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Abstract

The participation and care of women in entrepreneurial ventures is utmost important for both family and national development. Women entrepreneurship creates continuous employment and regular income to the family, which ends with positive gross domestic product contribution to the economy. Therefore, factors that determine women entrepreneurship in new business environment are the crucial factor for women success. This study intended to collect data from 100 women entrepreneurs engaged in manufacturing, service and trading activities. This study is commenced with the motive to assess demographic profile, present status, factors determining women entrepreneurship, and motivating factors of women entrepreneurship. Data for the study is collected by presenting well-structured questionnaires in the hands of women entrepreneurs. This study used percentage analysis, graphical representation, rotated component matrix, and Friedman test to analyse the data. Results concluded that various factors in the form of individual, socio-cultural, economic, security, and opportunity based factors determines women entrepreneurship in new business environment

Key words used: Women, Women Entrepreneurs, Present Status, New Business Environment, Motivation.

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1. INTRODUCTION

Entrepreneurship is the act of setting up of a new business, reviving an existing business in order to take advantages from new opportunities. The entrepreneurs shape the country by forming new wealth and new jobs, conceive new products and services. Entrepreneurship is the right solution to women; it offers continuous employment and act as a source of income provider. Women entrepreneur accepts challenging task to meet their personal commitments and become economically independent. Women managed and owned businesses are highly increasing in developing nations like India. Entrepreneurial potentials of women have steadily been changing with the growing sensitivity to the role and financial position in the society. Skill, expertise, knowledge in business is the essential reasons for women emerging into the business ventures. Women entrepreneurial role is limited in big conglomerates, large scale industries, and technology oriented businesses. Women entrepreneurs are capable in carrying out their business, but they lacked with knowledge and experience which is connected with the changing or new business environment.

2. STATEMENT OF THE PROBLEM

Women entrepreneurship is determined by lot of factors connected with the women, society, economy and the country. A strong aspiration to do something positive is an inherent quality of entrepreneurial women, who is proficient of contributing values in both family unit and social life. The opportunities and challenges provided to the women are increasing rapidly that the job seekers are turning into job makers. Many women start business due to some traumatic event, such as family problems, economic reasons, availability of finance, government support and so on. Despite this fact, a new talent pool of women entrepreneurs is appearing today, as more women opt to leave employment to start their own business. Government often introduce lot of policy guidelines and measures to strengthen women entrepreneurship. At present, several schemes are introduced by our government to increase women entrepreneurship. Women entrepreneurship increases per capita income of the country and provides more employment. Women entrepreneurship in new business environment is determined by individual factors of women, socio-cultural factors, economic wide factors, security factors, and prevailing opportunity factors. Therefore, the study has been formulated to assess the factors that determine women entrepreneurship in new business environment.

3. REVIEW OF LITERATURE

The following earlier literatures have been considered to formulate this seminal work. Ellinas & Kountouris (2004) revealed that it is indisputable that women entrepreneurs are the main performers and contributors to economic growth and are becoming increasingly noticeable in the economy of developing nations. Motivating economic and political empowerment of women has gained high attention in the last three decades (Worlfenson, 2001). Naser et al. (2009) disclosed that female based businesses are mostly found in personal services and retail sector and less likely found in production and high technology based industries. Bosma et al. (2004) revealed that industry experience of the entrepreneur enhances firm development, profit and employment. The financial facets of establishing a business is a big problem to women entrepreneurs (Zororo, 2011).

Babaeva & Chirikova (2004) disclosed that women individual variables such as education and age have an impact of how they engage in business. Mordi et al. (2010) stated that youngsters are very aggressive, ready to take risks, impatient, and may influence on business of the entrepreneurs. Hoe et al. (2012) revealed that participation of women in entrepreneurship activities is highly important for the development of economy and nation. Mitchelmore & Rowley (2013) divulged that contribution of women entrepreneurs towards family and economic development is huge. Alam et al. (2014) revealed that willingness of entrepreneurs to involve in the risky work pays more. There was large number of factors that determines the women entrepreneurship in new business environment. Fatimah et al. (2014) showed that the success of women is based on their willingness to take challenge in uncertain level of economy.

