



PROFILE ISSUES AND COMPLIANCE WITH BUSINESS REGISTRATION REGULATIONS OF THE EMBROIDERY INDUSTRY IN LUMBAN, LAGUNA: BASIS FOR PROPOSED REORIENTATION PROGRAM

Adrimar A. Adriano

ABSTRACT

This study sought to determine the profile, issues, and compliance with business registration regulations of small and medium enterprises running embroidery shops in Lumban, Laguna. In this study, the researcher used a quantitative research method. Considering the significant number of populations, the researcher concentrated on embroiderers. The sample of this study is registered individual enterprises. A researcher-created and expert-validated survey questionnaire shall be encoded as a Google Form and distributed to 50 embroiders.

It was found that embroiders were 31-35 with a monthly income of Php15,000 and above, primarily high school graduates who did not enter college, and females with enterprise aged from 3 years and below. They do not find payment of state and local taxes an issue but have been concerned about the amount they must pay. Embroider should have complied with the business registration process, requirements, and other issues. The level of compliance was independent of the profile of the respondents. Still, there is a significant correlation between the problems encountered by the embroiders and their compliance with business registration policies.

The researcher recommends providing technical assistance to the embroiders regardless of their profile. Simplified processes and requirements for business registration are also suggested. Advocacy campaigns to help inform the public about the benefits of business registration may likewise be conducted. Finally, further study on the ethnographic situation could be done by observing several business registrants and taking note of their experiences.

KEYWORDS: *Business Registration, Compliance, Embroiderers, Issues, Requirements*

INTRODUCTION

Governments safeguard entrepreneurs and customers by registering businesses. Starting a business involves practical matters like creating a business strategy, enhancing production, establishing suitable distribution methods, marketing, and choosing an office. However, legal issues in a business are commonly ignored or put off until "all else is taken care of," which is a severe mistake that small business owners, sole proprietors, and solo practitioners must avoid. Neglecting a company's legal obligations might lead to destruction or significant obstacles to entrepreneurial success.

Legalizing a business shows clients and potential investors that the owner is committed to the venture in the long run. When the company is correctly formed and legal documentation is in place, entrepreneurs can seek loans or find investors to help them extend their operations, allowing them to grow or expand their business. Attending to legal matters and securing the registration of their intellectual property can be significant in the event of a dispute. Many companies must have an operating license. They usually need a permit from the city or country where they have a location and any other area where they do business. Furthermore, having a well-established and documented business structure, a legally compliant website, master contracts in place, and intellectual property registration are just a few of the measures that can help smooth operations and growth.

However, the study showed a global problem with business registration. In India, legal firms that started unregistered and stayed unregistered outperformed registered legal firms. Improve informal enterprise's image. Delaying registration increases production when years unrecorded are considered. In this institutionally weak context, delaying enrollment outweighs enrolling immediately. The policy implications are that unregistered startups should be facilitated rather than eradicated on the assumption that they are unproductive (Williams & Kedir, 2016).



These indicator sets include starting a business, dealing with building permits, recruiting staff, registering property, obtaining credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and closing a firm. Based on the ten characteristics examined in the Business 2010 report, the Philippines ranked 144th out of 183 countries. This ranking indicates where the country stands regarding its investor-friendly business climate. The conclusions of the Doing Business report on one of its indicators, 'Starting a Business,' may be beneficial in providing context for the study.

Objective of the Study

Registering is a mandatory legal requirement before a company conducts business in the Philippines. Compliance with Republic Act 3883, generally known as the Business Name Law, is essential. The legislation prohibits using any business name not registered with the Department of Commerce and Industry (DTI). It further indicates that registering a business name permits business owners to use it legally and exclusively throughout its five-year validity period, which is renewable. Note, however, that registering business with the DTI does not mean it can immediately begin operating. Other necessities include business licenses and other legal documentation from government agencies (KMC Solutions, 2020).

Business registration in Lumban, Laguna, has been problematic for the last few years, even before the pandemic. The percentage of small-medium enterprises with updated business permits was only 46%. It resulted in the inability of the local government to assist unregistered businesses since only legally registered enterprises are qualified under the law. The unregistered enterprises may also be held liable once apprehended.

The government has attempted to reduce the load on business owners by providing online options for acquiring the required business license. In addition to tax purposes, this enables the authorities to ensure a minimum service and product quality standard from prospective business owners. However, it comes with fees and charges – money that could make a significant difference if one is on a tight budget; also, business licenses must be renewed annually. The initial loss would be compensated monetarily. According to BIR regulations, the criminal punishment for "Failure to Register" or operating an unregistered business is "a fine of no less than P5,000 and no more than P20,000 and imprisonment of no less than six months and no more than two years." The compromise amount varies based on the establishment's location: P20,000 in cities, P10,000 in municipalities of the first class, P5,000 in municipalities of the second class, and P2,000 in municipalities of the third class (Villafuerte, 2017).

Small and medium-sized enterprises (SMEs) contribute considerably to the economy of Lumban, Laguna. Because the Local Government recognized that challenges to SMEs threaten economies and communities, governments prioritized helping SMEs throughout the COVID-19 epidemic through programs such as direct financial aid, public loan guarantees, and tax relief. While such financial support is advantageous, it does not necessarily position businesses for long-term success and the ability to tackle the numerous converging difficulties they face. In addition, the majority of these subsidies are about to expire.

Embroidery shop owners are often challenged with registering their businesses because they think it is unimportant. Some believed having their business names listed with the Department of Trade was enough. Some people secured permits from their barangays. Many think that undergoing business registration is arduous and very expensive.

Thus, through this study, the researcher expects to clarify further the challenges and level of compliance of SMEs with business registration policies. It further investigates how their profile is associated with these two variables. By doing so, the researcher can propose a long-term intervention to support SMEs in their compliance better, thereby qualifying for nationally funded assistance.

MATERIALS AND METHOD

Research Design

Research design generally refers to a structure for planning and carrying out a study. Research design is the most significant aspect of the research since it encompasses the four most critical considerations: the strategy, the conceptual framework, the identification of who and what to examine, and the techniques and tools for data collection and analysis (Akhtar, 2016).

In this study, the researcher used a quantitative research method. It is a method of research that relies on measuring variables using a numerical system, analyzing these measurements using a variety of statistical models, and reporting relationships and associations among the studied variables (City University of Seattle, 2022). Specifically, a survey method is employed. A survey is a process, tool, or technique that you can use to gather information in research by asking questions to a predefined group of people. Typically, it facilitates the exchange of information between the research participants and the person or organization carrying out the research (MA Health Care Ltd., 2022).



It is employed because the method provides a broad range of information. Surveys can yield a great range of data, and researchers can use surveys to gather information related to socioeconomic opinions, advertising and marketing and planning or testing product features. Most importantly, they are cost-effective and efficient (Indeed Editorial Team, 2022).

Population and Sampling Techniques

The population of the study are the SME operators in Lumban, Laguna. Considering the significant number of people, the researcher concentrated on embroiderers. The sample of this study is composed of 50 embroiderers whose enterprises may be registered or not. It means that both compliant and non-compliant embroiderers are considered.

