study, of the entrepreneurs on KOSGEB and the Advanced Entrepreneur Support Program. In the final section of the questionnaire, a separate section is left blank for the issues that the entrepreneurs might want to add.

The Cronbach's Alpha model in the IBM SPSS 26 program was used for the reliability analysis of the Likert-type statements in the questionnaire. Cronbach's Alpha shows the correlation value, and the scale is considered reliable with a coefficient of and above 0.70. The Cronbach's Alpha value was found to be 0.909 for 11 Likert-type statements used in the current survey study. According to this value, the reliability can be stated to be at a high level.

Table 9. Reliability Analysis of Likert-Type Statements

Cronbach's Alpha (α)	Statements (N)
0.909	11

The inability to access the official data of the enterprises benefiting from the support program is a negative aspect of the study. Another limitation of the study is the inability to reach entrepreneurs who set up enterprises without KOSGEB's support for a comparison of enterprises that receive and do not receive the support. The results of the survey are limited to the answers of 399 entrepreneurs who participated in the study and benefited from the Advanced Entrepreneur Support Program across Turkey. In addition, there is no information available on how and in which environment the participants filled out the electronic questionnaires. The entrepreneurs participating in the study were assumed to give correct and realistic answers to the survey questions.

The hypotheses of the research are classified under 6 main headings;

- a) Relationship between the Employee Number of the Enterprise and Benefiting from the Performance Support, Technology Level and Legal Status

H_0 = There is no relationship between the number of employees and benefiting from the performance support.

H_1 = There is a relationship between the number of employees and benefiting from the performance support.

H_0 = There is no relationship between the employee number and the technology level of the enterprise.

H_1 = There is a relationship between the employee number and the technology level of the enterprise.

H_0 = There is no relationship between the employee number and the legal status of the enterprise.

H_1 = There is a relationship between the employee number and the legal status of the enterprise.

b) Relationship Between the Total Financial Balance Sheet and the Technology Level and Legal Status

H_0 = There is no relationship between the total financial balance sheet and the technology level of the enterprise.

H_1 = There is a relationship between the total financial balance sheet and the technology level of the enterprise.

H_0 = There is no relationship between the total financial balance sheets and the legal status of the enterprise.

H_1 = There is a relationship between the total financial balance sheets and the legal status of the enterprise.

c) Relationship Between the Net Sales Revenue and the Technology Level and Legal Status

H_0 = There is no relationship between the net sales revenue and the technology level of the enterprise.

H_1 = There is a relationship between the net sales revenue and the technology level of the enterprise.

H_0 = There is no relationship between the net sales revenue and the legal status of the enterprise.

H_1 = There is a relationship between the net sales revenue and the legal status of the enterprise.

d) Relationship between Export Status of the Enterprise and Benefiting from the Mentorship, Consultancy, and Business Coaching Support

H_0 = There is no relationship between the export status of the enterprise and benefiting from the business coaching, consultancy, and business coaching support.

H_1 = There is a relationship between the export status of the enterprise and benefiting from the business coaching, consultancy, and business coaching support.

e) Relationship between the Legal Status of the Enterprise and Benefiting from the Enterprise Establishment Support

H_0 = There is no relationship between the legal status of the enterprise and benefiting from the establishment support.

H_1 = There is a relationship between the legal status of the enterprise and benefiting from the establishment support.

f) Relationship between Professional and Technical Certification and Benefiting from the Certificate Support

H_0 = There is no relationship between the professional and technical certification of the enterprise and benefiting from the certificate support.

H_1 = There is a relationship between the professional and technical certification and benefiting from the certificate support.

While creating the hypothesis tests of the study, the relationship between the enterprise establishment support, the Performance Support, the Machinery-Equipment and Software Support, the Mentorship, Consultancy, and Business Coaching Support, and the Certificate Support and variables such as employment, net sales revenue, total financial balance sheet, and export status was examined.

3.3. STUDY POPULATION AND SAMPLE

The main population of the thesis study consists of enterprises benefiting from the Advanced Entrepreneur Support Program across Turkey. According to KOSGEB's database, the number of enterprises benefiting from the program from 2019, which is the effective date of the program, until the end of 2022 is 21.132. Per the Support Program legislation, the enterprise must apply to the program within one year from the establishment date. Therefore, enterprises with establishment dates before 2018 did not benefit from this program.

Table 10. Distribution of Enterprises Supported under the Program by Years

Year	Number of Supported Enterprises
2019	2504
2020	5522
2021	7042
2022	6064

Reference: KOSGEB Database

Since the study population covers enterprises all across Turkey, the questionnaire form prepared via Google Forms was sent to all 21.132 enterprises via e-mail, and 455 enterprises were included in the study by answering the survey. As it is not possible to classify the enterprises according to their dates of establishment dates during the submission of survey questions, the forms filled by the enterprises with the establishment dates of 2022 were not used in the analyses. The reason for this is that these enterprises do not have data on economic indicators such as net sales revenue, total financial balance sheet, and the last approved fiscal year for 2021. In addition, 12 of the entrepreneurs

participating in the study did not answer some questions. As a result, the answers from 399 enterprises were analyzed. Considering the population size, this number can represent the population size with a margin of error of approximately 2.12% with a confidence interval of 95% (Survey system, 2023).

3.4. EVALUATION OF STUDY RESULTS

The questionnaire form was applied through Google Forms between February 6, 2023 and February 15, 2023, and the 399 applicable questionnaire forms obtained as a result of this application were first transferred to MS Excel and then to IBM SPSS 26. Measures such as mean, standard deviation, and frequency were calculated with these tools, and various data were obtained to interpret the study

3.4.1. Information on Entrepreneurs

In this section, the demographic characteristics such as gender, age, education level, and work experience of the participants were tried to be revealed with the results of the questions asked to the entrepreneurs participating in the study. The figures and tables formed with the answers to the questions in the questionnaire form are included in the sub-headings in detail.

3.4.1.1. Genders of Entrepreneurs

The distribution of the entrepreneurs participating in the study by gender is shown in Table 11.

Table 11. Distribution of Participants by Gender

Gender	N	%
Male	306	76.7
Female	93	23.3

On examination of the distributions of the participants by gender, it was concluded that 23.3% were female and 76.7% were male.

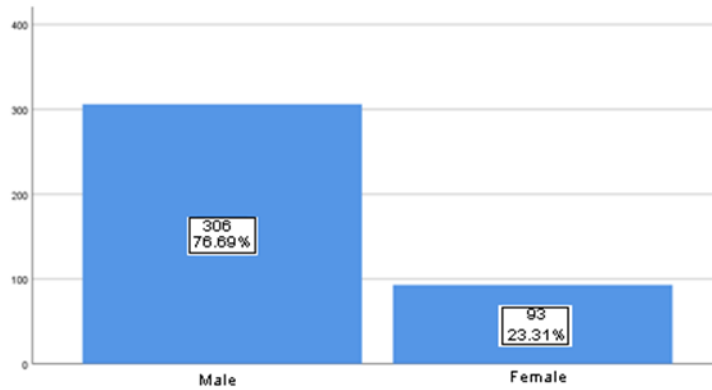


Fig. 2. Distribution of Participants by Gender

3.4.1.2. Ages of Entrepreneurs

The distribution of the entrepreneurs participating in the study by age groups is shown in Table 12.

Table 12. Distribution of Participants by Age Groups

Age	N	%
18-24	30	7.5
25-30	76	19
31-36	100	25.1
37-45	130	32.6
46-60	57	14.3
60+	6	1.5

On examination of the distribution of the participants by age group, it was seen that 7.5% were in the "18-24" age group, 19% in the "25-30" age group, 25.1% in the "31-36" age group, 32.6% in the "37-45" age group, 14.3% in the "46-60" age group, and 1.5% in the "60+" age group.

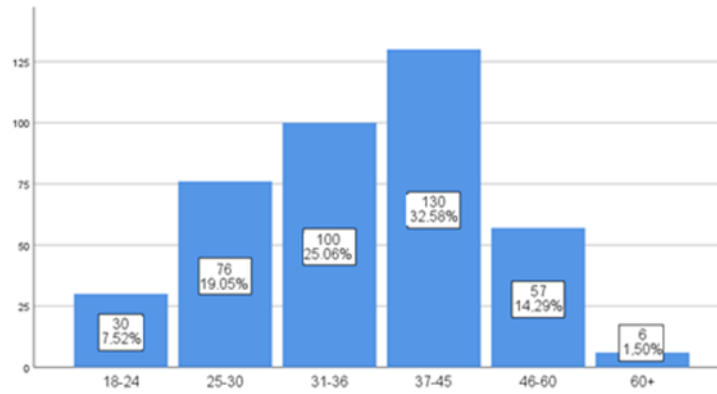


Fig. 3. Distribution of Participants by Age Group

3.4.1.3. Educational Level of Entrepreneurs

The education levels of the entrepreneurs participating in the study are shown in Table 13.

Table 13. Distribution of Participants by Education Levels

Educational Level	N	%
Primary School	75	18.8
High School	132	33.1
Associate	48	12
Bachelor	114	28.6
Master/PhD	28	7
Other	2	0.5

On examination of the distribution of the participants by education level, it was detected that 18.8% of participants checked the answer "primary education", 33.1% "high school", 12% "associate", 28.6% "bachelor", 7% master/PhD" and 0.5% "other".

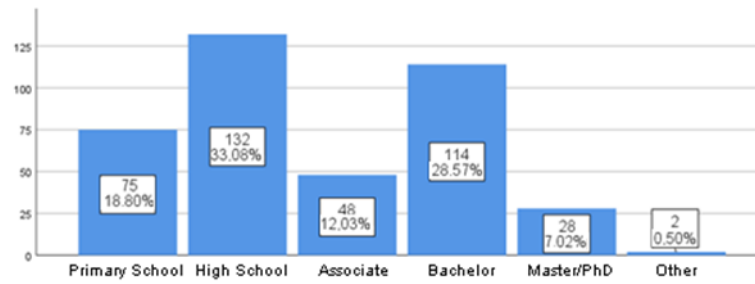


Fig. 4. Distribution of Participants by Education Levels

3.4.1.4. Work Experiences of Entrepreneurs

The distribution of work experience and the distribution of total professional experience of the entrepreneurs participating in the study in the sector of their enterprises are shown in Table 14 and Table 15.

Table 14. Distribution of Participants by Sector-Related Work Experience

Work Experience	N	%
Yes	338	84.7
No	61	15.3

On examination of the answers to the question "Do you have any work experience in the sector of your enterprise?", 84.7% of them answered "yes" and 15.3% answered "no".

Table 15. Distribution of Total Professional Experience of Participants by Year Groups

Year(s) of Professional Experience	N	%
1-5 Years	114	28.6
6-10 Years	100	25.1
11-20 Years	108	27.1
20 Years and above	77	19.3

On examination of the distribution of the participants by their answers to the question "How many years is your total professional experience?", it was found that 28.6% answered "1-5 years", 25.1% "6-10 years", 27.1% "11-20 years", and 19.3% "20 years and above."

