

Analysis of Factors that Influences Women to Become an Entrepreneur in Tiruchirappalli District, Tamilnadu, India

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Abstract

Women's entrepreneurship is the fastest growing phenomenon in the evolution of the economy in many countries including, India and, the role of women entrepreneur is unavoidable in the transition towards economies. Women are not only involved in a specific business, and they extend their role into a variety of business fields in the modern world. In this study, factor analysis has discussed the reason to become a women entrepreneur in Tiruchirappalli district which is located in the middle part of the state Tamilnadu, India and it is one of the prominent educational and fast-developing industrial centers in Tamil Nadu. The study has been explored four factors which are influenced the women become entrepreneurs. These factors are analyzed with their items, eigenvalues and percent of variances. There are 15 statements/variables are considered in this study and they have analyzed through statistical techniques which are grouped into four factors such as Maintaining Social Status, Generating Income to the Family, Innovative Ideas, and Self-Motivation. We conclude that these are the factors that influence women to become entrepreneur. Further, these factors are ranked using Friedman test. Also obtained the conclusions using the One-way ANOVA test.

Keywords: entrepreneurship; motivational factors; factor analysis.

Introduction

Risk-taking is the basic quality of an entrepreneur. "The biggest risk is not taking any risk" says Mark Zuckerberg, founder, Facebook. An entrepreneur should be able to bear risks and uncertainties. In the last three decades, women entrepreneurship has got a lot of enthusiasm, which leads to more number of women entrepreneurs, and their contribution leads to reasonable economic growth. The growth of women's entrepreneurship leads to the promotion of the socio-economic development of the country, which concentrates on sustainable development. Tiruchirappalli may well be called as one of the appropriate educational and fast-developing industrial centers in Tamil Nadu. This study analyses the profile of women entrepreneurs in the Tiruchirappalli district, Tamil Nadu

Women Entrepreneurship

Still the women are being treated unequally to men in almost all the poor and developing countries. The world population consist almost fifty percent of women, but for centuries, women have been treated as homemakers and to take care of their children. They are not paid salaries equal to men nor treated as assets of the organization they work for. Only in the case of better qualified and

professionally qualified categories, women are treated equally in teaching jobs, hospitals and administrative cadres. This signifies a very small percentage of the large population going through inequality.

Women in the present day have been recognized as an inseparable part of the global struggle for a stable economy. The same is the case in India where women have recently become the mark of change. The logic that encourages women's entry in commerce vary, but despite all of their changes in socio-economic backgrounds, they have showed their worth time and again. In addition, Indian women have competed with men and proved to be equal in every race, including entrepreneurship.

Role of Women Entrepreneurs and MSMEs in the Economic Development

Women entrepreneurship has been identified as a remarkable source of monetary process. Women entrepreneurs, they themselves create new jobs and also others. They also offer the entirely new ideas to the administration, authority and business challenges but they still represent a small group of all entrepreneurs. Women entrepreneurs typically face gender-based barriers to the beginning and growing their business.

Women entrepreneurship brings a well-built contribution to the economic well-being of the family, and communities, poverty reduction and women empowerment. Thus, various governments in the world as well as different developmental organizations are actively making an effort for the promotion of women entrepreneurs through numerous schemes, incentives, and promotional measures.

The definition of women entrepreneur is a collection of women or the women who start and run a business venture. A woman entrepreneur has several functions such as exploring the prospects of beginning a new enterprise, undertaking risks, the introduction of innovations, coordination, administration and management of a business, and providing effective leadership in all aspects of business. They are extremely enhancing the budgetary of almost all parts of the world. The buried business ideas of women have been increasing with the growing sensitivity to their role and economic status within the society.

The MSMEs (micro, small and medium enterprises) have been playing a crucial role in the economic and social development of Tamil Nadu, often acting as a kindergarten of entrepreneurship. Tamil Nadu has 8.44 lakh registered MSMEs (as of 28th February 2013). MSME sector contributes about 10% to the GSDP, provides employment to about 58.83 lakh people and accounts for a total investment of Rs. 48,189 crores. MSMEs in Tamil Nadu produce over 8000 varieties of products, including engineering products, electrical products, electronic products, chemicals, plastics, steel, cement, paper, matches, textiles, hosiery and readymade garments.

