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## **A Study on the Growth of Women Entrepreneurship**

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### ***Abstract:***

*Women perform an important role in building the real backbone of a nation's economy, there is considerable entrepreneurial talent among women. Many women's domestic skills such as people and time management and household budgeting are directly transferable in the business context. Women have the ability to balance different tasks and priorities and tend to find satisfaction and success in and from building relationships with customers and employees, having control of their own destiny, and in doing something that they consider worthwhile. They have the potential and the will to establish and manage enterprises of their own. These qualities and strengths of women are to be tapped for productive channels. A potential Entrepreneur is motivated by one or more forces like one's own personality, work experience gained, which makes possible the identification of manufacturing opportunity, a family background of business knowledge and facilities offered by the government. A proper environment is necessary along with the other infrastructural facilities for the growth of Entrepreneurship. Risk-taking and putting with uncertainty are essential functions of Entrepreneurship.*

***Keywords:*** Entrepreneurship, women entrepreneurs, Growth, Motivating factors

### **1. Introduction**

Entrepreneurship is a dynamic process of creating incremental wealth. This wealth is created by individuals who take the major risks in terms of equity, time and career commitment of providing value for some product or services. The product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skills and resources. In other words, it is the application of energy for initiating and building an enterprise. In the dynamic world which is experiencing the effects of globalization, privatization and liberalization, women entrepreneurs are likely to become an even more important part of the global quest for sustained economic growth and social development. The economic status of women is now accepted as an indication of the society's stage of development. Women are vital development agents who can play a significant role in the economic development of a nation, but they should have an equal access to productive resources, opportunities and public services.

The concept of women entrepreneurs is becoming a global phenomenon today. All over the world women play a vital role in the business community. Women are trying to discard the yoke of feminine designed by create their own identify. India is a developing country has been facing chronic unemployment problem. It is believed the tremendous entrepreneurial talent exist in women who have poverty harness their talent abilities and solve the problem associated with entrepreneurship among Indian women which in turn can efficiently contribute to the nation's social economic development. In recent years women have come to the different walks of life competing successfully with men despite social, psychological and economical barriers, this has been possible because education awareness legal safeguards, urbanization and social reforms. Today in India some women have distinguished themselves in many fields. They are trading consultants, eminent scientist and mathematicians, distinguished doctor, interior decorators, artists, educationalists, managers, administrators of enterprises.

### **2. Statement of the Problem**

Women's participation in entrepreneurial activities in India is relatively new phenomenon there is a noticeable increase in the number of women and are becoming ready to reach out for new jobs new responsibilities and new experiences with a high amount of challenging spirit. These women entrepreneur are the women or group of women who initiate organize and operate a business enterprise and expected to innovate or adopt an economic activity. The Government of India has been assigning increasing importance to the development of women entrepreneurship in the country in recent years. In the Industrial Policy 1991 the Government of India stressed the need for conducting special entrepreneurship development programmes for women with a view to encouraging them to enter the industry, product and process oriented courses enabling women to start small industries also have been recommended in the policy entrepreneurship developed in a process and the entrepreneurs as individuals are significant element in the process. It will be highly useful to understand how the social set up has been instrumental in the emergence of entrepreneurs from among the women

folk. Hence it would be more useful to study the growth of women entrepreneurship and motivating factors for women entrepreneurship in palani town.