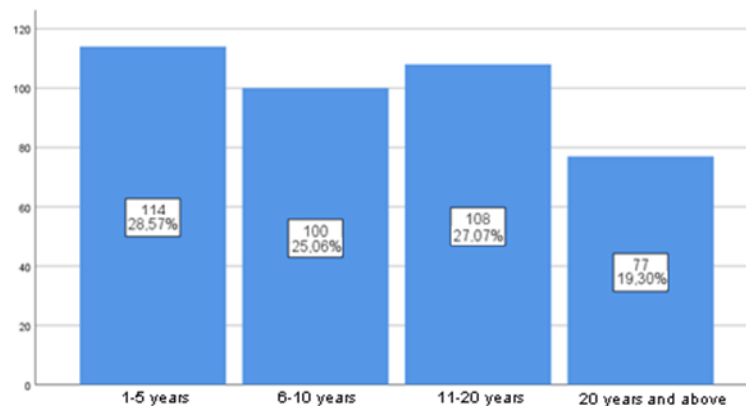


Fig. 5. Distribution of Total Professional Experience of Participants by Year Group

3.4.2. Information on Enterprises

In this section, the information based on the questions asked to the entrepreneurs participating in the study about the enterprises such as establishment date, legal status, registered professional organization, the sectors of operation, the location of the enterprises, etc. will be explained through tables.

3.4.2.1 Establishment Dates of Enterprises

The distribution of enterprises participating in the survey by establishment date is shown in Table 16.

Table 16. Distribution of Enterprises by Establishment Date

Establishment Date	N	%
2018	25	6.3
2019	107	26.8
2020	138	34.6
2021	129	32.3

455 enterprises participated in the survey. The answers of 44 enterprises that participated in the study and were established in 2022 were excluded from the analysis as they did not have financial data for 2021. In addition, 12 entrepreneurs were not included in the analysis because they did not answer all of the survey questions. On examination of the answers to the question "What is the establishment date of your enterprise?", it was seen that 6.3% of the participants answered the question as 2018, 26.8% as 2019, 34.6% as 2020, and 32.3% as 2021.

3.4.2.2. Legal Statuses of Enterprises

The distribution of enterprises participating in the survey by their legal statuses is shown in Table 17.

Table 17. Distribution of Enterprises by Legal Status

Legal Status	N	%
Sole Proprietorship	256	64.1
Limited Company	122	30.6
Incorporated Company	21	5.3

On examination of the answers to the question "What is the legal status of your enterprise?" by the enterprises participating in the survey by answering the questionnaire questions, it was determined that 256 (64.1%) of the participants answered the question as "Sole Proprietorship", 122 (30.6%) as "limited company", and 21 (5.3%) as "incorporated company". Sole proprietorships can be said to be preferred by entrepreneurs for their ease and lower costs of establishment compared to enterprises with other legal statuses.

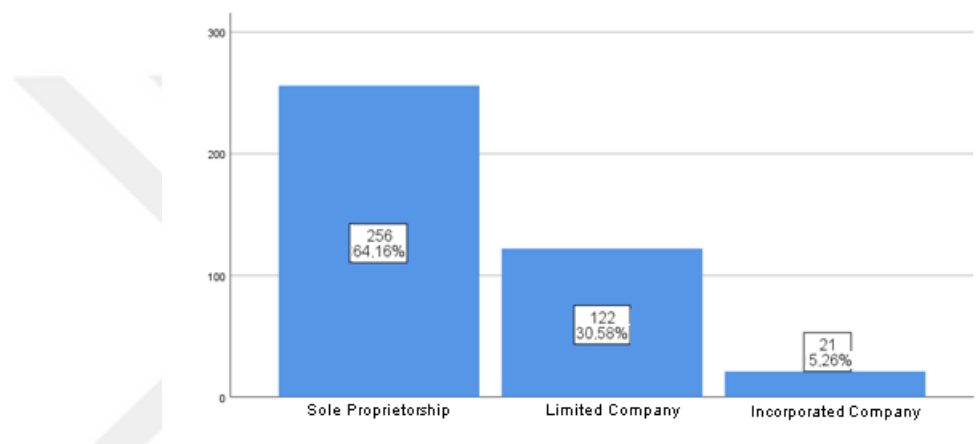


Fig. 6. Distribution of Enterprises by Legal Status

3.4.2.3. Registered Professional Organization of Enterprises

The distribution of the enterprises participating in the study by their registered professional organization is shown in Table 18.

Table 18. Distribution of Enterprises by Registered Professional Organization

Professional Organization	N	%
Chamber of Commerce and Industry	185	46.4
Chamber of Tradesmen and Craftsmen	214	53.6

On examination of the answers of the participants to the question "Which professional organization are you registered with?", it was seen that 185 (46.4%) of the participants answered the question as "Chamber of Commerce and Industry" and 214 (53.6%) as "Chamber of Tradesmen and Craftsmen". Limited and Incorporated companies must register with the Trade Registry Directorate and therefore with the Chamber of Commerce and Industry, according to the Turkish Commercial Code. However, sole proprietorship companies that have an income below the annual income determined by the Ministry of Finance and hence are not considered merchants can register with the Chamber of Tradesmen and Craftsmen. Since the registration costs are relatively lower than the Chamber of Commerce and Industry, sole proprietorships companies, which constitute the majority of the enterprises participating in the study, are preferably registered with the Chamber of Tradesmen and Craftsmen.

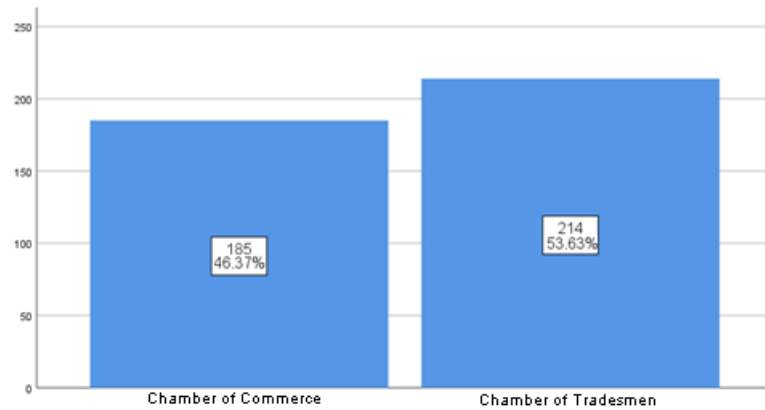


Fig. 7. Distribution of Enterprises by Registered Professional Organization

3.4.2.4. Sectors of Operation of Enterprises

The distribution of enterprises participating in the study by the sector of operation is shown in Table 19.

Table 19. Distribution of Enterprises by Sectors

Sector (NACE Code)	N	%
10 - Manufacture of Food Products	32	8
11 - Manufacture of Beverages	2	0.5
13 - Manufacture of Textile Products	50	12.5
14 - Manufacture of Clothing	18	4.5
15 - Manufacture of Leather and Related Products	8	2
16 - Manufacture of Wood, Wood Products, and Cork Products (Excluding Furniture); Manufacture of Knitted Goods from Reed, Straw, and Similar Materials	23	5.7
17 - Manufacture of Paper and Paper Products	15	3.8
18 - Printing and Reproduction of Recorded Media	9	2.3
19 - Manufacture of Coke and Refined Petroleum Products	2	0.5
20 - Manufacture of Chemicals and Chemical Products	12	3
21 - Manufacture of Basic Pharmaceutical Products and Pharmaceutical Materials	1	0.3
22 - Manufacture of Rubber and Plastic Products	7	1.8
23 - Manufacture of Other Non-Metallic Mineral Products	6	1.5
24 - Base Metal Industry	9	2.3
25 Manufacture of Fabricated Metal Products (Excluding Machinery and Equipment)	13	3.3
26 - Manufacture of Computers, Electronic, and Optical Products	12	3
27 - Manufacture of Electrical Equipment	12	3
28 - Manufacture of Machinery and Equipment Not Classified Elsewhere	19	4.7
29 - Manufacture of Motor Land Vehicle, Trailer and Semi-Trailer	6	1.5
31 - Manufacture of Furniture	51	12.7
32 - Other Manufactures	50	12.5
35 - Manufacture and Distribution of Electricity, Gas, Steam and Ventilation System	1	0.3
38 - Waste Collection, Treatment, and Disposal Activities; Recovery of Substances	2	0.5
59 - Motion Picture, Video, and Television Program Production, Sound Recording and Music Broadcasting Activities	5	1.3
62 - Computer Programming, Consultancy, And Related Activities	26	6.4
63 - Information Service Activities	1	0.3

On examination of the answers of the participants to the question "What is the sector of your enterprise's operation?" (It will be selected according to the first 2 digits of your NACE code), more than half of the enterprises (51.6%) were determined to operate in 5 main sectors. These are Manufacture of Furniture, Manufacture of Textile Products, Other Manufactures, Manufacture of Food Products and Manufacture of Wood, Wood Products, and Cork Products, respectively. There are no enterprises operating in the fields of "Manufacture of other transportation vehicles" and "Telecommunication" among the enterprises participating in the study.

3.4.2.5. Locations of Enterprises

The distribution of the enterprises by their location of operation is shown in Table 20.

Table 20. Distribution of Enterprises by Location of Operation

Place of Activity	N	%
Inner City	186	46.6
Small Industrial Area	106	26.6
Organized Industrial Zone	28	7
Teknopark/İŞGEM	27	6.8
Free Zone	13	3.3
Other	39	9.7

On examination of the answers of the participants to the question "Where is the location of operation of your enterprise?", 186 (46.6%) of the participants were detected to answer the question as "Inner City", 106 (26.6%) as "Small Industrial Area", 28 (7%) as "Organized Industrial Zone", 27 (6%) as "Teknopark/İŞGEM", 13 (3.3%) as "Free Zone" and 39 (9.7%) as "Other".

3.4.2.6. Internet Use

The distribution of the enterprises participating in the study by internet use is shown in Table 21.

Table 21. Distribution of Enterprises by Internet Use

Internet Connection	N	%
Yes	299	74.9
No	100	25.1

On examination of the answers of the participants to the question "Do you have an Internet connection in your enterprise?", 74.9% (299 enterprises) were found to answer the question as "yes" and 25.1% (100 enterprises) as "no".

3.4.2.7. Number of Computers in the Enterprise

The distribution of the enterprises participating in the study by computer use is shown in Table 22.

Table 22. Distribution of Enterprises by Number of Available Computers

	N	%
0	44	11.0
1-3	307	76.9
4-6	38	9.5
7-10	6	1.5
11+	4	1.0

On examination of the answers of the participants to the question "How many computers (workstation, tablet, etc.) do you have in your enterprise?", the answer "1-3" was detected to be given by 76.9% (307 enterprises), "4-6" by 9.5% (38 enterprises), "7-

10" by 1.5% (6 enterprises) and "11+" by 1% (4 enterprises). 44 enterprises answered this question as "0", indicating the absence of any computers in their enterprises.

3.4.2.8. Corporate Web Page Use

The distribution of the enterprises participating in the study by corporate web page use is shown in Table 23.