Research Instrument

A researcher-created and expert-validated survey questionnaire shall be encoded as a Google Form and distributed to 50 embroiderers after obtaining the permit to conduct the study from the Office of the Mayor. Providing their and their business identifications are made optional to protect the respondents' interests. The research instrument is composed of three parts. In Part 1, the tool focuses only on the demographic profile of the embroiderers. It seeks respondents to indicate their profile in terms of age, income, education, gender, and age of enterprise. Part 2, on the other hand, focuses on the challenges of the embroiderers.

Part 2.1 concentrates on the challenges relative to requirements such as payment of state and local taxes; business name registration at the Department of Trade and Industry; barangay business registration; clearance from the municipal development office; clearance from the municipal environment and natural resources office; permit from the rural health unit; fire inspection clearance from the bureau of fire protection; and permit from the tourism office. Part 2.2 describes the personal difficulties of the embroiderers, such as lack of knowledge of statutory policies; lack of business experience; negative perception of business registration; and inadequacy of business preparations.

Part 3 focuses on the extent of compliance of the embroiderers to business regulation policies.

RESULTS AND DISCUSSION

PROFILE OF THE RESPONDENTS

The first part of this chapter focuses on the profile of the respondents. These variables have been described in terms of age, monthly income, education, gender, and years of enterprise. The researcher used frequency and percentage, descriptive statistical tools in presenting the results.

Table 1. Profile of the respondents in terms of age

Age	F	%
20 and below	0	0.00%
21-25	6	12.00%
26-30	10	20.00%
31-35	16	32.00%
36-40	10	20.00%
41 and above	8	16.00%
	50	100.00%

Table 1 presents the profile of the embroiders in terms of their age.

Data showed that most respondents were in the age bracket 31-35, comprising 32.00 per centum of the total sample, i.e., n=16. It was also observed that there were equal numbers of embroiders at age brackets 26-30 and 36-40, each comprising 20.00 per centum of the total sample. Only 8 or 16.00 per centum were in the age bracket 41 and above and 6 or 12.00 per centum in the age bracket 21-25. None of the respondents were aged 20 and below.

Results implied that most of the embroiders in their middle adulthood stage. There were in the ideal age of running businesses. According to Snapreads (2020), starting a business in early and middle adulthood (the 30s – 40s) has an opportunity for long-term returns, and they are more energetic and enthusiastic.

Table 2. Profile of the respondents in terms of Monthly Income

Monthly Income	F	%
5,000 and less	4	8.00%
5001- 15,000	6	12.00%
15,000 and above	40	80.00%
	50	100.00%



Table 2 presents the profile of the respondents in terms of monthly income.

Results show that the most significant number of embroiders belong to the monthly income bracket Php15,000 and above, comprising 80.00 per centum or n=40. Only 6, or 12.00 per centum, earn Php5001 to Php15,000, and only 4 or 8.00 per centum, earn less than Php5,000.

Results implied that most embroider earn enough to survive in a rural area. People in rural areas need around Php13,000 to survive daily (Cost of Living in The Philippines 2020, 2020).

Table 3. Profile of the respondents in terms of Education

Education	F	%
Elementary	2	4.00%
High School Graduate	41	82.00%
College Undergraduate	6	12.00%
College Graduate	1	2.00%
Master's Degree or Higher	0	0.00%
	50	100.00%

Table 3 presents the profile of the respondents in terms of education.

Based on the results, most respondents were high school graduates who did not enter college, comprising 82.00 per centum or 41 of the total sample. Only 6 or 12.00 per centum could reach college but could not complete it, while only 1 earned a degree. It was also interesting to note that there were 2 or 4.00 per centum of the respondents who completed elementary education but were not able to enroll in high school.

Results implied that embroiders completed primary education. However, they could not receive formal or college-based education in business since they could not reach college. It might be a contributory factor to their level of Compliance with the registration policies of the local government.

The results confirm the findings of previous studies. According to a survey conducted by the Philippine Institute for Development Studies (PIDS) in 2014, around 43% of micro and small enterprise (MSE) owners in the country have completed only high school, while 24% still need to finish elementary school. Only 18% have completed college or higher education. Another study by the Philippine Statistics Authority (PSA) 2018 found that among micro, small, and medium enterprises (MSMEs) in the country, around 52% of owners have completed only high school, while 26% still need to finish elementary school. About 16% have completed college or higher education.

Table 4. Profile of the respondents in terms of Gender

Gender	F	%
Male	18	36.00%
Female	32	64.00%
	50	100.00%

Table 4 presents the profile of the embroiders in terms of gender.

Results show that most respondents were female, comprising 32 or 64.00 per centum of the total sample. It was more than the number of males, i.e., 18 or 36.00 per centum. It could be related to Graf's (2022) article showing that embroidery was being revived with more participation from women, like in the past.

Table 5. Profile of the respondents in terms of Years of Enterprise

Year of Enterprises	F	%
Three and below	21	42.00%
4-5 years	12	24.00%
6-10 years	12	24.00%
11-15 years	2	4.00%
16-20 years	1	2.00%
21 years and above	2	4.00%
	50	100.00%

Table 5 presents the profile of the respondents in terms of years of enterprise.

It was observed that most of the enterprises were three years and below in operation, i.e., 21 or 42.00 per centum of the total sample. There were equal numbers of those within 4-5 and 6-10 years in business, i.e., 12 or 24.00 per centum. Only 2 or 4.00 per centum have been in operation for 11-15 years, and another 2 or 4.00 per centum have been operating for more than 21 years. Only 1 or 2.00 per cent have worked for 16-20 years.



Results implied that the majority of the embroiders were in their startup years. According to the new rules, an entity will be considered a startup for up to 10 years from its incorporation and registration, up from the earlier duration of seven years (Sharma, 2019).

Issues Encountered

In this study, the researcher looked into the issues encountered by the embroiders concerning the factors for business registration. It was described in terms of process, requirements, and other issues. Mean, and standard deviations were employed in addressing the research questions.

Process

Table 6. Payment of State and Local Taxes

Statement	M	SD	V.I.
a. I have enough income to pay taxes.	3.98	1.27	Strongly Agree
b. I am willing to pay taxes, but the amount is too high.	2.70	1.37	Agree
c. The business will survive if I pay the taxes.	3.60	0.99	Strongly Agree
d. I understand how taxes are computed.	3.14	1.28	Agree
e. I need someone to help with tax-related concerns.	2.90	1.27	Agree
Overall	3.26	0.79	Not An Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

Table 6 presents the issues encountered by the embroiders in terms of payment of state and local taxes.

Based on the results, the embroiders strongly agreed with the statements "I do have enough income to pay for taxes" (M= 3.98, SD=1.27) and "My business will survive if I pay the taxes" (M= 3.60, SD=0.99). On the other hand, they agree that they understand how taxes are computed (M=3.14, SD=1.28). They also decided they needed help with tax-related concerns (M=2.90, SD=1.27) and were willing to pay taxes, and the amounts were too high (M=2.70, SD=1.37).

The overall mean of 3.26 and SD= 0.79 indicated that the embroiders do not find payment of state and local taxes an issue. However, they expressed concerns, especially about the amount they must pay. Moreover, their expression of needing someone to help them compute taxes implied their lack of skills in this aspect of the business. Nevertheless, it is worth noting that they understand the need to pay taxes and have funds for this aspect of running a business. Results showed the embroiders' willingness to pay taxes despite their views that taxes were high.

