

# 4

## RESULTS AND DISCUSSION

## **CHAPTER IV**

### **RESULTS AND DISCUSSIONS**

The results of the present research have been presented in this chapter. These are in concurrence with the said objectives and are described under different sub-heads as follows:

1. Demographic Profile of Women Entrepreneurs.
2. Profile of the Enterprises Owned by Women Entrepreneurs.
3. Motivational Profile of the Entrepreneurs.
4. Support and Constraint Profile of the Entrepreneurs.
5. Decision Making and Implementation Status of the Entrepreneurs.
6. Managerial Capabilities of Women Entrepreneurs.
7. Testing of hypotheses.
8. Discussions.

### **SECTION I**

#### **1. DEMOGRAPHIC PROFILE OF WOMEN ENTREPRENEURS**

This section deals with the demographic information viz. personal and family data of the respondents.

##### **1.a. Personal Data of the Respondents**

Of the total 113 sampled women entrepreneurs, 65 of them were chanced, 34 trained and 14 were forced

entrepreneurs (Table 1).

Table 1: Distribution of the Type of Women Entrepreneurs

Type Of Entrepreneurs	N = 113	
	F	%
Forced	14	12.39
Chanced/Opportunistic	65	57.52
Trained	34	30.09
Total	113	100.00

**1.a.1. Age:** Age of the respondents at the time of the interview and at the time when they started entrepreneurship is reported here (Table 2). The mean age of the respondents was 39.3 years when interviewed. Nearly one-half of them were middle aged who belonged

Table 2: Age of Women Entrepreneurs

Age in years	N = 113			
	At the time of interview		At the time of starting entrepreneurship	
	F	%	F	%
15 - 20	0	0.00	7	6.19
21 - 25	4	3.54	26	23.01
26 - 30	10	8.85	25	22.12
31 - 35	27	23.89	31	27.43
36 - 40	27	23.89	13	11.50
41 - 45	18	15.93	7	6.19
46 - 50	14	12.39	4	3.54
51 - 55	8	7.08	0	0.00
56 - 60	4	3.54	0	0.00
61 - 65	1	0.88	0	0.00
Total	113	99.99	113	99.98

to the age group of 31-40 years. Their age ranged from 21 years to 61 years.

The respondents were younger when they took up entrepreneurship (Mean age- 30.2 years). 6.19 per cent of the respondents started entrepreneurship at quite an early age of 16 years, followed by 18 and 19 years subsequently. Contrary to this 3.54 per cent entered into entrepreneurship in their late forties, 48 years being the highest age at the time of their entry.

**1.a.ii. Religion:** Majority of the respondents were Hindus (Table 3). Remaining 7.94 per cent belonged to various other religions.

**1.a.iii. Community:** The respondents belonged to a number of communities. But there was dominance of Gujarati community (63.72 per cent), followed by 15.93 per cent of Maharashtrians.

Table 3: Religion and Community of the Entrepreneurs

Religion of the Respondents	N = 113	
	F	%
Hindu	104	92.04
Muslim	1	0.88
Sikh	1	0.88
Parsi	0	0.00
Christian	1	0.88
Buddhist	2	1.77
Jain	3	2.65
Sindhi	1	0.88
Total	113	99.98

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Table 3-Continued

Community of the Respondents	N = 113	
	F	%
Gujarati	72	63.72
Sindhi	2	1.77
Marwari	1	0.88
Punjabi	5	4.42
Tamilian	1	0.88
Keralite	1	0.88
Chinese	2	1.77
Islamic	1	0.88
Christian	1	0.88
Rajasthani	5	4.42
Maharashtrian	18	15.93
U Pites	2	1.77
Bengali	1	0.88
Kannad	1	0.88
Total	113	99.96

**1.a.iv. Migratory Profile:** Data revealed that 37.17 per cent of the respondents were migrants. Of the total 42 migrants, 30 women entrepreneurs migrated from outside the state viz. Maharashtra, West Bengal, Jammu and Kashmir, Delhi, Punjab and Tamil Nadu (Table 4). 3 respondents (one each) migrated from Africa, Taiwan and United States of America.

Table 4: Migratory Profile of the Respondents

Place of Migration	N = 42	
	F	%
Within the State	9	21.43
Outside the State	30	71.43
Outside the Country	3	7.14
Total	42	100.00

**1.a.v. Marital Status:** Marital status of the respondents at the time when they were interviewed and when they started entrepreneurship is highlighted here (Table 5). Married women comprised the largest group (78.76 per cent) among the sampled women entrepreneurs. There was comparatively higher percentage of unmarried respondents at the point of initiating their entrepreneurship, however, some of them were married at the time of interview.

Table 5: Marital Status of the Respondents

Marital Status	N = 113			
	At the time of interview		When started entrepreneurship	
	F	%	F	%
Married	89	78.76	89	78.76
Unmarried	13	11.50	21	18.58
Separated	1	0.88	1	0.88
Divorced	1	0.88	1	0.88
Widowed	9	7.96	1	0.88
Total	113	99.98	113	99.98

**1.a.vi. Formal Educational Level:** The largest number of the respondents (82.3 per cent) were highly educated (Table 6). Graduation in Arts/Humanities was more common among 33.3 per cent of the respondents followed by 20.3 per cent in Commerce. Degrees in Architecture, Engineering, Fashion Designing, Education, Fine Arts and Medicine were obtained by only few respondents.

Table 6: Educational Level of the Respondents

Formal Education	N = 113	
	F	%
Illiterate	1	0.88
Primary	1	0.88
Secondary	1	0.88
Higher-Secondary	12	10.62
Intermediate	5	4.42
Graduate	69	61.06
Post Graduate	24	21.24
Total	113	99.98
Professional Training	N = 54	
	F	%
Certificate	8	7.08
Diploma	18	15.93
Combination of the above	2	1.77
Degree	26	23.01
Total	54	47.79

Viewing the post graduate specialisation a similar pattern was revealed. There were comparatively more number of Arts post graduates. Management, Computer Science and Fine Arts post graduate comprised 20.8 per cent of the total post graduates. Thus irrespective of having professional educational degree, women entrepreneurs from other specialisation too existed.

**1.a.vii. Professional Levels :** Further an indepth analysis about the various levels of the professional qualification of the respondents revealed that these were in the field of Beauty Therapy, Skin Therapy, Cosmetology, Hair Setting and Cutting, Computers, Compa-

ny Secretary, Cost Accountancy, Law, Medicine, Travel and Tourism, Doll Making, Graphic Designing, Advertising and Printing, Teaching, Architechture, Interior Designing, Textile Designing, Dress Designing, Management, Export Marketing, and Leather Work. The professional qualification of 31.86 per cent respondents was observed to be in the same line of their existing enterprise whereas in case of 15.93 per cent respondents it was not related to their present line of enterprise (viz : Law, C.S., C.A., Medicine, Doll Making, Teaching etc.).

Table 7: Training Experience of the Respondents

Training Experience	N = 113	
	F	%
Formally Trained	30	26.55
Informally Trained	4	3.54
Untrained	79	69.91
Total	113	100.00

**1.a.viii. Training Experience:** 69.91 per cent of the respondents had not undergone any type of training to run or initiate their present enterprise (Table 7). The nature of training received by one-half of the formally trained respondents was the combination of technical, managerial, marketing and finance related training through private and governmental technical and entrepreneurship institutes. Duration of training of one-fourth of the formally trained respondents varied



from one month to 25 months and above. Almost one-half of the formally trained respondents received training before initiating their enterprise.

Table 8: Sources of Learning Business Skills by the Respondents

Sources of Learning Business Skills	N = 113	
	F	%
Own Experience	48	42.48
Trial and Error	17	15.04
Observation	14	12.39
Informal Training	4	3.54
Formal Training	30	26.55
Earlier Employment	4	3.54
Relatives	2	1.77
Employees	2	1.77
Parents	7	6.19
Husband	16	14.16
Any Other (Hereditary)	1	1.77
Not Applicable	12	10.62

Note: Total exceeds due to Multiple Responses

**1.a.ix. Source of Learning Business Skills by the Respondents:** All the 34 trained respondents learnt business competencies through training (Table 8). The remaining 79 untrained respondents acquired business skills on their own either by their experiences (42.48 per cent), or by trial and error method (15.04 per cent) or observation (12.39 per cent). 14.16 per cent respondents were fortunate enough to learn business skills from their husbands.

**1.a.x. Employment Status Of the Respondents Prior to Starting the Business:** Nearly one-half of the respondents had some employment exposure before starting entre-

preneurship (Table 9). Out of the total 60 employed women, 41 were employed in the private sector, whereas

Table 9: Employment Status of the Respondents Prior To Starting Business and Reasons for Leaving the Job.

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Employment Status	N = 113	
	F	%
Employed	60	53.10
Not Employed	53	46.90
Total	113	100.00
Reasons for Leaving the Last Employment	N = 60	
	F	%
To start my own enterprise	22	36.67
Dissatisfied with the job	3	5.00
Transfer of the husband	4	6.67
Got married	9	15.00
Family expansion/child rearing	6	10.00
Expansion of the business	1	1.67
Health problem	3	5.00
Migration	3	5.00
To pursue further studies	2	3.33
Change of locality within the city	1	1.67
Any other	4	6.67
Not applicable	2	3.33
Total	60	100.01
Usefulness of the Employment Experience	N = 60	
	F	%
Useful	14	23.33
Not Useful	46	76.67
Total	60	100.00
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17 were engaged in teaching profession. It is very interesting to note that even 10 or more than 10

years of their service was not a hindrance for them to take up entrepreneurship .

**1.a.xi. Reasons for Leaving the Job by the Respondents:** Among the various reasons stated by the respondents for quitting the job, "To start my own enterprise" ranked first followed by " Got married" and "Family expansion and child rearing" (Table 9).

An enquiry about the usefulness of their working experience in running their present enterprise highlighted that it was not of any use in the case of majority of the respondents.

Table 10: Health Status of the Respondents as Perceived by them

Health Status	N = 113	
	F	%
Poor	4	3.54
Average	22	19.47
Good	45	39.82
Very Good	42	37.17
Total	113	100.00

**1.a.xii. Health:** The health status of the respondents showed that 76.99 per cent of them perceived their health as good (Table 10). Minority of them who perceived their health as poor were suffering from heart problem, spondalitis, arthritis, general weakness and diabetes.

Table 11: Extent of Personality Traits Present in the Respondents

Personality Traits	N = 113							
	Fully		Partially		Not at all		Total	
	F	%	F	%	F	%	F	%
Taking Initiative	81	71.68	28	24.78	4	3.54	113	100
Opportunity Seeker	22	19.47	50	44.25	41	36.28	113	100
Persistence	54	47.79	41	36.28	18	15.93	113	100
Information Seeking	12	10.62	40	35.40	61	53.98	113	100
Concern For High Quality	25	22.12	42	37.17	46	40.71	113	100
Commitment To Work Contract	10	8.85	43	38.05	60	53.10	113	100
Systematic Planning	23	20.35	48	42.48	42	37.17	113	100
Problem Solving	56	49.56	40	35.40	17	15.04	113	100
Self Confidence	75	66.37	26	23.01	12	10.62	113	100
Persuasiveness	20	17.70	49	43.36	44	38.94	113	100
Use Of Influence Strategies	6	5.31	33	29.20	74	65.49	113	100
Goal Setting	21	18.58	36	31.86	56	49.56	113	100
Risk Taking	0	0.00	9	7.96	104	92.04	113	100

**1.a.xiii. Personality Traits:** General information on personality traits of the respondents was gathered. Further an indepth analysis on personality traits of the forced, chanced and trained women entrepreneurs was also done to find out whether they differed in personality traits or not.

The assessment of the extent to which personality traits were manifested in the respondents highlighted that "Taking initiative" strikingly featured to be the dominant trait in its full strength among majority of the respondents (Table 11). Two-third of them reflected "Self confidence" fully as the second important trait. Consequently "Problem solving" and "Persistant behaviour" in its full potential ranked third and fourth among one-half and slightly less than one-half of the respondents. Contrary to this, considerably high percentage of the respondents (92.0 per cent) lacked "Risk taking" completely. Nearly two-third respondents were totally devoid of "Use of influence strategies" trait. The total absence of "Information seeking", "Commitment to work contract" and "Goal setting" personality characteristics predominantly existed among almost one-half of the respondents .

IndePTH analysis did not show much variation among the personality traits possessed by the forced, chanced and trained entrepreneurs (Appendix II). Trained entre-

preneurs had slightly better "Quality consciousness" and "Self confidence" than the other two groups.

Table 12: Family Background Data of the Respondents

Type of the Family	N = 113	
	F	%
Joint	52	46.02
Nuclear	61	53.98
Total	113	100.00
Size of the Family	F	%
Small	76	67.26
Medium	28	24.78
Large	9	7.96
Total	113	100.00
Number of Dependants in the Family	F	%
None	27	23.89
One	15	13.27
Two to Three	66	58.41
Four to Five	5	4.42
Total	113	99.99
Stages of the Family	F	%
Single Women	14	12.39
Family without Children	2	1.77
Beginning	2	1.77
Expanding	73	64.60
Contracting	17	15.04
Retirement	5	4.42
Total	113	99.99

1.b. Family Background of the Respondents: Type, Size, Stage and Number of dependants in the respondents' family are highlighted in Table 12.

Nuclear families were more compared to joint families. 67.26 per cent of the respondents possessed small family upto four or less than four members. Nearly in one-fourth of the respondent's family there were no dependants. Two-three persons were predominantly dependent in 58.41 per cent of the families. A larger number of the respondents were in the expanding stage of the family.

**1.b.i. Occupational Profile of the Respondents' Family:** 51.33 per cent of the respondents were having business backup as they came from business/industrialist families (Table 13). Their business footing became more stronger when married to businessmen (61.06 per cent). Having lived in business environment before and after marriage left no option for them but to choose entrepreneurship rather than any other career for themselves.

**1.b.ii. Ordinal Position of the Respondents:** It is generally assumed that the first child in the family inherits his/her father's occupation if he/she comes from business background. The ordinal positions of the respondents were studied with a view to gain information as to whether it is true among the sampled group or not. Though 51.33 per cent of the respondents' family of origin had roots in business, only 41.59 per cent were the eldest child (Table 14). For others the ordinal position did not matter.

Table 13: Occupational Profile of the Respondent's Family Members

N = 113												
Occupations	Father		Mother		Husband		Father in Law		Mother in Law			
	F	%	F	%	F	%	F	%	F	%	F	%
Service	41	36.28	14	12.39	25	22.12	43	38.05	2	1.77		
Business	42	37.17	7	6.19	45	39.82	29	25.66	1	0.88		
Industrialist	16	14.16	3	2.65	24	21.24	12	10.62	2	1.77		
Profession	11	9.73	3	2.65	4	3.54	10	8.85	3	2.65		
Farming	3	2.65	0	0.00	0	0.00	3	2.65	0	0.00		
Household	0	0.00	86	76.11	0	0.00	0	0.00	90	79.65		
Any Other	0	0.00	0	0.00	0	0.00	1	0.88	0	0.00		
Not Applicable	0	0.00	0	0.00	15	13.27	15	13.27	15	13.27		
Total	113	99.99	113	99.99	113	99.99	113	99.98	113	99.99		



Table 14: Ordinal Position of the Respondents in their Family of Origin

Ordinal Position	N = 113	
	F	%
First child	47	41.59
Second child	24	21.24
Third child	19	16.81
Fourth child	12	10.62
Fifth child	4	3.54
Sixth child	4	3.54
Seventh child	1	0.88
Eighth child	0	0.00
Ninth child	1	0.88
Tenth child and above	1	0.88
Total	113	99.98

1.b.iii. Economic Status of the Respondents' Family: Before entering into entrepreneurship the picture of

Table 15: Economic Status of the Respondent's Family

Average Monthly Income from all Sources in rupees.	N = 113			
	At the time of interview		Before taking up entrepreneurship	
	F	%	F	%
Upto 5000	2	1.77	36	31.87
5001 - 10000	27	23.89	33	29.20
10001 - 15000	23	20.35	13	11.50
15001 - 20000	20	17.70	7	6.19
20001 - 25000	15	13.27	7	6.19
25001 - 30000	5	4.42	4	3.54
30001 - 35000	0	0.00	0	0.00
35001 - 40000	3	2.65	0	0.00
40001 - 45000	2	1.77	0	0.00
45001 - 50000	0	0.00	1	0.88
50001 & Above	16	14.16	12	10.62
Total	113	99.98	113	99.97

economic status in the respondents' family showed a very different pattern from their present economic status (Table 15).

