

## **What Makes Women to Become an Entrepreneur –A Study on Women Entrepreneurs in Udupi District**

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### **ABSTRACT**

It has been globally accepted that women entrepreneurship development results in overall economic and social development. There is need for encouraging women entrepreneurship as this would empower women and bring them into the main stream of development, thereby improve their economic status. While women entrepreneurs have demonstrated their potential, the fact remains that they are capable of contributing much more than what they already do. It is necessary to formulate appropriate strategies to stimulate, support and sustain efforts of women entrepreneurs in order to harness their potential and enable their continued growth. The population of the study is 266 women run small scale enterprises. For the purpose of this study the required database of women entrepreneurs is been collected from D.I.C. This study is based on secondary sources of data provided by government reports, internet sources, review of some selected articles, periodicals etc. The attempts to understand the present status of women entrepreneurs in Udupi District and also the enabling and disabling factors contributing to the success/ failure of micro-enterprises owned by women entrappers .To find out the factors motivating the women entrepreneurs to start their own enterprise and major constraints faced by them t-test has been administered. Percentage analysis has also been used to find out the demographic profiles of the respondents Most hurdling limiting factors have been dual role in home and business, poor knowledge of government support schemes, ignorance about banking procedures and formalities, poor knowledge of financial management, lack of leisure time and lack of technological skills. With regard to prospect, researcher found that there exist ample prospects in services sector over manufacturing and other trading business.

**Key words:**-Entrepreneurship, Women Entrepreneurship, MSMEs, Enabling factors, Limiting factors and Problems

## Introduction

Entrepreneurship plays an imperative role in the growth of any society. Development of entrepreneurship culture and qualitative business development services are the major requirements for industrial growth. Entrepreneurship emerges from an individual's creative spirit into long-term business ownership, employment creation, capital formation and economic security. Entrepreneurial skills are essential for industrialization and for alleviation of mass unemployment and poverty. Women entrepreneurship is the process where women organise all the factors of production, undertake risks, and provide employment to others. The definition of women entrepreneurship has never been differentiated on the basis of sex and hence could be extended to women entrepreneurs without any restrictions.

## Literature

**Phillips et al. (2014)**, analyzed and explored the impact and the usage of government support initiative on the growth of the businesses of female entrepreneurs in Tshwane South Africa. Recommendations of the study indicate that support should take into account the differing needs of different types of small enterprises and provide distinct service packages for the different target groups. Changes to and adoption of new policies have attempted to create a supporting environment in which female entrepreneurs can function optimally.

**Amith kr. Deb (2015)**, dealt with micro-entrepreneurship for women self-reliance. The paper observed that most of the women in Indian society are engaged in household activity. The paper suggested that women entrepreneurs need more training necessary for skill development, new advanced technology and more economic support. The paper concluded that micro entrepreneurship empowers rural poor women and their level of prestigious life in society as well as in their family too.

**Arul Paramanandam and Packirisamy (2015)**, conducted an 'empirical study on the impact of micro enterprises on women empowerment' The study pointed out that the micro enterprises came in through women empowerment and income generating activities by women owning their own business. Women empowerment is very important for them to create acceleration of economic growth. The SHGs promoted micro-enterprises as a tool to boost.

## Methodology

The target industry for the study is small scale sector i.e. the firms having investment in plant and machinery at an original cost not exceeding Rs.1 crore. The population of the study is confined to the women entrepreneurs in udupi district, who are registered under District Industries Centre ( D.I.C.) udupi region. The firms that are in operation for at least last 5 years are included in the study. The population of the study is 266 women run small scale enterprises. For the purpose of this study the required database of women entrepreneurs is been collected from D.I.C.. The cluster sampling method is used to derive the sample. Out of the population of 266 women run enterprises 25 per cent i.e. 66 enterprises are taken as sample. The total population of 266 enterprises is divided into various sub areas (sub areas being sub urban areas of Udupi city. For selecting the sample from each sub urban area convenient sampling method is used.