Table 23. Distribution of Enterprises by Corporate Web Page Use

Web Page Use	N	%
Yes	207	51.9
No	192	48.1

On examination of the answers of the participants to the question "Do you have a corporate website for your enterprise?", 51.9% answered "yes" and 48.1% "no".

3.4.2.9. Status of Online Sales

The distribution of the enterprises participating in the study by their statuses of online sales is shown in Table 24.

Table 24. Distribution of Enterprises by Their Statuses of Online Sales

Status of Online Sales	N	%
Yes	138	34.6
No	261	65.4

On examination of the answers of the participants to the question "Do you sell online?", it was observed that 34.6% (138 enterprises) answered the question as "yes" and 65.4% (261 enterprises) as "no".

3.4.2.10. Production Structure

The distribution of the enterprises by production structure is shown in Table 25.

Table 25. Distribution of Enterprises by Production Structure

Production Structure	N	%
Contract production	36	9.0
Independent production	194	48.6
Both contract and independent production.	169	42.4

On examination of the answers of the participants to the question "What is the production structure of your company?", 9% (36 enterprises) were determined to answer the question as "Contract production", 48.6% (194 enterprises) as "Independent production", and 42.4% (169 enterprises) as "Both contract and independent production".

3.4.2.11. Status of Workplace Ownership

The distribution of the enterprises participating in the study by their statuses of ownership regarding their workplaces is shown in Table 26.

Table 26. Distribution of Enterprises by their Statuses of Ownership Regarding Their Workplaces

Workplace Ownership	N	%
Ownership	13	3.3
Rental	386	96.7

On examination of the answers of the participants to the question "Is the workplace of your enterprise rental or does it belong to you?", it was observed that 3.3% (13 enterprises) answered the question as "ownership" and 96.7% (386 enterprises) as "rental". This indicates that 96.7% of the participants pay withholding tax.

3.4.3. Financial Status and Performance Data

In this section, the answers to the questions such as the current employee numbers, net sales revenues, total financial balance sheets, export status, etc. of the enterprises, which can be interpreted as the success criteria of the support program, are explained through tables.

3.4.3.1. Employee Numbers of Enterprises

The distribution of the enterprises participating in the study by the number of employees as of the date of answering the questionnaire is shown in Table 27.

Table 27. Distribution of Enterprises by Employee Numbers in 2021

Number of Employees	N	%
1-3 People	166	41.6
3-10 People	95	23.8
10-20 People	13	3.3
20-50 People	13	3.3
Over 50	11	2.8
I Work Alone	101	25.3

On examination of the answers of the participants to the question "What is the number of people employed in your enterprise now (2021)?", the answer "1-3 people" was given by 166 entrepreneurs (41.6%), "3-10 people" by 95 entrepreneurs (23.8%), "10-20 people" by 13 entrepreneurs (3.3%), "20-50 people" by 13 entrepreneurs (3.3%), "more than 50 people" by 11 entrepreneurs (2.8%). 101 entrepreneurs, which accounts for 25.3% of the participants in the study, answered this question as "I Work Alone".

3.4.3.2. Net Sales Revenues of Enterprises

The distribution of net sales revenue of the enterprises participating in the study for 2020 is given in Table 28.

Table 28. Distribution of Enterprises by 2020 Net Sales Revenue Groups

Sales Revenue	N	%
0-50,000 TL	178	44.6
50,001-100,000 TL	74	18.5
100,001-250,000 TL	56	14
250,001-1,000,000 TL	62	15.5
1,000,001-5,000,000 TL	29	7.3

On examination of the answers of the participants to the question "What was your enterprise's net sales revenue in the last fiscal year (2020)?", 44.6% (178 enterprises) answered the question as "0-50,000 TL", 18.5% (74 Enterprises) as "50,001-100,000 TL", 14% (56 enterprises) as "100,001-250,000 TL", 15.5% (62 enterprises) as "250,001-1,000,000 TL", and 7.3% (29 enterprises) as "1,000,001-5,000,000 TL". There is no enterprise with a net sales revenue of more than 5,000,000 TL.

3.4.3.3. Total Financial Balance Sheets of Enterprises

The distribution of the total financial balance sheets of the enterprises participating in the study for 2020 is given in Table 29.

Table 29. Distribution of Enterprises by 2020 Total Financial Balance Sheet Groups

Financial Balance Sheet	N	%
0-50,000 TL	166	41.6
50,001-100,000 TL	67	16.8
100,001-250,000 TL	65	16.3
250,001-1,000,000 TL	70	17.5
1,000,001-5,000,000 TL	31	7.8

On examination of the answers of the participants to the question "What was your enterprise's total financial balance of your enterprise in the last fiscal year (2020)?", 41.6% (166 enterprises) answered the question as "0-50,000 TL", 16.8% (67 enterprises) as "50,001-100,000 TL", 16.3% (65 enterprises) as "100,001-250,000 TL", 17.5% (70 enterprises) as "250,001-1,000,000 TL", and 7.8% (31 enterprises) as "1,000,001-5,000,000 TL". There is no enterprise with a total balance sheet of more than 5,000,000 TL.

3.4.3.4. Foreign Resource Use

The distribution of the enterprises participating in the study by their statuses of foreign source use is shown in Table 30.

Table 30. Distribution of Enterprises by Their Statuses of Foreign Resource Use

Foreign Resource Use	N	%
No Foreign Resource Use	188	47.1
10-25%	111	27.8
26-50%	49	12.3
51-75%	33	8.3
More than 75%	18	4.5

On examination of the answers of the participants to the question "What is your use of foreign resources (bank loans, loan guarantee loans, KOSGEB loans) in your

operating budget?", 47.1% answered the question as "No foreign resource use", 27.8% as "10-25%", 12.3% as "26-50%", 8.3% as "51-75%", and 4.5% as "more than 75%".

3.4.3.5. Patent or Utility Model Ownership

The distribution of the enterprises participating in the study by their patent or utility model ownership is shown in Table 31.

Table 31. Distribution of Enterprises by Their Statuses of Patent or Utility Model Certificate

Status of Patent or Utility Model Certificate Ownership	N	%
Yes	46	11.5
No	304	76.2
Application in evaluation	49	12.3

On examination of the answers of the participants to the question "Do you have any patents or utility models?", it was determined that 11.5% (46 enterprises) answered the question as "yes", 76.2% (304 enterprises) as "no" and 12.3% (49 enterprises) as "application in evaluation".

3.4.3.6. Domestic Trademark Registration

The distribution of the enterprises participating in the study by domestic trademark registration certificate ownership is shown in Table 32.

Table 32. Distribution of Enterprises by Their Statuses of Domestic Trademark Registration Certificate

Status of Domestic Trademark Registration Certificate	N	%
Yes	109	27.3
No	290	72.7

On examination of the answers of the participants to the question "Do you have a trademark registration certificate?", 27.3% (109 enterprises) were found to answer the question as "yes" and 72.7% (290 enterprises) as "no".

3.4.3.7. Export Status of the Enterprise

The distribution of the enterprises participating in the study by their export statuses is shown in Table 33.

Table 33. Distribution of Enterprises by Their Export Status

Export Status of the Enterprise	N	%
Yes	77	19.3
No	322	80.7

On examination of the answers of the participants to the question "Have you ever exported since your establishment date?", 19.3% (77 enterprises) were found to answer the question as "yes" and 80.7% (322 enterprises) as "no".

3.4.3.8. Status of Participation in Fairs

The distribution of the enterprises participating in the study by participation in fairs is shown in Table 34.

Table 34. Distribution of Enterprises by Participation in Fairs

Status of Participation in Fairs	N	%
Yes	40	10
No	359	90

On examination of the answers of the participants to the question "Have you participated in any fairs since the establishment date?", 10% (40 enterprises) were found to answer the question as "yes" and 90% (359 enterprises) as "no". Accordingly, 10% of the participants participated in at least one fair.

3.4.3.9. Status of Certification

The distribution of the enterprises participating in the study by the status of professional and technical certification in compatible with their fields of operation is shown in Table 35.

Table 35. Distribution of Enterprises by Their Statuses of Professional and Technical Certification

Status of Certification	N	%
Yes	67	16.8
No	332	83.2

On examination of the answers of the participants to the question "Have you received any professional and technical certificates in your enterprise's field of operation?", 16.8% (67 enterprises) were found to answer the question as "yes" and 83.2% (332 enterprises) as "no".

3.4.4. Status of Benefiting From KOSGEB's Advanced Entrepreneur Support Program

In this section, the statuses of enterprises benefiting from enterprise establishment support, performance support, machinery-equipment and software support, mentorship, consultancy, business coaching support and certificate support are explained through the answers given and tables.

3.4.4.1. Entrepreneurship Training

The distribution of the entrepreneurs participating in the study by the entrepreneurship training environment is shown in Table 36.

Table 36. Distribution of Entrepreneurs by Entrepreneurship Training Environment

Educational Environment	N	%
Online	175	43.9
Face-to-face	224	56.1

On examination of the answers of the participants to the statement "I have completed the entrepreneurship training given by KOSGEB...", 43.9% (175 entrepreneurs) were seen to complete the statement as "Online" and 56.1% (224 entrepreneurs) as "face-to-face (in a class environment)".

3.4.4.2. Technology Levels of Enterprises

The distribution of the enterprises participating in the study by technology levels according to NACE codes is shown in Table 37.

Table 37. Distribution of Enterprises by Technology Levels according to NACE Codes

Technology Level	N	%
Low Technology	224	56.1
Medium-High Technology	109	27.4
High Technology	66	16.5

On examination of the answers of the participants to the question "What is the technology level of your enterprise according to the NACE code?", it was determined that 56.1% (224 enterprises) answered the question as "Low Technology", 27.4% (109 enterprises) as "Medium-High Technology", and 16.5% (66 enterprises) as "High Technology".

3.4.4.3. Benefiting from Enterprise Establishment Support

The distribution of the enterprises participating in the study by their statuses benefiting from Enterprise Establishment Support is shown in Table 38.

Table 38. Distribution of Enterprises by their Statuses of Benefiting from Enterprise Establishment Support

Status of Benefiting	N	%
Yes	372	93.2
No	27	6.8

On examination of the answers of the participants to the question "Have you benefited from the Enterprise Establishment Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)", 93.2% (372 enterprises) were seen to answer the question as "yes" and 6.8% (27 enterprises) as "no".

3.4.4.4. Benefiting from Machinery-Equipment and Software Support

The distribution of the enterprises participating in the study by their statuses of benefiting from Machinery-Equipment and Software Support is shown in Table 39.

Table 39. Distribution of Enterprises by Their Statuses of Benefiting from Machinery-Equipment and Software Support

Status of Benefiting	N	%
Yes	364	91.2
No	35	8.8

On examination of the answers of the participants to the question "Have you benefited from the Machinery-Equipment and Software Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)", 91.2% (364 enterprises) were seen to answer the question as "yes" and 8.8% (35 enterprises) as "no".

3.4.4.5. Domestic Machinery-Equipment or Software Purchase

The distribution of the enterprises participating in the study by their statuses of domestic machinery-equipment and software purchase is shown in Table 40.