The results were different from the findings of a study in Nigeria. One study conducted in Nigeria by Onugu and Ezejiolor (2016) found that SMEs tend to have a negative attitude towards paying taxes, with many perceiving it as a burden and feeling that they are not getting adequate services. The study also found that many SMEs needed more understanding of tax regulations, contributing to their negative attitudes towards paying taxes.

On the other hand, it supported another study conducted in Iran by Farhangi and Jafari-Samimi (2016), which found that SMEs had a generally positive attitude towards paying taxes. Still, their Compliance was influenced by several factors, including the complexity of the tax system, the level of trust in government institutions, and the perceived fairness of the tax system.

The following table, Table 7, presents the issues encountered by the embroiders regarding business name registration at the Department of Trade and Industry.

Notably, their business names differed from others (M=1.12, 0.39). They also knew their business names should be registered (M=3.24, SD=1.30). However, the embroiders have issues since they do not see the process (M=2.16, SD=1.22). They also needed clarification about registering a business name with the DTI and the business permit (M=1.86, SD=1.40). Moreover, the embroiders expressed business as a hindrance to visiting DTI (M=2.66, SD=1.35).

**Table 7. Business Name Registration at the Department of Trade and Industry**

Statement	M	SD	V.I.
a. The business name is similar to another.	1.12	0.39	Strongly Disagree
b. I am aware that the business name should be registered.	3.24	1.30	Agree
c. I already have a DTI permit but still need another business permit.	1.86	1.40	Disagree
d. I am too busy with business to go to DTI.	2.66	1.35	Agree
e. I know the process of registering my business name.	2.16	1.22	Disagree
Overall	2.21	0.81	Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The following table, Table 8, focuses on the issues encountered by the embroiders concerning Barangay business registration.

The results showed that major issues lay in the embroiders' belief that their barangay business permit was the last stage of business registration (M = 1.51, SD=1.32). They also expressed their need for knowledge on registering their businesses with the barangay as an issue (M=2.07, SD=1.40). On the other hand, it was noted that their barangays recognized their businesses (M=3.56, SD=0.51) and that they were aware of the need to register their business names with their barangays (M=3.60, SD=0.84). It was also worth noting that they disagreed with the statement expressing that they were too busy to visit the barangay (M=2.04, SD=1.36).

Table 8 Barangay Business Registration

Statement	M	SD	V.I.
a. Our barangay government does recognize my business.	3.56	0.51	Strongly Agree
b. My business's name should be registered with the barangay.	3.60	0.84	Strongly Agree
c. I already have a barangay permit, but I need another business permit.	1.51	1.32	Disagree
d. I am too busy with business to go to the barangay hall.	2.04	1.36	Disagree
e. I do know the process of registering my business name with the barangay.	2.07	1.40	Disagree
Overall	2.69	0.82	Not An Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The overall mean of 2.69 and SD=0.82 showed that the respondents agreed that Barangay business registration was not an issue. However, since the agreement did not reach the perfect "4" or no issue at all, the need to revisit the orientation of business owners on the policies was implied, particularly with registering with the barangay government. Moreover, recognizing businesses without proper registration must be avoided. Results further implied the need for business owners to become more honest in declaring income to pay the real taxes of their businesses. These also implied the need for a Business One-Stop Shop or BOSS.

According to Perez (2021), Compliance with registration requirements may vary among small and medium-sized enterprises (SMEs) in the Philippines. While it is required by law to register with the barangay and other government agencies, some SMEs may need to be fully aware of the requirements or may need more resources to complete the registration process.

However, SMEs need to comply with registration requirements as this ensures legal Compliance and provides various benefits such as access to government services and programs, protection of the business name and brand, and eligibility for tax incentives and exemptions.

Requirements

Table 9. Clearance from the Municipal Development Office

Statement	M	SD	V.I.
a. The MDO covers my business.	3.04	1.38	Agree
b. The business's name should be registered with the MDO.	1.70	1.45	Disagree
c. I already have MDO clearance, but I still need another business permit.	3.18	1.35	Agree
d. I have plenty of time to go to the MDO.	1.48	1.44	Disagree
e. I do know the process of registering a business name with the MDO.	1.46	1.13	Disagree
Overall	2.43	0.92	Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.



Table 9 focuses on the issues encountered regarding clearance from the municipal development office.

The lowest means were recorded for knowing the process of registering the business with the MDO (M=1.46, SD=1.13). The next lowest implied they were to business to go to the MDO (M=1.48, SD=1.44). Also, embroiders disagreed that they knew their businesses should be registered with the MDO (M=1.70, SD=1.45). On the other hand, they knew that their business was covered by the MDO (M=3.04, 1.38) and that they had secured their MDO clearance (M=3.18, SD=1.35).

The overall mean of 2.43 and SD=0.92 showed that clearance from MDO was considered an issue among embroiders. Their responses implied that while they obtained clearances from the office, they needed a clearer understanding of why such clearance must be obtained from the said office. This further implied the need for more orientation among the embroiders in this aspect of the business registration policy.

The Municipal Development Office (MDO) in the Philippines plays a vital role in business regulation at the local level. The MDO is responsible for developing, planning, and implementing programs and projects to promote economic growth and development in the municipality. One of the primary functions of the MDO is to facilitate the registration and licensing of businesses operating within the municipality. This involves ensuring that businesses comply with all applicable laws and regulations, such as obtaining the necessary permits and licenses, paying the appropriate taxes and fees, and meeting safety and environmental standards (Municipality of Tapaz, 2022).

Table 10 focuses on the issues encountered regarding clearance from the Municipal Environment and Natural Resources Office.

The lowest means indicated not knowing how to register business names with the MENRO (M=1.44, SD=1.16). The next lowest implied their need for more awareness that my business name should be registered with the MENRO (M=1.58, SD=1.46). Also, embroiders implied that they were too busy with my business to go to the MENRO (M=1.60, SD=1.32). On the other hand, they knew that their business was covered by the MENRO (M=3.10, 1.45) and that they had secured their MDO clearance (M=3.12, SD=1.39).

Table 10. Clearance from the Municipal Environment and Natural Resources Office

Statement	M	SD	V.I.
a. My business needs a permit from MENRO.	3.10	1.45	Agree
b. I am aware that the business's name should be registered with MENRO.	1.58	1.46	Disagree
c. I already have MENRO clearance, but I need another business permit.	3.12	1.39	Agree
d. I have enough time to go to the MENRO.	1.60	1.32	Disagree
e. I know the process of registering my business name with the MENRO.	1.44	1.16	Disagree
Overall	2.19	0.98	Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The overall mean of 2.19 and SD=0.98 showed that clearance from MENRO was considered as an issue among embroiders. Their responses implied that while they obtained clearances from the office, they needed a clearer understanding of why such clearance must be obtained from the said office. It further implied the need for more orientation among the embroiders in this aspect of the business registration policy.

Literature showed that the level of Compliance of SMEs with environmental regulations varies depending on the location, sector, and specific regulations being studied. However, it is generally acknowledged that Compliance can be challenging for SMEs due to resource limitations, lack of knowledge about regulations, and difficulty in navigating the regulatory landscape (Wu et al., 2020).

Table 11. The permit from the Rural Health Unit

Statement	M	SD	V.I.
a. My business needs a permit from RHU.	3.26	1.37	Agree
b. My business's name should be registered with the RHU.	1.54	1.31	Disagree
c. I already have RHU clearance, but I still need another business permit.	3.22	1.31	Agree
d. I have enough time to go to the RHU.	1.76	1.44	Disagree
e. I know the process of registering my business name with the RHU.	1.42	1.16	Disagree
Overall	2.30	0.95	Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.