- The primary data is collected through questionnaire and in depth interviews.
- The secondary data is collected through the review of existing literature related with the topic.
- The review is made using books, magazines, newspapers, journals and research thesis. The secondary data is also collected from D.I.C. (District Industries Centre).
- The tools used for data collection are questionnaire, in depth interviews and informal interaction with the respondents. Questionnaire was prepared for the respondents including open and closed ended questions.

To find out the factors motivating the women entrepreneurs to start their own enterprise and major constraints faced by them t-test has been administered. Percentage analysis has also been used to find out the demographic profiles of the respondents

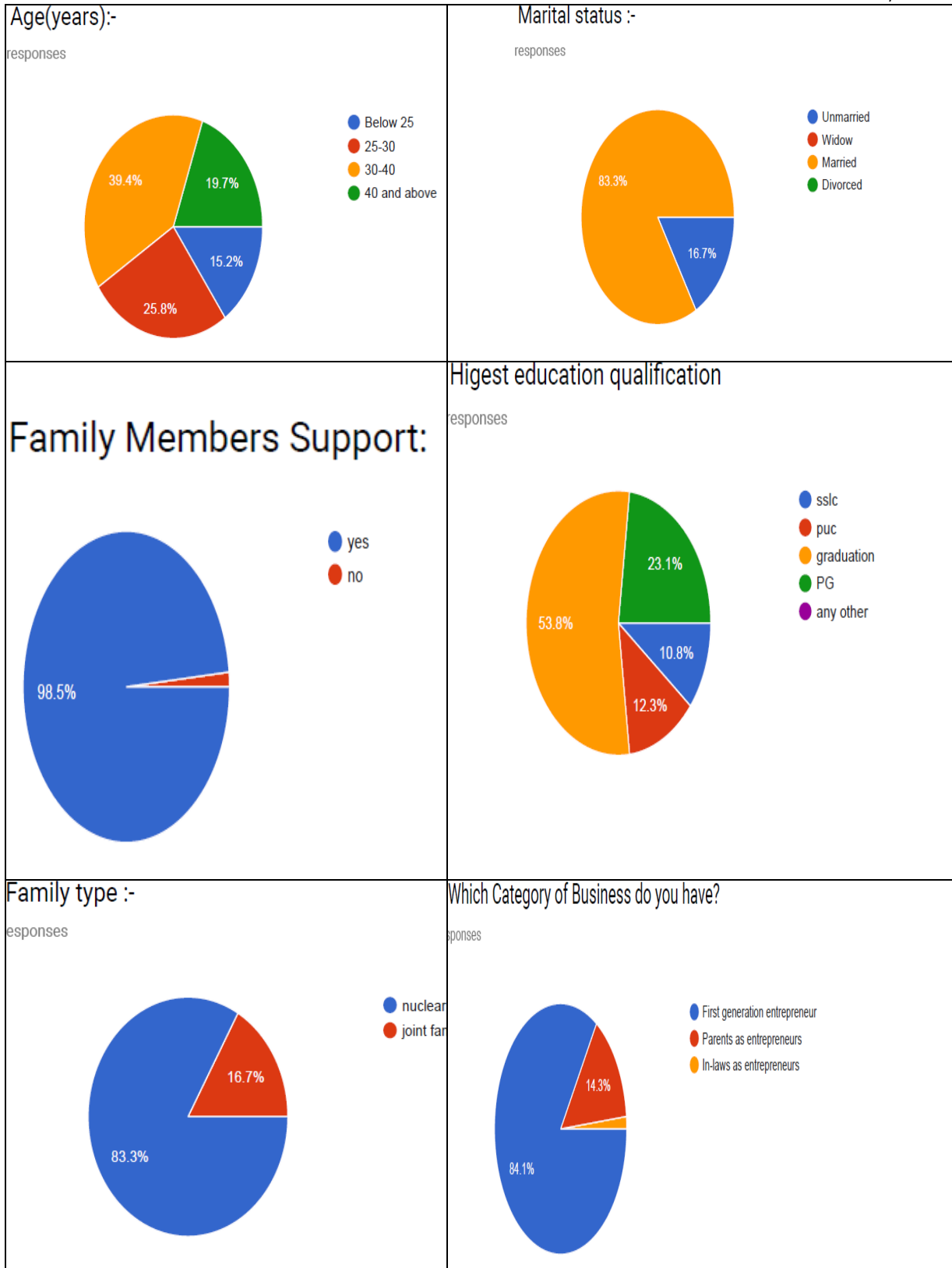
### **Research objectives**

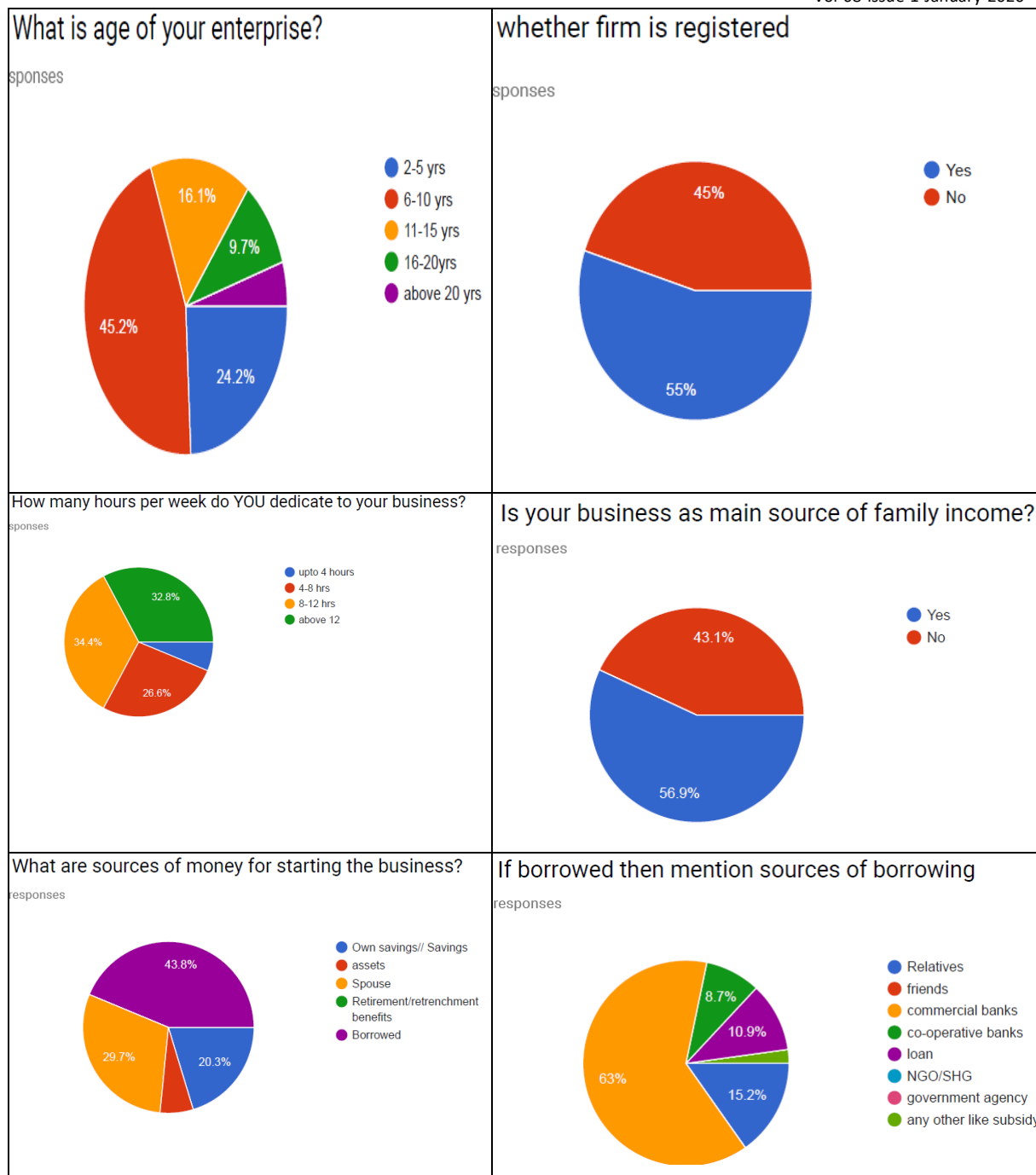
- to examine the profile of women entrepreneurs and their enterprises
- to identify key factors that leads women to be an entrepreneur
- to identify the problems faced by women entrepreneurs