4. OBJECTIVE OF THE STUDY

This study is commenced with the following objectives:

1. To check the demographic profile of women entrepreneurs.
2. To find out the present status of women entrepreneurs in business environment.
3. To examine the various determinants of women entrepreneurship in new business environment.
4. To ascertain the various motivating factors in women entrepreneurship in new business environment.

5. RESEARCH METHODOLOGY

The research design planned for this seminal work is descriptive research design. The target population consists of women entrepreneurs engaged in various manufacturing, trading, and service based business in Madurai district. This study collects data from various women entrepreneurs in the sample area. The women entrepreneurs having experience of more than one year in their respective business with an expertise in the conduction of business is considered for data collection. The sample consists of 100 women entrepreneurs. The study used well-structured and non-disguised questionnaire has been developed as a survey instrument to collect data. Questionnaire consists of demographic profile, present status of women entrepreneurs, determinants of women entrepreneurship, motivating factors in women entrepreneurship. The women entrepreneurs are asked to assess the factors that determining women in new business environment. In this part, 26 variables on five aspects provided on a five point Likert-type scale ranging from '1' as 'Not Critical' to '5' 'Extremely Critical'. In order to identify the factors that motivating them in new business environment is checked on the basis of scaling system, that is, '1' for not important '2' for least important, '3' for important, '4' for most important and '5' for extremely important. This survey instrument was pre-tested with 20 women entrepreneurs in order to increase reliability of instrument. As a result of pre-test, required changes in use of words and information were corrected in the survey instrument. The content validity of the questionnaire was checked with experts and professionals in this field. Data has been analyzed through percentage analysis, graphical representation, factor analysis, and Friedman test.

6. RESULTS AND DISCUSSIONS

The collected data is to be examined and presented in proportion to the outline framed for the purpose of conduction of the study.

6.1. Analysis of Demographic Profile

The demographic profile of women entrepreneurs is examined with the characteristics such as age, marital status, monthly income, educational qualification, experience, nature of business, and area of operation.

Table – 1: Demographic Profile of Respondents

| Demographic Profile | Distribution | Sample | Frequency |
|---------------------------|---------------------|--------|-----------|
| Age | 18 – 25 years | 21 | 21% |
| | 26 – 35 years | 41 | 41% |
| | 36 – 45 years | 27 | 27% |
| | 45 years & above | 11 | 11% |
| Marital Status | Married | 69 | 21% |
| | Unmarried | 28 | 31% |
| | Divorced | 1 | 30% |
| | Widow | 2 | 18% |
| Monthly Income | Less than Rs.10,000 | 22 | 22% |
| | 10,000 – 15,000 | 38 | 38% |
| | 15,001 – 25,000 | 27 | 27% |
| | More than Rs.25,000 | 13 | 13% |
| Educational Qualification | Uneducated | 14 | 14% |
| | School Education | 21 | 21% |
| | Degree/ Diploma | 41 | 41% |
| | PG/ Professional | 24 | 24% |
| Experience | Less than 2 years | 22 | 22% |
| | 2 – 5 years | 44 | 44% |
| | 6 – 10 years | 23 | 23% |
| | More than 10 years | 11 | 11% |
| Nature of Business | Manufacturing | 45 | 45% |
| | Trading | 34 | 34% |
| | Service | 13 | 13% |
| | Others | 8 | 8% |
| Area of Operation | Rural | 31 | 31% |
| | Semi-urban | 33 | 33% |
| | Urban | 36 | 36% |

(Source: Primary data)