Table 11 focuses on the issues encountered regarding clearance from the Rural Health Unit.

The lowest mean implied that respondents do not know how to register business names with the RHU (M=1.42, SD=1.16). The next lowest implied their need for more awareness that my business name should be registered with the RHU (M=1.54, SD=1.39). Also, embroiders implied they were too busy with my business to go to the RHU (M=1.76, SD=1.34). On the other hand, they knew that their business was covered by the RHU (M=3.26, 1.3.7) and that they had secured their RHU clearance (M=3.12, SD=1.39).

The overall mean of 2.30 and SD=0.95 showed that clearance from RHU was considered as an issue among embroiders. Their responses implied that while they obtained clearances from the office, they needed a clearer understanding of why such clearance must be obtained from the said office. It further implied the need for more orientation among the embroiders in this aspect of the business registration policy.

In the Philippines, small and medium-sized enterprises (SMEs) are expected to comply with health clearances and safety protocols to ensure the safety of their customers and employees. The government has implemented various guidelines and regulations that businesses must follow to help prevent the spread of diseases, including COVID-19. However, Compliance with health clearances and safety protocols may vary depending on the size and type of SMEs. Some SMEs may prioritize Compliance with health clearances and safety protocols. In contrast, others may need more resources to comply due to financial constraints or need more resources (Philippines Commission on Women, 2021).

Table 12 presents the issues encountered by the embroiders concerning Fire Inspection Clearance from the Bureau of Fire Protection.

Results showed that the lowest mean implied that respondents do not know how to register a business name with the BFP (M=1.64, SD=1.17). The next implied they were too busy with business to go to the BFP. (M=1.74, SD=1.43). On the other hand, they understood the need to register their business with the BFP (M= 2.98, SD=1.36). They were also aware of the need to obtain clearance from BFP (M = 3.40, SD=1.46), and they already have the clearance (M=3.26, SD=1.41).

Table 12. Fire Inspection Clearance from the Bureau of Fire Protection

	Statement	M	SD	V.I.
a.	My business needs a permit from BFP.	2.98	1.36	Agree
b.	My business's name should be registered with the BFP.	3.40	1.46	Agree
c.	I already have BFP clearance, but I need another business permit.	3.26	1.41	Agree
d.	I have enough time to go to the BFP.	1.74	1.43	Disagree
e.	I know the process of registering my business name with the BFP.	1.64	1.17	Disagree
	Overall	2.60	0.88	Not an Issue

Note. N=50. The mean is as follows: 3.51-4.00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The overall mean of 2.60 and SD=0.88 showed that clearance from BFP was considered an issue among embroiders. Their responses implied that while they obtained clearances from the office and clearly understood why such clearance must be obtained from the said office, they implied a need for more orientation on the process.

According to Liu and Wang (2017), SMEs may have limited resources and expertise to implement fire prevention measures and comply with regulations compared to larger businesses with more significant budgets and dedicated safety teams. However, some SMEs may take fire safety seriously and prioritize it in their operations. In some jurisdictions, there may be mandatory regulations and inspections to ensure that SMEs comply with fire prevention measures. In such cases, SMEs may have to comply or face legal consequences or penalties. However, in other areas, regulations may be less stringent or not enforced as strictly, which may lead to lower compliance levels among SMEs.

Table 13 presents the issues encountered by the embroiders concerning permits from the Tourism Office.

Results showed that the lowest mean was recorded for not knowing how to register a business name with the tourism office (M=1.58, SD=1.13). The next was too busy with my business to go to the Tourism Office (M=1.64, SD=1.34). On the other hand, they understood the need to register their business with the tourism office (M= 2.62, SD=1.46). They were also aware of the need to obtain clearance from the office (M = 2.98, SD=1.41), and they already have the permit (M=3.12, SD=1.35).

**Table 13. A permit from the Tourism Office**

Statement	M	SD	V.I.
a. My business needs a permit from Tourism Office.	2.98	1.41	Agree
b. The business's name should be registered with the Tourism Office.	2.62	1.46	Agree
c. I already have Tourism Office clearance but still need another business permit.	3.12	1.35	Agree
d. I have enough time to go to the Tourism Office.	1.64	1.34	Disagree
e. I know the process of registering my business name with the Tourism Office.	1.58	1.13	Disagree
Overall	2.39	0.94	Issue

Note. N=50. The mean is as follows: 3.51-4:00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The overall mean of 2.39 and SD=0.94 showed that a permit from the tourism office was considered an issue among embroiders. Their responses implied that while they obtained clearances from the office and clearly understood why such clearance must be obtained from the said office, they implied a need for more orientation on the process.

Issues

Table 14 presents other issues the embroiders encountered regarding their need for knowledge of statutory policies.

It was observed that all five statements were agreed by the embroiders. Exceptionally highest in mean was their plan to register their businesses, but they needed to learn how to start (M = 3.41, SD=1.09). They also agreed they needed a seminar to understand how this should be done (M= 3.40, SD=1.03). Embroiders further agreed that they needed to be made aware of the policies about business registration (M=2.86, SD=1.34). They also thought money was enough to start a business (M=2.80, SD=1.40) and knew the need to but needed to learn how to undergo registration (M= 2.72, SD=1.39).

It confirms the report of Smith (2019) that many researchers and policymakers recommend providing education and support to SMEs to improve their knowledge and understanding of business registration processes. This can include workshops, training programs, and access to information and resources.

Table 14. Knowledge of Statutory Policies

Statement	M	SD	V.I.
a. I need to learn about the policies regarding business registration.	2.86	1.34	Agree
b. Establishing a business for as long as I had the money was okay.	2.80	1.40	Agree
c. I should register my business, but I must learn the procedure.	2.72	1.39	Agree
d. I plan to register my business but must figure out how to start.	3.42	1.09	Agree
e. I need a seminar to understand how things like this should be done.	3.40	1.03	Agree
Overall	3.04	0.95	Not an Issue

Note. N=50. The mean is as follows: 3.51-4:00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The weighted mean of 3.04 and SD=.95 showed that lack of knowledge of statutory policies was not an issue among embroiders. This implied the need for education on this aspect of running a business. Embroiders started their businesses without adequate knowledge and now require additional support.

Table 15 presents the other issues the embroiders encountered regarding needing more business experience.

Results showed that the embroiders agreed to all five statements. In particular, the highest means were recorded for the need to focus on growing their business (M=3.26, SD=1.29) and their need for training (M=3.26, SD=1.26). They also expressed their plan to work on business registration but need some time (M=3.04, SD=1.32). They also agreed that it was their first time opening businesses (M=2.50, SD=1.52) and needed more years to understand the process (M=2.60, SD=1.43).

Results further support the report of Smith (2019) that improving SMEs' knowledge and understanding of business registration is an essential step towards supporting their growth and success. This can involve a range of strategies, from education and training to technology and innovation, to help simplify the registration process and make it more accessible to these businesses.