### **Data Analysis & Discussion**

#### **Profile of the women entrepreneurs**

##### **Table 1**





## Results and Discussion

### Factors motivating women to become entrepreneurs

The aim to catalyze entrepreneurship among women in the state persistently needs to identify the crucial enabling factors, which if facilitated appropriately, may form strong base for women to excel in entrepreneurship. With this focus, the researcher makes an attempt to understand viewpoint of women entrepreneurs on factors that may prove to be enabling if facilitated to women community at large.

**Table 2: Factors motivating for women entrepreneurs**

	1	2	3	4	5				
	%	%	%	%	%	Total	Mean	S.D	Media n
Economic Independence and increase in wealth	2.4 %	5.4%	7.5%	10.9 %	73.8 %	66	4.48	1.00	5.00
Dissatisfaction with current job	38.7 %	13.3 %	37.5 %	4.8%	5.8%	66	2.26	1.19	2.00
Unemployment	47.6 %	5.6%	3.2%	.4%	43.1 %	66	2.86	1.92	2.00
Use of idle funds and utilization of available infrastructural facility	3.6 %	2.8%	84.3 %	1.2%	8.1%		3.07	.71	3.00
No other income sources available	42.7 %	11.7 %	.4%	41.5 %	3.6%		2.52	1.47	2.00
Support from family/Spouse	24.4 %	6.5%	19.8 %	27.8 %	21.4 %		3.15	1.47	3.00
Gaining respect and prove my self esteem	.0%	.0%	.0%	5.2%	94.8 %		4.95	.22	5.00

To identify the motivational factors for women entrepreneurship ,7 questions were included and respondents had to rate their opinion on five point rating scale , strongly disagree (1) , disagree (2) , neutral (3) , agree (4) , strongly agree (5) .

The mean value was calculated for women entrepreneurs responses Based on the mean value interpretation was drawn as if

- mean value less than 2 strongly disagree
- mean value less than 3 disagree
- mean value greater than 3 agree
- mean value greater than 4 strongly agree

## **Economic independence**

73.8 percent strongly **agree that** “Economic Independence and increase in wealth” is a motivating factors, 10.9 percent agree and only 7.8 percent disagree for the above statement .Overall mean and SD is 4.48 +\_ 1.00 shows the women entrepreneurs strongly agree that “Economic Independence and increase in wealth” is a key motivating factor

## **Dissatisfaction with current job**

5.8percent strongly **agree that** “Dissatisfaction with current job” is a motivating factors , 4.8percent agree and only 52 percent disagree for the above statement  
Overall mean and SD is 2.26 +\_ 1.19 shows the women entrepreneurs strongly agree that “Dissatisfaction with current job” is a key motivating factor

## **Unemployment**

34.5percent strongly **agree that** “**Unemployment**” is a motivating factors , 6.2percent agree and only 48.4 percent disagree for the above statement  
Overall mean and SD is 2.88 +\_ 1.76 shows the women entrepreneurs strongly agree that “**Unemployment**” is a key motivating factor

## **Use of idle funds and utilization of available infrastructural facility**

13.5 percent strongly **agree that** “Use of idle funds and utilization of available infrastructural facility” is a motivating factors , 7.3percent agree and only 14.3 percent disagree for the above statement .Overall mean and SD is 3.11 +\_ 1.01 shows the women entrepreneurs strongly agree that “Use of idle funds and utilization of available infrastructural facility” is a key motivating factor

