

# FACTORS INFLUENCING DEVELOPMENT OF WOMEN ENTREPRENEURSHIP IN UNORGANIZED SECTOR IN MADURAI DISTRICT

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***ABSTRACT** - With development of micro, small and medium enterprises, huge number of women has entered in to entrepreneurial activities and is experiencing significant success in recent times. Financial, market, moral and social factors are factors influencing development of women entrepreneurship in unorganized sector. Significant difference is there among factors influencing development of women entrepreneurship in unorganized sector and their demographics. Market, financial, moral and social factors have significant and positive effect on level of success of women entrepreneurs. Thus, banks and training institutes should give adequate loans to women entrepreneurs and family, friends and relatives must support financially women entrepreneurs. Women entrepreneurs should explore market opportunities and improve their accessibility to various markets. Women entrepreneurs must get marketing information from trade organizations and market reports and they should utilize that information efficiently in order to improve marketability of their products and services.*

***Keywords:** Entrepreneurs, Factors, Success, Women*

## **I. INTRODUCTION**

Women entrepreneurship is one of the important contributors to development of women and economy of India and they generate employment opportunities and improve socio-economic conditions of women, family and society as a whole through carrying out successful entrepreneurial activities (Tshabalala and Ezeuduji, 2016). Desirability for doing something positively and progressively is the main inner nature of women entrepreneurs who have capacities of adding values to them, family and community. With rapid development of media and information and communication technologies, women are highly conscious about their rights, personalities and work environments (Rao, 2016).

Women entrepreneurs are considered as a significant but non tapped force for improving standard of living of family, growth of small and medium sized business enterprises (Ansari, 2016). With development of micro, small and medium enterprises, huge number of women has entered in to entrepreneurial activities and is experiencing significant success in recent times. Business opportunities, economic situation and financial and market access are attracting women for starting and running entrepreneurial activities in all the region of India (Kumar, 2014). Most of women entrepreneurs are running small sized entrepreneurial activities in unorganized sector especially in and around rural areas (Nagarajan, 2016).

The participation of women in entrepreneurial activities is highly essential to organize economic model that generates large number of opportunities it is very competitive and give more profit (Hoe et al 2012). The development and success of women entrepreneurship is generally measured in terms of size, economic perceptive (Fenwick and Hutton, 2000), contribution to family and community and personal and economic development (Kallerberg and Leicht, 2014). At the same time, an array of factors with various kinds is significantly influencing development of women entrepreneurship. Hence, it important to study factors influencing development of women entrepreneurship in unorganized sector.

## **II. REVIEW OF LITERATURE**

Roomi and Parrott (2008) found that financial, personal, political, cultural and religions factors were affecting development of women entrepreneurship.

Kongolo (2009) concluded that personal factors, previous experience, education, financial and family supports, personal aspiration and motivation were influencing development entrepreneurship among women.

Lai et al (2010) revealed that risk, motivation, financial and family supports, innovation and political factors were affecting women entrepreneurs' success.

Jesurajan and Gnanadhas (2011) indicated that knowledge, education, prior experience, economic independency and support of family were determining development of women entrepreneurship.

Palaniappan et al (2012) showed that poor planning, inefficient allocation of resources, inadequate financial support, poor management and lack of support from family and financial institutions were affecting development of entrepreneurship among women.

Pandey (2013) found that education, past experience, independence, enhancing economic and social status, need to achieve something financial and family supports and self confidence were deciding development of women entrepreneurship.

Fatimah et al (2014) concluded that desire to achieve, risk bearing, self confidence, creativity, financial and family supports were important aspects for development and success of women entrepreneurship.

Foisal et al (2015) revealed that entrepreneurship education, finance support, strategic management, infrastructure, support of government and local administration, legal and political factors were determining development of women entrepreneurs.

Matharu (2016) indicated that risk taking ability, esteem, enforcement, economic independence, support, opportunities, personal motivation, desire for achievement and tradition of family were affecting success among women entrepreneurs.

Cabrera and Mauricio (2017) showed that cultural, social, government policies, resources availability, financial support, support of family, personal motivation and institutional support were influencing success of women entrepreneurs.