Table 40. Distribution of Enterprises by Their Statuses of Purchase of Machinery-Equipment and Software Support with Domestic Goods Certificate

Status of Purchase	N	%
Yes	227	56.9
No	172	43.1

On examination of the answers of the participants to the statement "I purchased machinery-equipment or software with a Domestic Goods Certificate within the scope of the program", 56.9% answered "yes" and 43.1% answered "no". Accordingly, 227

enterprises purchased machinery-equipment or software with at least 1 domestic product certificate.

3.4.4.6. Benefiting from Performance Support

The distribution of the enterprises participating in the study by benefiting from Performance Support is shown in Table 41.

Table 41. Distribution of Enterprises by their Statuses of Benefiting from Performance Support

Status of Benefiting	N	%
Yes	231	57.9
No	168	42.1

On examination of the answers of the participants to the question "Have you utilized the Performance Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)", 57.9% (231 enterprises) were seen to answer the question as "yes" and 42.1% (168 enterprises) as "no".

3.4.4.7. Benefiting from Mentorship, Consultancy and Business Coaching Support

The distribution of the enterprises participating in the study by benefiting from Mentorship, Consultancy, and Business Coaching Support is shown in Table 42.

Table 42. Distribution of Enterprises by Their Statuses of Benefiting from Mentorship, Consultancy, and Business Coaching Support

Status of Benefiting	N	%
Yes	80	20.1
No	319	79.9

On examination of the answers of the participants to the question "Have you utilized the Mentorship, Consultancy, and Business Coaching Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)", 20.1% (80 enterprises) were seen to answer the question as "yes" and 79.9% (319 enterprises) as "no".

3.4.4.8. Benefiting from Certificate Support

The distribution of the enterprises participating in the study by benefiting from Certificate Support is shown in Table 43.

Table 43. Distribution of Enterprises by Their Statuses of Benefiting from Certificate Support

Status of Benefiting	N	%
Yes	108	27.1
No	291	72.9

On examination of the answers of the participants to the question "Have you utilized the Certificate Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)", 27.1% (108 enterprises) were seen to answer the question as "yes" and 72.9% (291 enterprises) as "no".

3.4.4.9. Status of Establishing an Enterprise without KOSGEB's support

The distribution of the answers to the question "Would you start a new enterprise without the KOSGEB's Advanced Entrepreneur Support Program?" is shown in Table 44.

Table 44. Distribution of Entrepreneurs by Their Statuses of Establishing an Enterprise without KOSGEB Support

Status of Establishing an Enterprise without KOSGEB's support	N	%
Yes	196	49.1
No	93	23.3
Neutral	110	27.6

On examination of the answers, it was seen that 49.1% (196 enterprises) answered the question as "yes", 23.3% (93 enterprises) as "no", and 27.6% (110 enterprises) as "neutral".

3.4.4.10. Receiving Technical Support and Consultancy Services

The distribution of the enterprises participating in the study by their statuses of receiving technical support and consultancy services is shown in Table 45.

Table 45. Distribution of Enterprises by their Statuses of Receiving Technical Support and Consultancy Services for Project

Receiving Service	Consultancy N	%
Yes	176	44.1
No	223	55.9

On examination of the answers of the participants to the question "Have you received technical support and consultancy services for the project application?", 44.1% (176 enterprises) were found to answer the question as "yes" and 55.9% (223 enterprises) as "no".

3.4.4.11. Writing Project for Any Institution other than KOSGEB

The distribution of the participants by their statuses of writing a project for any institution other than KOSGEB is shown in Table 46.

Table 46. Distribution of participants by Their Statuses of Writing A Project for Any Institution Other Than KOSGEB

Status of Writing Project	N	%
Yes	39	9.8
No	360	90.2

On examination of the answers of the participants to the question "Have you written any project for any institution other than KOSGEB?", 9.8% (39 enterprises) were found to answer the question as "yes" and 90.2% (360 enterprises) as "no".

3.4.5. Analysis of the Study with Hypothesis Tests (Cross-Tables)

The duration of the KOSGEB's Advanced Entrepreneur Support Program, which entered into force in 2019, is 2 years as of the approval by the board decision on the support and the registration date. Therefore, as of 2022, the year of preparation of this study, the number of completed programs is quite low. Although it is not possible to measure the net contribution of the support program to the economy, the employment numbers of the enterprises, net sales revenues, and total financial balance sheets provide important clues to understanding the effectiveness of the program. Since the answers given by the entrepreneurs to the study questions were categorical, the Chi-Square test was applied to examine the relationship between the variables.

The most important variable in determining the upper limits of the Advanced Entrepreneurship Support Program on an enterprise basis is the technology level of the enterprise, which is classified according to the NACE code. As stated in the previous sections, the upper limit of machine-equipment and software support for low and low-medium technology enterprises has been determined as 100,000 TL. This amount is

200.000 TL at the medium-high technology level, while it is 300.000 TL at the advanced technology level.

In addition, the legal status of the enterprise determines the upper limit of the establishment support. While the establishment support is determined as 5,000 TL for enterprises with sole proprietorship status, it is 10,000 TL for enterprises with capital company status.

3.4.5.1. Relationship between the Legal Status of the Enterprise and Benefiting from the Enterprise Establishment Support

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the legal status of the enterprise and whether the enterprise has benefited from the establishment support.

Test Hypotheses:

H_0 = There is no relationship between the legal status of the enterprise and benefiting from the establishment support.

H_1 = There is a relationship between the legal status of the enterprise and benefiting from the establishment support.

Table 47. Legal Status of the Enterprise * Benefiting from Establishment Support Cross Table

			Have you benefited from the Enterprise Establishment Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)		Total
			Yes	No	
What is the legal status of your enterprise?	Sole Proprietorship	n	239	17	256
		Ratio	93.40%	6.60%	100.00%
	Limited Company	n	112	10	122
		Ratio	91.80%	8.20%	100.00%
	Incorporated Company	n	21	0	22
		Ratio	100.00%	0.00%	100.00%
Total		n	372	27	399
		Ratio	93.20%	6.80%	100.00%

In the Table 47, cross tables are given to understand the relationship between the legal status of enterprises and whether they have benefited from the enterprise establishment support. It is seen in the table that 93.2% of the enterprises participating in the study have benefited from the enterprise establishment support.

Table 48. Legal Status of the Enterprise * Benefiting from Establishment Support Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	1.926 ^a	2	0.382
Likelihood Ratio	3.321	2	0.190
Linear Relationship	0.137	1	0.711
Valid Data Number	399		

According to the results of the analysis, no statistically significant relationship was found between the legal status of enterprises and whether they have benefited from the enterprise establishment support or not ($p > 0.05$). H_0 = The hypothesis 'There is no relationship between the legal status of the enterprise and benefiting from the establishment support' is accepted.

The enterprise establishment support is provided to support the expenses such as tax office, notary, chamber registration fees, etc. undertaken by the entrepreneurs during the establishment of the enterprises. In our country, the establishment costs of limited and incorporated companies are higher than sole proprietorships. This is the reason for providing different amounts of enterprise establishment support. Therefore, most entrepreneurs prefer the status of sole proprietorship during the initial establishment phase.

3.4.5.2. Relationship between the Employee Number of the Enterprise and Benefiting from the Performance Support

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the employee number of the enterprise and whether the enterprise has benefited from the performance support.

Test Hypotheses:

H_0 = There is no relationship between the number of employees and benefiting from the performance support.

H_1 = There is a relationship between the number of employees and benefiting from the performance support.

Table 49. Number of Employees * Benefiting from the Performance Support Cross Table

			Have you benefited from the Performance Support under the Advanced Entrepreneur Support Program?		Total
			Yes	No	
What is the number of people employed in your enterprise now (2021)?	1-3 People	n	95	71	166
		Ratio	57.20%	42.80%	100.00%
	3-10 People	n	65	30	95
		Ratio	68.40%	31.60%	100.00%
	10-20 People	n	10	3	13
		Ratio	76.90%	23.10%	100.00%
	20-50 People	n	10	3	13
		Ratio	76.90%	23.10%	100.00%
	Over 50 people	n	7	4	11
		Ratio	63.60%	36.40%	100.00%
	I work alone.	n	44	57	101
		Ratio	43.60%	56.40%	100.00%
Total		n	231	168	399
		Ratio	57.90%	42.10%	100.00%

In the Table 49, cross tables are given to understand the relationship between the employee numbers of enterprises and whether the entrepreneurs have benefited from the

performance support. It is seen in the table that 57.9% of the enterprises participating in the study have benefited from the performance support. In addition, it is seen that there is no personnel employment in 101 enterprises participating in the study.

Table 50. Employee Numbers of the Enterprise * Benefiting from the Performance Support Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	16.868 ^a	5	0.005
Likelihood Ratio	17.156	5	0.004
Linear Relationship	5.409	1	0.020
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the employee numbers of enterprises and whether they have benefited from the performance support or not ($p < 0.05$). H_1 = The hypothesis 'There is a relationship between the number of employees and benefiting from the performance support' is accepted.

3.4.5.3. Relationship between Export Status of the Enterprise and Benefiting from the Mentorship, Consultancy, and Business Coaching Support

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the export status of the enterprise as of the establishment date and whether the enterprise has benefited from the mentorship, consultancy, and business coaching support.

Test Hypotheses:

H_0 = There is no relationship between the export status of the enterprise and benefiting from the business coaching, consultancy, and business coaching support.

H₁= There is a relationship between the export status of the enterprise and benefiting from the business coaching, consultancy, and business coaching support.

Table 51. Export Status of the Enterprise * Benefiting from the Mentorship, Consultancy, and Business Coaching Support Cross Table

			Have you benefited from the Mentorship, Consultancy, and Business Coaching Support under the Advanced Entrepreneur Support Program?		Total
			Yes	No	
Have you ever exported since the establishment date?	Yes	n	22	55	77
		Ratio	28.60%	71.40%	100.00%
	No	n	58	264	322
		Ratio	18%	82%	100.00%
Total		n	80	319	399
		Ratio	20.10%	79.90%	100.00%

In the Table 51, cross tables are given to understand the relationship between the export status of enterprises and whether they have benefited from the mentorship, consultancy, and business coaching support. It is seen in the table that only 20.1% of the enterprises participating in the study have benefited from the mentorship, consultancy, and business coaching support. 43.9% of the enterprises participating in the study are at the medium-high and advanced technology levels. This indicates the insufficient utilization of the support.

Table 52. Export Status of the Enterprise * Benefiting from the Mentorship, Consultancy, and Business Coaching Support Chi-Square Test

	Value	Degree Freedom	of	P Value
Pearson Chi-Square	4.322 ^a	1		0.038
Likelihood Ratio	4.043	1		0.044
Linear Relationship	4.311	1		0.038
Valid Data Number	399			

According to the results of the analysis, a statistically significant relationship was found between the export statuses of enterprises and whether they have benefited from the mentorship, consultancy, and business coaching support or not ($p < 0.05$). H1= The hypothesis 'There is a relationship between the export status of the enterprise and benefiting from the business coaching, consulting, and business coaching support' is accepted. The only negative aspect here is that the rate of benefiting from the support is lower than the other supports within the scope of the program.