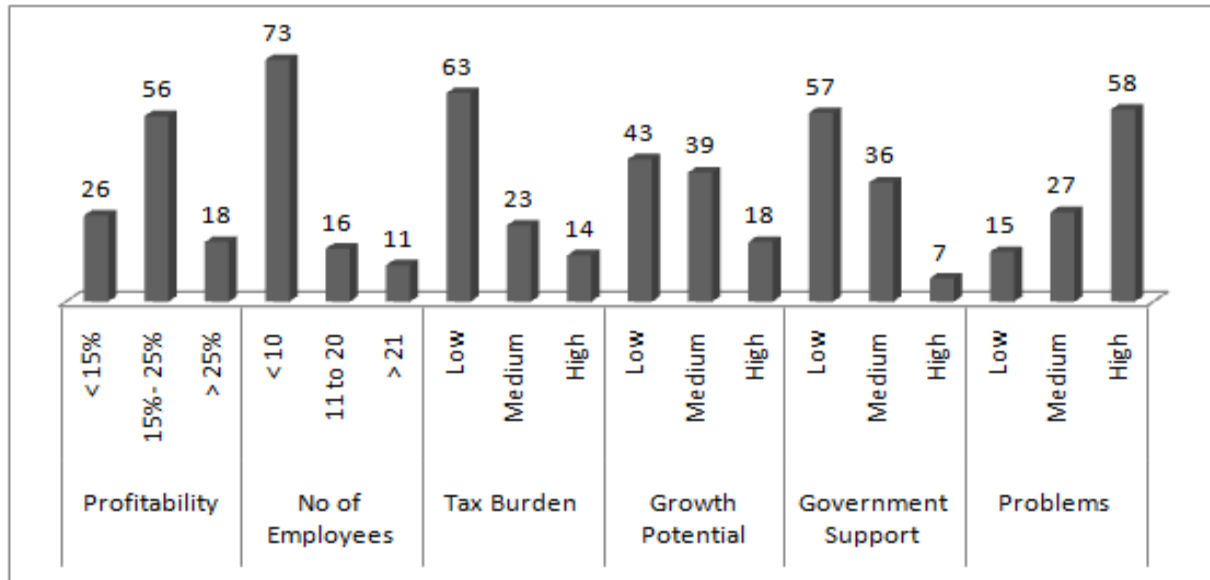
Table-1 shows the demographic profile of women entrepreneurs. Age of the respondents reveals that 21% are in 18 - 25 years of age, 41% are in 26-35 years, 27% are in 36-45 years, and 11% are in 46 years and above. Marital status shows that 69% are married and 28% are unmarried. Monthly income of the respondents shows that 22% are earning income below Rs.10,000 per month, 38% of respondents earning falls between Rs.10,001 – 15,000 per month, 27% respondents fall in the range of Rs.15,001 – 25,000 per month and rest 13% earns income of more than Rs.25,001 per month. Educational qualification discloses that 14% are uneducated, 21% are completed primary school education, 41% are completed degree/diploma and rest 24% are completed PG/professional degree. Experience in entrepreneurship shows that 22% have less than 2 years of experience, 44% have 2-5 years of experience, 23% have 6-10 years of experience, and rest 11% have more than 10 years. Manufacturing activity is the business to 45% respondents, trading is the business to 34% respondents. Area of operation reveals that 31% are conducting their business in rural, 33% in semi-urban areas, 36% in urban areas.

6.2. Present Status of Women Entrepreneur

Women entrepreneurs are conducting their business in rapidly changing business environment. They face various problems in regular business affairs and harvest many benefits connected with their business. Entrepreneurship is a challenging and women entrepreneurs engaged in manufacturing, trading and service industries. As a woman, they have to face lot of challenges in entrepreneurship. Therefore, this study attempts to check the present status of women entrepreneurs,, which is depicted in figure-1.

Figure – 1: Present Status of Women Entrepreneurs

(%)



(Source: Primary data)

It is evident that in figure-1, profitability of their business is 15-25% to 56% respondents. No of employees reveals that 73% are employed less than 10 employees in their business. In case of tax burden, 63% of the respondents revealed that tax burden is low to them and. Growth potential shows that low growth of business is the outcome to 43% respondents, and medium growth is the outcome to 39% respondents. Government support on various aspects such as finance, marketing, technology is low to 57% respondents, and 36% respondents are marked as medium support. Problems in the business are high to 58% respondents. It seems that the present status of women entrepreneurs business is found under pathetic situation.