Earlier 31.85 per cent of the respondents had their family income in the range of Rs. 5000 or less whereas later at the time of interview only 1.77 per cent fell in this economic range. Similar pattern could be viewed in other ranges too. Thus the general trend shows increase in the percentage of the respondents belonging to improved economic status.

## SECTION II

### 2. PROFILE OF THE ENTERPRISES OWNED BY WOMEN ENTREPRENEURS

The present section is comprised of various enterprise related aspects viz.:

- a) Enterprise Setup,
- b) Financial Data,
- c) Strong points and Weak points of the Enterprise,
- d) Development Oriented Aspects, and
- e) Performance Related Aspects of the Enterprise.

**2.a. Enterprise Setup:** It highlights age, nature, type and business premises' ownership status of the enterprises.

**2.a.i. Age:** The mean age of the enterprises was 9.93 years indicating that they were neither too young

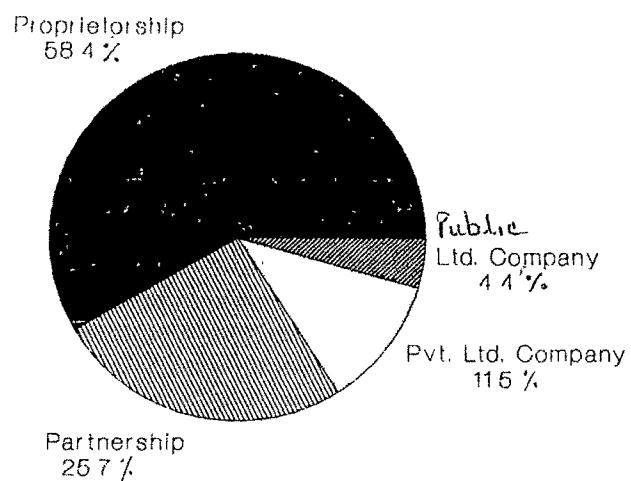
nor too old. About one-fourth of the enterprises were

Table 16: Age of the Respondent's Enterprise

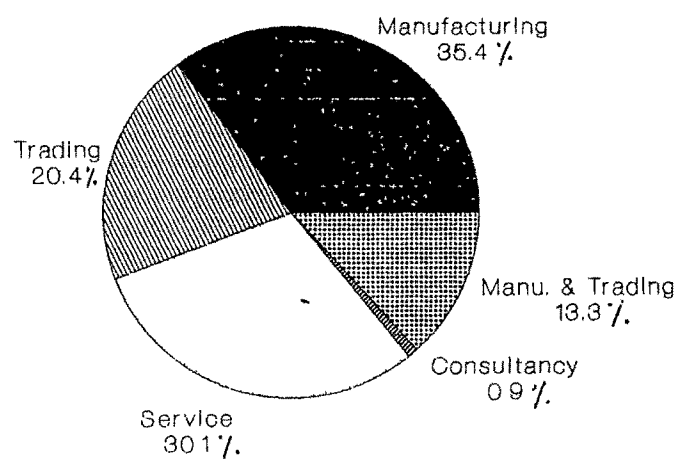
Age of the Enterprise in years	N = 113	
	F	%
3 - 4	26	23.01
4.1 - 5	11	9.73
5.1 - 6	10	8.85
6.1 - 7	13	11.50
7.1 - 8	6	5.31
8.1 - 9	6	5.31
9.1 - 10	4	3.54
10.1 - 11	4	3.54
11.1 - 12	5	4.42
12.1 - 13	3	2.65
13.1 - 14	4	3.54
14.1 - 15	4	3.54
15.1 - 16	2	1.77
16.1 - 17	5	4.42
17.1 - 18	2	1.77
18.1 - 19	1	0.88
19.1 - 20	0	0.00
20.1 - 21	0	0.00
21.1 - 22	1	0.88
22.1 - 23	1	0.88
23.1 - 24	1	0.88
24.1 - 25	0	0.00
25.1 - 30	1	0.88
31.1 - 35	1	0.88
35.1 - 40	-	-
40.1 - 45	1	0.88
45.1 & Above	1	0.88
Total	113	99.94

3-4 years old, one-third 5.1-10 years old, and 32.69 per cent more than 10 years old (Table 16). From the observed age of the enterprises it is concluded that entrepreneurship was a recent phenomenon among women. The youngest enterprise was 3 years and oldest 80 years old. Very few (5) young enterprises were run by first generation entrepreneurs whereas very old units were

**Fig.2 : TYPE OF ENTERPRISE OWNED BY THE RESPONDENTS**



**Fig.3 : NATURE OF ACTIVITY OF THE ENTERPRISES OWNED BY THE RESPONDENTS**



more of the nature of business family units.

Table 17: Type of the Enterprise Owned by the Respondents

Type of the Enterprise	N = 113	
	F	%
Proprietorship	66	58.41
Partnership	29	25.66
Private Limited Company	13	11.50
Public Limited Company	5	4.42
Total	113	99.99

**2.a.ii. Type of the Enterprise:** 58.41 per cent of the respondents were enjoying sole proprietary ownership of their enterprise (Table 17 and Figure 2). The succeeding largest group of respondents were possessing partnership business units. Out of 25.66 per cent of the respondents who were the partners in their firm, only 13.8 per cent were having female partners .

Table 18: Nature of Activity of the Enterprises Owned by the Respondents

Nature of Activity of the Enterprise	N = 113	
	F	%
Manufacturing	40	35.40
Trading	23	20.35
Service	34	30.09
Consultancy	1	0.88
Manufacturing & Trading	15	13.27
Total	113	99.99

**2.a.iii. Nature of Activity of the Enterprises:** A perusal of the Table 18 and Figure 3 indicates that

35.40 per cent of the respondents were engaged in manufacturing activity followed by service and trading.

**2.a.iv. Line of Trade:** Further analysis of the data on the nature of activity of the enterprises owned by the respondents in the preceeding table (No. 18) revealed that more number of women manufacturers were running enterprises related to industrial and transportation goods (6.19 per cent) and chemical and pharmaceutical industries (Table 19).

In addition they were found contributing to garment and textiles, plastics, electric and electronic goods, domestic goods and stone and metal mining industries too. Other 1.77 per cent were manufacturing computer stationery and packaging cartons and labels.

Among 20.35 per cent trader respondents, those running shops of garment, clothing and household linens were 7.08 per cent, whereas 6.19 per cent were having shops of household items, fast foods, confectionery, gifts and ladies items. Other trading enterprises operated by 5.31 per cent entrepreneurs were related to stationery, educational games and toys, ayurvedic medicines, industrial and electronic parts and chemicals.

Commercial art, advertising, interior designing and architectural services (7.08 per cent) were dominant followed by beauty services among the total 34 service

Table 19: Respondent's Line of Trade

Line of Trade	N = 113	
	F	%
<u>Manufacturing &amp; Processing</u>		
1. Chemicals & Pharmaceuticals	7	6.19
2. Garments & Textiles	6	5.31
3. Electric & Electronics	8	7.08
4. Plastics	2	1.77
5. Industrial+Transportation goods	7	6.19
6. Domestic Goods	6	5.31
7. Stone & Metal Mining	2	1.77
8. Miscellaneous	2	1.77
Total	40	35.39
<u>Trading</u>		
1. Jewellery	2	1.77
2. Garments, Clothings & Household Linens	8	7.08
3. Household, Gifts, Fast Food, Confectionery & Ladies Items	7	6.19
4. Miscellaneous	6	5.31
Total	23	20.35
<u>Service</u>		
1. Beauty Clinics	6	5.31
2. Computers	4	3.54
3. Tailoring	2	1.77
4. Travelling	2	1.77
5. Child Care	4	3.54
6. Commercial Art, Advertising, Interior Designing and Architectural	8	7.08
7. Miscellaneous	8	7.08
Total	34	30.09
<u>Manufacturing &amp; Trading</u>		
1. Garment and Linens	8	7.08
2. Jewellery	2	1.77
3. Play Ground Equipments	2	1.77
4. Miscellaneous	3	2.65
Total	15	13.27
<u>Consultancy</u>		
1. Finance & Management	1	0.88
Grand Total	113	99.9

units. Service oriented enterprises under miscellaneous category included circulating library, xeroxing, typing and lamination units, chemical and metal testing laboratory, dancing classes, photography, video shooting and mixing units, merchandise export unit and trading service unit for shares, debentures and bonds.

Only 14.15 per cent of the respondents were involved in trading and manufacturing, and consultancy units.

The line of trade of the respondents' enterprises therefore clearly dispel the myth that women venture into feminine or non-technical business only.

Table 20: Ownership Status of Business Premises of the Respondents

Ownership Status of the Business Premises	N = 113			
	At the time of interview		At the commencement of entrepreneurship	
	F	%	F	%
Owned	64	56.64	52	46.02
Rented	18	15.93	30	26.55
Short Leased	4	3.54	7	6.19
Long Leased	27	23.89	24	21.24
Total	113	100.00	113	100.00

#### 2.a.v. Ownership Status of the Business Premises:

At the time of initiating the enterprise, 46.02 per cent of the respondents owned business premises of their own



which rose by 10.62 per cent later (Table 20). Others had taken the units on rent or lease.

**2.a.vi. Respondent's Contribution in Initiating and Running the Enterprise:** 19.47 per cent of the women had 91-100 per cent involvement, 14.16 per cent had 71-80 per cent and 23.01 per cent had about 50 per cent involvement in the initiation of their enterprise (Table 21). 34.50 per cent of the respondents were involved less than 41 per cent.

Table 21: Contribution of the Respondent in Initiating and Running their Enterprise

Involvement of the Respondent in per cent	N = 113			
	While initiating the enterprise		While running the enterprise	
	F	%	F	%
Nil	17	15.04	0	0.00
Upto 10	3	2.65	1	0.88
11 - 20	6	5.31	2	1.77
21 - 30	6	5.31	7	6.19
31 - 40	7	6.19	6	5.31
41 - 50	26	23.01	22	19.47
51 - 60	2	1.77	4	3.54
61 - 70	2	1.77	7	6.19
71 - 80	16	14.16	15	13.27
81 - 90	6	5.31	10	8.85
91 - 100	22	19.47	39	34.51
Total	113	99.99	113	99.98

While running the enterprise, slightly more than one-third of the respondents had 91-100 per cent of their involvement. Nearly one-fifth of them contributed 50 per cent while 31.85 per cent had their involvement

to the extent of 61-90 per cent. The involvement of others was less than 41 per cent. Thus it was concluded that the involvement of women entrepreneurs in operation of their enterprise was comparatively more than their involvement in its establishment.

**2.b. Financial Data:** The present section deals with the initial capital investment, present networth, turn-over, and profit re-investment of the respondents' enterprise.

Table 22: Initial Capital Investment of the Respondents' Enterprise

Initial Capital Investment in Rs.	N = 113	
	F	%
Nil	2	1.77
Upto 1000	5	4.42
1001 - 2500	3	2.65
2501 - 5000	11	9.73
5001 - 7500	-	0.00
7501 - 10000	8	7.08
10001 - 15000	3	2.65
15001 - 20000	3	2.65
20001 - 25000	10	8.85
25001 - 30000	3	2.65
30001 - 40000	4	3.54
40001 - 50000	9	7.96
50001 - 100000	9	7.96
100001 - 200000	11	9.73
200001 - 300000	9	7.96
300001 - 400000	1	0.88
400001 - 500000	6	5.31
500001 - 1000000	3	2.65
1000001 - 2000000	5	4.42
2000001 - 3000000	5	4.42
3900000	1	0.88
8500000	1	0.88
15000000	1	0.88
Total	113	99.92

**2.b.i. Initial Capital Investment:** Review of the table 22 reveals that 53.95 per cent of the respondents invested upto Rs. 50,000. Slightly more than one-fourth of the them invested upto Rs. 10,000. Two respondents initiated their enterprises without investing a single paisa. One of them was in the business of trading sarees and another was owning a service unit of running dancing classes.

On the whole 61.91 per cent of the respondents invested upto Rs. One lakh. The remaining 23.88 per cent and 14.13 per cent invested their capital upto Rs. Five lakhs and above five lakhs respectively to initiate their units. The highest capital invested was Rs. One crore fifty lakhs.

**2.b.ii. Present Networth of the Enterprise:** The lowest networth of the enterprise was reported to be Rs. 25,000 and highest Rs. 22,20,61,000. Majority of the respondents reported an increased networth of their enterprise. The networth of 37.17 per cent of the enterprises was less than or equal to Rs. 5,00,000. Another 28.32 per cent had upto Rs. 15,00,000. The networth of the remaining 34.49 per cent enterprises was scattered in different ranges (Table 23).

Table 23: Present Networth of the Respondent's Enterprise

Networth of the Enterprise in Rs.	N = 113	
	F	%
Upto 50,000	6	5.31
50,001 - 1,00,000	6	5.31
1,00,001 - 5,00,000	30	26.55
5,00,001 - 10,00,000	18	15.93
10,00,001 - 15,00,000	14	12.39
15,00,001 - 20,00,000	7	6.19
20,00,001 - 30,00,000	6	5.31
30,00,001 - 40,00,000	4	3.54
40,00,001 - 60,00,000	5	4.42
60,00,001 - 80,00,000	-	0.00
80,00,001 - 1,00,00,000	7	6.19
1,00,00,001 - 5,00,00,000	7	6.19
5,00,00,001 - 10,00,00,000	-	0.00
10,00,00,001 - 25,00,00,000	1	0.88
25,00,00,001 - 50,00,00,000	-	0.00
50,00,00,001 and above	2	1.77
Total	113	99.98

**2.b.iii. Turnover Status:** There was an increase of turnover in the enterprises owned by the majority of the respondents (Table 24). 12 respondents reported no change in their turnover. Only 3 respondents claimed having decrease in their average turnover during the

Table 24: Turnover Status of the Enterprises Owned by the Respondents

Average Turnover Status of the Enterprises in the past three years	N = 113	
	F	%
Increased	98	86.73
Decreased	3	2.65
Unchanged	12	10.62
Total	113	100.00

past three years.

Further an indepth inquiry of the extent of increased average of the turnover (for the period of past three years) revealed that little more than one-fourth of the respondents observed 11-25 per cent increase in their turnover. An increased turnover to the extent of 26-50 per cent was found among slightly less than one-fourth of the respondents.

Table 25: Utilisation of Profits

=====									
N = 113									
Average percen- tage of Profits Utilised	Heads of spending								
	Unit		Family Requirment		Luxury Items		Savings		
	F	%	F	%	F	%	F	%	
Upto 5	-	0.00	-	0.00	-	0.00	-	0.00	
6 - 10	1	0.88	4	3.54	4	3.54	-	0.00	
11 - 20	7	6.19	27	23.89	20	17.70	4	3.54	
21 - 40	17	15.04	29	25.66	8	7.08	-	0.00	
41 - 60	32	28.32	12	10.62	2	1.77	1	0.88	
61 - 80	26	23.01	7	6.19	-	0.00	-	0.00	
81 -100	27	23.89	-	0.00	-	0.00	-	0.00	
=====									

**2.b.iv. Utilization of Profits:** Majority of the respondents spent their profits to the extent of 41-100 per cent in the unit itself, with the motive of its expansion, modernisation, upgradation or establishment of another enterprise (Table 25). It also included savings for the purpose of unit itself. A very striking feature came to light that 21.24 per cent of the respondents were utilising all their profits for the

development of the unit only. Among these the majority were chanced entrepreneurs. Of 16.81 per cent respondents who utilised their profits to the extent of 41-100 per cent in meeting essential family requirements, 3.54 per cent were the sole breadwinners of their family and had taken up entrepreneurship under forced circumstances. One-fifth of the respondents were found spending 5-20 per cent of the enterprise profits in luxuries. Other 10 respondents who spent on luxuries were economically sound. 4.42 per cent of the respondents specifically pointed that they set aside part of their profits to take care of emergency situations. One respondent was utilising 40 per cent of her earned profit in social service.

