

# FACTORS INFLUENCING THE DEVELOPMENT OF WOMEN ENTREPRENEURSHIP CULTURE - A STUDY CONDUCTED AT COIMBATORE

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## INTRODUCTION

Entrepreneurship among women is an important avenue through which women can overcome their subordination within the family and the society as a whole. Therefore, development of entrepreneurship among women has received special attention of the policy makers. The new industrial policy has stressed the need for conducting special EDPs for women. Besides this today a network of institution exists in the country to promote women entrepreneurship. The commercial banks and the financial institution are an integral part of this network. Many organizations/institutions and associations promote and develop the women entrepreneurship by providing financial assistance at concessional rates of interest organizes industrial fairs and exhibitions, conduct. Entrepreneurship Development Programme (EDPs) for women creates entrepreneurial awareness among them.

Besides organizing short-term EDPs for women, continuous training in all management areas should be given to them. Separate industrial estates may be set up for women entrepreneurs to create altogether a special environment. At the national level and state level, there is a need to set up Women Industrial Development Bank in the existing banks and financial institution, it is advisable to start a separate cell called "Women Entrepreneurs Guidance Cell" to promote and guide the women entrepreneurs. Karnataka State Financial Corporation, a premier money lending institution in Karnataka, already makes such an attempt. More and more research is to be conducted to identify the problems, which are being faced by them. Organizing the implant visit of successful women entrepreneurs may encourage the new entrants. Besides this, to promote and develop the rural women entrepreneurship, efforts shall be made to get the active involvements of Mahila Samajas or Women's organization by launching village adoption schemes. In recent years, there has been a heightened global awareness regarding the contribution, which women can make to the process of economic development, although it is still in the growth stage, there is unquestionably a business revolution in the works across the nation - and women are a major part of it. The efforts are on to uplift the social and economic status of women. The development of women as a entrepreneurs will generate multifaceted socio-economic benefits to the country.

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## OBJECTIVES OF THE STUDY

1. To study the Socio-economic background of women entrepreneurs in Coimbatore district.
2. To analyse the motivational factors behind women entrepreneurship.
3. To examine the performance of the women enterprises and to enquire into their problems.
4. To suggest a framework for the promotion of women entrepreneurship in Coimbatore district.

## METHODOLOGY

A Questionnaire was prepared covering the Socio-economic profile, the motivational factors, the functional areas of management, opinions of entrepreneurs on their strength, weakness, opportunities and threats and also the various problems faced by them. A SWOT analysis was made to find out the various strengths, weaknesses, opportunities and threats of women entrepreneurs. When these criteria were applied a total of about 200 women enterprises could be located. In view of constraints of time and money a sample of 100 units constituting 50 per cent of the total list were selected for this study. These 100 enterprises constituted 30 entrepreneurs belonging to the manufacturing group, 36 to the trading group and the remaining 34 to the service group.

## PROFILE OF THE RESPONDENTS

The analysis showed that 25 per cent of the entrepreneurs families had an annual income below Rs. 50,000 while 27 per cent had an annual income between Rs. 50,000 and Rs. 1,00,000. 24 per cent had an annual income between 1,00,000 to 2,00,000 respectively. Only 11 per cent had an annual income above Rs. 4,00,000. Sector wise, it was seen that were 33 per cent of them having family incomes above Rs.2,00,000 per annual in the manufacturing sector while only 16 per cent in trading and 23 per cent in service belonged to this group. In income below Rs. 50,000 there was 33 per cent from trading, 23 per cent from manufacturing and only 17 per cent from service sector.

And also analysis stated that the present age of women Entrepreneurs surveyed in Coimbatore. It was seen that 63 per cent of the women Entrepreneurs were in the age group of 30 to 39 years. This was followed by 15 per cent of the women Entrepreneurs in the age group of 20 to 29 years. The % of women Entrepreneurs in the age group of less than 20 years was 2 per cent and above 60 years was 1 per cent which were considered very insignificant. It is to be noted that education, entrepreneurship and development are inter-related. Education is known to be the best means of developing a person resource fullness which encompasses different dimensions of entrepreneurship. Thus formal educational is always considered important for a career. Hence it was proposed in this study to ascertain the educational level of the women entrepreneurs.