3.4.5.4. Relationship between Professional and Technical Certification and Benefiting from the Certificate Support

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the professional and technical certification and whether the enterprise has benefited from the certification support.

Test Hypotheses:

H_0 = There is no relationship between the professional and technical certification of the enterprise and benefiting from the certificate support.

H_1 = There is a relationship between the professional and technical certification and benefiting from the certificate support.

Table 53. Relationship between Professional and Technical Certification and Benefiting from Certificate Support Cross Table

			Have you benefited from the Certificate Support under the Advanced Entrepreneur Support Program?		Total
			Yes	No	
Have you received any professional and technical certificates in your enterprise's field of operation?	Yes	n	26	41	67
		Ratio	38.80%	61.20%	100.00%
	No	n	81	251	341
		Ratio	24.40%	75.60%	100.00%
Total		n	107	292	399
		Ratio	26.80%	73.20%	100.00%

In the Table 53, cross tables are given to understand the relationship between professional and technical certification and whether the entrepreneurs have benefited from the certificate support.

Table 54. Relationship between Professional and Technical Certification and Benefiting from Certificate Support Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	5.897 ^a	1	0.015
Likelihood Ratio	5.555	1	0.018
Linear Relationship	5.882	1	0.015
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the professional and technical certification of the enterprises and whether they have benefited from the certificate support or not ($p < 0.05$). H_1 = The hypothesis "There is no relationship between the professional and technical certification of the enterprise and benefiting from the certificate support" is accepted.

3.4.5.5. Relationship between the Employee Number and the Technology Level of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the employee number and the technology level of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the employee number and the technology level of the enterprise.

H_1 = There is a relationship between the employee number and the technology level of the enterprise.

Table 55. Employee Number of the Enterprise * Technology Level of the Enterprise Cross Table

			What is the technology level of your enterprise according to the NACE code?			Total
			Low	Medium	High	
What is the number of people employed in your enterprise now (2021)?	1-3 People	n	94	43	29	166
		Ratio	56.60%	25.90%	17.50%	100.00%
	3-10 People	n	45	26	24	95
		Ratio	47.40%	27.40%	25.30%	100.00%
	10-20 People	n	9	4	0	13
		Ratio	69.20%	30.80%	0.00%	100.00%
	20-50 People	n	8	5	0	13
		Ratio	61.50%	38.50%	0.00%	100.00%
	Over 50 people	n	4	5	2	11
		Ratio	36.40%	45.50%	18.20%	100.00%
	I work alone.	n	64	26	11	101
		Ratio	63.40%	25.70%	10.90%	100.00%
Total		n	224	109	66	399
		Ratio	56.10%	27.30%	16.50%	100.00%

In the Table 55, cross table values are given to understand the relationship between the employee numbers and the technology levels of the enterprises. Only entrepreneurs are employed in 12 of the 68 enterprises at the high technology level and no employment has taken place. In other words, there has been no employment in 17.6% of the enterprises at a high technology level. This ratio is 23.8% at the medium and 29% at the low technology level.

Table 56. Employee Number of the Enterprise * Technology Level of the Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	16.388 ^a	10	0.089
Likelihood Ratio	20.171	10	0.028
Linear Relationship	3.132	1	0.077
Valid Data Number	399		

According to the results of the analysis, no statistically significant relationship was found between the technology levels of the enterprises and their employee numbers in 2021 ($p>0.05$). H_0 = The hypothesis "There is no relationship between the employee number and the technology level of the enterprise" is accepted.

3.4.5.6. Relationship Between the Net Sales Revenue and the Technology Level of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the net sales revenue for the last approved fiscal year and the technology level of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the net sales revenue and the technology level of the enterprise.

H_1 = There is a relationship between the net sales revenue and the technology level of the enterprise.

Table 57. Net Sales Revenue * Technology Level of Enterprise Cross Table

			What is the technology level of your enterprise according to the NACE code?			Total
			Low technology	Medium technology	High technology	
What was your enterprise's net sales revenue in the last fiscal year (2020)?	0-50,000 TL	n	113	37	28	178
		Ratio	63.50%	20.80%	15.70%	100.00%
	50,001-100,000 TL	n	44	19	11	74
		Ratio	59.50%	25.70%	14.90%	100.00%
	100,001-250,000 TL	n	29	19	8	56
		Ratio	51.80%	33.90%	14.30%	100.00%
	250,001-1,000,000 TL	n	24	25	13	62
		Ratio	38.70%	40.30%	21.00%	100.00%
	1,000,001-5,000,000 TL	n	14	9	6	29
		Ratio	48.30%	31.00%	20.70%	100.00%
Total		n	224	109	66	399
		Ratio	56.10%	27.30%	16.50%	100.00%

In the Table 57, cross table values are given to understand the relationship between the employee numbers and the technology levels of the enterprises. The ratio of low technology enterprises among all enterprises is 56.10%. However, there are above-average low-technology enterprises with a net sales revenue of between 0-50,000 TL and 50,001-100,000 TL. In the range of 250,001-1,000,000 TL and 1,000,001-5,000,000 TL, high-technology enterprises take up more space than their averages.

Table 58. Net Sales Revenue * Technology Level of Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	14.877 ^a	8	0.062
Likelihood Ratio	14.841	8	0.062
Linear Relationship	6.860	1	0.009
Valid Data Number	399		

According to the results of the analysis, no statistically significant relationship was found between the technology levels of the enterprises and their net sales revenues for 2020. ($p > 0.05$). H_0 = The hypothesis "There is no relationship between the net sales revenue and the technology level of the enterprise" is accepted.

3.4.5.7. Relationship Between the Total Financial Balance Sheet and the Technology Level of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the total financial balance sheet for the last approved fiscal year and the technology level of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the total financial balance sheet and the technology level of the enterprise.

H_1 = There is a relationship between the total financial balance sheet and the technology level of the enterprise.

Table 59. Total Financial Balance Sheet * Technology Level of Enterprise Cross Table

			What is the technology level of your enterprise according to the NACE code?			Total
			Low technology	Medium technology	High technology	
What was the total financial balance of your enterprise in the last fiscal year (2020)?	0-50,000 TL	n	110	29	27	166
		Ratio	66.30%	17.50%	16.30%	100.00%
	50,001-100,000 TL	n	40	20	7	67
		Ratio	59.70%	29.90%	10.40%	100.00%
	100,001-250,000 TL	n	33	23	9	65
		Ratio	50.80%	35.40%	13.80%	100.00%
	250,001-1,000,000 TL	n	29	26	15	70
		Ratio	41.40%	37.10%	21.40%	100.00%
	1,000,001-5,000,000 TL	n	12	11	8	31
		Ratio	38.70%	35.50%	25.80%	100.00%
Total		n	224	109	66	399
		Ratio	56.10%	27.30%	16.50%	100.00%

In the Table 59, cross table values are given to understand the relationship between the total financial balance sheets and the technology levels of the enterprises.

Table 60. Total Financial Balance Sheets * Technology Level of Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	23.138 ^a	8	0.003
Likelihood Ratio	23.797	8	0.002
Linear Relationship	11.910	1	0.001
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the technology levels and total financial balance sheets of the enterprises ($p < 0.05$) H_0 is rejected. H_1 = The hypothesis "There is a relationship between the total financial balance sheet and the technology level of the enterprise" is accepted.

3.4.5.8. Relationship Between the Employee Number and the Legal Status of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the employee number during the time of survey and the legal status of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the employee number and the legal status of the enterprise.

H_1 = There is a relationship between the employee number and the legal status of the enterprise.

Table 61. Employee Number of the Enterprise * Legal Status of the Enterprise Cross Table

			What is the legal status of your enterprise?			Total
			Sole Proprietorship	Limited Company	Incorporated Company	
What is the number of people employed in your enterprise now (2021)?	1-3 People	n	116	47	3	166
		Ratio	69.90%	28.30%	1.80%	100.00%
	3-10 People	n	44	37	14	95
		Ratio	46.30%	38.90%	14.70%	100.00%
	10-20 People	n	8	4	1	13
		Ratio	61.50%	30.80%	7.70%	100.00%
	20-50 People	n	5	8	0	13
		Ratio	38.50%	61.50%	0.00%	100.00%
	Over 50 people	n	7	4	0	11
		Ratio	63.60%	36.40%	0.00%	100.00%
	I work alone.	n	76	22	3	101
		Ratio	73.60%	22.60%	3.80%	100.00%
Total		n	256	122	21	399
		Ratio	64.2%	30.5%	5.3%	100.00%

In the Table 61, cross table values are given to understand the relationship between the employee numbers and the technology levels of the enterprises. 116 sole proprietorships employ 1-3 personnel. This is a very high rate. On the other hand, there

are 7 sole proprietorships and 4 limited companies employing more than 50 people. This number can be considered remarkable.

Table 62. Employee Number of Enterprise * Legal Status of Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	40.440 ^a	10	0.000
Likelihood Ratio	37.585	10	0.000
Linear Relationship	1.995	1	0.158
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the legal statuses of the enterprises and their employee numbers in 2021 ($p < 0.05$). H_0 is rejected. H_1 = The hypothesis "There is a relationship between the employee number and the legal status of the enterprise" is accepted.

3.4.5.9. Relationship Between the Net Sales Revenue and the Legal Status of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the net sales revenue for the last approved fiscal year and the legal status of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the net sales revenue and the legal status of the enterprise.

H_1 = There is a relationship between the net sales revenue and the legal status of the enterprise.

Table 63. Net Sales Revenue * Legal Status of Enterprise Cross Table

			What is the legal status of your enterprise?			Total
			Sole Proprietorship	Limited Company	Incorporated Company	
What was your enterprise's net sales revenue in the last fiscal year (2020)?	0-50,000 TL	n	122	50	6	178
		Ratio	68.50%	28.10%	3.40%	100.00%
	50,001-100,000 TL	n	54	18	2	74
		Ratio	73%	24.30%	2.70%	100.00%
	100,001-250,000 TL	n	39	14	3	56
		Ratio	69.60%	25.00%	5.40%	100.00%
	250,001-1,000,000 TL	n	28	27	7	62
		Ratio	45.20%	43.50%	11.30%	100.00%
	1,000,001-5,000,000 TL	n	13	13	3	29
		Ratio	44.80%	44.80%	10.30%	100.00%
Total		n	256	122	21	399
		Ratio	64.20%	30.60%	5.20%	100.00%

In Table 63, cross table values are given to understand the relationship between the net sales revenues and the legal statuses of the enterprises. When the table is examined, it is seen that the net sales revenue of more than half of the enterprises is below 100,000 TL. However, this can be considered normal as data for 2020 is taken as a basis. For example, the data of an enterprise that started operating in December 2020 is also included in the study.

Table 64. Net Sales Revenue * Legal Status of Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	21.917 ^a	8	0.005
Likelihood Ratio	20.940	8	0.007
Linear Relationship	14.496	1	0.000
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the legal statuses of enterprises and their net sales revenues for 2020 ($p < 0.05$). H_0 is rejected. H_1 = The hypothesis "There is a relationship between the net sales revenue and the legal status of the enterprise" is accepted.