6.3. Determinants of Women Entrepreneurship

Rotated component matrix has been administered to check the various determinants of women entrepreneurship.

Table – 2: Rotated Component Matrix

| Labels | Variables | Individual Factors | Socio-Cultural Factors | Economic Factors | Security Factors | Opportunity Factors |
|--------|------------------------------------|--------------------|------------------------|------------------|------------------|---------------------|
| WE24 | Personal willingness | .827 | .148 | -.051 | .113 | .143 |
| WE04 | Educational background | .823 | .211 | .043 | .067 | .096 |
| WE13 | Role in personal and family growth | .789 | .083 | .152 | .084 | .042 |
| WE21 | Motivational level | .774 | .113 | -.056 | .115 | .147 |
| WE01 | Family members encouragement | .729 | .053 | .242 | .086 | .121 |
| WE14 | Family occupation | .672 | .077 | .117 | .075 | .084 |
| WE05 | Religious habit encouragement | .128 | .812 | .086 | .103 | .122 |
| WE23 | Existence of culture | .098 | .688 | .042 | .147 | .175 |
| WE15 | Availability of labor in the area | .197 | .657 | .126 | -.094 | .066 |
| WE10 | Wide presence of same industries | .127 | .628 | .109 | .153 | -.028 |
| WE26 | Ease of marketing | .223 | .623 | .088 | .047 | .053 |
| WE06 | High profit potential | .189 | .584 | .079 | .084 | .252 |
| WE18 | Availability of technology | .258 | .575 | .158 | .241 | -.043 |
| WE12 | Material availability | .193 | .561 | .144 | .097 | .084 |
| WE03 | Healthy competition | .074 | .542 | .067 | .133 | .116 |
| WE07 | Support of financial institutions | .098 | .113 | .716 | .103 | .115 |
| WE25 | Access to credit | .112 | .143 | .711 | .225 | .094 |
| WE16 | Resource accessibility | .115 | .236 | .674 | .097 | .112 |
| WE02 | Government support | .078 | .123 | .536 | -.021 | -.041 |
| WE09 | Political instability | .173 | .229 | -.124 | .779 | .308 |
| WE17 | Favorable investment climate | .264 | -.035 | .086 | .755 | .145 |
| WE08 | Future protection | .096 | .165 | .293 | .691 | .131 |
| WE11 | Continuous income needs | .178 | .161 | .118 | .589 | .057 |
| WE19 | Wealth creation for family | .169 | .072 | .064 | .213 | .817 |
| WE20 | Use of available finance | .058 | -.062 | -.047 | .215 | .743 |
| WE22 | Need to earn profit | .054 | -.033 | .026 | .168 | .666 |

| | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Eigen values | 6.565 | 4.569 | 1.443 | 1.212 | 1.074 |
| % Variance | 16.43 | 11.52 | 9.78 | 8.25 | 7.99 |
| Cumulative % Variance | 16.43 | 27.95 | 37.73 | 45.98 | 53.97 |
| Cronbach's α | 0.789 | 0.731 | 0.778 | 0.683 | 0.623 |

(Source: Primary data)