Background of the Study

Ali and Mohamud (2013) in their article entitled "Motivational Factors and Performance of Women Entrepreneurs in Somalia," concludes that the majority of Somali women entrepreneurs are married and have a secondary certificate. In contrast, most of them do not participate in the proper training programs. Therefore, the researchers recommend imparting sufficient training and other related capacity-building programs to do them equip themselves to run their business. Further, the study finds that most women-owned businesses are small trade and personally owned business and the findings reveal that most motivational factors are self-recognition and economic development, whereas the performance of

women is somewhat poor because most women do not make business for growth and profitability.

Geetha and Rajani (2017), in their research article entitled "Factors Motivating Women to Become Entrepreneurs in Chittoor District" find that the seven factors—generation of income, economic independence, interest, self-dependence, family encouragement, social status and self-prestige—out of sixteen attributes have influenced women greatly to become entrepreneurs using factor analysis.

Martha Cantú Cavada *et al.* (2017) in their research study on "Motivation Factors for Female Entrepreneurship in Mexico," conclude that female entrepreneurship development is influenced by various factors including the personal traits of the entrepreneurs and social and economic factors. Owing to their conservative traditional attitude, risk adverse tendency and non-co-operation of family members, women entrepreneurs are sometimes deterred to start a business in Mexico.

Chhabra *et al.* (2020) have analysed the key factors, which really motivate women to start the entrepreneurial activity and to understand the role in increasing Entrepreneurial intention towards women entrepreneurs in MSME. They also obtained the strong correlations between motivational factors, perceived desirability, entrepreneurial potential and intention.

Jones and Phillips (2021) have suggested that it is often taught as an add-on along with sustainability in more general entrepreneurship courses instead creating interest amongst students and the general public in social enterprise, This has led to under-equipping students with the skills and knowledge they need to start a business in this area.

Meyer and Landsbergh (2015) have studied the factors that motivate females to start their own business. Females from three different groups (2013, 2014 and 2015), who were all enrolled in a short learning programme specifically designed for women in early start-up stage or intending to start a business, were asked what motivated them to start a business.

Objective of the Study

- To identify the reasons to become women entrepreneurs
- To analyze what factor transforming Homemaker to Entrepreneur
- To find the degree of influence of motivating factors among women entrepreneurs in the study area.

Research Design

In this study, descriptive research design is used which is the research study with a focus on the portrayal of the characteristics of a group or an individual or a situation. The major part of the study is based on the primary data is collected through well structured questionnaire and secondary data is collected from various journals, websites, Government reports, DIC and MSME.

Study Area

Tiruchirappalli district was purposely chosen as the study area by the researcher for the following reasons:

- (i) Tiruchirappalli district is located in the mid part in the state of Tamil Nadu. Familiarity with the culture, local dialect, and infrastructural facilities available in this district would help the researcher to develop a good rapport with the entrepreneurs; hence, better and valid responses could be received.
- (ii) Tiruchirappalli may well be known as one of the appropriate educational and fast-developing industrial center in Tamil Nadu. This district is well connected by road, air and rail. It has a good network of postal, telegraph and telephone facilities. The support organizations such as District Industries Centre (DIC), District Rural Development Agency (DRDA), Small Industries Service Institute (SISI) and Khadi and Village Industries Board (KVIB) operating in the district provide required inputs to the entrepreneurs in the micro-, small- and medium-scale sectors and also in village industrial sectors.

Sampling Design

A sample size of 283 respondents belonging to various socio-economic strata namely, different educational qualifications and different age group were selected on the line of 'Proportionate stratified random Sampling Method. In this method, the sample units are chosen preliminarily based on the convenience of the researcher.