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**FACTORS MOTIVATING WOMEN ENTREPRENEURSHIP**

Ambitions nourish the achievement, motivation, and help bring about economic growth and development. Against this background, an attempt is made to examine the ambitions of women entrepreneurs during their student days. The entrepreneurs were asked to rank two applicable ambitions in the order of importance. The ambitions indicated by them were rated by weighted score by according two points to the ambition ranked first and one point to the ambition ranked second and is shown in the Table.1

**Table 1**

**Ambitions of Women Entrepreneurs**

Items of Opportunities	Manufacturing		Trading		Service		Overall	
	Weighted Score	Rank (%)	Weighted Score	Rank (%)	Weighted Score	Rank (%)	Weighted Score	Rank (%)
Millionaire	5	5.95	3	3.03	10	10.31	18	6.43
Highly educated	18	22.01	34	34.34	23	23.71	76	27.14
Medical doctor	10	11.90	10	10.10	23	21.71	43	15.36
Good house wife	16	19.05	26	26.26	22	22.68	46	22.86
Successful Entrepreneur	19	22.62	14	14.14	13	13.40	64	16.43
Gain social status	13	15.48	12	12.12	6	6.19	31	11.07
Political leader	2	2.38	0	--	0	--	2	0.71
Total	84	100	99	100	97	100	280	100

Source: primary data

The Table 4.1 shows that the ambition 'successful entrepreneur' is ranked first (weighted score of 22.62 per cent) and ranked second is highly educated (22.01) by manufacturing sector, Highly educated is ranked first (weighted score of 34.34 per cent) by trading sector and Highly educated and medical doctor are both of two factors is ranked first in service sectors (weighted score of 23.71 per cent).

**Motivators in starting the Enterprise**

Once an entrepreneur has been convinced that she should take up some gainful activity she has to be motivated and nurtured by some well wisher.

**Table 2**

**Motivation in Starting the Enterprise**

Motivators	Manufacturing		Trading		Service		Overall	
	Weighted Score	Rank (%)	Weighted Score	Rank (%)	Weighted Score	Rank (%)	Weighted Score	Rank (%)
Husband	38	45.78	54	55.10	44	48.89	136	50.18
Family members	29	34.94	34	34.69	29	32.22	92	33.95
Friends	11	13.25	1	1.02	8	8.89	20	7.38
Relatives	2	2.41	6	6.12	5	5.56	13	4.80
Government agency	1	1.21	1	1.02	1	1.11	3	1.11
Others	2	2.41	2	2.04	3	3.33	7	2.58
Total	83	100	98	100	90	100	271	100

Source: primary data

Table.2 reveals that their husbands motivated 50.18 per cent of entrepreneurs, while their family members motivated 33.95 per cent. Friends had motivated women entrepreneurs to the extent of 7.38 per cent while relatives had motivated to an extent of 4.80 per cent. Government agencies and other had motivated them to the extent of 3.69 per cent only. Sector-wise also was nearly the same ranking seemed to hold good. Only in the case of trading sector relatives seemed to be greater motivators than friends. The family might because as was analysed earlier women from the trading sector belonged to joint families and were more influence this. The fact that a women entrepreneur's motivator, to a large extent, is her family portrays the importance of the family circle to a woman. As a woman never considers herself alone (Physically, socially/economically) but as a part of the family,

the family also seems to reciprocate this feeling at least in the case of women entrepreneurs. Hence, the women entrepreneurs can be considered as social change agents. The Government and the society would prosper by guiding women towards economic independence, especially through entrepreneurship.

**Factors influencing the idea of starting the Enterprise**

Women may have had many ambitions during their student days, but most of them usually loose track of their ambitions in the period following education, that is, during marriage and settling down as a housewife. Some other outside factors are likely to influence them to the idea of setting up an enterprise. The women entrepreneurs were asked to rank the factors influencing the idea of starting the enterprise and the same was presented in the Table.3

**Table.3**

**Factors Influencing the Idea of Starting the Enterprise**

Factors	Manufacturing		Trading		Service		Overall	
	Weigh- -ted Score	Rank (%)	Weigh- -ted Score	Rank (%)	Weigh- -ted Score	Rank (%)	Weig h- ted Score	Rank (%)
Success Stories	16	20.25	13	12.88	16	17.78	45	16.67
Previous association	15	18.99	17	16.83	28	31.31	60	22.22
Inherited property	9	11.39	14	13.86	2	2.22	25	9.26
Advice of family members	30	37.98	46	45.54	28	31.11	104	38.52
Others	9	11.39	11	10.89	16	17.78	36	13.33
Total	79	100.00	101	100.00	90	100.00	270	100.00

Source: primary data

Advice of the family was ranked as the major factor influencing the idea of starting the enterprise, with an overall score of 38.52 per cent. The next important influencing factor was previous associations in the same line with a total score of 22.22 per cent success stories of other women entrepreneurs also influenced to the extent of 16.67 per cent, where as inherited property or business influenced to the extent of 9.26 per cent. In 13.33 per cent of the entrepreneurs there seemed to have been other factors like, interest in business, desire to earn money, or do something creative and economic independence which influenced the idea of starting the enterprise. Sector-wise analysis also revealed advice of family as the major influencing factor; only the extent seemed to have varied with the trading sector leading with 45.54 per cent followed by manufacturing sector with 37.98 per cent and lastly the ser-

vice sector with 31.11 per cent. This revealed that the influence and advise of the family was more in the case of the trading sector and lesser in the case of service sector. More units in the trading sector were either inherited businesses or started on advice of the family while the entrepreneurs started service sector units themselves facilitated by their education and skill.