Kumar and Patrick (2018) found that independency, personal motivation, support of family, loans, market accesses, need of higher return and self employment were determining development of entrepreneurship in women.

Nasir et al (2019) concluded that access to resources, family and financial supports, management of employees and time, prior experience, education, atmosphere, political and legal factors were influencing development of entrepreneurship among women.

### **III. OBJECTIVES OF THE STUDY**

- i) To ascertain factors influencing development of women entrepreneurship in unorganized sector.
- ii) To find difference in factors influencing development of women entrepreneurship in unorganized sector among their demographics.
- iii) To examine effect of factors influencing development of women entrepreneurship in unorganized sector on level of success of women entrepreneurs.

### **IV. METHODOLOGY**

The present study is conducted in Madurai district. Women entrepreneurs are chosen by employing convenience sampling method. The data are collected from 300 women entrepreneurs through structured questionnaire. Demographics of women entrepreneurs are examined through percentage analysis and factors influencing development

of women entrepreneurship in unorganized sector is ascertained by employing an exploratory factor analysis. The difference in factors influencing development of women entrepreneurship in unorganized sector among their demographics is studied by using ANOVA and t-tests. The effect of factors influencing development of women entrepreneurship in unorganized sector on level of success of women entrepreneurs is examined by applying regression analysis.

## V. RESULTS

### 5.1. DEMOGRAPHICS OF WOMEN ENTREPRENEURS

The demographics of women entrepreneurs are given in Table-1. Amongst women entrepreneurs, 26.00 per cent of them are falling to age category of 31 to 40 years and 36.00 per cent of them are having more secondary. Meanwhile, 56.67 per cent of them have married and 41.00 per cent of them is carrying out agro-based business activities and 59.67 per cent of them is having nuclear family.

**Table-1. Demographics of Women Entrepreneurs**

<b>Demographics</b>	<b>Number</b>	<b>Percentage</b>
<b>Age</b>		
Less than 20 Years	49	16.33
21 to 30 Years	73	24.33
31 to 40 Years	78	26.00
41 to 50 Years	65	21.67
More than 50 Years	35	11.67
<b>Education</b>		
Informal	53	17.67
Secondary	77	25.67
More Secondary	108	36.00

Under Graduation	62	20.66
<b>Marital Status</b>		
Married	170	56.67
Unmarried	75	25.00
Divorced	33	11.00
Widowed	22	7.33
<b>Business Area</b>		
Agro based	123	41.00
Manufacturing	83	27.67
Service	94	31.33
<b>Family Type</b>		
Joint	121	40.33
Nuclear	179	59.67

## **5.2. FACTORS INFLUENCING DEVELOPMENT OF WOMEN ENTREPRENEURSHIP IN UNORGANIZED SECTOR**

The exploratory factor analysis is employed to find factors influencing development of women entrepreneurship in unorganized sector and result is given in Table-2. Kaiser-Meyer-Olkin test value to measure adequacy of sampling is 0.872 and Chi-square value of Bartlett's test of Sphericity is 0.0048 and it is significant. These two values elucidate method of factor analysis is an appropriate. Principal Component Analysis is applied to obtain factors by using varimax rotation and it is converged in 10<sup>th</sup> iterations. Cronbach's Alpha value is 0.87 explicating that the level of internal consistency is acceptable. Four factors are derived and they contribute 77.51 per cent of variation on variables included in the present study.

**Table-2. Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

Factor	Variables	Factor Loadings	Eigen Value	Variation	Name

		(Rotated)		(%)	
I	Financial support from family	0.68	3.27	23.75	Financial
	Financial support of training institutes	0.65			
	Financial support from banks	0.66			
	Financial support of friends	0.64			
	Financial support from relatives	0.63			
	Financial support of government	0.67			
	Financial support from suppliers	0.62			
II	Market opportunities	0.69	2.45	20.82	Market
	Support of trade organizations	0.66			
	Accessibility to markets	0.64			
	Acceptability of products and services	0.67			
	Market reports	0.62			
	Exhibition and trade fairs	0.61			
III	Support of mother	0.65	1.16	17.64	Moral
	Support of father	0.63			
	Support of spouse	0.66			
	Support of siblings	0.64			
	Support of neighbours	0.62			
IV	Social acceptance	0.68	1.03	15.30	Social
	Exposure to mass media	0.64			

	Community recognition	0.66			
	Total	-	-	77.51	-

**Factor - I** includes financial support from family, financial support of training institutes, financial support from banks, financial support of friends, financial support from relatives, financial support of government and financial support from suppliers. Hence, this factor is stated as **Financial** and it has 23.75 per cent of variation.