### 3. Review of Pervious Studies

- Dr. N. Premavathy (2004) in her article titled “Support System for Women Entrepreneurs” identified that the most frequently cited motives for setting up a business enterprise were desire to be independent and to prove oneself. This study has also identified some situational factors which promote them to be entrepreneurs. It is observed that the first five factors namely attractive sources of income, education, family support, government polices and incentives, competencies and experience are conducive foe venture creation and hence considered to be positive push and pull factors, while the last two unable to find suitable employment and unsuitable working environment are negative factors which forces to be entrepreneur. The most important factors considered by the respondents for entrepreneur is the attractive sources of income followed by the inspiration and support from the family members.
- Dr. N. Ramya (2006) in her paper “Women Entrepreneurs - The Key Issues” analyzed the constraints of women entrepreneurs and provided the following suggestions: part time training facilities during afternoon will attract women to acquire skills. To enable women to acquire skills, certain facilities need to be given. Service clubs such as Lions club, Rotary club, Inter- wheel etc, should organize motivational campaigns for the development of women entrepreneurs. The National Small Industries Corporation (NSIC) should come forward to make necessary marketing arrangements by popularizing the products produced by Women Entrepreneurs.
- Dr. V. Gomathi (2006) in her article titled “Development of Women Entrepreneurs – Recent Trends” stated that even though a country may possess abundant physical resources, it cannot make rapid economic and social advancement unless there are people who are enterprising and have developed necessary skills and attitudes. Problems of poverty and unemployment can be solved by developing entrepreneurial skill among the youth, the country which is rich in entrepreneurship, can attain economic augmentation. In the Era of globalization the development of entrepreneurship is the key for ushering economic prosperity.
- Dr. V. Manickavasagam, Kasthuri and P. Jayanthi (2007) in their article entitled “ Women Entrepreneurs: An analysis” stated that there are good number of factors decide the success of women entrepreneurs, self sphere system, resources system and support system help them to get success in their deed. A part from this, the entrepreneurs’ education, training, knowledge, abilities, traits, influences their performance. The motivational pattern family background also has a close assistance with success. The resources system, technical and marketing assistance, managerial consultancy and financial support also determine the success of the enterprise.
- Dr. N. Arumugam (2008) in his article “Entrepreneurship for Economic Development” stated that entrepreneurship is a hidden talent in every human being. If he/ she tries to expose and utilize such talent, they not only become entrepreneurs for their self development but later on for the economic development of the nation also. They should be job providers and not job seekers. Whenever the list of the world’s richest people is being published, at least two or three men are from India. It shows nothing but successful entrepreneurship. However success is not an accident, it is accompanied by hard work, constant labour, hope and confidence, vision, planning etc., so we should try to become entrepreneurs or support them to build an incredible India.
- Raminder Bhatia and Baljinder Karur (2010) in their article titled “Indian Women Entrepreneurs – Issues and Prospects” suggested that women in India are no longer submissive and are not confined within the four walls of the home. The government and the voluntary agencies should take more steps to recognize and integrate the strength of women in the process of Industrial Development. Co- operation and partnership between national and international networks will also facilitate entrepreneurial endeavors by women. It will have a strong impact on the economic development of our country.

### 4. Objectives of the Study

- i. To study the socio – economic growth of the women entrepreneurs.
- ii. To analyze the factors motivating the women entrepreneurs.
- iii. To offer findings suggestions and conclusion.

### 5. Methodology

The study is an empirical research based on the survey method. Both primary and secondary data are necessary for the study. Primary data are collected from the women entrepreneurs in Palani town through an interview schedule and the secondary data are collected through books, magazines, Journals, News papers, and websites.

### 6. Sampling Design

The study is based on sampling technique. For the purpose of the study, 120 women entrepreneurs have been selected by applying convenient sampling technique in palani town. Palani is one of the important taluk in Dindigul District. It is known as ‘Temple city’ because the temple of Lord Muruga is located in Palani hills. The presiding deity is Dhandayudhapani. The idol is made of medical herbs. It is one of the six abodes of the Lord Muruga. It is the major pilgrim centers in south India next to Thirupathi. The main occupation of this taluk is agriculture, small cottage industry and textile industry. It is situated 1086 feet or 324 meters above sea level. Palani is located equidistant from Coimbatore, Trichy and Madurai Airports.

### 7. Measurement of the Level of Growth of the Women Entrepreneurs

To measure the level of growth of the women entrepreneurs the researcher has identified ten components and constructed the GROWTH SCALE. For each component of growth scale ten scores have been allotted and the growth scale has total score of 100. The allotment of scores to ten components is given in the following table.

