



Forces behind Entrepreneurship of Women- an Economic Study

C. Mani*

Department of Economics, P.M.T. College, Melaneelithanallur, Tirunelveli, Tamil Nadu (627953), India

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Correspondence to

*E-mail: amuthajoe@gmail.com

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Abstract

Entrepreneurship seems to be ideal for women seeking participation in the country's economic development because of certain factors. Emergence of entrepreneurship is considered to be closely linked to social, cultural, religious and psychological variables. Changes seem to have become acceptable norms in the context of women at work in the Indian situation today with more and more women participating in the economic development. This study discusses the socio-economic background of the selected women entrepreneurs in Tirunelveli district, Tamilnadu state, India. Further, the psychological factors such as personality traits comprising confidence, optimism, independence and the like have also been examined. 300 entrepreneurs were selected for primary data collection by adopting simple random sampling method. The reference period of survey was 2009-10. The analysis of χ^2 results indicated that the socio, economic profile variables, except caste, type of family and material possession have significant association with entrepreneurship. The correlation analysis showed that the relationship between entrepreneurship and personality variables namely decision making ability, economic motivation, managerial ability, problem recognition and risk taking willingness was significant.

1. Introduction

Entrepreneurship seems to be ideal for women seeking participation in the country's economic development because of certain factors. Indian women have travelled with the times for centuries and have proved to the World that the hand that rocks the cradle rules the world (Kirmandevendra, 1985). With her patience, kindness and gentleness she can generally understand the other side of the world with a keen sense of justice and fairness (Gulab, 1988). The old saying, *The man for the plough, the women for the hearth* has lost its relevance in the present day society (Bhasin, 1972).

Traditionally, women's occupational status has always been closely associated with the home and the family. She has only a secondary status because she is economically dependent on her father or husband (Billington, 1978). In both the industrially advanced as well as the less developed countries women are bounded with cumulative inequalities as a result of micro-cultural and economic discriminating practices (Gandhi, 1985). Hornaday and Bunker (1970) conducted a study to identify and measure the personal traits of a successful entrepreneur. Littunen (2000) in his article, *Entrepreneurship and the Characteristics of the Entrepreneurial Personality* examined the characteristics of the entrepreneurial personality and the effects

of changes in the entrepreneurs' personal relationship. This study discusses the socio-economic background of the selected women entrepreneurs in Tirunelveli district, Tamilnadu state, India. Further, the psychological factors such as personality traits comprising confidence, optimism, independence and the like have also been examined. The study was aimed at socio-economic profile of the selected women entrepreneurs and personality traits among the women entrepreneurs.

2. Materials and Methods

In order to evaluate the performance of women entrepreneurs in Tirunelveli district, Tamilnadu state, India, 300 women entrepreneurs were randomly selected from the list obtained from District Industries Centre, Tirunelveli. As on 31st March 2010, there are about 2516 women entrepreneurs registered and 300 entrepreneurs (nearly 12%) of total population were selected for primary data collection by adopting simple random sampling method. The reference period of survey was 2009-10.

3. Results and Discussion

3.1. Age composition

The age is one important aspects of self development since the resistance to change is relatively less when young. The



young are generally interested in learning things and taking risks, essential for entrepreneurship. But elders have more knowledge and experience. Therefore, the age of the women entrepreneurs is included in the present study.

From Table 1, it has been revealed that the majority of women entrepreneurs are in the age groups of 40–50 years and 30–40 years which constitute 37 and 31%, respectively. The number of entrepreneurs who are 50 years and above alone constitute 17.67%. The entrepreneurs, who are under the age group of less than 30 years, constitute 14.33% to the total of 300. The mean age of women entrepreneurs worked out to be 40.8 years.

3.2. Educational attainments

The level of education facilitates to enrich the personality of the women entrepreneur in all aspects. Entrepreneurship is not an exceptional case. Through education, the women entrepreneurs may widen their scope of operation and become aware of economic opportunities. In the present study, the level of education is classified as school level, college level, and technical level as shown in Table 2.

It has been inferred that a maximum of 66.33% of the women entrepreneurs are having school level education, followed by 25% with college level education. 8.67% of the women entrepreneurs have Technical level education.

3.3. Occupational backgrounds

The occupational background represents the occupation of the father or the husband of the women entrepreneurs in the present study. The occupational background provides ideas to start and manage the enterprises. It also moulds the psychological

behavior of the women entrepreneurs. It can provide some training to the entrepreneurs in the enterprise. In the present study, the occupational background is classified as agricultural laborer, farmer, non-agricultural laborer, government employee, private employee and micro-entrepreneur.

It has been observed from Table 3 the occupational background of 300 women entrepreneurs. Out of the total, 106 (35.33%) of the women entrepreneurs have an important occupational background as farmers, followed by 62 (20.67%) of the women entrepreneurs having micro-entrepreneurs as background. Forty eight (16%) of the women entrepreneurs have a background of private employment, 35 (11.67%) of the women entrepreneurs have a background of non-agricultural labourers, and 31 (10.33%) of the women entrepreneurs have a background of agricultural labourers. Only 18 (6%) of the women entrepreneurs have government employees as background.