### **2.c. Strength and Weaknesses of the Enterprise:**

Resource awareness has direct linkage with success and upgraded efforts in making improvements in the enterprise. Respondents were asked to state their resource awareness in terms of strength and weaknesses of their enterprise on an open ended questionnaire. These strength and weaknesses were further analysed into areas viz. a) Staff and Personnel, b) Technical, c) Production /Service, d) Finance, e) Marketing, f) Administration /Management and g) Physical Setup, in four types of business (manufacturing, trading, service and consultancy, and manufacturing and trading) in the succeeding discussions.

Table 26: Strong and Weak Points of the Manufacturing Units as Perceived by the Respondents.

N = 40					
Strong Points	F	%	Weak Points	F	%
<u>Staff and Personnel</u>			<u>Staff and Personnel</u>		
1. Worker's development oriented approach	2	5.00	1. Lack of skilled staff	3	7.50
2. Extending welfare services to labour families	1	2.50	2. Availability of manpower	1	2.50
3. Employ needy women only	2	5.00	3. Overstaffing & high average age of employees	4	10.00
4. Disciplined, dedicated, efficient, co-operative, qualified and highly motivated staff.	14	35.00	4. Non co-operative, non efficient and indisciplined staff.	6	15.00
<u>Technical</u>			<u>Technical</u>		
1. Technical expertise and work experience	2	5.00	1. Costly inhouse training	1	2.50
2. Modern and innovative technology	7	17.50	2. Lack of technical upgradation	1	2.50
3. Expertise (technical & export) within the family	6	15.00			
4. Monopoly of the technology	1	2.50			

continued...

Table 26-Continued

Strong Points	F	%	Weak Points	F	%
<u>Production/Service</u>			<u>Production/Service</u>		
1. Qualitative work	18	45.00	1. Lack of infrastructural facilities	3	7.50
2. Good quality controls	2	5.00	2. Copying of the design	1	2.50
3. Prompt and timely delivery	4	10.00	3. Delayed/no stock clearance due to various reasons	1	2.50
4. Personalised service	1	2.50	4. Raw material supply from distant locations	2	5.00
5. New, efficient, exclusive design and products	8	20.00	5. Non utilisation of resources optimally	4	10.00
6. Monopoly of the product	3	7.50	6. Dependency on multinationals	1	2.50
7. Fixed suppliers of raw material	1	2.50	7. Low productivity	7	17.50
8. Supplying all components of machinery at one source	1	2.50	8. Labour intensive technology for part of the production	1	2.50
9. Innovation within the unit	2	5.00			
10. Additional large capacity for production	1	2.50			
11. Scientific production without scientific background	1	2.50			
<u>Finance</u>			<u>Finance</u>		
1. Good financial support	3	7.50	1. Non availability of financial support by banks	1	2.50
			2. Limited working capital	5	12.50
			3. Cash flow problem	4	10.00

continued...



Table 26--Continued

Strong Points	F	%	Weak Points	F	%
<u>Marketing</u>			<u>Marketing</u>		
1. Low selling price	3	7.5	1. High selling price & slow moving item	3	7.50
2. Low competition	2	5.0	2. Stiff competition	2	5.00
3. Customer oriented approach	3	7.5	3. Restricted customers	4	10.00
4. Standard/fixed customers	2	5.0	4. Poor marketing setup	3	7.50
5. Good marketing infrastructure	4	10.0	5. Restricted publicity	1	2.50
6. Readymade and wide market	7	17.5	6. Low mobility for marketing due to being a woman	1	2.50
7. Good number of contacts	3	7.5			
<u>Administration/Management</u>			<u>Administration/Management</u>		
1. Good management	3	7.5	1. Poor management	4	10.0
2. Support from family members	3	7.5	2. Limitation of full time involvement	1	2.50
3. Easier problem solving through sister concern setup	1	2.5	3. Low mobility due to being a woman	2	5.00
4. Readiness to accept new ideas	1	2.5	4. Lack of skills and knowledge	3	7.50
			5. Delayed business matters due to complicated govt. and bank policies	1	2.50
<u>Physical Setup</u>			<u>Physical Setup</u>		
1. Proprietary status and own business premises	2	5.0	1. Limited space	3	7.50

**2.6.1. Strong points and Weak points as perceived by the respondents in Manufacturing industry:** When assessed under various heads it was revealed that "committed and good staff" were considered to be the strong points by almost one-third respondents (Table 26). At the same time it was considered to be the weak point of 15 per cent of the units. "Modern and innovative technology" was the strong point in case of 17.5 per cent respondents, whereas 2.5 per cent did not have these. Respondents had more number of strong points and weak points under production/service in which "qualitative work/product/service" ranked first among slightly less than one-half of the respondents. One-fifth reported "new, efficient, exclusive design/product" as the strong point of their enterprise. "Low productivity" accounted by absenteeism, power cuts, foreign machinery failure and "non availability of raw materials" were considered to be weak points by slightly less than one-fifth of the respondents. Though 7.5 per cent respondents were fortunate enough to have "positive support from the financial institutions", 12.5 per cent considered "limitation of working capital" as a major hindrance in the development and growth of their enterprise. "Restricted demand" as a weak point and "ready and wide market" as strong point were the two prominent ones under marketing. "Good management" featured as a strong point in 7.5 per cent units while "lack of skills

Table 27: Strong and Weak Points of the Trading Units as Perceived by the Respondents

N = 24					
Strong Points	F	%	Weak Points	F	%
<u>Staff/Personnel</u>			<u>Staff/Personnel</u>		
1. Good team of workers	3	12.50	1. Poor performance by unmotivated workers	2	8.33
			2. Lack of trained staff	5	20.83
<u>Technical</u>			<u>Technical</u>		
1. Technical expertise within the family	1	4.17	Nil		
<u>Service</u>			<u>Service</u>		
1. Standard qualitative material/product/service	12	50.00	1. Quality ascertainment is difficult	1	4.17
2. Timely service/delivery	2	8.33	2. Communication gap with the customers	1	4.17
3. Friendly and personalised service	4	16.67	3. Dependency on others	1	4.17
4. True & fair dealings	4	16.67	4. Restricted working hours	1	4.17
5. Offering additional service (after sales service, home delivery, service during crisis situation)			5. Inability to provide additional services	2	8.33
6. Monopoly of the product	3	12.50	6. Loss due to dead stock	1	4.17
7. Variety of goods under one roof	2	8.33	7. Too much trust on the employees	2	8.33
8. Numerous variety and choices in products	2	8.33			
9. Latest & exclusive design /material/product	4	16.67			
10. Friendly and cordial customer relationship	3	12.50			

continued...

Table 27-Continued

Strong Points	F	%	Weak Points	F	%
11. Increased confidence among female customers to take the service	1	4.17			
<u>Finance</u>					
1. Good management of finances	1	4.17	<u>Finance</u> 1. Limited Capital	3	12.50
<u>Marketing</u>					
1. Reasonable and low prices of production	5	20.83	<u>Marketing</u> 1. High selling price 2. Low profit margin and no profit occasionally 3. Limited customers 4. Restricted market 5. Stiff competition 6. Not resorting to unethical business practices	2 2 3 1 1 1	8.33 8.33 12.50 4.17 4.17
<u>Administration/Management</u>					
1. Good management	1	4.17	<u>Administration/Management</u> 1. Limited time spent in business 2. No business successor	3 1	12.50 4.17
<u>Physical Setup</u>					
1. Good location of the unit	6	25.00	<u>Physical Setup</u> 1. Limited space 2. Unsuitable location of the shop	3	12.50
2. Shop located near the residence	1	4.17		3	12.50

and knowledge" was the weak point. Three respondents were unable to identify their weaknesses.

**2.c.ii. Strong Points and Weak Points of the Trading Units as perceived by the respondents:** One-half of the trader respondents showed their concern for quality which helped them in trading their products successfully (Table 27). Though workers were considered as strength in case of 12.5 per cent trading units, they were reported to be weaknesses for one-fifth of the trading enterprises. "Limited capital" as hindrance for further growth of the enterprise is highlighted in trading industry too. "Limited demand" was also found to be a weakness among 12.50 per cent enterprises. One-fourth of the respondents' business prospered because of good location of their unit, whereas 12.50 per cent experienced less profit due to their unsuitable shop location. One respondent reported to have no weak points in her enterprise.

**2.c.iii. Strong Points and Weak Points of the Consultancy/Service Units as perceived by the respondents:** "Qualitative service/work" ranked first among 61.76 per cent of the service and consultancy enterprises (Table 28). "Personalised service" as a strong point ranked second in the order of importance under service head. "Good team of workers" was considered strength by slightly less than one-fourth of the re-

Table 28: Strong and Weak Points of the Service/Consultancy Units as Perceived by the Respondents

N = 34					
Strong Points	F	%	Weak Points	F	%
<u>Staff and Personnel</u>					
1. Good team of workers	8	23.53	<u>Staff and Personnel</u>	1	2.94
			1. Untrustworthy staff	8	23.53
			2. Lack of skilled staff	1	2.94
			3. Lack of adequate staff	1	2.94
			4. Employs only known people	1	2.94
<u>Technical</u>			<u>Technical</u>		
1. Adopted modern and latest technology	2	5.88	1. Lack of technical upgradation	1	2.94
2. Personal expertise in the work	3	8.82			
3. Expertise for exporting within the family	1	2.94			
4. Monopoly of the technology	1	2.94			
<u>Production/Service</u>			<u>Production/Service</u>		
1. Qualitative service/work	21	61.76	1. Limitation of undertaking specific jobs only	2	5.88
2. Timely service	4	11.76	2. Delayed deliveries	2	5.88
3. Personalised service	7	20.59			
4. Unique and additional service	5	14.71			
5. Impartial service to all economic levels of customers	1	2.94			
6. Complete service within the unit itself	1	2.94			

continued...

Table 28-Continued

Strong Points	F	%	Weak Points	F	%
7. Twenty four hour service	1	2.94			
8. Sincere, true, genuine service	4	11.76			
9. Monopoly of the service	2	5.88			
10. Low mobility required	1	2.94			
<u>Finance</u>			<u>Finance</u>		
1. Minimum capital requirement yielding high returns	2	5.88	1. Seasonal earnings only	1	2.94
			2. Unaffordable prices of the new stock.	1	2.94
			3. Unwillingness to take risk	1	2.94
<u>Marketing</u>			<u>Marketing</u>		
1. Moderate and low charges	3	8.82	1. Limited market	2	5.88
2. Low competitive trade	1	2.94	2. Low profit margin	1	2.94
3. Cordial relationship with the customers and very satisfied customers	5	14.71	3. Non co-operative attitude of clients in crisis	1	2.94
4. Limited and fixed customer	2	5.88	4. Limited contacts	1	2.94
5. Good marketing infrastructure	1	2.94	5. Clientele reduction due to media revolution	1	2.94
			6. Poor marketing setup	6	17.65

continued...

Table 28-Continued

Strong Points	F	%	Weak Points	F	%
<u>Administration/Management</u>			<u>Administration/Management</u>		
1. Good management	2	5.88	1. Inability to give sufficient time for management	3	8.82
2. Reputed unit	1	2.94	2. Unhealthy working conditions	1	2.94
3. Managing the job and house together (as both are located in the same premises)	1	2.94	3. Incapacity to meet goals	1	2.94
			4. Poor management and organisation	5	14.71
			5. Dependency on labour and power	2	5.88
			6. Lack of skills	12	35.29
			7. Lack of communication facilities	2	5.88
			8. Restricted expansion plan due to poor health and time		
			9. Harassment by the police	2	5.88
			10. Long working hours and thankless type of job	1	2.94
<u>Physical Setup</u>			<u>Physical Setup</u>		
1. Good location of the unit	3	8.82	1. Unsuitable location	3	8.82
			2. Limited space	3	8.82
			3. Frequent changes in the premises of the unit	1	2.94



spondents whereas "lack of skilled staff" was the weak point of the same percentage of the units. "Good customer relationship" was the strong aspect of some business ventures, whereas "poor marketing infrastructure" was the weak aspect in others. "Lack of managerial, technical and marketing skills" predominated as an important weakness among almost one-third of the respondents followed by "poor management and organisation". Location of the unit affected favourably as well as adversely to few enterprises. Two respondents reported to have no weak points in their enterprise.

**2.c.iv. Strong Points and Weak Points of Manufacturing and Trading Units as perceived by the respondents:** For majority of the manufacturing and trading enterprises quality was of prime importance (Table 29). Inclination to innovate was another strong point highlighted among two-third of the business units. One-fifth relied on reasonable and low prices of their product to capture the business. Viewing the weak points it was found that delayed deliveries as a weakness was common among one-fourth of the units. Loss of production (resulting from power cuts and limitation of space curtailing the expansion plans) was other striking weak point among 13.33 per cent of the enterprises.

To conclude, quality consciousness was the dominant strength in all four types of industries. Staff as a strong point was featured in manufacturing units

Table 29: Strong and Weak Points of Manufacturing and Trading Units as Perceived by the Respondents

N = 15					
Strong Points	F	%	Weak Points	F	%
<u>Staff and Personnel</u>			<u>Staff and Personnel</u>		
1. Good team of employees.	1	6.67	1. High turnover of technical staff.	1	6.67
2. Employment of needy and downtrodden women	1	6.67	2. Employment of limited needy women	1	6.67
			3. Non availability of labour.	1	6.67
			4. Non co-operative workers during festive periods.	1	6.67
			5. Indirect contact with workers.	1	6.67
			6. Limited staff due to labour policy.	1	6.67
<u>Technical</u> Nil			<u>Technical</u> Nil		
<u>Production/Service</u>			<u>Production/Service</u>		
1. Qualitative product/finish /service.	12	80.0	1. Loss of production due to power cuts.	2	13.33
2. Timely delivery.	1	6.67	2. Delayed deliveries due to dependency on workers.	4	26.67
3. Personalised service.	1	6.67			

continued...

Table 29-Continued

Strong Points	F	%	Weak Points	F	%
4. Latest, exclusive, classic design and products.	10	66.67	3. Non availability of raw materials.	1	6.67
5. Monopoly of the design.	2	13.33	4. Dead stock accumulation.	1	6.67
6. High business ethics.	1	6.67	5. Production of accessories for the finished goods within the unit itself.	1	6.67
<u>Finance</u>			<u>Finance</u>		
1. High liquidity of the product.	1	6.67	1. Poor knowledge about the sources of financial assistance.	1	6.67
2. Low capital requirement.	2	13.33	2. Complicated taxation.	1	6.67
2. Low overheads.	2	13.33			
<u>Marketing</u>			<u>Marketing</u>		
1. Reasonable and low prices.	3	20.00	1. Poor marketing infrastructure.	1	6.67
2. Direct consumer approach.	1	6.67	2. Restricted customers.	1	6.67
			3. Restricted mobility.	1	6.67
<u>Administration/Management</u>			<u>Administration/Management</u>		
1. Reputed Image.	1	6.67	1. Limited time devotion.	1	6.67
2. Capability to get the work done efficiently.	1	6.67	2. Lacks professional attitude.	1	6.67
<u>Physical Setup</u>			<u>Physical Setup</u>		
1. Best suited location of the unit.	1	6.67	1. Limited space	2	13.33

whereas for trading units it was the location of the unit. Service and consultancy units reported personalised service to the customers as their strong point. The latest, exclusive, classic design/product was an important strong point for manufacturing and trading units.

Viewing the weaknesses of all four types of industries lower output in manufacturing units, lack of trained staff who can boost the sales in trading units, lack of managerial, administrative, technical and marketing skills in service and consultancy units and dependency on labour resulting in delayed deliveries in manufacturing and trading units were highlighted as the dominant weak features.