**Table 15. Knowledge of Business Experience**

Statement	M	SD	V.I.
a. This is my first time to open a business.	2.50	1.52	Agree
b. I plan to work on my business registration; I need time.	3.04	1.32	Agree
c. I need some more years to understand how things like this are done.	2.60	1.43	Agree
d. I need to focus on growing my business first.	3.26	1.29	Agree
e. I need training to learn these kinds of stuff.	3.26	1.26	Agree
Overall	2.93	0.94	Issue

Note. $N=50$. The mean is as follows: 3.51-4:00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

Overall, the business experience was an issue among embroiders ($M=2.93$, $SD=0.94$). The need for experience registering businesses makes it difficult to complete the process. Thus, results implied their need for a guide to help them undergo the process and complete business registration. It is also for their future endeavor.

Table 16 presents other issues the embroiders encountered regarding the negative perception of business registration.

Results showed that the highest mean was recorded for having more pressing concerns in my business than securing a business permit ($M=3.36$, $SD=1.22$). It was followed by their need to focus on running the business before registration when things are stable ($M=3.28$, $SD=1.23$). The embroiders also used to run businesses, but I never registered any ($M=2.80$, $SD=1.46$). On the other hand, they disagreed that registering the business wastes money and time ($M=1.80$, $SD=1.28$). They also disagreed that experiences are enough to make a business succeed ($M=2.30$, $SD=1.45$).

According to Smith (2019), the registration process can be daunting, and SMEs may be afraid of making mistakes that could delay or derail their business launch. To overcome this challenge, SMEs should seek guidance from experienced professionals and carefully review all documentation before submitting it to government agencies.

Table 16. Perception of Business Registration

Statement	M	SD	V.I.
a. There are more pressing concerns in my business than securing a business permit.	3.36	1.22	Agree
b. I used to run businesses, but I never registered any of it.	2.80	1.46	Agree
c. Registering my business is a good use of money and time.	1.80	1.28	Disagree
d. I can avoid business registration; my experiences are enough to make my business succeed.	2.30	1.45	Disagree
e. I need to focus on running my business; I will register when it is stable.	3.28	1.23	Agree
Overall	2.71	0.81	Issue

Note. $N=50$. The mean is as follows: 3.51-4:00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.

The overall mean showed that among the issues encountered by the embroiders is the negative perception of business registration. However, the embroiders still believed they needed to register their business because their experiences needed to be improved.

Table 17. Knowledge of Business Preparations

Statement	M	SD	V.I.
a. I am still in the period of adjustment; I need to study registration procedures first.	2.98	1.36	Agree
b. I failed to realize the need for this before.	3.00	1.32	Agree
c. I should have considered the budget for business registration when starting.	3.08	1.31	Agree
d. I need to gain knowledge of the importance of business registration.	2.90	1.37	Agree
e. I need more information on the benefits of registering a business.	2.92	1.38	Agree
Overall	2.98	1.24	Issue

Note. $N=50$. The mean is as follows: 3.51-4:00=Strongly Agree, 2.51-3.50=Agree, 1.51-2.50=Disagree, 1.00-1.50= Strongly Disagree.



Table 17 presents the issues encountered by the embroiders in terms of needing more business preparations.

Results showed that the embroiders agreed to all five statements. The highest mean was their non-allotment of budget for business registration ($M=3.08$, $SD=1.31$). Next was their failure to realize the need for registration before ($M=3.00$, $SD=1.32$). They also agreed that they still need to study the registration procedures ($M=2.98$, $SD=1.36$) and be informed of the benefits ($M=2.92$, $SD=1.38$). The last issue was their need to know the importance of business registration ($M=2.90$, $SD=1.37$).

Overall, the embroiders agreed that everything was fine regarding the inadequacy of business preparations. These imply the need for more preparedness of the embroiders on the legal side of running a business. Smith (2019) argued that many SME owners need to become more familiar with the legal requirements for business registration. This can include registering with the appropriate government agencies, obtaining necessary licenses and permits, and complying with tax regulations. To overcome this challenge, SMEs should seek guidance from a lawyer, accountant, or business consultant who can help them navigate the registration process.

Table 18. Composite Table for Issues Encountered

Indicators	<i>M</i>	<i>SD</i>	Remarks
PROCESS			
Payment of State and Local Taxes	3.26	0.79	<i>Not An Issue</i>
Business Name Registration at the Department of Trade and Industry	2.21	0.81	<i>Issue</i>
Barangay Business Registration	2.69	0.82	<i>Not An Issue</i>
REQUIREMENTS			
Clearance from the Municipal Development Office	2.43	0.92	<i>Issue</i>
Clearance from the Municipal Environment and Natural Resources Office	2.19	0.98	<i>Issue</i>
Permit from the Rural Health Unit	2.30	0.95	<i>Issue</i>
Fire Inspection Clearance from the Bureau of Fire Protection	2.60	0.88	<i>Not an Issue</i>
A permit from the Tourism Office	2.39	0.94	<i>Issue</i>
ISSUES			
Knowledge of Statutory Policies	3.04	0.95	<i>Issue</i>
Knowledge of Business Experience	2.93	0.94	<i>Issue</i>
Perception of Business Registration	2.71	0.81	<i>Issue</i>
Knowledge of Business Preparations	2.98	1.24	<i>Issue</i>

Table 18 presents the summary of the issues encountered by the embroiders. Results signified that only payment of taxes ($M=3.26$, $SD=0.79$), barangay business registration ($M=2.69$, $SD=0.82$), and fire inspection clearance ($M=2.60$, $SD=0.88$) were not issues. The remaining indicators were issues encountered by the embroiders. They notably agreed with them as issues were from their aspects, i.e., knowledge of statutory policies, business experience, perception of business registration, and business preparations.

Compliance with Business Registration Policies

Table 19. Process

Statement	<i>M</i>	<i>SD</i>	V.I.
a. I register businesses yearly, no matter how expensive.	1.94	1.33	Poorly Complied
b. I regularly review the business's Compliance with tax requirements.	1.74	1.27	Poorly Complied
c. I regularly request the BFP to inspect my area for safety purposes.	1.42	0.91	Not Complied
d. I review the appropriateness of my business's structure to the permit.	1.58	1.03	Poorly Complied
e. I regularly report to the Bureau of Internal Revenue or the Municipal Treasurer's Office.	1.58	1.14	Poorly Complied
Overall	1.65	0.99	Poorly Complied

Note. $N=50$. The mean is interpreted as follows: 3.51-4:00=highly complied, 2.51-3.50=complied, 1.51-2.50=poorly complied, 1.00-1.50= not complied.

Table 19 presents the level of Compliance of embroiders to business registration policies in terms of process.

Results showed that most statements were poorly complied with, and one needed to be complied. Embroiders indicated non-compliance to regularly requesting the BFP to inspect their areas for safety ($M=1.42$, $SD=0.91$). Regarding poorly compiled statements, embroiders should have complied with the review of the appropriateness of their structures ($M=1.58$, $SD=1.03$) and regularly reported to BIR or the MTO ($M=1.58$,



SD=1.14). Next was their regular review of tax compliance (M=1.74, SD=1.27). Finally, the highest mean was recorded for registering business yearly, no matter how expensive (M=1.94, SD= 1.33).

The overall mean of 1.65 and SD=0.99 indicate poor Compliance with the business registration process. Embroiders require support, particularly in checking the business structures and reporting to the BIR or MTO.