**Factor - II** consists of market opportunities, support of trade organizations, accessibility to markets, acceptability of products and services, market reports and exhibition and trade fairs. Therefore, this factor is described as **Market** and it has 20.82 per cent of variation.

**Factor - III** comprises of support of mother, support of father, support of spouse, support of siblings and support of neighbours. Thus, this factor is denoted as **Moral** and it has 17.64 per cent of variation.

**Factor - IV** contains social acceptance, exposure to mass media and community recognition. So, this factor is labeled as **Social** and it has 15.30 per cent of variation.

Financial, market, moral and social factors are factors influencing development of women entrepreneurship in unorganized sector.

### 5.3. FACTORS INFLUENCING DEVELOPMENT OF WOMEN ENTREPRENEURSHIP IN UNORGANIZED SECTOR AND THEIR DEMOGRAPHICS

The relation amid factors influencing development of women entrepreneurship in unorganized sector and their demographics is given below.

#### 5.3.1. Age and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector

The relation amid age of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector is given in Table-3.

**Table-3. Age and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

Age	N	Mean	Standard Deviation	F-Value	Sig.
Less than 20 Years	49	79.40	5.62	7.224**	.000
21 to 30 Years	73	78.00	8.48		

31 to 40 Years	78	76.91	8.32		
41 to 50 Years	65	77.77	8.72		
More than 50 Years	35	78.02	5.94		

*\*\* Significant at 1% level*

Mean value of factors influencing development of women entrepreneurship in unorganized sector for women entrepreneurs falling to less than 20 years, 21 to 30 years, 31 to 40 years, 41 to 50 years and more than 50 years of ages are 79.40, 78.00, 76.91, 77.77 and 78.02 correspondingly and it explicates factors influencing development of women entrepreneurship in unorganized sector is more for women entrepreneurs falling to age of less than 20 years than others.

The F-value is 7.224 and it clarifies significant difference exists amid age of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector.

### **5.3.2. Education and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

The relation amid education of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector is given in Table-4.

**Table-4. Education and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

<b>Education</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>F-Value</b>	<b>Sig.</b>
Informal	53	80.92	6.97	6.438**	.000
Secondary	77	77.60	7.90		
More Secondary	108	76.37	8.19		
Under Graduation	62	77.91	7.23		

*\*\* Significant at 1% level*

Mean value of factors influencing development of women entrepreneurship in unorganized sector for women entrepreneurs with educations of informal, secondary, more secondary and under graduation are 80.92, 77.60, 76.37



and 77.91 correspondingly and it explicates factors influencing development of women entrepreneurship in unorganized sector is more for women entrepreneurs with informal education than others.

The F-value is 6.438 and it clarifies significant difference exists amid education of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector.

### **5.3.3. Marital Status and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

The relation amid marital status of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector is given in Table-5.

**Table-5. Marital Status and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

<b>Marital Status</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>F-Value</b>	<b>Sig.</b>
Married	170	80.73	6.09	6.610**	.000
Unmarried	75	78.77	8.42		
Divorced	33	77.71	7.79		
Widowed	22	76.68	7.50		

*\*\* Significant at 1% level*

Mean value of factors influencing development of women entrepreneurship in unorganized sector for women entrepreneurs of married, unmarried, divorced and widowed are 80.73, 78.77, 77.71 and 76.68 correspondingly and it explicates factors influencing development of women entrepreneurship in unorganized sector is more for married women entrepreneurs than others.

The F-value is 6.610 and it clarifies significant difference exists amid marital status of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector.

### **5.3.4. Business Area and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

The relation amid business area of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector is given in Table-6.