## **No other income sources available**

7.1percent strongly **agree that** “No other income sources available ” is a motivating factors , 32.5percent agree and only 53.7 percent disagree for the above statement Overall mean and SD is 2.61 +\_ 1.40 shows the women entrepreneurs strongly agree that “No other income sources available ” is a key motivating factor

## **Support from family/spouse**

21.4percent strongly **agree that** “Support from family/spouse ” is a motivating factors , 27.8percent agree and only 30.9 percent disagree for the above statement .Overall mean and

SD is 3.15 +\_ 1.47 shows the women entrepreneurs strongly agree that “Support from family/spouse ” is a key motivating factor

### Gaining respect and prove my self esteem

78.2percent strongly **agree that** “ Gaining respect and prove my self esteem ” is a motivating factors , 16.5percent agree and only 2.4 percent disagree for the above statement

**Table 3**

	Less motivated	Moderately motivated	highly motivated	very highly motivated				
	%	%	%	%	Count	Mean	SD	Median
<b>Type of firm</b>	<b>1.2%</b>	<b>4.6%</b>	<b>75.4%</b>	<b>18.8%</b>	<b>66</b>	<b>47.52</b>	<b>6.51</b>	<b>48.00</b>

18. 8 percent of the respondents were very highly motivated, 75.4 percent were highly motivated and 4.6 percent were moderately motivated and 1.2 percent were less motivated to have their establishment. Overall mean score of the level of motivation was 47.52+\_ 6.5 % shows women entrepreneurs were highly motivated to have their establishments.

### Summary and Conclusion

- So it is observed that younger the age group women entrepreneurs were more in unorganized sector compare to organized sector
- This result is similar to the findings of various previous researches made by researchers. Owing to the fact that women look for established source of income in their late 20s. Before that women are not keen to enter into any occupation on account of primary motive of completing their education. Women who are now into their late 40s (and beyond) have not shown impressive participation in entrepreneurial activities. The reason behind this is the fact that when they were in their 20s or 30s, an age when person is inclined to take up a career, there were less enabling factors in comparison to today’s scenario.
- It is observed that married women are more in entrepreneurship. The reason behind this is that women get a lot of support from her husband for establishment of business and hence as per this survey it is concluded that in Kaannadian husband’s moral mental fiber becomes most important motivating factor for women entrepreneurs to settle down in this occupation



- It is observed that most of the women in entrepreneurship are graduates. This is due to the fact that researcher is not confining the study only in rural areas rather has a focus to conduct an open research to analyze the women entrepreneurs from urban as well as rural areas.
- It is observed that most of the women in entrepreneurship acquired skills through their own experience and very less respondents were utilized training provided by different organization for acquiring skills and knowledge
- There are minimum women entrepreneurs involving in micro business during the year 1980 to 1990 due to the non – awareness of running a business. But government has started financially support and skill development training programs for women entrepreneurs then majority of women entrepreneurs started micro enterprises.
- Due to financial constraint they had to enter in the business with small amount of capital investment. Some women managed to get financial support from their family and friends whereas few of them started their business by taking material on credit basis. However there were some women who utilized their saving for business. The financial constraints forced many women to enter in traditional business. Respondents view that in financial problems collection of debts and repayment of loan and shortage of working capital is the main problem that they face. There is highly significant relation among the results in organized and unorganized sector
- Dissatisfaction with current job, unemployment, no other income sources available, support from family/ spouse, represent the basic factors which motivates women to become an entrepreneur. There is highly significant difference between the factors in organized and unorganized sector.
- Factors like use of idle funds and utilization of available resources, to gain control on their life and ambition of being an entrepreneur are thirtiary factors which contribute for women venturing. There are several factors that influence a person's call to become a businessperson. Some become entrepreneurs as a result of they are out of work and their jobs is also outsourced. They become entrepreneurs for a lot of economic stability and to assist stimulate the economy. Discrimination, supported gender associate, degreed race can even contribute to the will to become a businessperson.

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