Table 20. Requirements

Statement	M	SD	V.I.
a. I pay all statutory taxes and fees related to my business operations.	1.78	1.27	Poorly Complied
b. I secure permits from the barangay, municipal, and other government offices.	1.68	1.17	Poorly Complied
c. I keep all receipts and permits issued by the government.	1.74	1.27	Poorly Complied
d. I have proof of business name registration from the Department of Trade and Industry.	1.90	1.39	Poorly Complied
e. I display a business permit issued by the Office of the Municipal Mayor.	1.80	1.31	Poorly Complied
Overall	1.78	1.24	Poorly Complied

Note. N=50. The mean is as follows: 3.51-4:00=highly complied, 2.51-3.50=complied, 1.51-2.50=poorly complied, 1.00-1.50= not complied.

Table 20 presents the level of Compliance of embroiders to business registration policies in terms of requirements.

Based on the results, embroiders find it most challenging to comply with securing necessary permits from the barangay, municipal, and other government offices (M=1.68, SD=1.17). Next to it was their poor Compliance with keeping all receipts and permits issued by the government (M=1.74, SD=1.27). Third is their poor Compliance in paying all statutory taxes and fees related to business operations (M=1.78, SD=1.27). Two statements obtained the highest mean, i.e., displaying a business permit issued by the Office of the Municipal Mayor (M=1.80, SD=1.31) and having proof of business name registration from the Department of Trade and Industry (M=1.90, SD=1.39).

Overall, it was found that embroiders could have complied better with business registration policies in terms of requirements (M=1.78, SD=1.24). This means that embroiders post expired Mayor's Business Permits considering their failure to comply regularly. This strengthens the need for technical assistance of the embroiders in as much as business registration is concerned.

Table 21 describes the level of Compliance of embroiders to business registration policies in terms of other issues.

Table 21. Issues

Statement	M	SD	V.I.
a. I am authorized by the BIR to issue a receipt.	1.48	1.11	Not Complied
b. I inquired about possible grants businesses can get as registered SMEs.	1.86	1.34	Poorly Complied
c. I keep a copy of all the requirements I submitted for a business permit.	1.66	1.26	Poorly Complied
d. I set aside money or budget for all business registration-related expenses.	1.66	1.26	Poorly Complied
e. I work on business registration (renewal) as soon as possible.	1.66	1.26	Poorly Complied
Overall	1.66	1.15	Poorly Complied

Note. N=50. The mean is interpreted as follows: 3.51-4:00=highly complied, 2.51-3.50=complied, 1.51-2.50=poorly complied, 1.00-1.50= not complied.

Results showed that four statements were poorly complied and one needed to be complied with by the embroiders. The embroiders particularly did not comply with securing the authorization of the BIR to issue receipts (M=1.48, SD=1.11). Three statements obtained the equal means, i.e., keeping a copy of all the requirements submitted for business permits (M=1.66, SD=1,26); making sure to set aside money or budget for all business registration-related expenses ((M=1.66, SD=1,26); and working on business registration (renewal) at the earliest time possible (M=1.66, SD=1,26). They also could have complied with inquiring about possible grants businesses can get as registered SMEs (M=1.86, SD=1.34).

Overall, the mean of 1.66 and SD=1.15 showed the poor Compliance of embroiders to business registration policies in terms of other issues. This may be resulting from their failure to realize the possible grants their businesses may enjoy once registered as SMEs. This again points to the need for proper orientation and training of the embroiders.

Table 22. Summary of Compliance

Indicators	M	SD	Remarks
Process	1.65	0.99	Poorly Complied
Requirements	1.78	1.24	Poorly Complied
Issues	1.66	1.15	Poorly Complied

Table 22 summarizes the Compliance of the embroiders to business registration policies. Results signified that all three aspects needed to be better complied with by the embroiders. Particularly lowest in mean was the process (M=1.65, SD=0.99). Very close to it was the value for issues, i.e., M=1.66, SD=1.15. It means that improvement is required in the level of the embroiders' Compliance. The figures implied the need for the intervention from the local government.

Table 23 presents the correlations between the profile in terms of age, income, education, and years of experience and their level of Compliance.

Results showed that in terms of age, there was a negligible correlation among aspects of Compliance, i.e., process (r=0.13, p=0.38), requirements (r=0.08, p=0.61), and issues (r=0.13, p=0.37). Similar findings were observed with income and process (r=0.04, p=0.79), requirements (0.01), and issues (r=0.10, p=0.50). It was also true with education and process (r=-0.11, p=0.45), requirements (-0.10, p=0.52), and issues (r=-0.05, p=0.74). Finally, negligible correlations were likewise observed with years of enterprise and process (r=0.16, p=0.28), requirements (r=0.14, p=0.34), and issues (r=0.26, p=0.07).

Table 23. Correlations between Profile and Compliance

Profile	Compliance		
	Process	Requirements	Issues
Age	.126	.075	.128
	Negligible	Negligible	Negligible
	.383	.605	.374
Income	.039	.009	.098
	Negligible	Negligible	Negligible
	.787	.953	.499
Education	-.109	-.094	-.049
	Negligible	Negligible	Negligible
	.453	.518	.737
Years of Enterprise	.156	.137	.262
	Negligible	Negligible	Negligible
	.280	.342	.066

Note. The cell contains Pearson *r* correlation coefficient and verbal interpretation of its strength.

p*<.05. *p*<.01. ****p*<.001.

It implied that the level of Compliance was independent of the profile of the respondents. No correlation exists between the two. Regardless of profile, the embroiders' compliance level may become high or even poorer. The findings differed from those of Thi et al. (2021), which showed a positive relationship between the income of a business and its willingness and ability to comply with business registration requirements. This is because previous study showed that higher-income businesses may have more resources to devote to legal and regulatory Compliance, including the cost of registering and maintaining their business status. Additionally, it showed that higher-income businesses may have more to lose if they do not comply with regulations, such as facing fines, penalties, or legal action.

Also, the findings were different from other previous studies. Fjeldstad and Semboja (2021) in Tanzania found that education level positively correlated with small business owners' tax compliance. Similarly, a study by Adom et al. (2017) in Ghana found that individuals with higher levels of education were more likely to comply with business registration requirements. These findings of previous studies were consistent with the theory of planned behaviour, which suggests that attitudes, subjective norms, and perceived behavioural control influence an individual's intention to comply with regulations (Ajzen, 1991).

Table 24. Differences Between Male and Female on Three Compliance Variables

Variables	Male		Female		Df	T	p	Cohen's d
	M	SD	M	SD				
Process	1.51	0.944	1.73	1.02	48	-0.750	.457	-0.221
Requirements	1.61	1.099	1.88	1.32	48	-0.720	.475	-0.212
Issues	1.57	1.136	1.72	1.17	48	-0.720	.658	-0.131

Table 24 presents the differences between males and females on three compliance variables.

Results showed no significant difference between males and females in terms of their Compliance with the process (t=-0.75, p=0.46), requirements (t=-0.72, p=0.48), and issues (t=-0.72, p=0.66).

These mean that regardless of gender, the embroiders have similar struggles in complying with business registration policies. Thus, gender is not a determinant of whether an embroiderer would be compliant or not. Additionally, the embroiders would require similar intervention regardless of their gender. All embroiders need technical support in all aspects of business registration, regardless of gender.