### Problems Experienced by women Entrepreneurs

The problems may be varied and several and differ from enterprise to enterprise, place to place, and from time to time some of these problems may be common, but others are more specific and related to the line of activity or the enterprise. Some may be due to the internal environment; while some may be the problems of the external environment whatever be the problems there is no prescribed formula to deal with them. In a small enterprise it is very difficult to separate the entrepreneur from the enterprise. It is even more difficult in the case of a woman enterprise to distinguish between the problem pertaining to the enterprise or the individual. In spite of this, only the problems of the enterprise are contemplated upon rather than the Entrepreneurs personality of this stage. The Entrepreneurs were asked to indicate if they had faced any problem in the 14 identified areas. Sector-wise, the number of Entrepreneurs faced problems in each of the, above identified areas were tabulated in Table.5. The overall number and percentage of Entrepreneurs problem wise was computed.

**TABLE.4**

#### Problem experienced by Women Entrepreneurs

Sl. No	Nature of Problem	Manufac. -turing	Trading	Service	Overall
01	Project Identification	3(4.69)	1(2.70)	3(4.76)	7(4.27)
02	Feasibility Study	2(3.13)	--	1(1.59)	3(1.83)
03	Registration	--	5(13.52)	4(6.35)	9(5.49)
04	Acquiring team	6(9.37)	4(10.81)	9(14.28)	19(11.58)
05	Infrastructural facilities	2(3.13)	1(2.70)	4(6.35)	7(4.27)
06	Plant Machinery	2(3.13)	--	6(9.52)	8(4.88)
07	Finances	6(9.37)	9(24.32)	4(6.35)	19(11.58)
08	Personal recruitment	6(9.37)	5(13.52)	8(12.70)	19(11.58)
09	Training	9(14.06)	3(8.10)	15(23.81)	27(16.46)
10	Raw Material	18(28.12)	2(5.41)	2(3.18)	22(13.41)
11	Technical Know-how	3(4.69)	1(2.70)	2(3.18)	6(3.66)
12	Marketing Product	7(10.94)	6(16.22)	5(7.94)	18(10.98)
	<b>Total</b>	<b>64 (100.00)</b>	<b>37 (100.00)</b>	<b>63 (100.00)</b>	<b>100 (100.00)</b>

Source: primary data

The Table.4 shows that training and raw material was ranked as the major problems experienced by women entrepreneur for starting the enterprise, with an overall score of 16.46 per cent and 13.41 per cent respectively. The next important problem was finances, acquiring team and personal recruitment in the same line with a total score of 11.58 per cent. Sector-wise analysis also revealed availability of raw material as the major problem, only the extent seemed to have varied with the manufacturing sector leading with 28.12 per cent followed by trading sector with 16.22 per cent and lastly the service sector with 23.81 per cent by the problem was marketing the product and insufficient training are respectively.

## SUGGESTIONS

1. Problems of fiancé loom large on the small scale sector, more often than not menacingly. Although at present the government and allied institutions have been extending financial support to small entrepreneurs, certain changes in the manner and form of support offered are necessary. Financial institutions at the national and state levels require be restructuring and strengthening by the government for providing equity loans to small units through the District Industrial Centres (DIC) based on their feasibility. It seems necessary that the commercial banks change their financing pattern and evolve a need based rather than a security based financing policy to assist small entrepreneurs.
2. It is understood from the analysis that inadequate market demand is major problem that was confronted by the sample small scale units. Marketing problem includes in itself inadequate market demand, fluctuations in demand and competition from small scale and large scale industrial units. In order to solve this problem the existing price preference system provided by the government should be efficiently and effectively implemented. As far as possible, the large units should be discouraged from competing with the units of the small scale units and their products.
3. Lack of efficient management is one of the serious problems faced by the small units. Therefore, it is necessary for the EDPs to give particular attention to management training programmes so that the small entrepreneurs are made knowledgable in the techniques of management. The commercial banks which have a stake in the prosperity of small scale industries, can actively associate themselves with these programmes and offer the trainees counseling material and also establish consultancy services. The small scale units themselves in their own interest modify their procedure to recruit workers their enterprise.
4. At the outset, one is able to understand that there are vast potentials for the generation and promotion of entrepreneurial resources in the study area. More concentrated and encouraging efforts should be taken by the Central and State Government in this direction.

5. Another significant change needed is the nature of procedures followed by the officials. Very often, the entrepreneurs face a number of procedural bottlenecks which delay the functions and discourages entrepreneurs at times. A more scientific and simplified system of procedures will enable entrepreneurs to achieve their optimum functional levels without much strain.

## CONCLUSION

This view of entrepreneurship of women is more clearly visible in the initial stages of the enterprise. With the increase in the number of highly educated women the change in the attitude of society towards women at work and the support facilities of the government, may undergo a sea change with more and more younger, highly educated and ambition women starting businesses in and around. Women entrepreneurs of today are all considering business as a career and as a challenging career, which will help the growth, profitability and survival of the enterprises everywhere.

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