3.4.5.10. Relationship between the Total Financial Balance Sheet and the Legal Status of the Enterprise

The Chi-Square test at $p=0.05$ significance level was applied in order to test the relationship between the total financial balance sheet for the last approved fiscal year and the legal status of the enterprise.

Test Hypotheses:

H_0 = There is no relationship between the total financial balance sheets and the legal status of the enterprise.

H_1 = There is a relationship between the total financial balance sheets and the legal status of the enterprise.

Table 65. Total Financial Balance Sheets * Legal Status of Enterprise Cross Table

			What is the legal status of your enterprise?			Total
			Sole Proprietorship	Limited Company	Incorporated Company	
What was the total financial balance of your enterprise in the last fiscal year (2020)?	0-50,000 TL	n	122	40	4	166
		Ratio	73.50%	24.10%	2.40%	100.00%
	50,001-100,000 TL	n	47	18	2	67
		Ratio	70.10%	26.90%	3.00%	100.00%
	100,001-250,000 TL	n	44	18	3	65
		Ratio	67.70%	27.70%	4.60%	100.00%
	250,001-1,000,000 TL	n	32	30	8	70
		Ratio	45.70%	42.90%	11.40%	100.00%
	1,000,001-5,000,000 TL	n	11	16	4	31
		Ratio	35.50%	51.60%	12.90%	100.00%
Total		n	256	122	21	399
		Ratio	64.20%	30.60%	5.30%	100.00%

In the Table 65, cross table values are given to understand the relationship between the total financial balance sheets and the legal statuses of the enterprises.

Table 66. Total Financial Balance Sheets * Legal Status of Enterprise Chi-Square Test

	Value	Degree of Freedom	P Value
Pearson Chi-Square	32.912 ^a	8	0.000
Likelihood Ratio	31.526	8	0.000
Linear Relationship	28.290	1	0.000
Valid Data Number	399		

According to the results of the analysis, a statistically significant relationship was found between the legal statuses of enterprises and their total financial balance sheets for 2020 ($p < 0.05$). H_0 is rejected. H_1 = The hypothesis "There is a relationship between the net sales revenue and the legal status of the enterprise" is accepted.

3.4.6. Evaluation of Likert-type Scale Questions

In this section, the answers given to the Likert-type questions asked to measure the general satisfaction of entrepreneurs about entrepreneurship training, the general operation of KOSGEB and the Advanced Entrepreneur Support Program, regardless of the study topic, were explained through tables.

3.4.6.1. General Opinions on Entrepreneurship Training

The general evaluations of the entrepreneurs having established their enterprises by receiving entrepreneurship training are given in the table below. (1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree nor Disagree, 4 = Agree, 5 = Strongly Agree)

Table 67. Entrepreneurs' Opinions on Applied Entrepreneurship Training

	1	2	3	4	5	Mean
The content of entrepreneurship training is sufficient.	3.3 %	2.8 %	12.2 %	29.7 %	52%	4.24
The information I learned in entrepreneurship training was useful in the following process.	4.1 %	3.7 %	13.9 %	33.2 %	45.1 %	4.11

81.7% of the entrepreneurs who received entrepreneurship training stated to agree or strongly agree with the statement "The content of entrepreneurship training is sufficient." More than half (52%) of the entrepreneurs having answered the question marked the option "Strongly agree". Entrepreneurs can be said to agree on the sufficiency of the content of the training.

The total of those who checked the statement "Agree" or "Strongly agree" for the statement "The information I learned in entrepreneurship training was useful in the following process" is 78.3%. Approximately 1 in 4 respondents answered this question as neutral, disagree, or strongly disagree.

3.4.6.2. General Opinions of Entrepreneurs on KOSGEB

Entrepreneurs' perspectives on the KOSGEB institution and their evaluations of the implementation process are given in the table below. (1 = Strongly Disagree, 2 = Disagree, 3 = Neither Agree nor Disagree, 4 = Agree, 5 = Strongly Agree)

Table 68. General Opinions of Entrepreneurs on KOSGEB

	1	2	3	4	5	Mean
I recommend KOSGEB to other SMEs.	2.9%	0.7%	5.4%	10.5%	80.5%	4.65
I think KOSGEB's supports are important for the Turkish economy.	2.9%	0.7%	3.7%	9.3%	83.4%	4.7
KOSGEB employees are sufficiently interested in enterprises.	6.8%	6.3%	13.9%	16.6%	56.3%	4.09
The legislation and implementation principles of KOSGEB's support programs are clear/understandable at a sufficient level.	4.1%	4.6%	16.3%	26.1%	48.8%	4.11
KOSGEB's Project evaluation and payment processes are fast at a sufficient level.	5.1%	6.6%	19.3%	25.1%	43.9%	3.96

On examination of all statements, the best and most significant situation is the comment "I think KOSGEB's supports are important for the Turkish economy", with the response "Strongly agree" with a rate of 83.4%. A total of 92.7% of the entrepreneurs expressed their comments as "Agree" or "Strongly agree". In addition, the rate of those who responded to the statement "I recommend KOSGEB to other SMEs" is 91%. When these two statements are evaluated, the perspectives of entrepreneurs towards KOSGEB can be said to be quite positive.

According to the averages, evaluation and payment processes are at the forefront of the situations that are found insufficient regarding KOSGEB. 31% of the entrepreneurs who responded to the statement "KOSGEB's Project evaluation and payment processes are fast at a sufficient level" as "Neutral," "Disagree," or "Strongly disagree". The situation with the highest rate of "Strongly disagree" is the statement "KOSGEB employees are sufficiently interested in enterprises."

3.4.6.3. Opinions on the Support Program

The evaluations of the entrepreneurs participating in the study regarding KOSGEB's Advanced Entrepreneur Support Program are given in the table below. (1 =

Strongly Disagree, 2 = Disagree, 3 = Neither Agree nor Disagree, 4 = Agree, 5 = Strongly Agree)

Table 69. Opinions of the Entrepreneurs on the Support Program

	1	2	3	4	5	Mean
The Advanced Entrepreneur Support Program contributed to the financing of my enterprise.	4.1	3.2	8.3	19.3	65.1	4.38
The Advanced Entrepreneur Support Program has positively affected the sales of my enterprise	7.3	8.1	22.5	20.0	42.1	3.81
The Advanced Entrepreneur Support Program has enabled me to employ more staff.	11.0	8.6	22.0	20.5	37.9	3.66
The Advanced Entrepreneur Support Program has enabled me to purchase more machinery-equipment and software.	6.6	3.2	9.3	17.8	63.2	4.28

84.4% of the entrepreneurs who benefited from the KOSGEB's Advanced Entrepreneur Support Program evaluated the statement "The Advanced Entrepreneur Support Program contributed to the financing of my enterprise" as "Agree" or "Strongly agree." The majority of the entrepreneurs also stated to have invested more in fixtures within the scope of the support program with their responses to the statement "The Advanced Entrepreneur Support Program has enabled me to purchase more machinery-equipment and software." 62.1% of the entrepreneurs responded to the statement "The Advanced Entrepreneur Support Program has positively affected the sales of my enterprise" as "Agree" or "Strongly agree", thereby indicating the positive effect of the program on their sales.

The statement with the highest "Strongly Disagree" answer is the statement "Advanced Entrepreneur Support Program has enabled me to employ more staff". The total of those who responded to the statement as "Agree" or "Strongly agree" is 58.4%. The total of those who responded to the statement as "Other" is 41.6%. In order to eliminate this negative aspect, it may be considered to review the performance support provided within the scope of the program.

3.4.7. Entrepreneurs' Requests and Suggestions about the Support Program

An empty section was left with the title "If there is anything you would like to add, you can write it in this section" in order to understand the general perspectives of the entrepreneurs on the Advanced Entrepreneur Support Program at the end of the survey, in which 455 entrepreneurs participated. 129 of the 455 entrepreneurs who participated in the study completed this section.

On examination of this section consisting of the requests and suggestions of the enterprises benefiting from the support program in general, it is seen that approximately ½ of the 129 responding enterprises expressed their good wishes and thanks.

The subject that the entrepreneurs emphasized the most was the supports within the scope of the program and the support upper limits. Especially labor-based manufacturing enterprises, such as textile, furniture, etc., stated the insufficiency of the performance support given for the employed personnel and that they had difficulty in employing personnel. In addition, some entrepreneurs stated that they did not find the classification based on the technology level adequate. An entrepreneur who criticized this issue evaluated that sectors such as machinery manufacturing, which may have high export potential, should be supported more. A different entrepreneur stated that enterprises with NACE codes "30.99.02 Manufacturing of vehicles pulled by animals" and "29.10.02 Manufacturing of automobiles and similar vehicles" received the same amount of support; and enterprises with "30.11.03 Manufacturing of warships and submarines" were evaluated at the low technology level, enterprises with the code "27.40.06 Manufacture of illuminated signboards, illuminated billboards, and the like" were evaluated at the medium-high technology level, which was highly unacceptable.

Approximately 10% of the entrepreneurs who expressed their opinions in this section stated that they had difficulty in accessing bank loans and that KOSGEB should provide interest-free machinery-equipment loans with repayment. The demand for collateral for the early payment provided within the scope of the support program has also been a subject of criticism. Some entrepreneurs stated the inability to obtain a letter of

guarantee/surety due to the shortness of time as of the establishment, and that they therefore could not benefit from the early payment.

11 of 129 entrepreneurs said that they had difficulty in communicating with the KOSGEB personnel, they had to work with consultancy firms, and they needed guidance regarding the support benefiting process and other support programs. Three of these entrepreneurs stated to have found the support payment period long. 4 entrepreneurs who expressed their opinions about the institution personnel stated that they had difficulty in explaining their enterprises at the Board phase and that the members of the Board did not follow the current technology sufficiently, therefore they could not receive support for the more essential expense items.

Some of the enterprises expressing their opinions stated that the state should support enterprises in terms of tax and other obligations as well. 1 entrepreneur declared that if the enterprise had tax or SSI debts, these amounts were first paid to the relevant institution while making KOSGEB payments, and this causes disruption in their payment plans. In addition, since KOSGEB's supports are considered income, including them in commercial income and taxing them has been a subject of criticism as well.

About 10 entrepreneurs stated that the supports within the scope of KOSGEB's Advanced Entrepreneurship Support Program should be diversified. Entrepreneurs state that the financial support is sufficient, but they expect KOSGEB to contribute more to the development of their enterprises and trainings should be organized by KOSGEB, especially in such fields as export, commercial law, digitalization, etc.