**Table-6. Business Area and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

<b>Business Area</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>F-Value</b>	<b>Sig.</b>
Agro based	123	81.02	7.64	5.525**	.001
Manufacturing	83	78.76	7.95		
Service	94	76.35	7.98		

*\*\* Significant at 1% level*

Mean value of factors influencing development of women entrepreneurship in unorganized sector for women entrepreneurs in the business of agro based, manufacturing and service are 81.02, 78.76 and 76.35 correspondingly and it explicates factors influencing development of women entrepreneurship in unorganized sector is more for women entrepreneurs in the business of agro based than others.

The F-value is 5.525 and it clarifies significant difference exists amid business area of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector.

### **5.3.5. Family Type and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

The relation amid family type of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector is given in Table-7.

**Table-7. Family Type and Factors Influencing Development of Women Entrepreneurship in Unorganized Sector**

<b>Family Type</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>t-Value</b>	<b>Sig.</b>
Joint	121	80.07	7.83	4.336**	.000
Nuclear	179	76.83	8.36		

*\*\* Significant at 1% level*

Mean value of factors influencing development of women entrepreneurship in unorganized sector for women entrepreneurs with joint and nuclear families are 80.07 and 76.83 correspondingly and it explicates factors influencing development of women entrepreneurship in unorganized sector is more for women entrepreneurs with joint than nuclear family.

The t-value is 4.336 and it clarifies significant difference exists amid family type of women entrepreneurs and factors influencing development of women entrepreneurship in unorganized sector.

#### 5.4. EFFECT OF FACTORS INFLUENCING DEVELOPMENT OF WOMEN ENTREPRENEURSHIP IN UNORGANIZED SECTOR ON LEVEL OF SUCCESS OF WOMEN ENTREPRENEURS

The regression analysis is applied to examine effect of factors influencing development of women entrepreneurship in unorganized sector on level of success of women entrepreneurs and the results are given in Table-8. R<sup>2</sup> and Adjusted R<sup>2</sup> are 0.58 and 0.56 correspondingly revealing the regression model is in good fit and F-value is 21.564 explaining the model is significant.

**Table-8. Effect of Factors Influencing Development of Women Entrepreneurship in Unorganized Sector on Level of Success of Women Entrepreneurs**

Factors Influencing Development of Women Entrepreneurship in Unorganized Sector	Partial Regression Coefficients	t-Value	Sig.
Constant	1.007**	11.714	.000
Financial (X1)	.423**	6.436	.000
Market (X2)	.468**	6.965	.000
Moral (X3)	.382**	6.128	.000
Social (X4)	.351**	5.852	.000
R <sup>2</sup>	0.58	-	-
Adjusted R <sup>2</sup>	0.56	-	-
F	21.564**	-	.000

*\*\* Significant at 1 % level*

Market, financial, moral and social factors are having positive and significant effect on level of success of women entrepreneurs. Keeping other things constant, one per cent increase in market factor, there will be 0.47 per cent increase in level of success and one per cent increase in financial factor, there will be 0.42 per cent increase in level of success. Furthermore, one per cent increase in moral factor, there will be 0.38 per cent increase in level of success and

one per cent increase in social factor, there will be 0.35 per cent increase in level of success of women entrepreneurs in unorganized sector.

## VI. CONCLUSION

The above findings elucidate that financial, market, moral and social factors are factors influencing development of women entrepreneurship in unorganized sector. Significant difference is there among factors influencing development of women entrepreneurship in unorganized sector and their demographics. Market, financial, moral and social factors have significant and positive effect on level of success of women entrepreneurs. Thus, banks and training institutes should give adequate loans to women entrepreneurs and family, friends and relatives must support financially women entrepreneurs. Women entrepreneurs should explore market opportunities and improve their accessibility to various markets. Women entrepreneurs must get marketing information from trade organizations and market reports and they should utilize that information efficiently in order to improve marketability of their products and services. Women entrepreneurs should participate in exhibition and trade fair in order to popularize their products and services among consumers. Family members and neighbours must give moral support for women entrepreneurs and community and society should appreciate and recognize success of women entrepreneurs in unorganized sector.

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