**2.d. Development Oriented Aspects:** This section presents the development oriented aspects of the entrepreneur and the enterprise till date and in future (within the time span of two years from the date of interview).

**2.d.i. Developments Made:** Majority of the respondents made improvements till date in one form or the other (Table 30). Expansion in the same enterprise was exercised by more than three-fourth of the respondents. 41.59 per cent started utilising improved technology. Some had increased and improved their marketing infrastructure while others had renovated and modernised the

plant, had added machineries, transportation facility and allied services, got recognition by the government and had re-organised the administration of their units.

Table 30: Developments made in the Enterprise

=====		
Whether Improvements Made in the Enterprise	N = 113	
	F	%
Yes	109	96.5
No	4	3.5
-----		
<u>Nature of improvements made</u>		
1. Expanded the same unit	91	80.55
2. Adopted new improved technology.	47	41.59
3. Diversified in other product/line of trade or service.	42	37.17
4. Adopted new methods of marketing.	23	20.35
5. Setup new enterprise in the same line of business	13	11.50
6. Started marketing in new geographical areas/markets		
a) within India	19	16.81
b) outside India	23	20.35
7. Any other.	9	7.96
-----		
<u>Motives behind development</u>		
1. Failure of the initial demand.	4	3.54
2. Success of the initial demand.	52	46.02
3. Anticipation of wide market/demand.	72	63.72
4. Additional profit.	48	42.48
5. Any other.	11	9.73
=====		

Note : Total exceeds due to Multiple Responses

Most of the respondents made developments anticipating better future prospects for their products/services in the market. Earning more profit lured some (42.48 per cent) while some (46.02 per cent) got moti-

vated by their past positive experience. Among the rest, few gave the reason that they wanted to expand the business, provide better services, earn fame to the enterprise and capture the market by creating and developing increased demand among the consumers while some quoted personal reasons (viz. to settle my unemployed husband and my mentally retarded child).

Table 31: Proposed Future Development Plans of the Enterprise

=====		
Whether Future Developments Planned	N = 113	
	F	%
Yes	79	69.91
No	34	30.09
<u>Nature of Improvements to be made</u>		
1. Expansion of the same unit	54	47.79
2. Adoption of new improved technology.	26	23.01
3. Diversifying in other product/line of trade or service.	19	16.81
4. Adoption of new methods of marketing/sales promotion	13	11.50
5. Setting up new enterprise in same line of business	28	24.78
6. Marketing in new geographical areas/markets		
a) within India	15	13.27
b) outside India	21	18.58
7. Any other.	3	2.65
=====		

Note : Total exceeds due to Multiple Responses

**2.d.ii. Proposed Future Developments:** While enquiring whether the respondents had any future development plans of their enterprise in the next two years, 69.91 per cent of them responded affirmatively (Table 31).

Further analysis on the nature of future developments to be made, strikingly pointed that 47.79 per cent of the respondents were interested in expanding the same enterprise. Other types of future developments are highlighted in table 31.

Table 32: Efforts made by the Respondents in Refining their Personality

Whether Updated, Aquired/ Refined Managerial/Technical Skills	N = 113	
	F	%
Yes	95	84.07
No	18	15.93
<u>Methods of updating, aquiring and/or refining skills</u>		
1. By undergoing formal training.	21	18.58
2. By reading books/magazines /other printed matter	76	67.26
3. By attending seminars/con- ferences/group discussions	47	41.59
4. By visiting other enterpr- ises of similar nature.	40	35.40
5. Any other.	6	5.31

Note: Total exceeds due to Multiple Responses

#### 2.d.iii. Efforts Made in Refining Personality:

15.93 per cent of the respondents who were self-satisfied with themselves and their enterprise, did not make efforts to develop any skill and refine their personality (Table 32). The remaining 84.07 per cent utilised the relevant literature as the most important source to update, refine or acquire skills in them to run the enterprise. Attending conferences, seminars and group discussions on the related issues proved to be the

second important source among the respondents. Out of 40 respondents, 3 visited similar enterprises outside the country to study the marketing prospects, better improved technology, and to explore the opportunities to procure raw materials. 18.5 per cent who polished their skills by undergoing formal training on the job seemed to be highly motivated. Other methods of updating the competency skills included discussions with suppliers and customers, correspondence with the training institute, practising through trial and error method and continuing related formal education.

#### **2.d.iv. Impact of Entrepreneurship on Personality**

**Refinement:** Majority of the respondents answered affirmatively when enquired whether their entrepreneurship career has helped them in refining their personality or not (Table 33).

Further probe on the nature of personality refinement emphasised that there was an increase in confidence among nearly one-half of the respondents. Slightly less than one-fifth of them were exposed a great deal to business affairs and had gained knowledge about it. A few became more competent and improved their skills. 11.5 per cent became more poised by developing certain behavioural traits like boldness, assertiveness, practicability, creativity, extrovertness, outgoing behaviour, friendliness, smartness, cleverness, broad-



mindfulness. The same number of the respondents were benefited by their increased awareness and broadened horizons of learning. 12 of the respondents had benefited by imbibing tactfulness in their dealings with others, in getting the things done by others, working with others as a team and in improving their convincing power. Besides these, personality refinement of other varied nature was also experienced by the respondents.

Table 33: Impact of Entrepreneurship on the Personality Refinement of the Respondents

Effect of Entrepreneurship	N = 113	
	F	%
Personality refined	100	88.50
Personality not refined	13	11.50
<u>Nature of refinements made</u>		
1. Increase in confidence	56	49.56
2. Increased communication skills	11	9.73
3. Increased social contacts and prestige	11	9.73
4. Exposure to and widened knowledge about business	21	18.58
5. Self dependence	9	7.96
6. Development of calm, compromising attitude/ less aggressiveness/cool headedness/tolerance/patience/adjustability.	10	8.85
7. Refinement in the skills and competency.	16	14.16
8. Development of strong character	1	0.88
9. Increase in problem solving ability.	5	4.42
10. Development of sense of responsibility and ability to meet deadlines.	4	3.54
11. Better decision making		

continued...

Table 33-Continued

<u>Nature of refinements made</u>	<u>F</u>	<u>%</u>
ability.	2	1.77
12.Tact in dealings, ability to get the work done from others, team spirit, and increased convincing power.	12	10.62
13.Refinement in managerial ability.	2	1.77
14.Ability to be bold/clever/ practical/creative/smart/ extrovert/outgoing/broad minded/friendly.	13	11.50
15.Development of flexibility and organisation.	3	2.65
16.Achievement of broad hori- zons of learning & awaren- ess.	13	11.50
17.Professionality and maturity in business deals	4	3.54
18.Overall personality refinement.	2	1.77

=====  
 Note: Total exceeds due to Multiple Responses.

Little more than one-tenth of the respondents who did not have any improvements in their personality, reasoned that the improvements in their personality were made earlier when they were employed or when they were earning. One respondent stated that her work had made her very rude while dealing with the low level staff.

**2.e. Performance Related Aspects:** These include: a) the extent of satisfaction as perceived, b) success of the enterprise as perceived, c) variation in the performance caused by selected independent variables, and d) optimum resource utilisation in the enterprise.

Table 34: Extent of Satisfaction Perceived by the Respondents with the Performance of their Enterprise.

Extent Of Satisfaction	N = 113	
	F	%
Highly Satisfied	30	26.55
Satisfied	55	48.67
Moderately Satisfied	26	23.01
Dissatisfied	2	1.77
Highly Dissatisfied	-	0.00
Total	113	100.00

**2.e.i. Satisfaction:** Of the total nearly one-half of the respondents were satisfied with the performance of their enterprise (Table 34). Almost one-fourth of them who stated their dissatisfaction about the performance of their enterprise, were highly ambitious to expand their unit but were taken aback by the resource limitations and underutilisation of their resources or had experienced some setbacks in their past.

**2.e.ii. Success of the Enterprise:** The respondents were interrogated about the success of their enterprise as perceived by them with the motive of assessing their enterprise profitability (Table 35). The data on the same emphasised that 1992-93 had proved to be profitable year than the 1991-92. The unsuccessful units (7.08 per cent) which were just surviving with a ray of hope for better future prospects were not making considerable profits. The returns which they were getting were sufficient enough for their stay in the business. All

such units, except one trading unit, were the manufacturing units.

Table 35: Success of the Enterprise as Perceived by the Respondents

Extent Of Success	N = 113			
	1992-93		1991-92	
	F	%	F	%
Extremely successful	27	23.89	18	15.93
Successful	54	47.79	52	46.02
Moderately successful	28	24.78	35	30.97
Unsuccessful	4	3.54	8	7.08
Extremely unsuccessful	-	0.00	-	0.00
Total	113	100.00	113	100.00

Various reasons were stated by the respondents for their unsuccessful business. Two of them stated that they were unable to do required marketing due to restricted mobility on account of being a woman. One stated that the industry which was the main consumer for her product was closed due to government policy which affected her business adversely and presently she had modified her product to meet the necessary demand. The business of one respondent was slackening as she was again on the family way and her first child still required her utmost attention. Another respondent reasoned stiff competition resulting in lowered margin of profits. One was dissatisfied with the rigid attitude of the consumer in accepting her product. High cost of advertising had restricted her from publicising her product.

Delivery against credit due to delayed payments forced one of the respondents not to deliver the goods at all. This resulted in low resource utilisation in the unit. One respondent had a very low turnover because of shortage of funds which affected her profit.

The other pattern of success showed that nearly less than one-half of the respondents were running their enterprise successfully earning good profits. Almost one-fourth of them were doing extremely well at the time of interview. The overall trend showed an upward shift in the profitability of the enterprise for the period 1992-93 than 1991-92.

**2.e.iii. Variation in the Performance caused by Selected Independent Variables:** 't' test was applied on the given arbitrary scores on the performance of the enterprise to determine whether there existed any difference in the group mean of the selected variables (Table 36). Results indicated that the entrepreneurs belonging to nuclear families and joint families differed significantly in their enterprise performance ( $t = -1.706$ , sig 0.1). Significant difference in the performance of the enterprise/entrepreneurs among those who received institutional support and those who did not receive institutional support was also marked ( $t = 1.940$ , sig 0.05). It is concluded that joint family and favourable assistance from the institutions contribute

significantly to the performance of the enterprise.

Table 36: 't' Value Showing the Difference in the Performance of the Enterprise by the Selected Independent Variables

Variables		Mean	't'Value	df	p <
1. Age of the respondents	Young	17.46	0.040	110	N S
	Old	17.42			
2. Family type	Nuclear	18.54	-1.706	110	0.1
	Joint	16.54			
3. Education	Low	16.00	-1.409	110	N S
	High	18.00			
4. Marital Status	Single	16.72	-0.779	110	N S
	Married	17.65			
5. Training Experience	Yes	17.33	-0.132	110	N S
	No	17.48			
6. Business Background	Yes	17.59	0.649	110	N S
	No	16.75			
7. Family Support	Yes	17.29	-1.230	110	N S
	No	20.00			
8. Institutional Support	Yes	18.06	1.942	110	0.05
	No	16.00			
9. Age of the Enterprise.	Young	17.39	0.276	110	N S
	Old	17.09			

Though the significant performance difference among the group mean of the other selected variables could not be found, the entrepreneurs with higher education, business background and married life had better enterprise performance than single, low educated entrepreneurs and those lacking business background. Whether the entrepreneur was young or old, had training experience or not, received family support or not and whether the enterprise was young or old did not matter in the performance of the enterprise.

Personality traits was another variable which showed the difference ( $F = 3.44$ , sig 0.05) (Appendix III).

Table 37: Optimum Resource Utilisation  
of the Respondents' Enterprise  
as Perceived by them

Perceived Optimum Resource Utilisation in percentage			N = 113	
			F	%
Upto 5			-	-
6	-	10	-	-
11	-	20	1	0.88
21	-	30	3	2.65
31	-	40	16	14.16
41	-	50	20	17.70
51	-	60	26	23.01
61	-	70	23	20.35
71	-	80	18	15.93
81	-	90	4	3.54
91	-	100	2	1.77
Total			113	99.99

**2.e.iv. Optimum Resource Utilisation:** Slightly less than one-fourth of the respondents optimally utilised the resources of their enterprises to the extent of 51-60 per cent (Table 37). Optimum resource utilisation was reported cent per cent by two respondents. 3.6 per cent respondents who perceived low resource utilisation in their units attributed it to delayed payment of funds, inefficient and unqualified staff and low market of the product.

### SECTION III

#### 3. MOTIVATIONAL PROFILE OF THE RESPONDENTS

This part comprises information on:-

- a) Initiation into Entrepreneurship,

- b) Motivational Aspects of Running and Establishing the Enterprise, and
- c) Factors for the Choice of the Enterprise Line.

Table 38: Motivational Profile of the Respondents for their Entry into Entrepreneurship

Motives	N = 113	
	F	%
<u>Financial</u>		
Economic security	46	40.71
Utilisation of funds	9	7.96
Financial crisis at home	14	12.39
More return on investments	13	11.50
Quick profit earning	10	8.85
Unemployment	10	8.85
Enough money to take risk	5	4.42
<u>Social</u>		
Social service	11	9.73
Providing employment	26	23.01
Gaining social prestige	19	16.81
No other alternative	1	0.88
<u>Personal</u>		
Utilisation of time	44	38.94
Disinterest in service	8	7.08
Pursuing one's interest	36	31.86
It is challenging	48	42.48
To exercise creativity	49	43.36
Utilisation of skill	52	46.02
Fulfilment of one's ambition	43	38.05
To Become independent	54	47.79
It gives power to command	12	10.62
No qualification required	4	3.54
Achievement in life	43	38.05
Any other	3	2.65
<u>Familial</u>		
Family welfare	1	0.88
Continuity of family business	26	23.01

Note: Total exceeds due to Multiple Responses

**3.a. Motives for the Respondent's Entry into Entrepreneurship:** Among the various financial, social, per-



sonal, and familial motivations of the respondents for their entrepreneurship career, personal factors outshined as the dominant one over others (Table 38). Analysis of each motivating force separately, however, highlighted certain facts.

**3.a.i. Financial:** Among these motives, which dealt with finance related matters, "to achieve a sense of economic security" was the important force among 40.71 per cent of the respondents behind their entrepreneurial activity. The second strongest force was the "financial crisis in the family" which forced 12.39 per cent to become entrepreneurs. The third force emerged to be "the productive investment of their funds". Very few respondents who gave the reason for choosing entrepreneurship, only, "to take risk of their funds" can undoubtedly be generalised as real entrepreneurs because of their risk taking characteristic.

**3.a.ii. Social:** "Providing employment" and consequently "gaining social prestige" emerged as the first and second social motivator among the respondents.

**3.a.iii. Personal:** A strong urge for "independence" received top priority as personal motivator among nearly one-half of the respondents. Other personal motives accounted for respondent's entrepreneurship in the ranking order were "utilisation of skill", "to exercise creativity", "to meet a challenge", "to utilise

their time", and "achievement of life".

**3.a.iv. Familial:** "Continuity of the family business" was the prime motivator among 23.01 per cent of the respondents for their entrepreneurship.

On the whole "economic independence" ranked as the reason of greatest importance followed by "utilisation of skill". "To exercise creativity" and "to meet challenges" ranked third and fourth consequently in their order of importance followed by "economic security".

Table 39: Motivational Profile of the Respondents for Running their Enterprise

Motives	N = 113	
	F	%
Achievement in life	83	73.45
Independence	81	71.68
Earning profits	74	65.49
Progress in life	72	63.72
Meeting a challenge	69	61.06
Earning social prestige	63	55.75
Welfare of the family	60	53.10
Accomplishing by one's own efforts	59	52.21
Achievement of the goal	57	50.44
Satisfaction of the soul	56	49.56
Providing employment	42	37.17
Getting tasks done by others	24	21.21
Continuity of family business	21	18.58
Any other	4	3.54

Note: Total exceeds due to Multiple Responses

**3.b.i. Motives for Running the Enterprise:** When inquired about the motivating forces for running their enterprise, majority of the respondents reasoned "achievement in life" as the most important force while

running their business ventures (Table 39). The succeeding strongest motive stated by 71.68 per cent of the respondents was "gaining independence". Running of enterprise seems to be incomplete and useless if the profit oriented motive lacks among the entrepreneurs. "Earning profit" ranked third among nearly two-third of the respondents, followed by motives of "progress in life" and "meeting a challenge".