3.4. Personal income

The personal income means the income of the entrepreneurs through all possible sources. The personal income includes the monthly income from enterprise, employment, services, agriculture and other activities of the women entrepreneurs. Since the personal income indicates the standard of living and the earning capacity of the entrepreneurs, it is included in the present study. The monthly income in the present study is classified as less than ₹1000, ₹1000–2000, ₹2000–3000, ₹3000–4000 and ₹4000 and above.

Table 4 shows that out of 300 women entrepreneurs a majority of 98 (32.67%) earn a monthly income of ₹2,000–Rs.3,000 followed by 61 (20.33%) earning ₹1000–2000. Forty four (18%) of the women entrepreneurs earn ₹4000 and above, 46 (15.34%) earn less than ₹1000 and 41 (13.66%) earn a monthly income of ₹3000–4000. The mean monthly personal income worked out to be ₹2487.

| Table 1: Age-wise classification of women entrepreneurs | | | |
|---|-------------|-------------------------|------------|
| No. | Age (years) | Number of Entrepreneurs | Percentage |
| 1 | ≤30 | 43 | 14.33 |
| 2 | 30–40 | 93 | 31.00 |
| 3 | 40–50 | 111 | 37.00 |
| 4 | ≥50 | 53 | 17.67 |
| Total | | 300 | 100.00 |
| Source: Survey data; mean age of women entrepreneurs 40.8 years | | | |

| Table 2: Educational attainment women entrepreneurs | | | |
|---|--------------------|-------------------------|------------|
| No. | Level of Education | Number of Entrepreneurs | Percentage |
| 1 | School Level | 199 | 66.33 |
| 2 | College Level | 75 | 25.00 |
| 3 | Technical Level | 26 | 8.67 |
| Total | | 300 | 100.00 |
| Source: Survey data | | | |

| Table 3: Occupational background of women entrepreneurs | | | |
|---|---------------------------|-------------------------|------------|
| No. | Occupation | Number of entrepreneurs | Percentage |
| 1 | Agricultural Labourer | 31 | 10.33 |
| 2 | Farmer | 106 | 35.33 |
| 3 | Non-agricultural labourer | 35 | 11.67 |
| 4 | Government employee | 18 | 6.00 |
| 5 | Private employee | 48 | 16.00 |
| 6 | Micro-entrepreneur | 62 | 20.67 |
| Total | | 300 | 100.00 |
| Source: Survey data | | | |

| Table 4: Monthly personal income of the women entrepreneurs | | | |
|---|-----------------------------|-------------------------|------------|
| Sl. no. | Monthly Personal Income (₹) | Number of Entrepreneurs | Percentage |
| 1 | <1,000 | 46 | 15.34 |
| 2 | 1,000-2,000 | 61 | 20.33 |
| 3 | 2,000-3,000 | 98 | 32.67 |
| 4 | 3,000-4,000 | 41 | 13.66 |
| 5 | ≥4,000 | 54 | 18.00 |
| | Total | 300 | 100.00 |
| Source: Survey data; Mean monthly personal income ₹2487 | | | |

3.5. Personality traits and entrepreneurs of women entrepreneurs

It is likely that there are some social and psychological factors which might hinder the responsiveness and growth of poor sections of the people due to their continued deprivation over a long period of time for want of economic opportunities. Some psychologists, such as Ellis (1962) suggests that it is important to understand the way a person views or thinks about life. Rosers (1961) suggests the need to be aware of the emotions or feelings of a person.

In the present study, an attempt is made to assess the personality traits of the women entrepreneurs in order to identify whether they have the requisite personality dispositions to undertake activities which are independent and self-sustaining, thereby contributing to entrepreneurship. Even though the personality factors are too many, the present study is confined to only fourteen personality factors, namely information seeking, mass media exposure, social participation, cosmopolitanism, level of aspiration, attitude towards self-employment, scientific orientation, decision-making ability, economic motivation, managerial ability, problem recognition, risk-orientation, urban pull and expansion contact.

Analytical frame work

The fourteen personality factors mentioned above are assessed on a four-point scale which are assigned 4,3,2 and 1 marks according to the order of personality traits. The following formula is used to find the marks obtained by the women entrepreneurs to assess the personality index:

$$P_i = \frac{\sum_{i=1}^n P_{Si}}{\sum_{i=1}^{11} MSP_i} \times 100 \quad \dots\dots\dots (4.1)$$

Where,

P_i = Personality index

P_s = Personality factors score

MSP= Maximum score of the personality factor

i...n = Number of personality factors

The average scores of the different personality factors calculated for the entrepreneurs in the study area are presented in Table 5.

It is revealed from Table 5 that the entrepreneurs are very good in decision-making, attitude to self-employment, problem recognition and mass media exposure since the mean values of these personality factors are as high at 4.12, 4.08, 4.05 and 3.98 respectively. In total, the average score of the personality traits among the entrepreneurs is 3.3135.