Sl. No	Name of the Components	Scores
1	Details of capital	10
2	Details of assets	10
3	Number of employees	10
4	Sales	10
5	Profit	10
6	Family expenses	10
7	Product-mix	10
8	Savings	10
9	Working capital	10
10	Loan	10
<b>TOTAL</b>		<b>100</b>

Table 1: Distribution of Scores for the Different Components of the Growth Scale

With a view to understand how the scores are awarded to women entrepreneurs for each component, the allotment of scores for each component must be understood clearly.

#### 7.1. Capital Invested

This component has been given a score of ten. These ten scores are distributed on the basis of percentage of capital increase from the commencement of the business and at present period. The percentage is calculated by applying the formula.

$$\text{Percentage of Increase in Capital Invested} = \frac{\text{Increase of Capital at Commencement of Business to the Present Period}}{\text{Capital at Commencement of the Business}} \times 100$$

The following Table 2 shows how the Score is distributed for this Component.

Sl. No	Percentage of Increase in Capital Invested	Scores
1	0 – 10	1
2	11 – 20	2
3	21 – 30	3
4	31 – 40	4
5	41 – 50	5
6	51 – 60	6
7	61 – 70	7
8	71 – 80	8
9	81 – 90	9
10	91 – 100	10
<b>TOTAL</b>		<b>100</b>

Table 2: Distribution of Scores for the Component “Capital Invested”

The same procedure is followed for the remaining nine components such as Details of assets Number of employees, Sales, Profit, Family expenses, Product-mix, Savings, Working capital, and Loan.

### 8. Implementation of Growth Scale with Example

Suppose a Women Entrepreneurs invested Rs.10,000 as capital at the commencement of the period and at present she owns Rs.15,000 the increase in capital works out to 50 percent. The value of assets at the commencement was Rs.7,000 and at present Rs.12,000 the increase in value of assets works out to 72 per cent. At the commencement of the business she employed only two employees, but now she is having four employees, there is a 100 per cent increase in this component. The sales value at the commencement of the business is only Rs. 50,000, now it is Rs. 75,000, the increase in sales works out to 50 percent. She earned a profit of Rs.5,000 at the commencement of the business and now the profit is Rs. 10,000 the percentage works out to 100 per cent. The women entrepreneur family expenses at the commencement of the business is Rs.7,000 and at percent it was reduced to Rs.4,000 , the decrease in the family expenses works out to 75 per cent. She sells 75 items at the commencement of the business and at present it is 100 items, the increase in the product- mix works out to 33.33 per cent. There is no savings at the commencement of the business and at present her savings was Rs. 50,000, so there is a 100 per cent increase in this component. Working capital at the commencement of the business

was Rs. 2,500 and at present it is Rs.4,500, so there is a 80 per cent increase in this component. At the commencement of the business she had a borrowed capital of Rs.50,000 and the borrowed funds reduced to Rs.25,000, the percentage of decrease is 50 per cent.

For having 50 per cent increase in the component capital invested, the entrepreneur gets five scores. For having 72 per cent increase in the component Assets, she gets 8 scores. For having 100 per cent increase in the component labour, she gets 10 scores. For having 50 percent increases in the component sales she gets five scores. For having 100 per cent increase in the component profit, she gets 10 scores. For having 75 per cent decrease in the component family expenses, she gets eight scores. For having 33.33 per cent increase in the component profit –mix, she gets four scores. For saving 100 per cent increase in the component savings, she gets 10 scores. For having 80 per cent decrease in the component working capital, she gets eight scores. For having 50 per cent decrease in the component Loans or borrowed funds, she gets five scores.

This women entrepreneur has secured a total score of 73 and hence she belongs to high level of growth. The growth of 120 women entrepreneurs were computed as per the scores stated above. Arithmetic mean and standard deviation were computed. The arithmetic mean is 56.19 (say 56) and standard deviation is 6.7 (say 7). The women entrepreneur who have scores above Arithmetic mean and standard deviation.  $(56 + 7) = 63$  are classified into high level growth and those were having scores below Arithmetic mean and standard deviation  $(56 - 7) = 49$  were classified into low level growth group. Those who have secured in between these two were classified as women entrepreneurs with medium level growth.