Construction of Tool and Pretest: Factor analysis

Factor analysis is one of the statistical methods used to illustrate the variability among recognized, correlated variables in terms of a potentially lower number of unrecognized variables called factors. For example, it is possible that changes in six recognized variables mainly revert the variations in two unrecognized (underlying)

variables. Factor analysis explores for such joint variations in response to unrecognized latent variables. The recognized variables are modelled as linear combinations of the potential factors, and "error" terms. Factor analysis is used to identify the independent latent variables. The theory behind factor analytic methods is that the information gathered about the interdependencies between recognized variables can be used later to reduce the set of variables in a data set. Factor analysis is commonly used in biology, psychometrics, personality theories, marketing, product management, operations research and finance. It may help deal with data sets where there are large numbers of observed variables that are thought to reflect a smaller number of underlying/latent variables. It is one of the most commonly used interdependency techniques.

In this study, four factors which are influenced women to become entrepreneurs. These factors are discussed with their items, eigenvalues, and percent of variances. The discussion of each factor is as follows:

Factor 1: The first group or factor consists of three variables namely Self-Satisfaction, Co-Operation from Family and Moral Support from Friends and Relatives. The name assigned to the factor is **Self-Motivation**.

Factor 2: The second group or factor named **Maintaining Social Status** consists of five variables namely Being Self-Dependent, Death of Breadwinners, Adequate Supply of Capital, Passing Leisure Time, and Upgrading Social Status.

Factor 3: The third group or factor named **Generating Income to the Family** consists of four variables, namely Generating Income to the Family, Continuation of Family Business, Sudden Fall in the Family Income, and Gaining Economic Freedom.

Factor 4: The fourth group or factor named **Innovative Ideas** consists of three variables, namely Creating Job Opportunity for others. Having Owned Ideas/Innovative Thinking, and Inspired by Some Organization.

Results and Discussions

To fulfill the objective which has been stated in this study, reliability analysis has been performed and the results are presented in Table 1

Table 1 Reliability Analysis

Factors	Scale Mean If Item Deleted	Scale Variance If Item Deleted	Corrected Item–Total Correlation	Cronbach's Alpha If Item Deleted	Cronbach's Alpha
Death of Breadwinners	57.36	60.784	0.420	0.884	0.886
Sudden Fall in the Family Income	57.73	57.908	0.519	0.880	
Generating Income to the Family	57.92	56.805	0.594	0.877	
Continuation of Family Business	57.95	55.955	0.628	0.876	
Gaining Economic Freedom	57.84	57.153	0.575	0.878	
Being Self-dependent	57.56	58.517	0.526	0.880	
Creating Job Opportunity for Others	57.78	55.952	0.599	0.877	
Having Owned Ideas/Innovative Thinking	57.75	57.070	0.560	0.879	
Adequate Supply of Capital	57.74	57.038	0.592	0.877	
Passing Leisure Time	58.00	55.812	0.609	0.876	
Upgrading Social Status	57.94	56.096	0.505	0.881	
Inspired by Some Organization	58.66	53.947	0.553	0.880	
Self-satisfaction	58.10	56.135	0.533	0.880	
Co-operation From Family	58.05	56.359	0.524	0.880	
Moral Support From Friends and Relatives	58.31	54.231	0.581	0.878	

Sources: Primary data processed by the researcher with the help of SPSS

Table 1 exemplifies the reliability of variables for the women entrepreneurs based on reasons to become women entrepreneurs. These variables are analysed under the Cronbach's alpha model and the results reveal that Cronbach's alpha value is 0.886. The results clearly show that the variables are most reliable regarding all the fifteen variables for women entrepreneurs.

To analyze the reasons to become women entrepreneurs, factor analysis has been performed using Kaiser–Meyer–Olkin test, and Bartlett's test, and the results are furnished in Table 2

Table 2 Reasons to Become Women Entrepreneurs Based on Factor Analysis Using Kaiser–Meyer–Olkin Test and Bartlett's Test

Kaiser–Meyer–Olkin Test and Bartlett's Test		
Kaiser–Meyer–Olkin Measure of Sampling Adequacy		0.880
Bartlett's Test of Sphericity	Approximate Chi-Square Value	1639.672
	Df	105
	Sig.	0.000

Source: Primary data processed by the researcher with the help of SPSS

Table 2 portrays that the p-value of 0.000 based on the Chi-square test is <0.05; that means, the sample size is adequate to apply factor analysis. It is also proved with the KMO value of 0.880. If the KMO value is >0.07, it is suggested to apply factor analysis.