3.6. Personality index

The personality index in the present study is classified as less than 20, 20-40, 40-60, 60-80 and 80 and above. The distribution of entrepreneurs according to the personality index is presented in Table 6. Here, it has been observed that maximum of 33.00% of the total women entrepreneurs have a personality index of 40-60, followed by 27.33% having an index of 60-80 and 24.00% having an index of 20-40. Those with an index of more than 80 constitute only 10.67% to the total. Thus it is

| Table 5: Personality traits of women entrepreneurs | | |
|--|-----------------------------|---------------|
| No. | Personality Traits | Average Score |
| 1 | Information Seeking | 3.13 |
| 2 | Mass Media Exposure | 3.98 |
| 3 | Social participation | 3.52 |
| 4 | Cosmopolitanism | 2.19 |
| 5 | Level of aspiration | 2.97 |
| 6 | Attitude to self-employment | 4.08 |
| 7 | Scientific orientation | 2.11 |
| 8 | Decision-Making ability | 4.12 |
| 9 | Economic motivation | 2.98 |
| 10 | Managerial ability | 3.27 |
| 11 | Problem recognition | 4.05 |
| 12 | Willingness to take risks | 3.63 |
| 13 | Urban pull | 3.13 |
| 14 | Extension contact | 3.23 |
| Overall | | 3.3135 |
| Source: Computed data | | |

| Table 6: Personality traits index of women entrepreneurs | | |
|--|--------------------------|-------------------------|
| No. | Personality traits index | Number of entrepreneurs |
| 1 | <20 | 15(5.00) |
| 2 | 20-40 | 72(24.00) |
| 3 | 40-60 | 99(33.00) |
| 4 | 60-80 | 82(27.33) |
| 5 | ≥80 | 32(10.67) |
| Total | | 300(100) |
| Source: Computed data | | |

inferred that more than 80% of women entrepreneurs have a personality index above 40.

Table 7 reveals that the association between entrepreneurship and socio-economic variables namely age, education, family size, earning members, occupational background, monthly income and family income per month is significant at 5% level since the calculated value of χ^2 is greater than the table value of these variables.

3.8. Correlation between personality traits and entrepreneurship

The personality traits of the women entrepreneurs are related to the psychological aspects of the entrepreneurs how they view the enterprises, how they face risks and the like. For this, the correlation between the score of personality variables with the entrepreneurship index of the entrepreneurs is separately calculated for entrepreneurs. The computed results of Karl Pearson's Correlation Co-efficients of the personality variables and entrepreneurship are shown in Table 8.

It infers that the significant correlation is identified in decision making ability, economic motivation, managerial ability,

Highly educated women considered business as a challenge and they considered entrepreneurship as their first priority and hence they were prepared to take risks. They were also more rational in their involvement.

Table 8: Correlation between personality traits and entrepreneurship

| No. | Personality Variables | Correlation co-efficient |
|---------------------------|----------------------------------|--------------------------|
| 1 | Information seeking | 0.1623 |
| 2 | Mass Media exposure | -0.1891 |
| 3 | Social participation | -0.1823 |
| 4 | Cosmopolitanism | -0.1121 |
| 5 | Level of aspiration | 0.2819 |
| 6 | Attitude towards self employment | 0.1631 |
| 7 | Scientific orientation | 0.2315 |
| 8 | Decision making ability | 0.5314* |
| 9 | Economic motivation | 0.5431* |
| 10 | Managerial ability | 0.4415* |
| 11 | Problem recognition | 0.4771* |
| 12 | Willingness to take risks | 0.5621* |
| 13 | Urban pull | 0.1929 |
| 14 | Extension contact | 0.1925 |
| *Significant ($p=0.05$) | | |

Table 7: Association between socio-economic profile and entrepreneurship among the women entrepreneurs

| No. | A | B | C | D |
|-----|--------------------------------------|---------|--------|----|
| 1 | Age | 34.29 | 21.026 | S |
| 2 | Education | 36.15 | 15.507 | S |
| 3 | Caste | 7.1230 | 15.507 | NS |
| 4 | Nature of Family | 8.1611 | 9.488 | NS |
| 5 | Marital status | 13.3969 | 15.507 | NS |
| 6 | Family size | 16.2916 | 15.507 | S |
| 7 | Earning Members family ⁻¹ | 29.521 | 26.296 | S |
| 8. | Occupational background | 19.2866 | 31.410 | NS |
| 9. | Material Possession | 18.9315 | 26.296 | NS |
| 10. | Monthly income | 13.4416 | 26.296 | S |
| 11. | Family Income month ⁻¹ | 13.1541 | 15.507 | S |

A: Socio Economic Profile; B: Calculated χ^2 ; C: Table value of χ^2 ($p=0.05$); D: Inference; S: Significant; NS: Insignificant

problem recognition and willingness to take risks since their correlation co-efficients of 0.5314, 0.5431, 0.4415, 0.4771, and 0.5621 are statistically significant at 5% level. The above mentioned personality variables are positively related to entrepreneurship.

4. Conclusion

Thus it may be concluded from the analysis that different women had different attitudes towards entrepreneurship particularly in the small scale industries in the study area.

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