The prime motive "economic independence" as detected earlier must have exerted great influence on the respondents to be the self initiator of their enterprise.

Table 40: Sources of Idea Generation to Initiate the Enterprise

Sources of Idea Generation	N = 113	
	F	%
Husband	31	27.43
Parents	6	5.31
Relatives/friends	13	11.50
Self	44	38.94
Successful entrepreneur	2	1.77
Family business	11	9.73
Training institute	3	2.65
Any other	5	4.42

Note : Total exceeds due to Multiple Responses

**3.b.ii. Source of Idea Generation:** An idea generated from within themselves was the main source of their enterprise initiation (Table 40). The next successive outstanding source of idea generation was their hus-

bands, followed by their relatives /friends.

Table 41: Reasons for the Choice of the Present Line of Enterprise

Reasons	N = 113	
	F	%
Great demand	24	21.24
Better prospects	35	30.97
Family business	28	24.78
Availability of ready market	22	19.47
Low capital requirement	17	15.04
Utilisation of professional qualification	26	23.01
Past experience	8	7.08
Short gestation period	6	5.31
Opportunity to exercise creativity	40	35.40
High rate of return	7	6.19
Typically feminine	5	4.42
Opportunity to exercise possessed skills	27	23.89
Socially acceptable	13	11.50
Low mobility	12	10.62
Low break-even	2	1.77
Easy availability of raw material	6	5.34
High profitability	12	10.61
Self interest	7	6.19
Any other	14	12.39

Note: Total exceeds due to Multiple Responses

**3.c. Reason for the Choice of the Present Line of Enterprise:** Analysis of the data in Table 41 made it evident that the reason "opportunity to exercise creativity" which is stated by 35.40 per cent of the respondents was one of the prime motivators for selecting the present line of their trade. Reasons ranking fourth "opportunity to exercise possessed skill" and fifth "utilisation of professional qualification" made it very clear that respondents were quite self confident about their potentials and wished to exercise them in a con-

structive manner. Slightly more than one-fourth of the respondents who reasoned "better prospects" for choosing the present line of their enterprise reflects their foresight and good knowledge of their business. Others gave varied reasons.

## **SECTION IV**

### **4. SUPPORT AND CONSTRAINT PROFILE OF THE RESPONDENTS**

#### **4.a. Support Profile**

The data on Manpower support, Familial support, Institutional support and Governmental support extended to the respondents in various areas is presented herewith.

**4.a.1. Family Support:** Assistance and supports proves to be a boon in any kind of endeavour, especially the support received from within the household environment plays a vital role. Respondents too were observed to visualise their pattern of help received from within the family (Table 42). Most of them were morally boosted by their spouses. Parents too played a significant role in encouraging them (36.26 per cent) morally. Economically too their husbands extended co-operation to them comparatively more than any other family source except their parents. The similar trend is followed in technical, liaisoning, legal and personnel matters too. In providing marketing assistance, though the role of

Table 42: Support Extended to the Respondents by the Family

Type of Support	N = 113											
	Parents		Siblings		Husband		Other Relatives		Friends		Others	
	F	%	F	%	F	%	F	%	F	%	F	%
Moral	41	36.20	12	10.62	71	62.83	12	10.62	12	10.62	3	2.65
Economic	22	19.47	6	5.31	50	44.25	6	5.31	4	3.51	3	2.65
Technical	7	6.19	3	2.65	35	30.97	1	0.88	5	4.42	3	2.65
Marketing	7	6.19	2	1.77	36	31.96	2	1.77	14	12.39	7	6.19
Liaisoning	4	3.54	0	0.00	30	26.55	1	0.88	2	1.77	0	0.00
Legal	6	5.31	0	0.00	33	29.20	1	0.88	3	2.65	1	0.88
Personnel	8	7.08	3	2.65	25	22.12	0	0.00	3	2.65	0	0.00

Note: Total exceeds due to Multiple Responses

Table 43: Support Extended to the Respondents by Financial and Other Institutions

Type of Support	N = 113											
	Banks		Other Fin. Inst.		Consultancy		Training Institute		Technical Inst.		Any Other	
	F	%	F	%	F	%	F	%	F	%	F	%
Moral	1	0.88	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Economic	63	55.75	20	17.70	0	0.00	0	0.00	0	0.00	1	0.88
Technical	0	0.00	0	0.00	3	2.65	11	9.73	5	4.42	0	0.00
Marketing	3	2.65	0	0.00	0	0.00	1	0.88	1	0.88	1	0.88
Liaisoning	0	0.00	0	0.00	1	0.88	0	0.00	1	0.88	0	0.00
Legal	0	0.00	0	0.00	6	5.31	1	0.88	1	0.88	0	0.00
Personnel	0	0.00	0	0.00	1	0.88	0	0.00	2	1.77	0	0.00

Note: Total exceeds due to Multiple Responses

husband was predominantly important, friends too helped the entrepreneurs in expanding the market of their enterprises. Respondents were also extended marketing help by their partners, children, clients and teachers.

**4.a.ii. Institutional and Other Support:** Banks were the only supporters in encouraging the morale of 0.88 per cent respondents while initiating their enterprise (Table 43). They were the important source of financial assistance among 55.75 per cent of the respondents. The financial help was extended by the Co-operative, State and Nationalised banks. The second important source of economic assistance was the Financial institutions (viz. GSFC, LIC, GIIC, IDBI, ICICI etc.). 17.70 per cent respondents availed financial help from these institutions. Consultants were predominantly helpful in rendering legal help (5.31 per cent). Though training institutes supported the respondents by extending help in marketing and legal matters, they extended more help in technical matters (9.73 per cent). Technical institute too guided the respondents more in technical matters than providing any other type of assistance. Others who equally extended economic and marketing support to 0.88 per cent of the respondents were the shareholders and Grahak Panchayat.

**4.a.iii. Governmental Support:** Though many respondents were not aware about the governmental support

for women entrepreneurs, they revealed their reluctance to avail of it. Some who knew about it were very much critical and apprehensive in availing the opportunity as they opined that such schemes do not benefit the target group without a push and remains on paper only. 12.39 per cent respondents were fortunate in availing subsidies either on loan interest (5 per cent) or due to being a woman entrepreneur (5 per cent) or for establishing their enterprise in backward area (30 per cent) (Table 44). 4.42 per cent were benefited by tax exemption. 3.54 per cent respondents were given priority in granting licences and providing raw material quota whereas 4.42 per cent and 0.88 per cent availed of the opportunity of utilising power <sup>quota</sup> and export <sup>incentive</sup> ~~quota~~ by the government. Not a single entrepreneur utilised the benefit of available communication facility.

Table 44: Support Received by the Respondents from the Government

Types of Governmental Assistance	N = 113	
	F	%
Subsidies	14	12.39
Tax Holidays	5	4.42
Training	0	0.00
Priorities in granting :		
a) Licences	4	3.54
b) Power Quota	5	4.42
c) Raw Material Quota	4	3.54
d) Export Incentives	1	0.88
e) Communication Facilities	0	0.00

Note: Multiple Responses

**4.a.iv. Profile of Manpower Support:** It is very



interesting to note that 8.85 percent of the respondents were self-employed at the time of initiating their enterprise (Table 45). 61.06 per cent of the respondents initially sought the help of only 1-5 persons to run their business venture. This percentage later reduced to 44.25 per cent at the time of the interview. There was a marked increase of 6-10 employees among 13.27 per cent of the respondents later. The trend of an increased manpower support later showed an increase in the size of the respondents' units.

Table 45: Profile of Manpower Support to the Enterprise

Number of Persons Employed	N = 113			
	At the time of starting the enterprise		At the time of interview	
	F	%	F	%
Nil	10	8.85	0	0.00
1 - 5	69	61.06	50	44.25
6 - 10	12	10.62	27	23.89
11 - 15	4	3.54	4	3.54
16 - 20	4	3.54	6	5.31
21 - 25	2	1.77	5	4.42
26 - 30	1	0.88	1	0.88
31 - 35	0	0.00	0	0.00
36 - 40	2	1.77	0	0.00
41 - 45	1	0.88	0	0.00
46 - 50	2	1.77	1	0.88
51 - 100	3	2.65	7	6.19
101 - 200	1	0.88	8	7.08
201 - 300	0	0.00	2	1.77
301 & Above	2	1.77	2	1.77
Total	113	99.88	113	99.9

The mean number of employees were 55.12 when the

respondents were interviewed. At the same time the minimum number was one and maximum 2,500 . At the initial phase of the enterprise, the highest number of manpower support was 500.

#### 4.b. Constraint Profile of the Entrepreneurs

The constraints encountered by the respondents while initiating or at different stages of operating their enterprises have been discussed under this section. These constraints have been categorised into financial, technical, personnel, marketing, legal and miscellaneous heads.

Table 46: Financial Problems Encountered by the Respondents while Initiating and Running the Enterprise

Financial Problems	N = 113	
	F	%
1.Apprehensions of financial institutions for recovery of their loans.	20	17.70
2.Unawareness about the sources of borrowing.	5	4.42
3.Lack of collateral security to secure the money borrowed.	10	8.85
4.Limited working capital.	60	53.10
5.Economic incredibility regarding women.	13	11.50
6.Supply/sales on credit.	42	37.17
7.Delays in sales/cash realisation.	47	41.59
8.Complicated/lengthy procedures of loan sanctioning.	28	24.78
9.Non co-operative attitude of bank personnel.	23	20.35
10.Cost price squeeze.	20	17.70
11.High rate of taxation	27	23.89
11.Miscellaneous.	8	7.08

Note: Total exceeds due to Multiple Responses

**4.b.i. Financial:** Nearly one-half of the respondents expressed the problem of limited funds hindering the growth of their enterprise (Table 46). 41.59 per cent and 37.17 per cent of the respondents respectively were troubled by delays in sales/cash realisations and supply/sales on credits. About one-fifth of them complained about the high rates of taxation specially sales tax and octroi and three times high royalty in the state as compared to other states. Harassment caused by tax personnel and octroi department dissatisfied one of the respondents. One-fifth of them had difficulty with the non co-operative attitude of the bank personnel. 24.78 per cent complained about the complicated and lengthy procedures of loan sanctioning. High rate of interest for working capital, push required for availing loans through somebody, non availability of government subsidy, non availability of loans even after making lot of efforts and demand of husband's guarantee as security by the financial institutions were some of the other problems faced by 7.08 per cent of the respondents.

**4.b.ii. Technical:** One-fifth of the respondents encountered difficulty in repairs and maintenance of the machineries and another one-fifth lacked specialised skills to undertake specific projects (Table 47). Other problems faced were availing of unmatched machinery due to unawareness about it and lack of technical inputs for innovation, overall development and modernisation of the

unit.

Table 47: Technical Problems Encountered by the Respondents while Initiating and Running the Enterprise

Technical Problems	N = 113	
	F	%
1. Lack of technical knowhow involved.	15	13.27
2. Non availability of modern technology.	13	11.50
3. Difficulty in repairs and maintenance of machinery involved.	23	20.35
4. Lack of specialised skills to work on specific projects.	23	20.35
5. Miscellaneous.	3	2.65

Note: Multiple Responses

**4.b.iii. Labour/staff problems:** 41.59 per cent of the respondents were found to be quite anxious about the non availability of skilled and experienced personnel (Table 48). Slightly higher than one-fourth of them reported absenteeism as a very major and frequent problem with no abatement, directly affecting the productivity of the enterprise. Insufficient quantity of personnel was stated by nearly one-fifth of the respondents. Miscellaneous problems highlighted among 7.96 per cent of the respondents included pro-labour policy of the government, delayed deliveries due to dependence on the labourers specially during festive seasons like Holi and Diwali when they visit their native place irrespective of the workload at hand, without intimating any specific date of their return. Problems related to lending of money to the labourers, who later quit the job suddenly,

Table 48: Labour/Personnel Problems Encountered by the Respondents while Initiating and Running the Enterprise

Labour/Personnel Problems	N = 113	
	F	%
1. High turnover of the staff/workers	16	14.16
2. Non availability of skilled and experienced personnel.	47	41.59
3. General insufficiency of the personnel	25	22.12
4. Absenteesm.	31	27.43
5. High salary/wages/bonus demands.	18	15.93
6. Unrealistic demands of service terms and conditions.	9	7.96
7. Frequent strikes/ go slow movements.	7	6.19
8. Strained labour relations.	6	5.31
9. Miscellaneous.	9	7.96

Note: Total exceeds due to Multiple Responses

against no security and untrustworthy lower level workers indulging in stealing of the materials were reported to be very serious in nature. Problem of quitting the job even when paid high salary or/when offered more by somebody else were also experienced by the respondents.

**4.b.iv. Marketing/sales problems:** Stiff competition was the dominant problem faced by slightly less than one-half of the respondents (Table 49). High cost of advertising ranked second (28.32 per cent). One-fourth of the respondents were encountered by the fluctuating demand of the product/service they were offering. Other problems dealt with the search for dealers, industry recession affecting the sales, unscrupulous brokers and poor location of the unit, thus reducing the business.

Table 49: Marketing and Sales Problems Encountered by the Respondents while Initiating and Running the Enterprise

Marketing And Sales Problems	N = 113	
	F	%
1. Lack of required marketing infrastructure.	20	17.70
2. High cost of advertising/sales promotion.	32	28.32
3. Stiff competition.	51	45.13
4. Lack of adequate market orientation.	4	3.54
5. Inability to approach clients/customers directly due to limited mobility.	20	17.70
6. Fluctuations in the demand of product /service.	29	25.66
7. Fluctuations in the prices of products	27	23.89
8. Miscellaneous.	4	3.54

Note: Total exceeds due to Multiple Responses

**4.b.v. Legal problems:** 17.70 per cent of the respondents complained about the applicability of too many legislations and equally the same percentage were unhappy with the requirement of compulsory licencing and

Table 50: Legal Problems Encountered by the Respondents while Initiating and Running the Enterprise

Legal Problems	N = 113	
	F	%
1. Too many legislations applicable.	20	17.70
2. Complexity of applicable law/procedures	18	15.93
3. Costly legal assistance.	14	12.39
4. Multiplicity of compulsory licencing/registrations required.	20	17.70
5. Cumbersome import/export policy and procedures.	17	15.04
6. Miscellaneous.	7	6.19

Note: Total exceeds due to Multiple Responses

registrations (Table 50). Miscellaneous problems that came to light were cumbersome procedures regarding the establishment of the unit, licencing and labour laws, complexity of existing taxation and other laws which change constantly and necessitates costly expert help.

Table 51: Other Problems Encountered by the Respondents while Initiating and Running the Enterprise

Other Problems	N = 113	
	F	%
1. Lack of regular and timely availability of raw material.	29	25.66
2. Lack of infrastructural facilities.	15	13.27
3. Inadequate quality control measures.	7	6.19
4. Lack of personal/political influences for getting the things done.	7	6.19
5. Corruption/bureaucracy/red tapism to the extent of frustration.	38	33.63
6. Non availability of communication facilities.	12	10.62
7. Power cuts.	32	28.32
8. Lack of adequate transportation facilities.	10	8.85
9. General incredibility regarding women.	2	1.77
10. Miscellaneous.	13	11.50

Note: Total exceeds due to Multiple Responses

**4.b.vi. Other Problems:** One-fourth of the respondents experienced difficulty due to irregular supply of the raw materials (Table 51). One-third of them complained about the corruption/bureaucracy/red tapism which led to frustration. 28.32 per cent experienced excessive power cuts affecting the unit operations. 11.50 per cent experienced problems of varied nature viz. change in import and export policy of the government, copying of designs, non availability of government

subsidy and loan (due to complex formalities) . Though SSI units are entitled to receive payments within 30 days as per government orders, they were troubled by delayed payments. Accumulation of dead stock resulting into loss of money and lack of professionalism were also stated by the respondents. Some were very much dissatisfied with giving 'haftas' regularly to police people in order to avoid unnecessary problems created by them. Some faced problem as they did not give bribes. Contrary to this some complained that their work was not accomplished smoothly even after bribing the concerned authority. Some were very much dissatisfied with the government staff who were nonconversant with the procedures and the related subject matter which delayed their work.