Table 3 Total Variance Explained and Reasons to Become Women Entrepreneurs

	Total	Percentage of Variance	Cumulative Percentage
Death of Breadwinners	5.926	39.507	39.507
Sudden Fall in the Family Income	1.431	9.540	49.047
Generating Income to the Family	1.105	7.369	56.416
Continuation of Family Business	1.008	6.723	63.139
Gaining Economic Freedom	0.825	5.502	68.642
Being Self-Dependent	0.717	4.779	73.421
Creating Job Opportunity for Others	0.621	4.142	77.562
Having Owned Ideas/Innovative Thinking	0.575	3.831	81.394
Adequate Supply of Capital	0.539	3.593	84.987

Passing Leisure Time	0.499	3.325	88.312
Upgrading Social Status	0.444	2.958	91.270
Inspired by Some Organization	0.385	2.570	93.839
Self-Satisfaction	0.343	2.290	96.129
Co-Operation From Family	0.314	2.095	98.224
Moral Support From Friends and Relatives	0.266	1.776	100.000

Source: Primary data processed by the researcher with the help of SPSS

Table 3 explains all the 15 variables grouped into four factors based on the initial eigenvalue. If the eigenvalue is >1, it is found one group. In this way, the cumulative value for rotated sums of squares is 63.139%. It is good enough to group these variables.

Table 4: Rotated Component Matrix and Reasons to Become Women Entrepreneurs

Factors	Components			
	SM	MSS	GIF	II
I. Self-Motivation				
Self-Satisfaction	0.779			
Co-Operation from Family	0.776			
Moral Support from Friends and Relatives	0.667			
II. Maintaining Social Status				
Being Self-Dependent		0.725		
Death of Breadwinners		0.672		
Adequate Supply of Capital		0.590		
Passing Leisure Time		0.567		
Upgrading Social Status		0.480		
III. Generating Income to the Family				
Generating Income to the Family			0.802	
Continuation of Family Business			0.754	
Sudden Fall in the Family Income			0.671	
Gaining Economic Freedom			0.564	
IV. Innovative Ideas				
Creating Job Opportunity for Others				0.757
Having Owned Ideas/Innovative Thinking				0.740
Inspired by Some Organization				0.526

Source: Primary data processed by the researcher with the help of SPSS

Table 5: Friedman Test and Reasons to Become Women Entrepreneurs

Factors	N	SD	Mean Rank	Rank
Self-Motivation	283	0.798	1.84	4
Maintaining Social Status	283	0.685	3.95	1
Generating Income to the Family	283	0.631	2.27	2
Innovative Ideas	283	0.747	1.94	3

Source: Primary data processed by the researcher with the help of SPSS

Table 5 illustrates that the rank is given for the four factors: rank-1 for Maintaining Social Status, rank-2 for Generating Income to the Family, rank-3 for Innovative Ideas and rank-4 for Self-Motivation.

Findings and Conclusions: Reasons to Become Women Entrepreneurs

It has been found from the factor analysis that 15 statements/variables are grouped into four factors and sample respondents opined that factor 2 (Maintaining Social Status) was ranked 1 by the analysis of Friedman test which is the reason to become women entrepreneurship followed by factor 3 (Generating Income to the Family) ranked 2, factor 4 (Innovative Ideas) ranked 3 and factor 1 (Self-Motivation) ranked 4.

1. The one-way ANOVA test has disclosed the findings that:
2. There is no significant difference between the different age groups of the sample respondents and the self-motivation factor.
3. There is a significant difference between the different age groups of the sample respondents and the maintaining social status factor.
4. There is no significant difference between the different age groups of the sample respondents and the generating income to the family factor.
5. There is no significant difference between the different age groups of the sample respondents and the innovative ideas factor.

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