Table-2 reveals the rotated component matrix with factor loadings that are extracted and considered significant to the factors highlighted in bold. The cut-off rate for factor loadings is fixed as 0.5. The exploratory factor analysis shows that twenty six distinguishing factors on women entrepreneurship in new business environment and which accounts for cumulative variance of 53.97% explained in the data. The Cronbach's alpha values for the factors intend good reliability values i.e., $\alpha > 0.5$. Individual factors of women entrepreneurs are the main factor, which is professed as the main factors with the highest explained variance of 16.43%. It is loaded with six factors such as, personal willingness, educational background, and role in personal and family growth, motivational level, family member's encouragement, and family occupation. It bears highest impact on women entrepreneurship in new business environment. Socio-cultural factors have been found as second most important factor with explained variance of 11.52%. It contains religious habit encouragement, existence of culture, availability of labour, wide presence of same industries, and ease of marketing, high profit potential, availability of technology, material availability, and healthy competition. Economic factors are the third most important factors, which explain 9.78% variance in data. It is loaded with four variables such as, support of financial institutions, access to credit, resource accessibility, and government support. Security factors are loaded with political instability, favourable investment climate, future protection, and continuous income needs and accounts 8.25% variance in data. Finally, opportunity factors are loaded with three variables such as wealth creation for family, use of available finance, and need to earn profit, which together explains 7.99% variance in data. Put together, these factors widely determine women entrepreneurship.

6.4. Motivating Factors on Women Entrepreneurship

Women entrepreneurship has been motivated by a lot of factors in respective business environment of women. The motivation can be grouped under eight heads, such as, continuous

employment, permanent income potential, growth in value of business, support of family, government support, family safety and welfare, future protection, and personal interest. By considering these factors, the null hypothesis states that motivating factors on women entrepreneurship in new business environment is not significantly different. On the other hand, alternate hypothesis states that motivating factors on women entrepreneurship in new business environment is significantly different. Friedman test with 5% level of significance is executed to analyse the data. The result obtained is tabulated beneath in proportion to the order of mean rank.

Table - 3: Mean Rank Table

| Motivating Factors | Mean Rank | Test Statistics |
|-----------------------------|-----------|--|
| Continuous employment | 5.52 | Chi-square 45.523, Df.7, Asymp.Sig.0.392 |
| Permanent income potential | 4.97 | |
| Growth in value of business | 3.79 | |
| Support of family | 3.47 | |
| Government support | 3.21 | |
| Family safety and welfare | 2.68 | |
| Future protection | 2.39 | |
| Personal interest | 2.11 | |

(Source: Primary data)

It is found in table-3 that the calculated value is 0.392 which is greater than 0.05, which means the acceptance of null hypothesis and it states various motivating factors on women entrepreneurship in new business environment is not significantly different. Therefore, put together all factors are have equally motivated the women entrepreneurs in new business environment.

7. CONCLUSION

The involvement of women in entrepreneurial ventures is utmost important for both family and national development. Women entrepreneurship creates continuous employment and regular income to the family, which ends with positive gross domestic product contribution to the

economy. Therefore, factors that determine women entrepreneurship in new business environment are the crucial factor for women success. Demographic profile of women entrepreneurs shows that 41% are in 26-35 years of age, 69% are married, 38% of respondents earning falls between Rs.10,001 – 15,000 per month. Educational qualification discloses that 41% are completed degree/diploma, 44% have 2-5 years of experience in their business, and manufacturing activity is the business to 45% respondents, 36% are running their business in urban areas. Present status of women entrepreneur shows that 15-25% is the profitability to 56% respondents, 73% are employed less than 10 employees in their business, and tax burden is low to 63% of the respondents. Low growth potential is evidenced to 43% respondents, and government support is low to 57% respondents, problems in the business are high to 58% respondents. The exploratory factor analysis on factors determining women entrepreneurship in new business environment explains 53.97% variance in data. The Cronbach's alphas for the factors inform good reliability values that is, $\alpha > 0.5$. Friedman test acknowledged the acceptance of null hypothesis. It is clearly recognized that five factors such as, individual factors, socio-cultural factors, economic factors, security factors and opportunity factors are reasonably influenced by relevant factors loaded. Women entrepreneurship is highly motivated by continuous employment, permanent income potential, growth in value of business, support of family, government support, family safety and welfare, future protection, and personal interest. It is concluded that various factors in the form of individual, socio-cultural, economic, security, and opportunity based factors determines women entrepreneurship in new business environment.

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