CONCLUSION AND SUGGESTIONS

The importance of entrepreneurs, which are considered indispensable for strong economic systems, is increasing day by day. All concepts such as the development and welfare levels of societies and economic development change depending on the development of the entrepreneurship ecosystem. In this context, the development and support of enterprises are very important for developing countries such as Turkey. Our ability to overcome concepts such as foreign trade deficit, import-based economy, unemployment, and inflation that have been in our lives for years depends on the global success of our entrepreneurs. KOSGEB, which has been providing services to support and develop entrepreneurs since 2010, is the most important stakeholder of our country's entrepreneurs. The Entrepreneurship Support Program carried out between 2010 and 2019 and the Traditional and Advanced Entrepreneurship Support Programs, which have been continuing since 2019, have been instrumental in the establishment of tens of thousands of enterprises in our country and have played a major role in the success of many SMEs. In this study, the contribution of the Advanced Entrepreneur Support Program to the economy was tried to be understood, and the effects of the supports within the scope of the program on the enterprises and the changes were also investigated.

In this study, basic information about entrepreneurship is given first, and the characteristics of entrepreneurs and the factors affecting entrepreneurship are also examined. When the subject of entrepreneurship is handled at the macroeconomic level, it has functions such as new product and technology development, an increase in supply and demand, and economic growth. At the enterprise level, the transfer of resources to the economy and employment are rendered possible by entrepreneurial activities. In addition, entrepreneurship provides social benefits in various aspects. The most important one is that entrepreneurship encourages creativity in societies. Hence, it is important for everyone to understand the subject of entrepreneurship. In the first section, the development of entrepreneurial activities in our country is explained chronologically and the concepts frequently encountered in the literature on entrepreneurship are also explained.

In the second section of the study, the concept of SME is explained with global definitions. The structural characteristics of SMEs are mentioned and the importance of SMEs is tried to be explained. According to TÜİK data for 2019, 99.8% of enterprises in Turkey are in SME status. SMEs account for 36.6% of total exports and 31% of total R&D expenses. In addition, 72.4% of total employment is realized by SMEs. Understanding the effects of SMEs on the economy in Turkey and in the world also reveals the importance of entrepreneurs, the founders of SMEs. In this section, the institutions and organizations that make up the SME ecosystem of our country are also mentioned; the historical development of KOSGEB, which is the first institution that comes to mind in the subject of SMEs is mentioned, and the programs carried out by KOSGEB to support entrepreneur SMEs are examined.

In the third and last section of the study, the results of the questionnaires taken by the entrepreneurs who benefited from the program after the approval of their applications as of 2019 to the present within the scope of the Advanced Entrepreneur Support Program were evaluated. In this section, firstly demographic data is given. Accordingly, the 37-45 age group provided the highest participation in the survey with a rate of 32.6%. The most intensive use of support can be said to be in the middle age group. When the participants in the study are examined according to the gender variable, it is observed that male intensive participation is seen with a rate of 76.7%. Considering our patriarchal society structure, this distribution can be said to be normal for this study, which is specific to the manufacturing industry. The fact that almost a quarter of the participants are women is actually promising. The positive effect of the incremental application of the performance support within the scope of the program for women can be mentioned. 35.6% of the entrepreneurs participating in the study consist of bachelor, master, and PhD graduates. In addition, 12% of entrepreneurs have graduated from an associate degree program. From this point of view, it can be concluded that the entrepreneurs benefiting from the support are people with a high level of education. In addition, 84.7% of the participants have been observed to have a previous work experience in their sectors of operation.

When the data about the enterprises established by the entrepreneurs are examined, 44 of the enterprises were seen to be established in 2022. Since no selection

was made according to the establishment date during the submission of the questionnaire to the enterprises, the questionnaire was sent to all enterprises, but the enterprises established in 2022, which did not have financial data for that period, were excluded from these evaluations. The incomplete answers of the entrepreneurs for some questions were not included in the analysis; consequently, the data were evaluated based on the questionnaires of 399 enterprises. When the statuses of the enterprises are examined, it is seen that 64% of the enterprises are in the status of a sole proprietorship. Sole proprietorships are preferred by entrepreneurs for their ease of establishment and lower costs of establishment compared to capital companies. Also, closing these enterprises is quite easy. According to the Final Evaluation Report prepared for KOSGEB's Entrepreneurship Support Program, which was previously terminated, the rate of closure in sole proprietorships is 26.6%, while it is 9.9% in limited companies and 4.9% in incorporated companies. Therefore, the Advanced Entrepreneur Support Program, which aims to increase the survival rate of enterprises, should encourage entrepreneurs to establish a capital company that pushes them to act more institutionally from the very beginning. On examination of the available data, it has been evaluated that a difference of 5,000 TL provided only in the Establishment Support is not effective enough. On examination of the results of the survey, 2 sectors with the highest participation were the manufacture of textile products and the manufacture of furniture. While 46.6% of the enterprises operate in the city, the rest operate in places such as small industrial areas, OIZs, and Technopark/İşgem (Business Development Center). 96.7% of the participants operate as tenants in their workplaces. This situation may be considered unfavorable for entrepreneurs, but the circulation of money is important for all segments of the economy. In addition, most of the enterprises may be stated to pay withholding tax.

25.5% of the enterprises participating in the survey stated that they did not have an internet connection in their enterprises. In addition, 11% do not have any computers in their enterprises. 48.1% of the participants do not have a corporate website. These ratios are very thought-provoking. In the 21st century, where digitalization gains importance in every sense, the success of enterprises depends on the right production, planning, and marketing. In the content of the support program, arrangements can be made to encourage

enterprises towards digitalization, and entrepreneurs can be informed by organizing additional trainings on this subject.

25.3% of the entrepreneurs who participated in the study stated that they had not employed any personnel in their enterprises. 1-3 people are employed in 41.6% of the enterprises. Enterprises employing more than 3 people constitute 33.1% of the participants. Considering that most of the participants are in their 1st or 2nd year of operation, these rates can be considered normal. It can be seen that 63.2% of the participating enterprises have a net sales revenue of less than 100,000 TL. However, the interpretation of this data may not be healthy, since 32.3% of the participants were founded in 2021. 52.9% of the participants used foreign resources from banks, chambers of tradesmen, etc. apart from KOSGEB's support. This point indicates the absence of a solid economic infrastructure for most entrepreneurs. Previous studies reveal that it is difficult for enterprises to survive in the long term with the supports of institutions such as KOSGEB, etc. without a certain financial accumulation of the entrepreneur. Entrepreneurs' financial situation should be taken into account when making a support decision in terms of the effective use of public resources. 72.7% of the participants do not have a domestic trademark registration certificate. The brand is important in terms of sustainability as well as protecting the enterprise. No support is given for the purchase of a domestic trademark registration certificate in any support program of KOSGEB. As it is known, in our country, the Turkish Patent and Trademark Office affiliated with the Ministry of Industry and Technology, like KOSGEB, carries out the trademark registration process. In addition, trademark registration is not a costly process. In this context, it is necessary to support the trademark registration expenses at least in entrepreneurship programs. The rate of professional and technical certification of enterprises is 16.8%. Since certificate support is only given to enterprises in the hazardous and very hazardous classes in the current program, this rate is considered low. This support should appeal to a wider population.

On examination of the distribution of the participants by their technology levels, it is seen that 56.1% operate at the low technology level, 27.3% at the medium-high technology level, and 16.5% at the high technology level. On examination of the status

of benefiting from the supports within the scope of the program, 93.2% of the enterprises participating in the study are seen to have benefited from the enterprise establishment support. 91.2% of the enterprises have benefited from machine-equipment and software support, and 56.9% purchased at least 1 machine-equipment and software with a domestic product certificate. This can be considered a positive reflection of the 15% increase in support. The rate of benefiting from the performance support is 57.9%. The ratio of benefiting from the mentorship, consultancy, and business coaching support is 20.1%. Although nearly half of the enterprises are at the medium-high and advanced technology levels, the rate of benefiting from this support is quite low. The rate of benefiting from the certificate support is only 26.8%.

49.1% of the entrepreneurs stated that they would establish their enterprises even without KOSGEB's support. This situation reveals the importance of the program. 44.1% of the participants stated to have received technical support or consultancy service during the application phase. In fact, although the content of the entrepreneurship training is theoretically quite sufficient, the Business Model Form filled in at the application stage intimidates the enterprises. This form, which has been prepared according to international standards, is quite simple compared to the Business Plan Form in force before 2019. The Business Model Form, which consists of 10 main titles, includes information about the enterprise and entrepreneur, customer groups, marketing methods, and financial plans. Adding an informational video or a sample form on the relevant application screen to facilitate the application phase will make the applications of entrepreneurs easier.

10 hypotheses were tested in order to examine the economic contribution of the program. These hypotheses were designed to understand the economic contribution of the program. In addition, as mentioned before, the upper limits within the scope of the program differ according to the legal status and technology level of enterprises. The necessity of these differences has also been questioned.

There was no relationship found between the legal status of the enterprises and benefiting from the establishment support. It has been observed that the establishment support does not sufficiently encourage the establishment of a capital company.

Although performance support is generally a subject of criticism, there was found a significant relationship between the employee number of enterprises and the performance support. The positive contribution of the performance support provided within the scope of the Advanced Entrepreneur Support Program to employment is very important. However, while the support is directly calculated over personnel salaries in other support programs of KOSGEB, the calculation of this support is based on the number of premium days, which can be a subject of criticism from time to time. It will make a positive contribution to the employment of the country if the entrepreneurs, who cannot benefit from the personnel support within the scope of other programs as they cannot meet certain conditions, can receive salary support at least for their bachelor and associate degree personnel.

In the third hypothesis, the relationship between the export status of the enterprises and benefiting from the mentorship, consultancy, and business coaching support was examined, and a significant relationship was found again. Exports are indispensable for developing economies such as Turkey. From this point of view, the mentorship, consultancy, and employment support provided within the scope of the Advanced Entrepreneur Support Program on total exports has a positive effect. However, it was considered in order to increase the contribution of entrepreneurs to exports that it would be appropriate to expand the scope of the consultancy and business coaching support and to include sectors such as textile and furniture, which are at the low technology level and where our country is successful, into the scope of support.

It has been observed that the use of certificate support increases professional and technical certification. In this context, the fact that the support only covers the hazardous and very hazardous SMEs has been evaluated as a negative issue.

One of the important hypotheses is the examination of the relationship between the employee number and the technology level. There is no significant relationship here. In fact, on a general examination of the study, it is seen that there is not enough employment at the medium-high and high technology levels. For example, only entrepreneurs work in 16.6% of high technology enterprises. There is also no significant

relationship between the net sales revenues and the technology levels of the enterprises, but the total financial balance sheets are related to the technology levels. However, it is considered that the difference in the total financial balance sheet is due to the machinery-equipment and software received within the scope of the support. The distinction in the support program is based on the technology level distinction between the enterprises. However, the tested hypotheses reveal the absence of a positive aspect of this distinction. Focusing the support limits on the performance of the enterprises instead of the technology level will increase the economic contribution of these units.

A significant relationship was found between the employee number, net sales revenues, and total financial balance sheets of the enterprises and their legal status. Capital companies have some advantages and disadvantages compared to sole proprietorships. While the activities of sole proprietorships generally cannot go beyond tradesman activities, capital companies can be the choice of consumers due to their institutional appearance. In addition, the ease of opening and closing sole proprietorships reduces the responsibilities of the entrepreneur toward the enterprise. The amount of support provided for more sustainable capital companies should be reviewed in order to increase the contribution of enterprises to the economy.