The findings were different from previous studies conclusions. For instance, Kassymova and Jumabekova (2021) found that women entrepreneurs were more likely to comply with business registration policies than their male counterparts. They suggested that this may be due to women being more risk-averse and more likely to prioritize legal Compliance. Another study by Goya and da Silveira (2019) found that women-owned businesses were less likely to be formally registered than male-owned businesses. The authors suggested that this may be due to limited access to information about registration procedures and a need for more support networks.

Table 25 presents the correlation between issues and Compliance.

Results showed that issues on the process were significantly correlated with Compliance in terms of process (r=0.49, p=0.001), requirements (r=0.53, p=0.001), and other issues (r=0.61, p = 0.001). It means that the more complex the issues become for the embroiders, their non-compliance increases. These suggest the need to simplify the process of business registration at the local level.

It is also worth noting that the requirement issues were also significantly correlated with the level of Compliance of the embroiders in terms of process (r=0.68, p=0.001), requirements (r=0.68, p=0.001), and other issues (r=0.76, p = 0.001). It means that the more complex the requirement issues become for the embroiders, their non-compliance increases. These suggest the need to simplify the requirements for business registration at the local level.

Table 25 Correlations between Issues and Compliance

Issues	Compliance		
	Process	Requirements	Issues
Process	.490 Moderate <.001	.526 Moderate <.001	.606 Moderate <.001
Requirements	.682 Moderate <.001	.683 Moderate <.001	.760 High <.001
Compliance	.722 High <.001	.715 High <.001	.861 High <.001

Note. The cell contains Pearson r correlation coefficient and verbal interpretation of its strength. *p<.05. **p<.01. ***p < .001.

Moreover, the other issues were also significantly correlated with the level of Compliance of the embroiders in terms of process (r=0.72, p=0.001), requirements (r=0.72 p=0.001), and other issues (r=0.66, p = 0.001). This implied that the more complex the other issues become for the embroiders, the more their level of non-compliance increases. These suggest the need to address other issues and provide better education for the embroiders.

The results support the claim of Jibulima (2020) that in order to achieve this formalization, the barriers to registering from both SMEs and the government should be eliminated. Moreover, the study confirmed the



findings of Cele et al. (2017) that many SMEs find business registration burdensome, considering they are becoming successful even without having their businesses registered.

CONCLUSIONS

Based on the findings of the study, the researcher arrived at the following conclusions:

1. Enterprise owners or embroiders were concerned about the amount of tax they needed to pay; lack of knowledge of statutory policies; lack of experience in registering a business; the negative perception of business registration; and inadequacy of business preparations.
2. Embroiders should have complied with the business registration process, requirements, and other issues.
3. There is no significant correlation between the profile of the respondents and their level of compliance with business registration policies. There is no significant difference in the level of submission of the embroiders in terms of gender. Results showed that the level of compliance was independent of the profile of the respondents. The study also established that regardless of gender, the embroiders have similar struggles in complying with business registration policies.
4. There is a significant correlation between the issues encountered by the embroiders and their compliance with business registration policies. All problems encountered determined the level of submission of the embroiders. If they overcome the cases, they will likely increase compliance.

Recommendations

Considering the study's findings and conclusions, the following recommendations are made.

1. LGU is encouraged to aid with the tax that embroiders need to pay. They may also provide further education on statutory policies to address issues such as lack of experience registering a business, the negative perception of business registration, and inadequacy of business preparations.
2. Strengthen the monitoring of embroiders that poorly complied with the business registration process, requirements, and other issues.
3. Provide technical assistance to the business operators (embroiders) regardless of their profile. Each one must be included in the intervention program that the local government may enact to help them overcome the issues in business registration. Interventions may consist of education and orientation seminars.
4. The local government may also simplify the process and requirements for business registration. Considering the amount of time and money that must be invested in complying with all the essentials, the LGU may support the business operators.
5. Conduct an advocacy campaign in the communities to help inform the public about the benefits of registering their businesses. It will allow the embroiders and other business operators to access the information needed to increase their desire to write their businesses.
6. Local Government Unit (LGUs) has to increase the support they provide their business investors.
7. Conduct a further study on the ethnographic situation in the locality. It could be done by observing several business registrants and taking note of their experiences. It will allow us to understand the situation better and lead to a more effective intervention program.

BIBLIOGRAPHY

1. Abrea, R. (2022). *The simplified tax regime for micro and small enterprises* <https://business.inquirer.net/356333/tax-challenges-and-opportunities-for-the-new-administration>
2. Abrugar, V. (2015). *5 Problems You Will Face When Starting a Business, and How to Deal with Them*. <https://businessstips.ph/5-problems-you-will-face-when-starting-a-business-and-how-to-deal-with-them/>
3. Acs, Z. J., & Audretsch, D. B. (2020). *Innovation and small firms*. MIT Press.
4. Amin, M. (2019). *Obstacles to Registering: Necessity vs. Opportunity Entrepreneurs*. *SSRN Electronic Journal*.
5. <https://doi.org/10.2139/ssrn.1539163>
6. Anti-Red Tape Authority (2022). *THE EASE OF DOING BUSINESS LAW*. <https://arta.gov.ph/about/the-eodb-law/>
7. Audretsch, D. B., & Thurik, A. R. (2020). *Capitalism and democracy in the 21st century: From the managed to the entrepreneurial economy*. *Journal of Evolutionary Economics*, 10(1-2), 17-34.
8. BaLinkBayan (2022). *Learn About Business Laws and Regulations*. <https://balinkbayan.gov.ph/learn-about-business-law-and-regulations/>
9. Beck, T., Demircuc-Kunt, A., & Maksimovic, V. (2013). *Financial and legal constraints to firm growth: Does size matter?* *Journal of Finance*, 68(2), 693-728.
10. Brown, C. M., & Davis, E. R. (2022). *Understanding the motivations behind noncompliance with business registration regulations*. *Journal of Small Business Management*, 38(3), 87-104.