An overview of the problems encountered by the respondents while initiating or running their enterprises highlighted that respondents experienced all sorts of problems related to finance, technical, labour, marketing, legal and of general nature.

Solving the problem jointly with husband predominantly existed among 41.59 per cent of the respondents (Table 52). Only 36.28 per cent enjoyed a high status in problem solving as they handled the problems independently on their own. Problem solving was not applicable in case of one respondent as she reported to be



fortunate enough not to face any problem till date.

Table 52: Nature of Problem Solving by the Respondents

Nature of Problem Solving	N = 113	
	F	%
1. Independently.	41	36.28
2. Jointly with the husband.	47	41.59
3. Jointly with the partner.	12	10.62
4. Jointly with family members.	13	11.50
5. Jointly with employees.	12	10.62
6. Jointly with experts.	6	5.31
7. Others alone.	4	3.54

Note: Total exceeds due to Multiple Responses

## SECTION V

### 5. DECISION MAKING AND DECISION IMPLEMENTATION STATUS OF THE RESPONDENTS

The present section focusses Decision Making and Decision Implementation status of the respondents subjected to various enterprise operations in general, and specifically focusses on the variation among the forced, chanced and trained entrepreneurs.

The type of decision making and the nature of its implementation plays a vital role in the development of an enterprise. While examining the decision making status of the respondents regarding various enterprise functions, it was found that almost one-half of them took independent decisions in the administration of the enterprise (Table 53). 46.90 per cent of the respondents were found keenly involved independently in cost control

Table 53: Decision Making Status of the Respondents

Sr. No.	Entrepreneurial Decisions	N = 113							
		Independently		By others		Not applicable		Total	
		F	%	F	%	F	%	F	%
1	Identifying the Mission Goals and Objectives of the Enterprise.	35	30.97	77	68.14	1	0.88	113	99.99
2	Identification and Selection of the Line Of Trade of the Enterprise	37	32.74	74	65.49	2	1.77	113	100
3	Selection of the Location of the Project.	34	30.09	74	65.49	5	4.42	113	100
4	Determining the Size of the Unit and Quantum of Investment.	35	30.97	75	66.37	3	2.65	113	99.99
5	Determining the Level of Output.	47	41.59	64	56.64	2	1.77	113	100
6	Identifying the Sources of Finance.	28	24.78	83	73.45	2	1.77	113	100
7	Selecting the Sources of Working Capital.	30	26.55	80	70.80	3	2.65	113	100
8	Selecting Production/Service/Sales Techniques/Strategies.	43	38.05	69	61.06	1	0.88	113	99.99
9	Quality Control in Production/Service/Marketing.	51	45.13	62	54.87	0	0.00	113	100
10	Staffing the Enterprise.	50	44.25	56	49.56	7	6.19	113	100
11	Office Automation.	41	36.28	56	49.56	16	14.16	113	100
12	Controlling Costs.	53	46.90	59	52.21	1	0.88	113	99.99
13	Growth and Development of the Enterprise.	43	38.05	70	61.95	0	0.00	113	100
14	Formulating the Rules, Regulations, Policies, and Procedures for the Administration of the Enterprise.	55	48.67	58	51.33	0	0.00	113	100

decisions of the enterprise. Staffing the enterprise and quality control in production/service/marketing were other dominant enterprise functions where 44.25 per cent and 45.13 per cent respondents took independent decisions. Respondents' decision making status was found to be low in finance related functions of the enterprise viz. identifying the sources of finance and selecting the sources of working capital. Overall decisions taken by others dominated in all the other enterprise functions.

Decision implementation data has shown a slightly improved picture (Table 54). There was 8.85 per cent increase in the implementation of the decisions on the administration, 5.31 per cent on cost controlling, and 4.43 per cent increase on quality control.

Trained women entrepreneurs were better both in making and implementing the entrepreneurial decisions compared to forced and chanced entrepreneurs (Appendix

Further indepth analysis on Independent decision making women entrepreneurs highlighted that their number ranged between 20-43 (Appendix V). All these women owned proprietary type of enterprise. This could be the reason that they made independent decisions whereas the remaining ones took help from others.

Similar indepth analysis on independent decision

Table 54: Decision Implementation Status of the Respondents

Sr. No.	Entrepreneurial Decisions	N = 113							
		Independently		By others		N. A.		Total	
		F	%	F	%	F	%	F	%
1	Identifying the Mission Goals and Objectives of the Enterprise.	40	35.40	72	63.72	1	0.88	113	100
2	Identification and Selection of the Line Of Trade of the Enterprise	38	33.63	73	64.60	2	1.77	113	100
3	Selection of the Location of the Project.	37	32.74	71	62.83	5	4.42	113	99.99
4	Determining the Size of the Unit and Quantum of Investment.	38	33.63	72	63.72	3	2.65	113	100
5	Determining the Level of Output.	50	44.25	61	53.98	2	1.77	113	100
6	Identifying the Sources of Finance.	31	27.43	80	70.80	2	1.77	113	100
7	Selecting the Sources of Working Capital.	31	27.43	79	69.91	3	2.65	113	99.99
8	Selecting Production/Service/Sales Techniques/Strategies.	44	38.94	68	60.18	1	0.88	113	100
9	Quality Control in Production/Service/Marketing.	56	49.56	57	50.44	0	0.00	113	100
10	Staffing the Enterprise.	50	44.25	56	49.56	7	6.19	113	100
11	Office Automation.	43	38.05	54	47.79	16	14.16	113	100
12	Controlling Costs.	59	52.21	53	46.90	1	0.88	113	99.99
13	Growth and Development of the Enterprise.	50	44.25	63	55.75	0	0.00	113	100
14	Formulating the Rules, Regulations, Policies, and Procedures for the Administration of the Enterprise.	65	57.52	48	42.48	0	0.00	113	100

implementing entrepreneurs was also done (Appendix VI). It was found that there was an increase in the number of independent decision implementators which ranged from 31-65.

## SECTION VI

### 6. MANAGERIAL CAPABILITIES OF THE WOMEN ENTREPRENEURS

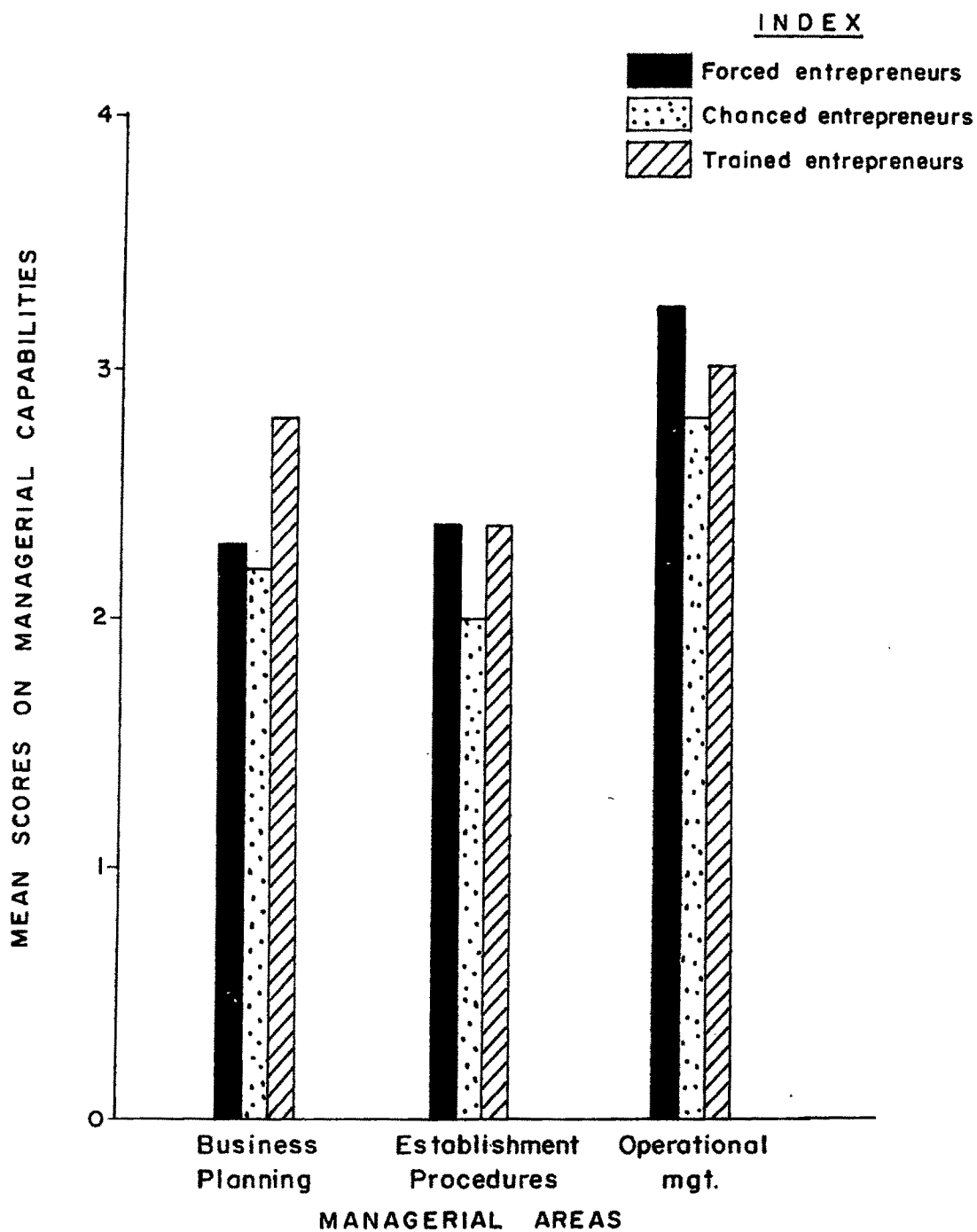
Managerial Skills of the respondents are featured in the present section with reference to various stages of enterprise building. A further indepth analysis to differentiate the managerial skills among forced, chanced and trained entrepreneurs is also presented in the following section.

The respondents' contribution was found to be greater in operating the enterprise compared to its planning and establishment (Table 55). Almost two-third of them were independently managing the production /processing/service and administration of the enterprise. Their participation was found to be low in the establishment procedures where all the functions related to finance, legal matters and procurement of land, equipments, and material were taken care of by others. In business planning too nearly one-third of them exercised their managerial capabilities alone. Market survey as part of the business planning was not undertaken by 22.12 per cent of the respondents. Out of the total of 22.12 per cent, 7.9 per cent were service industry units

Table 55: Distribution of the Respondents Exercising Managerial Capabilities in Initiating and Running Their Enterprise

Managerial Skills		N = 113							
Managerial Areas		Independent		By others		N. A.		Total	
		F	%	F	%	F	%	F	%
<u>Business Planning</u>									
1.Project Selection.		39	34.51	74	65.49	0	0.00	113	100
2.Project Planning.		30	26.55	83	73.45	0	0.00	113	100
3.Market Survey/Analysis.		29	25.66	59	52.21	25	22.12	113	99.99
<u>Establishment Procedures</u>									
1.Working out requirements and finance.		32	28.32	81	71.68	0	0.00	113	100
2.Obtaining Licences/Sanctions/ Approvals/Registrations etc.		20	17.70	80	70.80	13	11.50	113	100
3.Procurement of Land/Building/ Office/Plant/Machinery/Material.		26	23.01	87	76.99	0	0.00	113	100
4.Consolidation of Resources and Setting up the enterprrise.		30	26.55	83	73.45	0	0.00	113	100
5.Completing Statutory and Legal Formalities.		23	20.35	77	68.14	13	11.50	113	99.99
<u>Operational Management</u>									
1.Administration.		73	64.60	40	35.40	0	0.00	113	100
2.Production/Processing/Service.		74	65.49	39	34.51	0	0.00	113	100
3.Marketing Management.		48	42.48	56	49.56	9	7.96	113	100
4.Financial Management.		48	42.48	65	57.52	0	0.00	113	100
5.Financial Analysis & Controls.		49	43.36	64	56.64	0	0.00	113	100

Fig.4 : MEAN SCORES ON MANAGERIAL CAPABILITIES OF THREE TYPES OF WOMEN ENTREPRENEURS



and trading enterprises, 4.4 per cent were manufacturing units and 1.8 per cent manufacturing and trading business ventures. 11.50 per cent respondents who skipped licence and registration procedures and legal formalities were small units with low investments.

A further indepth probe into the managerial capabilities of forced, chanced and trained entrepreneurs highlighted that the involvement of all the three's was also comparatively more in the operational management of the enterprise rather than in its establishment and its planning (Fig. 4). In business planning the managerial skills exercised by the trained entrepreneurs were high compared to the other two groups whereas in operational management the skills of the forced entrepreneurs were superior. The involvement of chanced entrepreneurs was found to be low in all the three entrepreneurial functions.

The 't' test results indicated that all three types of the entrepreneurs did not differ significantly in exercising their managerial skills in the areas of business planning and establishment procedures (Table 56). No significant difference was also found among the trained entrepreneurs in using their skills in the operation and planning of the enterprise.



Table 56: 't' Values showing the Difference Between the Managerial Capabilities of three types of Entrepreneurs in three different Managerial Areas of the Enterprise.

Managerial Areas	Type of Entrepreneurs	Forced			Chanced			Trained		
		Mean	't' value	p <	Mean	't' value	p <	Mean	't' value	p <
Business planning		2.30	0.631	N.S.	2.16	0.823	N.S.	2.82	1.570	N.S.
Establishment procedure		2.42			2.02			2.41		
Establishment procedure		2.42			2.02			2.41		
Operational management		3.25	7.685	0.001	2.81	4.937	0.001	3.01	-2.850	0.01
Operational management		3.25			2.81			3.01		
Business planning		2.30	9.500	0.001	2.16	4.062	0.001	2.82	1.260	N.S.

## 7. TESTING OF HYPOTHESES

In order to test the hypotheses, multivariate statistical techniques were applied viz. Hotelling's  $T^2$  statistics, Canonical Correlation Analysis and Linear Model and Factor Analysis.

Hypothesis I: The performance of enterprises which belong to trained entrepreneurs will be better than those enterprises belonging to chanced and forced entrepreneurs.

Table 57: Analysis of Variance showing difference between the Performance of the Enterprises belonging to Trained, Chanced and Forced Entrepreneurs.

Variables	Wilk's Lambda Value	Equival- ent 'F'	p <	d.f
<u>Enterprises of</u>				
Trained entrepreneur	0.95097	2.81009	0.0646	2,109
Chanced entrepreneur	0.92872	2.03405	0.907	4,216
Forced entrepreneur	0.91047	1.71256	0.1193	6,214

Multivariate analysis of variance, multivariate analysis of co-variance and Hotelling's  $T^2$  statistics were computed to find whether the performances of enterprises which belong to trained entrepreneurs will be better from those enterprises which belong to chanced or forced entrepreneurs. Since Wilk's Lambda statistics (Table 57) corresponding to all the three variables is close to 1 and none of the significance level is below 0.05, the above hypothesis is rejected. It is therefore

concluded that the performance of enterprises of trained entrepreneurs do not vary from that of chanced and forced entrepreneurs.

Hypothesis II : It is predicted that performance of the enterprise is a function of the following personal, family and situational variables:

- a) Age of the respondent.
- b) Education of the respondent.
- c) Training experience of the respondents.
- d) Marital status of the respondent.
- e) Work experience of the respondent.
- f) Personality traits of the respondent.
- g) Type of family of the respondent.
- h) Size of the family of the respondent.
- i) Stages in the family life cycle of the respondent.
- j) Business/industrial background of the respondent.
- k) Family support.
- l) Institutional support.
- m) Governmental support.
- n) Age of the enterprise.

The canonical correlation analysis was done to confirm the authenticity of the cause and effect relationship of the two sets of variables-DVs (Performance scores) and IVs (Personal, Family, and Situational scores).