Table 3 Shows the Number of Women Entrepreneurs falling under various level of growth.

Sl. No	Growth	Number of Women Entrepreneurs	Percentage
1	High	22	18
2	Medium	78	65
3	Low	20	17
<b>TOTAL</b>		<b>120</b>	<b>100</b>

Table 3: Level of Growth

From the Table 3 it is clear that out of 120 women entrepreneurs 22 women entrepreneurs fall under the category of high level growth (18%), 78 women entrepreneurs belongs to medium level of growth (65%), and 20 women entrepreneurs come under category of low level growth (17%), majority of the women entrepreneurs come under medium level of growth.

### 9. Motivational Factors for Women Entrepreneurs

Table 4 reveals that motivational factors for women entrepreneurs

Sl. No	Particulars	Scores	Rank
1.	Decide to do something new	4.54	V
2.	Economic independence	8.62	II
3.	Educational background	8.85	I
4.	Experience	4.99	III
5.	Availability of finance	4.55	IV
6.	Responsibility towards family	4.47	VI
7.	Government assistance and support	4.12	IX
8.	Encouragement from family members / friends	4.46	VII
9.	Promising demand for the product	2.46	X
10.	Profit earned by friends in similar concern	4.45	VIII

Table 4: Motivational Factors

From the above Table 4 it is clear that out of 10 motivational factors selected for the study, the respondent provided the I<sup>st</sup> rank to the factor Educational background, II<sup>nd</sup> rank to the factor Economic independence, III<sup>rd</sup> rank to the factor Experience, IV<sup>th</sup> rank to the factor Availability of finance, V<sup>th</sup> rank to the factor Decide to do something new, VI<sup>th</sup> rank to the factor Responsibility towards family, VII<sup>th</sup> rank to the factor Encouragement from family members/ friends, VIII<sup>th</sup> rank to the factor Profit earned by friends in similar concern, IX<sup>th</sup> and X<sup>th</sup> rank to the factors Government assistance and support and Promising demand for the product.

### 10. Suggestions

- Education is must to inculcate the spirit of equality in women.
- Women must be encouraged to actively participate in debates/ seminars/ conference and should be told that there is no success; particularly the entrepreneurial path requires sacrifice, diligence and devotion.
- Inclusion of Entrepreneurship development as a compulsory subject in the school curriculum itself. Guidance and counseling cells in universities and colleges also need to be established for educating women about the benefits of an entrepreneurial career.
- Inculcation of self –confidence amongst women that they also can run a business should be one of the prime motives of these programmes.

- Potential women entrepreneurs should be exposed to different types of emerging opportunities.
- More attractive schemes encouraging existing ones should be launched for women entrepreneurs and these schemes should be properly advertised.
- Finance should be made available to women entrepreneurs at concessional rates of interest earmarking a reservation like priority sector.
- Sales outlets should be created for products manufactured by women entrepreneurs like regulated markets for agricultural goods.
- Permission should be granted to women entrepreneurs to run their enterprises from home especially the non-polluting enterprises.
- Parents should be advised to prefer spending money on setting up of a business instead heavy spending on the marriage of their daughter.
- Women should prefer setting home - based business and full co- operation of family members and less burden of household work will prove to be immensely useful.
- Different strategies must be introduced to inculcate marketing skills in women entrepreneurs and enable them to sell their product easily in the market.
- Programmes should be started to make them aware of the new technologies so that they can take maximum benefit from them.

### 11. Conclusion

Entrepreneurship among women has picked up momentum in recent years. The great encouragement, support, assistance, guidance and counseling extended by a number of women entrepreneurs associations at national, regional, and local levels have spread throughout the country. It is true that much effort has been made in recent years for development of women's business in India. The women entrepreneurs provide employment opportunities to many people and also help them to improve their level of growth.

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