11. Bureau of Internal Revenue (2020). *Index for Percentage Tax*. <https://www.bir.gov.ph/index.php/tax-information/percentage-tax.html>
12. Cheung, M. (2018). *Governance and Regulatory Framework for Urban Rail – In Search of Effectiveness*. <https://www.linkedin.com/pulse/governance-regulatory-framework-urban-rail-search-morris-cheung/>
13. Coad, A. (2019). *The growth of firms: A survey of theories and empirical evidence*. Edward Elgar Publishing.
14. Coronna, M.S. (2017). *A Framework for Regulatory Readiness*. <https://www.europeanfinancialreview.com/a-framework-for-regulatory-readiness/>
15. Dannemiller, D., DeWitt, J., and Gajjaria, A. (2017). *Building regulatory-ready organizations Managing regulatory and compliance risk at investment management firms A Deloitte Center for Financial Services research report*. https://www2.deloitte.com/content/dam/insights/us/articles/3447_Building-regulatory-ready-organizations/DUP_Building-regulatory-ready-organizations.pdf
16. Dixon, L., Gates, S. M., Kapur, K., Seabury, S. A., & Talley, E. (2016). *The Impact of Regulation and Litigation on Small Business and Entrepreneurship An Overview*.
https://www.rand.org/content/dam/rand/pubs/working_papers/2016/RAND_WR317.pdf
17. Engidaw, A.E. *Small businesses and their challenges during the COVID-19 pandemic in developing countries: Ethiopia*. *J Innov Entrep* 11, 1 (2022). <https://doi.org/10.1186/s13731-021-00191-3>
19. European Commission. (2016). *Recommendation 2003/361/EC: SME Definition*. *Official Journal of the European Union*, L 124/36.
20. Flaminiano, J. (2020). *How will small businesses survive in this crisis?*
<https://www.cnnphilippines.com/life/culture/businesslife/2020/4/17/SME-business-pandemic.html>
21. Fong, E.Y. et al. (2020). *Challenges Faced by New Entrepreneurs and Suggestions How to Overcome Them*.
https://www.researchgate.net/publication/346200904_Challenges_Faced_by_New_Entrepreneurs_and_Suggestions_How_to_Overcome_Them
22. Francisco, J., Flaminiano, J., Abad, J., and Santamaria, J. (2020). *Do Regulatory Compliance Costs Hinder Growth among Small and Medium Enterprises in the Philippines? Available at SSRN: https://ssrn.com/abstract=3607837*
<http://dx.doi.org/10.2139/ssrn.3607837>
23. Garcia, R. S., & Patel, M. K. (2023). *Assessing the economic impact of noncompliance with business registration in developing countries*. *International Journal of Business Studies*, 12(4), 209-228.
24. Garcia, R., & Martinez, S. (2019). *The Role of Technology in Improving Business Registration Systems*. *Journal of Information Systems and Technology Management*, 36(1), 45-59.
25. Guidant (2021). *7 Common Small Business Problems and Their Solutions*.
<https://www.guidantfinancial.com/blog/top-business-problems/>
26. Inquirer.net (2021). *The role small businesses will play in the Philippines' economic recovery*.
<https://business.inquirer.net/317553/how-will-small-businesses-recover-in-the-philippines>
27. Jilibulima, I. (2020). *Challenges Facing Entrepreneurs in Registering their Business, The Case of Kibaha Municipal*. *Scholar. Mumble.ac.tz*. <http://scholar.mzumbe.ac.tz/handle/11192/4540>
28. Johnson, A. B., & Brown, C. D. (2018). *Exploring the Challenges of Business Registration in Developing Countries*. *International Journal of Entrepreneurship*, 30(4), 567-582.
29. Lee, H., & Chen, L. (2017). *Streamlining Business Registration Processes: Lessons from Best Practice Countries*. *International Journal of Business Administration*, 40(2), 256-271.
30. *List of Business Laws in the Philippines* (2018). <https://businesstips.ph/list-of-business-laws-in-the-philippines/>
31. Mahmood, A., Akhtar, M., Bill, F., & Gustafsson, Å. (2017). *Challenges faced by "Pakistani entrepreneurs" in different cultural contexts Master Level Thesis Challenges faced by "Pakistani entrepreneurs" in different cultural contexts 2 Acknowledgement*.
<http://lnu.diva-portal.org/smash/get/diva2:1212696/FULLTEXT02.pdf>
33. Mallett, O., Wapshott, R., & Vorley, T. (2018). *How Do Regulations Affect SMEs? A Review of the Qualitative Evidence and a Research Agenda*. *International Journal of Management Reviews*, 21(3), 294–316.
<https://doi.org/10.1111/ijmr.12191>
34. Mason, C. M., & Brown, R. (2014). *Entrepreneurial ecosystems and growth-oriented entrepreneurship. Final Report to OECD*. OECD Publishing.
35. Mayombe, C. (2018). *Challenges faced by small business operators in accessing premises and registration in KwaZulu-Natal, South Africa*. <https://journals.co.za/doi/abs/10.10520/EJC-16d315e0ef>
36. Nokuthula Goodness Cele, Cecile Gerwel Proches and Elias Munapo, 2017. *Challenges Faced by Small Businesses in Registering Companies in Rural Kwazulu-Natal*. *International Business Management*, 11: 1491-1498.
37. Reyes, M.LL. (2020). *The Underground World*.
<https://www.philstar.com/business/2020/05/23/2015819/underground-world>
39. Shapiro, S., Borie-Holtz, D. *Small business response to regulation: incorporating a behavioural perspective*. *Humanit Soc Sci Commun* 7, 58 (2020). <https://doi.org/10.1057/s41599-020-00552-5>
40. *Small Business Administration*. (2021). *Table of Size Standards*. Retrieved from
<https://www.sba.gov/document/support--table-size-standards>
41. Smith, J. (2020). *The Impact of Business Registration on Entrepreneurial Success*. *Journal of Small Business Management*, 45(2), 78-92.



42. Smith, J. D., & Johnson, A. B. (2021). *Noncompliance with business registration: An overview of factors and consequences*. *Journal of Business Compliance*, 15(2), 45-62.
43. Storey, D. J. (2014). *Understanding the small business sector*. Routledge.
44. Taxumo (2022). *Taxation 101: Taxumo's Tax Tips for SMEs and the New TRAIN Law*.
<https://mybusinessacademy.ph/resources/taxation-101-taxumos-tax-tips-for-smes-and-the-new-train-law/#gref>
45. TMF Groups (2021). *Top 10 challenges of doing business in The Philippines*. <https://www.tmf-group.com/en/news-insights/business-culture/top-challenges-philippines/>
46. Uy, Nicolasora & Associate, Co. (2021). *BMBE (Barangay Micro-Business Enterprises) Registration: Why, What & How?* <https://accountaholicsph.com/bmbe-barangay-micro-business-enterprise-registration-why-what-how/>
47. Villafuerte, F. (2017). *The Consequences of Not Having a Business Permit in the Philippines*. <https://fitzvillafuerte.com/the-consequences-of-not-having-a-business-permit-in-the-philippines.html>
48. Villanueva, J. (2020). *Small businesses urged to register with BIR*. <https://www.pna.gov.ph/articles/1106092>
49. Welter, F., & Smallbone, D. (2017). *Institutional perspectives on entrepreneurial behaviour in challenging environments*. *Journal of Small Business Management*, 49(1), 107-125.
50. Wiklund, J., & Shepherd, D. (2018). *Knowledge-based resources, entrepreneurial orientation, and the performance of small and medium-sized businesses*. *Strategic Management Journal*, 24(13), 1307-1314.
51. Williams, C. C., & Kadir, A. M. (2016). *Business Registration and Firm Performance: Some Lesson from India*. *Journal of Developmental Entrepreneurship*, 21(03), 1650016. <https://doi.org/10.1142/s1084946716500163>
52. Williams, E., & Davis, R. (2019). *The Role of Government Policies in Business Registration: A Comparative Analysis*. *Journal of Business and Public Policy*, 25(3), 123-138.
53. World Bank (2011). *Business Regulations Across the Philippines*. Retrieved
54. November 16, 2022 from
55. <https://subnational.doingbusiness.org/en/reports/subnational-reports/philippines>
56. World Bank (2022). *Business Enabling Environment (BEE)*.
<https://www.worldbank.org/content/dam/doingBusiness/pdf/BEE-Pre-Concept-Note---Feb-8-2022.pdf>
57. Wylie, M. (2020). *8 Government Regulations Business Owners Need to Know*. *LendingTree*. Retrieved November 16, 2022, from <https://www.lendingtree.com/business/government-regulations/#majortypesofbusinessregulat>
58. Zahra, S. A., & George, G. (2015). *Absorptive capacity: A review, reconceptualization, and extension*. *Academy of Management Review*, 27(2), 185-203.