On examination of the Likert-type scale statements, 81.7% of the entrepreneurs are seen to believe in the sufficiency of the content of entrepreneurship training. In addition, 78.3% of them stated that the learned information was useful in the next process. 92.7% of the entrepreneurs stated the importance of KOSGEB's supports for our economy. The most striking point in this section is the project evaluation and payment processes. 11.7% of the participants stated that these processes were not fast enough. However, in a general evaluation, this is a low rate. 84.4% of the participants stated that the program contributed to the financing of the enterprise and 62.1% stated that the program contributed positively to their sales.

On examination of the demands and opinions of the entrepreneurs, the most frequently mentioned issue was the inadequacy of the performance support. In the Entrepreneurship Support Program, which was terminated, the enterprises were supported

for personnel salary expenses. However, this situation increased the workload of the Directorates and required the submission of documents each month by the entrepreneurs. However, the amounts in the current program are not sufficient, especially for the labor-intensive sectors with high personnel employment. Another point of concern is the inadequacy of the technology level classification. A participant gave a meaningful example on the subject, emphasizing that the "Manufacturing of vehicles pulled by animals" was at the medium-high technology level, while the "Manufacturing of warships and submarines" was at the low technology level. Apart from this, the entrepreneurs stated their difficulty in accessing bank loans and that they needed an interest-free loan similar to the Fixed Investment Support in the previous program.

On evaluation of the variables related to the support program and the feedback of the entrepreneurs, it is understood that some arrangements should be made within the scope of the program. First, a review of technology classifications is essential to the effectiveness of the program. For example, when the IT sector is considered, an enterprise that only provides services such as web page design and so on and an enterprise that creates added value and produces exportable software are considered in the same status. Instead of this classification, additional budgets can be ensured by determining performance criteria such as the annual sales revenue, the employee number, and the export status of the enterprises. Apart from this, expense diversification such as training, trademark registration, etc. to be included in the program will provide benefits to enterprises.

The net contribution of the program to the economy can only be demonstrated in the long term with real data to be obtained from official institutions. In this study, the economic contribution of the program was evaluated by evaluating the effects of the program on SMEs. The number of supported enterprises in 9 years in the New Entrepreneur Support Program, which was in effect before, was 66,148. In the first 30 months of the Traditional Entrepreneur and Advanced Entrepreneur programs, 33,702 new enterprises were brought into the economy. 30% of the aforementioned 33,702 enterprises operate in the manufacturing sector. In addition, more than half of the entrepreneurs participating in the study stated that they would not have established a

business without KOSGEB's support or that they were neutral. This situation reveals the positive contribution of the Advanced Entrepreneur Support Program to the economy.



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ANNEXES

ANNEX-1

QUESTIONNAIRE

Dear participant,

This questionnaire is about the study titled "Contribution of KOSGEB's Advanced Entrepreneur Support Program to Economy (Turkey in General)" which is being prepared by the KOSGEB İstanbul İMES Directorate. With the results of this study, it is aimed to examine the effects of entrepreneurship support programs provided by KOSGEB. It is important to answer all questions carefully for a correct evaluation of the information to be obtained through the survey.

NOTE: Your personal data will be kept confidential within the scope of the Personal Data Protection Law No. 6698 and will not be shared with anyone and will only be used for survey evaluation.

Thank you for your time and kind regards.

Mehmet Anıl AYGÜN

Notes:

- This questionnaire has been prepared only for SMEs benefiting from KOSGEB's Advanced Entrepreneur Support Program.

Section 1: General Information on Entrepreneur and Enterprise

This section contains questions about general information about yourself and your enterprise. It is important for the effectiveness of the survey to answer all questions as accurately as possible.

1- What is your gender?

☐ Male ☐ Female

2- How old are you?

☐ 18-24 ☐ 25-30 ☐ 31-36 ☐ 37-45 ☐ 46-60 ☐ 60+

3- What is your education level? (To be filled according to the last graduated school.)

☐ Primary School ☐ High School ☐ Associate Degree
☐ Bachelor ☐ Master/PhD ☐ Other

4- Do you have any work experience in the sector of your enterprise?

☐ Yes ☐ No

5- How many years is your total professional experience?

☐ 1-5 Years ☐ 6-10 Years ☐ 11-20 Years ☐ 20 Years and above

6- What is the establishment date of your enterprise?

☐ 2018 ☐ 2019 ☐ 2020 ☐ 2021 ☐ 2022

7- What is the legal status of your enterprise?

☐ Sole Proprietorship ☐ Limited Company ☐ Incorporated Company

8- Which professional organization are you registered with?

☐ Chamber of Commerce ☐ Chamber of Tradesmen

9- What is the sector of your enterprise's operation? (It will be selected according to the first 2 digits of your NACE code.)

10- In which city is your enterprise located?

11- Where is the location of operation of your enterprise?

- ☐ Inner City ☐ Small Industrial Area ☐ Organized
Industrial Zone
☐ Teknopark/İŞGEM ☐ Free Zone ☐ Other

12- Do you have an Internet connection in your enterprise?

- ☐ Yes ☐ No

13- How many computers (workstation, tablet, etc.) do you have in your enterprise?

14- Do you have a corporate website for your enterprise?

- ☐ Yes ☐ No

15- Do you sell online?

- ☐ Yes ☐ No

16- What is the production structure of your company?

- ☐ Contract production
☐ Independent production
☐ Both contract and independent production.

17- Is the workplace of your enterprise rental or does it belong to you?

- ☐ Ownership ☐ Rental

Section 2: Information on the Current Status of the Enterprise

This section contains questions about the current status of your enterprise. It is important for the effectiveness of the survey to answer all questions as accurately as possible.

18- What is the number of people employed in your enterprise now (2021)?

- ☐ I work alone.
- ☐ 1-3 People
- ☐ 3-10 People
- ☐ 10-20 People
- ☐ Over 20 people
- ☐ Over 50 people

19- What was your enterprise's net sales revenue in the last fiscal year (2020)?

- ☐ 0-50,000 TL
- ☐ 50,001-100,000 TL
- ☐ 100,001 - 250,000 TL
- ☐ 250,001 - 1,000,000 TL
- ☐ 1,000,001 - 5,000,000 TL
- ☐ 5,000,001 - 10,000,000
- ☐ 10,000,001 TL and above

20- What was the total financial balance of your enterprise in the last fiscal year (2020)?

- ☐ 0-50,000 TL
- ☐ 50,001-100,000 TL
- ☐ 100,001 - 250,000 TL
- ☐ 250,001 - 1,000,000 TL
- ☐ 1,000,001 - 5,000,000 TL
- ☐ 5,000,001 - 10,000,000
- ☐ 10,000,001 TL and above

21- What is your use of foreign resources (bank loans, loan guarantee loans, KOSGEB loans) in your operating budget?

☐ No foreign source use.

☐ 10-25%

☐ 26-50%

☐ 50-75%

☐ More than 75%

22- Do you have any patents or utility models?

☐ Yes ☐ No ☐ Application in evaluation

23- Do you have a domestic trademark registration certificate?

☐ Yes ☐ No

24- Have you ever exported since the establishment date?

☐ Yes ☐ No

25- Have you participated in any fairs since the establishment date?

☐ Yes ☐ No

26- Have you received any professional and technical certificates in your enterprise's field of operation?

☐ Yes ☐ No

Section 3: Information on the Status of Benefiting from the Advanced Entrepreneur Support Program

This section contains questions about your status of benefiting from the Advanced Entrepreneur Support Program. It is important for the effectiveness of the survey to answer all questions as accurately as possible.

27- I have completed the entrepreneurship training given by KOSGEB

- ☐ Online
☐ Face-to-face (in a class environment).

28- What is the technology level of your enterprise according to the NACE code?

- ☐ Low Technology (Machine-equipment and software support upper limit is 100,000 TL)
☐ Medium Technology (Machine-equipment and software support upper limit is 200,000 TL)
☐ High Technology (Machine-equipment and software support upper limit is 300,000 TL)

29- Have you benefited from the Enterprise Establishment Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)

- ☐ Yes ☐ No

30- Have you benefited from the Machinery-Equipment and Software Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)

- ☐ Yes ☐ No

31- I purchased machinery-equipment or software with a Domestic Goods Certificate within the scope of the program. (At least 1 piece)

- ☐ Yes ☐ No

32- Have you benefited from the Performance Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)

☐ Yes ☐ No

33- Have you benefited from the Mentorship, Consultancy, and Business Coaching Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)

☐ Yes ☐ No

34- Have you benefited from the Certificate Support under the Advanced Entrepreneur Support Program? (Those who have not yet received but can receive the payment should tick the "Yes" option.)

☐ Yes ☐ No

35- Would you start a new enterprise without the KOSGEB's Advanced Entrepreneur Support Program?

☐ Yes ☐ No ☐ Neutral

36- Have you received technical support and consultancy service for the project application?

☐ Yes ☐ No

37- Have you written any project for any institution other than KOSGEB?

☐ Yes ☐ No

Section 4: General Evaluation of KOSGEB and Advanced Entrepreneur Support Program

In this section, you can make your general evaluations about KOSGEB and Advanced Entrepreneur Support Program.

Please evaluate the effectiveness of KOSGEB and the Advanced Entrepreneur Support Program in the areas listed below. The number 5 on the scale indicates that you strongly agree with the given suggestion, and the number 1 indicates that you strongly disagree. (1. Strongly Disagree, 2. Disagree, 3. Neutral, 4. Agree, 5. Strongly Agree)

38- The content of entrepreneurship training is sufficient.

☐1 ☐2 ☐3 ☐4 ☐5

39- The information I learned in entrepreneurship training was useful in the following process.

☐1 ☐2 ☐3 ☐4 ☐5

40- I recommend KOSGEB to other SMEs.

☐1 ☐2 ☐3 ☐4 ☐5

41- I think KOSGEB's supports are important for the Turkish economy.

☐1 ☐2 ☐3 ☐4 ☐5

42- KOSGEB employees are sufficiently interested in enterprises.

☐1 ☐2 ☐3 ☐4 ☐5

43- The legislation and implementation principles of KOSGEB's support programs are clear/understandable at a sufficient level.

☐1 ☐2 ☐3 ☐4 ☐5

44- KOSGEB's Project evaluation and payment processes are fast at a sufficient level.

☐1 ☐2 ☐3 ☐4 ☐5

45- The Advanced Entrepreneur Support Program contributed to the financing of my enterprise.

☐1 ☐2 ☐3 ☐4 ☐5

46- The Advanced Entrepreneur Support Program has positively affected the sales of my enterprise.

☐1 ☐2 ☐3 ☐4 ☐5

47- The Advanced Entrepreneur Support Program has enabled me to employ more staff.

☐1 ☐2 ☐3 ☐4 ☐5

48- The Advanced Entrepreneur Support Program has enabled me to purchase more machinery-equipment and software.

☐1 ☐2 ☐3 ☐4 ☐5

49- If there is anything you would like to add, you can write it in this section.