This analysis studies the correlation between the two sets of variables, not taken individually, but as two separate scores. Not only this it also generates canonical variates (or canonical pairs) which explain the correlation between the linear combination of variables selected from each of the two sets. The first pair of canonical variate is the largest possible correlation between a linear combination of one set and a linear combination of the other. A second pair of canonical variate, is uncorrelated with the first pair and maximises the correlation between linear combinations of variables after the variance due to the first pair of canonical variate has been removed. Similarly succeeding canonical variates are generated. The number of pairs of variates is the number of dimensions along which the sets of variables are related.

All the seven canonical correlation pairs were responsible for explaining the relationship between two sets of variables (Table 58). This was obtained through dimension reduction analysis which says that if such an experiment is conducted 1000 times then there is a chance that at the most one experiment will lead to

Table 58: Canonical Correlations, Squared Canonical Correlations and Loading Variance Corresponding to the Seven Canonical Variates.

Canonical Variates	Canonical Correlations	Squared Canonical Correlations	Loading Variance in %
1	0.62755	0.39382	39.382
2	0.53799	0.28943	28.943
3	0.48320	0.23348	23.348
4	0.37624	0.14156	14.156
5	0.26950	0.07263	7.263
6	0.21178	0.04485	4.485
7	0.13984	0.01955	1.955
Total			119.532 *

\* Significant at 0.001 level

wrong decisions. The canonical correlations with the total loading variance explains 100 per cent relationship and therefore according to Comray (1973) the relationship between the independent variables and dependent variables is considered to be excellent at 0.001 percentage level of significance.

Table 59: Standardised Canonical Co-efficients for Independent Variables Corresponding to First Canonical Variate.

Independent Variables	Standardised Canonical co-efficients of first Canonical Variate
<u>Personal Variables</u>	
Age	- .10622
Education	- .14964
Marital status	.22288

Continued...

Table 59-Continued

Independent Variables	Standardised Canonical co-efficients of first Canonical Variate
Work experience	.05622
Training experience	.29547
Personality traits	.24224
<u>Family Variables</u>	
Type of the family	- .32340
Size of the family	.15451
Stages of the family life cycle	- .28244
Business background	.28103
<u>Situational Variables</u>	
Family support	.45503
Institutional support	.00000
Governmental support	.721381
Age of the enterprise	.06657

The linear combinations of the independent variables (Table 59) revealed that the most three dominant variables in descending order which contributed maximally in the performance of the enterprise were "Government support" (.72138), "Family support" (.45503) and "Type of the family" (.32340).

The linear combination of dependent variables explain the maximum contribution of the variables "Initial capital investment" (.63939), "Increase in the number of helping hands" (.38578) and "Future plans" (-.34178) subsequently (Table 60).

Table 60: Standardised Canonical Co-efficients  
for Dependent Variables Corresponding  
to First Canonical Variate.

Dependent Variables	Standardised Canonical co-effi- cients of first Canonical Variate
Developments made	- .06818
Future plan	- .34178
Rate of change of turnover	- .20348
Increase in number of helping hands	.38578
Present networth	.22839
Increase in networth	- .01720
Initial capital investment	.63939

Though the Canonical 'r' indicated that personal, family and situational variables significantly contributed an excellent amount of relationship with the performance of the enterprise, an indepth analysis was carried later to identify which of these independent variables explain the strongest relationship with the dependent variable in a hierarchial manner.

While comparing the canonical 'r' values of all the three independent variables it was found that Personal variables ranked first (Canonical  $r = 49.67$  per cent at  $p < .07$ ) (Appendix VII), Situational variables second (Canonical  $r = 41.17$  per cent at  $p < .001$ ) (Appendix VIII) and Family variables third (Canonical  $r = 33.87$  per cent at  $p < .09$ ) (Appendix IX). Therefore it was concluded that personal variables (viz. education, age, training experience, work experience, personality traits and marital status of the respondents) explain

the strongest amount of relationship with the performance of the enterprise, followed by situational variables (family, institutional and governmental support and age of the enterprise) and family variables (family type, family size, family stage and business/industrial background of the entrepreneur).

Hypothesis III : The following explanatory variables are the determinants of the performance of the enterprise:

- a) Decision making potential of the respondent.
- b) Decision implementation potential of the respondent.
- c) Managerial capabilities of the respondent.

Table 61: Analysis of Variance for Factorial Design with Selected Factors (Variables) and Performance of the Enterprise.

Variables (Factors)	Pillai's Test Values	Approx. 'F'	d.f	p <
A1-Decision Making	.08224	1.09777	8, 98	.371
A2-Decision Implemen- -tation	.08248	1.10124	8, 98	.369
A3-Managerial Capabi- -lities	.05647	.73320	8, 98	.662
A1 A2	.11238	1.55092	8, 98	.150
A1 A3	.11908	1.65587	8, 98	.119
A2 A3	.11989	1.66877	8, 98	.116
A1 A2 A3	*Vacous	*Vacous	0, 105	0.00

\* Non estimable because of Singularity



Linear model, Factor Analysis were computed to find whether Decision Making, Decision Implementation and Managerial Capabilities of the entrepreneur affects the performance of the enterprise or not (Table 61). Since the tabulated 'F' (2.66 at .01 and 2.02 at .05) is greater than approximate 'F' at 8, 98 d.f and  $p > .01$  and  $> .05$ , there is no strong evidence to support the above hypothesis and therefore it is rejected.

To conclude , Decision Making, Decision Implementation and Managerial Capabilities of the respondents are not the determinants of the Performance of an enterprise. In other words, whether Decision Making and Implementation and Managerial Capabilities of the women entrepreneurs were at high or low level, they did not contribute significantly to the Performance of the enterprise.

## **8. DISCUSSION OF FINDINGS**

The findings of the study are reviewed and discussed in the light of the conceptual framework of the study.

### **THE PERFORMANCE OF THE ENTERPRISE**

The women entrepreneurs were interrogated about their success as perceived by them for the years 1991-92 and 1992-93. The year 1992-93 was perceived to be more profitable by them.

All unsuccessfully perceived enterprises were engaged in manufacturing activity wherein expansion of the family, non delivering of the product on credit, non adoption of the product by the customers and change in the government policies, accounted for the poor performance of their enterprise. It is interesting to note that despite non profitable business, these enterprises were still surviving and were optimistic about their success in the near future. Among the moderately successful enterprises, service units outnumbered the others, followed by trading and manufacturing units. Though it is believed that service enterprises take slightly more time to establish themselves, contrary to this belief, the mean age of these service enterprises was 10 years. Most of them were engaged in running beauty parlours and were in the field of graphic designing, printing and interior designing. Of these, all except three, were trained entrepreneurs. Even though they were trained entrepreneurs, they were not most successful, may be due to stiff competition and inefficient marketing.

Majority of the successful and extremely successful enterprises (71.68 per cent) were the manufacturing units running for the past 3 to 19 years. Among these, 11.50 per cent of the most successful ones had an advantage of having a family business.

## PERSONAL VARIABLES

Statistical analysis of the data of the study indicated that age, education, marital status, training experience, work experience and personality traits of the entrepreneurs are significantly correlated with the performance of the enterprise (Canonical  $r = 49.669$ ,  $p < 0.07$ ).

**Age:** The mean age of the women entrepreneurs in the present study was 39.3 years. Most of the women (63.7 per cent) belonged to the age group of 31-45 years. Similar findings are substantiated by Singh, 1986; Kohli, 1991; Gitobu, et.al., 1991 and Singh, 1992. However contrasting findings are reported by Singh and Gupta (1990) where women entrepreneurs (49 per cent) were younger in age (21-30 years), whereas Shah (year not mentioned) reported that majority of the women entrepreneurs in her study belonged to the age group of 25-40 years.

The canonical correlation analysis confirmed the positive relationship of the age of the entrepreneur with the performance of the enterprise. At the same time the results of 't' test showed that young entrepreneurs do not differ in their performance from that of old entrepreneurs, concluding that age of the entrepreneur cannot be a barrier in the performance of the enterprise.

Contradicting the above findings Singh (1992) found that advanced age significantly affected the entrepreneurial performance ( $r = 0.276$ ,  $p < 0.05$ ). This contradiction about the effect of age on the performance could be explained by the reason/fact that the younger ones are at an advantage due to their capability for hard work, determination and their educational background whereas the older one's are always benefited by their experience and maturity.

**Education:** Data of the present study revealed that 82.3 per cent of the women had graduate and post graduate degrees concluding that majority of them were educated. The above findings are in congruence with the findings of Singh, (1986), Singh and Gupta (1990), Kohli (1991), Singh (1992), Shah (year not mentioned), Bali (1992), and Hirway et.al. (1995). Venkatasubramanian and Mathur (1989) found that 58 per cent of the women entrepreneurs in their study were educated upto Intermediate level or below. Samples selected in the above studies were urban samples having better education. Rural study associated with the education and the performance of the enterprise is still lacking. Thus it is difficult to arrive at a definite conclusion whether less education has any impact on the performance of the enterprise or not. Further investigation of the theme can throw light on it.

A significant relationship of education with the performance of the enterprise is very well proved in the present study. Singh (1992) too supported it ( $r = 0.487$ ,  $p < 0.01$ ). Though comparison made between highly educated entrepreneurs and entrepreneurs with low education did not prove to be significant. Highly educated women entrepreneurs were slightly better in their performance than the less educated ones.

Entrepreneur's education is vital because it helps them to cope with the deficiencies in their business skills (Hisrich and Brush, 1986) and make them more competent in their dealings and current operations by developing confidence in them. Although formal education is not necessary for starting an enterprise, specific education related to the field is obviously an asset.

**Marital Status:** Researches have affirmed that majority of women entrepreneurs enjoyed married life. They were fully seeking the advantage of their spouse's help in the matters of the enterprise (Singh, 1986; Goetting, 1988; Singh and Gupta, 1990; Kohli, 1991; Gitobu et.al., 1991; Bali, 1992; Shah, (year not mentioned); Sharma, 1992; and Hirway et.al., 1995). Contradicting the above findings Kiran Mazumdar of Bangalore (34) who is a proud owner of a multicore business, producing enzymes, states:

"But for the younger, more independent minded female entrepreneurs, it is usually business

before marriage. I am wedded to my job. When people tell me it is time you settle down, I reply, I am quite well settled."

(Bhadwar et.al., 1988)

Whether the marital status of the women entrepreneur acts positively or negatively is still a matter of debate. It was found during the present investigation that "married" status of the respondents has assisted them in all the necessary endeavours of their enterprise and there was a strong relationship of marital status with the performance of the enterprise. Whether married or single, women entrepreneurs did not differ significantly in the performance of their enterprise, but still married ones were better off than the single ones.

**Training Experience:** Results of the present urban study revealed that majority of the women entrepreneurs had not undergone any type of special training in entrepreneurship development. Many respondents while making and implementing the entrepreneurial decisions and in managing the entrepreneurial operations were lacking in these activities and were more dependent on male help.

The urban study concluded by Singh (1986) and the rural study carried out by Gitobu et.al. (1991) supported the above findings. The former found that there existed a correlation between training and male help. Those who lacked training sought help from others.

Higher incidence of training could reduce the possibility of male help. The latter found that majority of the rural Kenyan women entrepreneurs had not undergone any business related training.

However the results of the 't' test in the present study could not differentiate between the performance of trained and untrained respondents. Their performance was, almost alike. The reason may be that whether trained or not, they were taking help from others. The results of hotelling's  $T^2$  test too could not differentiate between the performance of the enterprises that belonged to trained entrepreneurs than those belonging to chanced and forced ones. May be because it was apparent that after operating business for a couple of years and having come to grips with ins and outs of the business any entrepreneur, irrespective of being forced, chanced or trained becomes proficient, competent and skillful. Though in the initial phase, forced or chanced women entrepreneurs might face more problems, sooner or later they learn by their experience, observation and trial and error method. Trained entrepreneurs may run the enterprise more smoothly in the initial years but after a certain period forced and chanced ones also become equally competent.

But Singh (1992) reported somewhat contradictory findings. She found that knowledge related to the enterprise whether gained through training (formal or infor-

mal), education or experience was highly correlated with the entrepreneurial performance ( $r = 0.817$ ,  $p < 0.01$ ).

It is difficult to conclude whether training experience contributes in the successful operation and establishment of the enterprise or not. But if a person is trained, what is more important is, whether the training is related to the enterprise line or not. An entrepreneurs' training in the same line of trade equips them with a strong footing and helps them in gaining necessary understanding, knowledge and skills. Even the general entrepreneurship training is helpful to them as compared to untrained ones in initiating and running their enterprise, as there is always a strong backing and support rendered to them by the training institute. It expands their horizon of knowledge by making them aware of the entrepreneurial environment, facilities, benefits and incentives offered by the government from time to time.

**Work Experience** It was assumed that work experience of the entrepreneurs was an important factor. It has been confirmed by the results of canonical analysis that it affects the performance of the enterprise.

It was found that slightly more than one-half of the women entrepreneurs were employed prior to their entrepreneurship career. The outcome of other researches have also affirmed that most of the women entrepreneurs



had some work experience before they entered entrepreneurship (Patel, 1986; Singh and Gupta, 1990; Kohli, 1991; Shah, (year not mentioned); Singh, 1992; and Hirway et.al., 1995).

Work experience helps them in refining their personality which facilitates their entrepreneurial career. Hisrich and Brush (1986) have presented a similar finding. They highlighted that when women entrepreneurs continue in the field in which they have experience, they increase their chances of success because they not only learn to avoid mistakes but reduce the psychic risk or fear of failure due to their confidence. Moreover, being a woman, she learns to strike a balance between family and work.

**Personality Traits:** Measurement of personality traits revealed that "taking initiative" emerged as the highest dominant trait among majority of the respondents. Other dominant traits found in their order of importance were "self confidence", "problem solving" and "persistence" among one-half or more than one-half of the women entrepreneurs. Singh (1992) too found high level of "confidence" as a dominant trait among 60.94 percent of the women entrepreneurs. But Vinze (1987) reported a totally opposite finding. She found that women lacked confidence to initiate their own ventures. Other dominant personality traits observed by Singh

(1992) were high level of "decision making" (59.37 per cent), "managerial ability" (62.50 per cent) and "independence" (79.69 per cent). Dominant traits found by Bali (1992) were different from those reported above. She indicated "persuasion", "concern for high quality", and "persistence" as the important ones in the order of priority. However Hisrich and Brush (1986) also observed additional personality traits among women entrepreneurs. They found women entrepreneurs highly "energetic", "independent", "self confident", "competitive", "goal oriented", "flexible and generalistic".

Shah (year not mentioned) reported that "initiative" is one of the important entrepreneurial characteristics which has a direct consequence on the problem solving attitude of the entrepreneurs. Lack of problem solving ability reduces the risk taking ability and as a result need for achievement, which adversely affects the performance of the women entrepreneurs. She found that one of the groups in her study comparatively lacked "initiative" which led them to low success/failure of their enterprise.

It is interesting to note that though the respondents in the present study possessed the trait "taking initiative" in higher amount, very high percentage of them were completely lacking "risk taking" characteristic. The other least dominant personality traits featured<sup>were</sup> "use of influence strategy", "information seeking"

"commitment to work contract" and "goal setting".

Declined risk taking behaviour or low level of risk preference was also reported by Pandit et.al. (1990), and Singh (1992). It was also found that "credit orientation" and "resourcefulness" were present at the lowest level among the women entrepreneurs (Singh, 1992).

The vital role played by the personality traits in the performance of the enterprise cannot be denied. Though the strength and type of personality traits contribute differently, it has been proved statistically that women entrepreneurs with higher, medium and small number of personality traits differed significantly from those without them in their performance ( $F = 3.44$ ,  $p < 0.05$ ). A good relationship of personality traits with that of performance of the enterprise ( $r = 0.432$ ,  $p < .01$ ) is also confirmed by Singh (1992).

#### **FAMILY VARIABLES**

Type of the family, size of the family, stages of the family life cycle, and business/industrial background of the entrepreneur too significantly affected the performance for the enterprise (Canonical ' $r$ ' = 33.87,  $p < 0.09$ ).

**Type of the family:** It is a common belief that joint families would be more supportive to women who want to

branch off on their own and enter business. But the findings of the present study indicated that the respondents belonged comparatively more to nuclear families (53.98 per cent). The same finding is also supported by Singh (1986), Singh and Gupta (1990), Singh (1992), Bali (1992), Sharma (1992), and Hirway et. al. (1995).

In the present study statistically it has been proved that "type of the family" is an important variable (third in rank, standard Canonical co-efficient = 0.32340) whose contribution is vital in the performance of the enterprise. The data also reveals that women entrepreneurs belonging to nuclear family differed in their performance from the respondents belonging to joint family. ( $t = -1.706$ ,  $p < 0.1$ ). The entrepreneurial performance of the respondents belonging to nuclear families was better than those having joint families.

Undoubtedly joint families are advantageous to women entrepreneurs as the women entrepreneur always get the help of the family members to look after their children and home in their absence. Thus it is not necessary to hire help for the supervision and the women experience less stress (Singh and Gupta, 1990). On the other hand with the changes in the societal setup, more and more nuclear families are cropping up. A woman nurtures and exercises her fullest potential if given an

opportunity to act independently, which is possible more in nuclear families as there is no interference and the demanding roles to be fulfilled towards the other family members. Though she finds it difficult if the children are young but if they are independent, she feels more comfortable to manage the home and work in her own way. This could be the reason for the importance of nuclear families in the performance of the enterprise.

**Size of the Enterprise:** Data revealed that almost two-third of the women entrepreneurs were having small size of the family. Singh's (1992) study on women entrepreneurs also supported the above findings. However Hirway et. al. (1995) reported that small family exerts less pressure and demands on the women, thereby giving due time to concentrate productively on her enterprise.

Statistically it has been confirmed in the present study that size of the family has a negative relationship with the performance of the enterprise.

**Stage of the Family:** The family stage in the life cycle of the woman entrepreneur is very crucial in the performance of her enterprise. It is assumed that a single woman or a family without children or beginning or contracting stage of the family is more congenial because the woman is relatively free or has less demands on her than during other stages of the family life cycle. Thus she can contribute more time and energy to

the business.

Contrary to this assumption, the findings of the present study revealed that even though nearly two-third of the entrepreneurs belonged to the expanding stage of the family, the stage has no effect on the performance of their enterprise. This may be because majority of them had middle school going children who are expected to be independent than pre-schoolers and primary school going children. Middle school going children need only supervisory attention and thus this might have resulted in spare time for the women to contribute productively to the enterprise.

**Business/Industrial Background:** Industrial/business background is always a boon for the woman entrepreneur. Business environment prepares and makes the woman aware about certain facts of the business which are practised when she starts her own enterprise. Moreover she is always bestowed by a protective cushion and a sense of security and most of her enterprise problems are taken care of by her business background.

Occupational background of the women entrepreneurs was proved to be significantly related with the performance of the enterprise. Though respondents lacking or possessing business/industrial background did not differ significantly in their entrepreneurial performance, the performance of the latter was better than that of the

former ones. The results of the present research highlighted the dominance of women coming from business/industrial background.

The same findings were supported by Nadkarni (1982). Singh (1986) found that while most of the respondents originally came from service background they were mostly married into business families in which husband's occupation was also business. However, Singh and Gupta (1990) and Singh (1992) presented contrary findings wherein majority of the women entrepreneurs were from service background and their occupational background was not significantly related with the performance of their enterprise.

#### **SITUATIONAL VARIABLES**

Family support, institutional support, governmental support and age of the enterprise were having good amount of relationship with the entrepreneurial performance (Canonical  $r = 41.77$ ,  $p < 0.001$ ).

**Family Support:** Findings indicated that majority of the women entrepreneurs received family support in which moral support extended by their spouses was highest, followed by their parents. Husbands and subsequently parents were also the main source of providing other types of support. The above outcome of the present research is well supported by Gitobu et. al. (1988), and Goetting et. al. (1991). But some other studies revealed

a totally contrary picture. It was moral support and help in general administration (41.1 per cent) provided by the husbands (Singh, 1986) and marketing help in launching their product by their family members (Singh and Gupta, 1990). Some (54.3 per cent) relied on their relatives for the help in the preparation of the project proposal (Bali, 1992).

In the present study entrepreneurs who received family support did not differ significantly in their entrepreneurial performance from the ones who did not receive it. Contrary to this, the canonical analysis ranked family support as the second important variable whose contribution was maximum in the performance of the enterprise (standard canonical co-efficient = 0.45503) compared to all other independent variables.

Undoubtedly any nature of assistance (whether moral, psychological, financial, marketing, technical, personnel, or legal) extended by the family members increases the morale of the entrepreneur and develops a strength in them to work effectively. This could be one of the reasons for the positive relationship of family support with the performance of the enterprise.

**Institutional Support:** The findings of the present study highlighted that majority of the women entrepreneurs sought more of economic help from banks (55.75 per cent) or other financial institutes (17.70 per cent).



This finding is well supported by other studies (Singh and Gupta, 1990; Singh, 1986; Kohli, 1991; and Bali, 1992). Undoubtedly finance is one of the major resources without which initiation, operation and development of the enterprise is crippled. Singh (1992) contradicting the above findings observed that most of the women entrepreneurs (65.62 per cent) either never or rarely availed of financial assistance from governmental and private sector financing agencies.

Along with family support, institutional support, too, was found to be crucial and significantly effective in the performance of the enterprise. Women entrepreneurs who were the recipients of the institutional assistance differed significantly in their performance from the non recipient ones ( $t = 1.942$ ,  $p < 0.05$ ). The recipients of the institutional support (69.91 per cent) had better entrepreneurial performance than those women entrepreneurs who did not receive it.

Besides economic assistance, help if rendered technically, plays a vital role in the functioning of the business venture. During the present study it was observed that slightly less than one-third (30.97 per cent) of the women entrepreneurs received technical support from their husbands. Very few ( $< 6$  per cent) sought technical assistance from their parents, friends and siblings. Technical guidance availed from the insti-

tute also, however, helped very few (less than 10 per cent) women entrepreneurs in running their enterprise. Contrary to this, one-third of them sought technical guidance from the government or non governmental organisations according to a study conducted at Haryana (Singh, 1992). Singh and Gupta too reported similar findings that women (19 per cent) sought help for technical know-how.

Simultaneously, support in marketing boosts the sales and ultimately the profitability. Women entrepreneurs were found seeking help in marketing from the family members (60.18 per cent), their husbands being the major source of help. Similar findings are substantiated by Singh (1986) and Singh and Gupta (1990). Marketing related help rendered by the institutes was negligible as highlighted in the present study. This is supported by Singh (1992).

It was found that slightly more than one-fourth of the women entrepreneurs were assisted in liaising by their husbands. Hardly two women received liaising help from the institutes. Singh (1986) too reported that women tend to depend on male help for liaison and field work (17.7 per cent).

Among the family support, husbands again emerged as the major source for providing legal and personnel assistance to women entrepreneurs.

Liaisoning, legal and personnel help too were found contributing significantly to the performance of the enterprise.

**Government Support:** Entrepreneurs were found availing of subsidies (12.39 per cent), tax holidays (4.42 per cent) and priorities in granting licences, power quota and raw material quota (12.38 per cent). One cannot deny that the facilities bestowed by the government for the entrepreneurs has a direct and strong effect on initiation, operation and survival of the enterprise.

Government support in the form of policies, favours, subsidies too significantly contributed to the performance of the enterprise. Statistical analysis has rated it as the most dominant independent variable which contributes maximum to the entrepreneurial performance (standard canonical co-efficient = 0.72138).

**Age of the Enterprise:** Two-third of the women entrepreneurs had enterprises of more than or equal to 5 years old. However, Hisrich and Brush (1986) observed contrary findings wherein only 30 per cent women had enterprises more than five years old. Data of the present study also revealed that among nearly one-fourth of the young enterprises (3-4 years old), only five women were first generation entrepreneurs.

Age of the enterprise was found significantly affecting the performance of the enterprise. Eventhough it showed a relationship with the performance of the enterprise, no definite conclusion can be drawn as to the difference between the performance of young and old enterprises.

### **DECISION MAKING AND DECISION IMPLEMENTATION**

Right and timely decisions and their implementation play a vital role in successful running of the enterprise. From the factorial analysis it was found that decision making ( $F = 1.09777$ ,  $p < 0.371$ ) and decision implementation ( $F = 1.10124$ ,  $p < 0.369$ ) ability of the women entrepreneurs were not found to be the determinants of the performance of the enterprise. This was because the percentage of entrepreneurial decisions taken by others was comparatively more than the decisions taken by women independently. Specifically finance related decisions and enterprise initiation decisions were dominantly taken by others. However, majority of them were found implementing the entrepreneurial decisions more independently.

Singh (1992) drew a somewhat contrary picture in which most of the women entrepreneurs took independent decisions related to their enterprise.

## MANAGERIAL CAPABILITIES

The findings of the present study revealed that the independent involvement of the respondents in operational management was comparatively higher (51.68 per cent) than in business planning (28.90 per cent) and establishment procedures (23.18 per cent) whereas "taking help from others" was more dominant in business planning (63.71 per cent) and in the establishment procedures of the enterprise (72.21 per cent).

Since the respondents were found taking more help by others in majority of the entrepreneurial operations, their managerial capabilities were not found to be the significant determinant of the performance of the enterprise ( $F = 0.73320$ ,  $p < 0.662$ ).

Singh (1992), however, found a different picture which emphasised that majority of women entrepreneurs possessed high level of managerial ability.

Women's independent involvement in administration under operational management as observed in the present study showed an improved and better trend. May be because women always exercised their administrative skills at home but when given an opportunity outside the home, they take care of administration better than men due to their homely, loving, sympathetic and mild nature. Contrary to this, Singh (1986) reported that general administration was one of the areas in which highest

percentage of male help was sought by the women entrepreneurs.

#### **PROPOSED MODIFICATIONS IN THE CONCEPTUAL FRAME WORK**

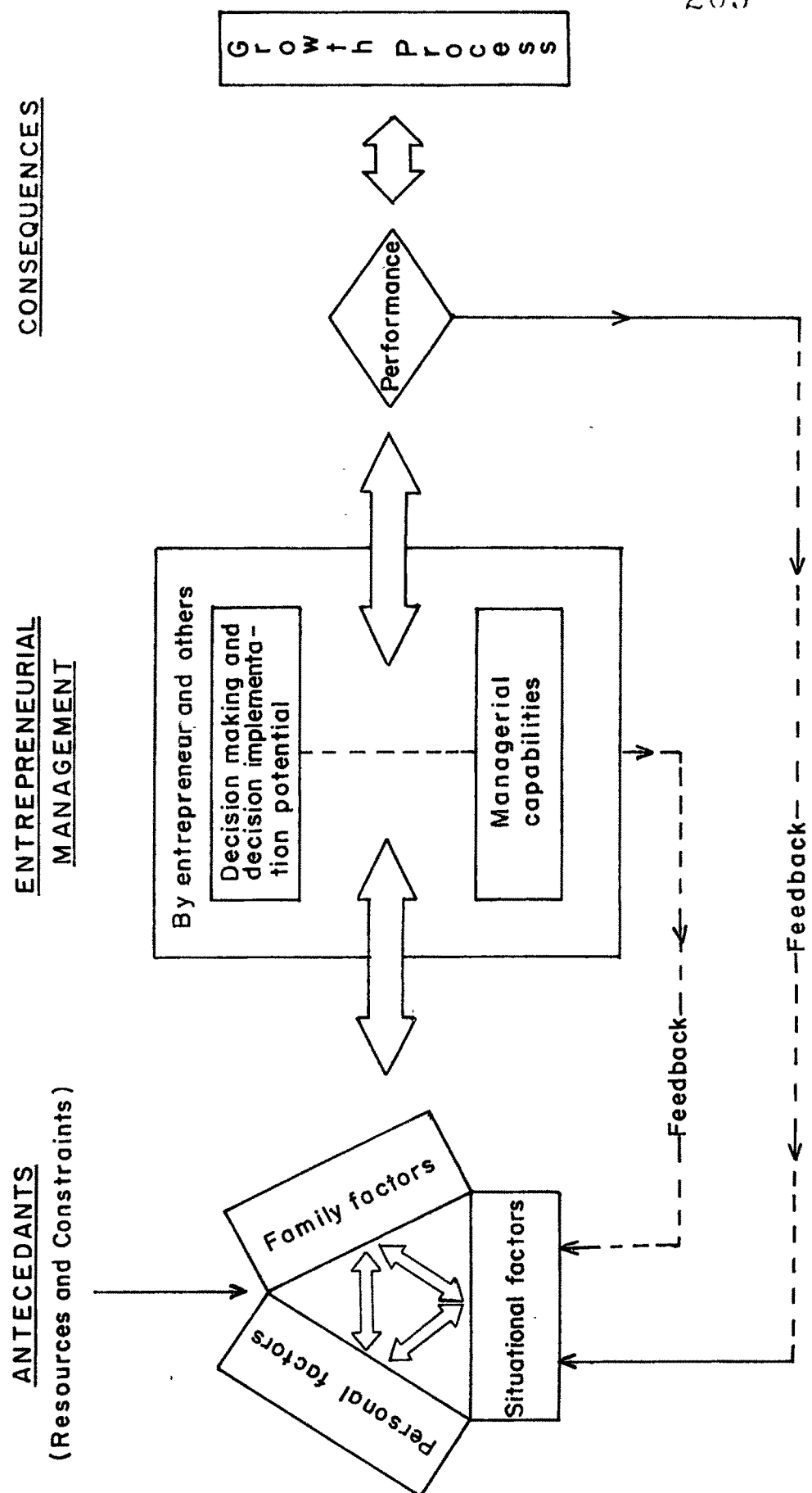
All the relationships which were proposed in the theoretical frame work of the present study were supported by the findings except the impact of decision making, decision implementation, managerial capabilities and a set of three additional variables under situational factors.

Following are the proposed modifications in the module:

To the components of the antecedants in the previous module, family factors and personal factors remain the same. Three more variables were added under situational factors viz. a) initial capital investment, b) increase in the number of helping hands, and c) future development plans of the enterprise which contributed maximum in the performance and finally in the growth process of the enterprise.

If the proper and sufficient capital is invested in the beginning it helps in providing a comfortable infrastructure which helps in increasing the productivity. Bulk production even with low profit margin (for the sake of establishing the entrepreneur in the market) gives sufficient monetary returns. With all the required

Fig.5: PROPOSED MODIFICATIONS IN THE CONCEPTUAL FRAMEWORK TO STUDY THE ENTREPRENEURIAL GROWTH PROCESS AMONG WOMEN ENTREPRENEURS



infrastructure and environment, the increase in number of helping hands (employees) denotes an increase in the level of operations of the enterprise indicating the improving performance in the market. Viability of the increase in the size of the enterprise is undoubtedly associated with the growth of the enterprise.

Third dominant performance variable "future development plan" becomes vital in the sense that with the growth of the enterprise, the entrepreneur is always motivated and strives hard to make the necessary efforts to achieve this goal either by expanding the same enterprise, or by setting up a new venture in the same line of enterprise, or by adopting new improved technology, or by adopting new methods of marketing/sales promotion, or by going for the diversification in other products /line of trade, or by starting marketing in additional geographical areas within and outside the country or any other. Unique efforts and new developments break the sales monotony by boosting the sales and simultaneously increases the sustainability of the enterprise for quite a long time.

Earlier it was assumed that entrepreneurial management restricted to independent decision making and implementation potential and managerial capabilities of the entrepreneur alone are responsible for the better performance of the enterprise and consequently it's growth process. The findings highlight that only about



one-third of the women were involved in independent entrepreneurial decision making, decision implementation and in its entrepreneurial management. Therefore it is not the individual capability of the entrepreneur alone which is important but the overall management of the enterprise eventhough it is done by others. Hence another component should be added in the same which is "help by others".

No change is made in the "consequence" component.