CHAPTER VII
SUMMARY OF FINDINGS, CONCLUSION AND SUGGESTION

7.1 INTRODUCTION

So far, the aspects inspiring the micro entrepreneurship enterprise involvement among the entrepreneurs, constraints faced by women entrepreneurs and the attitude of entrepreneurs towards their enterprises were discussed. The major findings of the study, conclusion and suggestions are presented in this chapter.

The research was carried out with the objectives of studying the personality profile and socio-economic background of micro entrepreneurs engaged in micro level manufacturing the products, identifying the factors influencing the start of enterprises, analyzing the enterprise involvement and the factors that influence them to be good and poor performers and analyze the variables on insight of problems in entrepreneurship.

Both primary and secondary data were used to address the issues taken up for research. For the purpose of primary data collection a total of 300 micro entrepreneurs were randomly selected from the list obtained from District Industries Centre (DIC), Thoothukudi were randomly selected. The data were collected by the personal interview method with the help of a well
designed interview schedule. The secondary data for the study were collected from journals, research reports, records and websites. The field survey was carried out during the period from September 2011 to March 2012.

7.2 SUMMARY OF FINDINGS

The socio-economic status of micro entrepreneurs, relationship between profile variable and loans, personality traits among women micro entrepreneurs, factor analysis to reveal important dimensions of personality traits and its relationship with bank loan, government schemes, benefits, occupational status and the like of the respondents were discussed in Chapter IV. The findings derived from the data and the analyses are summarized as follows.

The study reveals that the sample respondents are mostly young i.e. in the age group of 26-35 years accounting 30.67 per cent. This is followed by the age group below 25 years with 29.00 per cent. Out of the 300 respondents, 68 per cent of there are male and remaining 32 per cent are female. Majority of the respondents belong are Hindus (68.67 per cent). Nearly 58.00 per cent of the respondents belong to Most Backward Communities in the study area. Among the respondents, 43.67 per cent are married. They are followed by unmarried (29.33 per cent). Maximum of the entrepreneurs i.e. 43.00 percent have higher secondary level of education.
Out of the 300 respondents, 54.33 per cent of entrepreneurs have a family size of 3-5. The most common family monthly income of the respondents is Rs.10000 – 15000, followed by Rs.15000-20000.

Regarding the experience, majority of the respondents have less than 2 years of experience. They are followed by 2-4 years of experience. Majority of the respondents i.e. 46 per cent have an investment range of Rs.20001 to Rs.40000, followed by Rs.40001 to 60000. It is found that the majority of the respondents (41.33 per cent) have availed loan ranging from Rs.5000 to Rs.10000. The bank loan borrowed once scored 68.67 per cent and twice scored 24.67 per cent.

Regarding the occupational status, out of the 300, majority of them i.e. 51.33 per cent, are artesians, followed by agriculture (38.67 per cent) and manufacturing (10 per cent). The monthly turnover of majority of the respondents (36.00 per cent) was found to the Rs.15000 – 25000. It is followed by below Rs.15000. Most of the respondents (44.33 per cent) earned a profit ranging from Rs.5001 to 10000, followed by Rs.5000.

Almost all the respondents have availed capital from commercial banks through District Industries Centre (DIC).
The chi-square test results showed that the socio-economic variables, namely community, marital status, monthly profit, types of family and monthly income of the family have influenced the borrowings of loan from banks.

for examining the relationship between business variables and bank loan, (Chi-square test was carried out.) The results revealed that monthly turnover and monthly profit have influenced the borrowing of internal loan.

Regarding personality traits, the important personality traits out of fourteen variables among micro entrepreneurs are information seeking behavior, mass media exposure and extension contact as evidenced by their respective highest mean score values.

The chi-square test has been applied for examining the relations between personality traits and avail of bank loan. The results revealed that the personality traits variables, namely information seeking behavior, cosmopolitan attitude, level of aspiration, economic motivation and risk taking willingness are significantly associated with the availing of bank loans.

A positive relationship was observed between awareness of government schemes and the personality traits variables, namely information seeking behavior, exposure to mass media, level of aspiration, decision
making ability and economic motivation as evidenced by the chi-square test results.

Regarding the benefits received from the government, it is associated significantly with personality traits variables, namely information seeking behavior, exposure to Mass media level of aspiration, decision making ability and economic motivation as shown by the chi-square test results.

Further, the analysis of data related to occupational status and personality traits revealed that the occupational status of the respondents is significantly associated with personality trait variables, namely information seeking behavior, exposure to mass media, attitude towards self-employment, economic motivation, managerial ability, risk taking willingness and urban pull.

As per chi-square results the years of experience is significantly associated with information seeking behavior, exposure, to mass media cosmopolitanism, level of aspiration, attitude towards self-employment, decision making ability, economic motivation, managerial ability, problem recognition, risk taking willingness urban pull and extension contact.

According to the chi-square results, the amount of investment, monthly turnover and monthly profit are significantly associated with information
seeking behavior exposure to mass media, cosmopolitanism, level of aspiration, attitude towards self employment, decision making ability, economic motivation, managerial ability, problem recognition, risk taking willingness, urban pull and extension contact.

Factor Analytical Method was employed to reveal the important dimensions such as inspiration, driving forces to start/manage enterprise and entrepreneurial competitiveness.

Before applying Factor Analytical Method, KMO test was carried out. The results revealed the validity of Factor Analysis.

As per Factor Analysis, six dimensions for inspiration are Drives, awareness and opportunity, gain and pain, need of the time, stand above and upholding heritage.

In the case of the driving forces to start/manage enterprises, the seven factors are risk and rewards, dependency on family resources, initial motive, business climate, professionalism, involvement and vision.

The influencing six factors for entrepreneurial competitiveness are business attitude, individual attitude, assertiveness, resultant status, personality development and entrepreneurial features.
In Chapter V an attempt has been made to analyse enterprise involvement and performance.

It has been found that a majority of the entrepreneurs are engaged in palm leaf products (16.33 per cent), followed by 13.00 per cent who are engaged in coir products. Only 5.00 per cent are engaged in dry fish trade.

It is revealed from the analysis that the majority of the entrepreneurs (26.00 per cent) get an average monthly return of Rs.7 to 10 per cent on their investment, followed by 23.00 per cent who have received a return of on the 10-13 percent investment. Only 4.34 per cent of the entrepreneurs have a received return of 16 per cent and above on their investment.

The entrepreneurs have been classified based on the average return on investment. The good performers are those who have secured above the average returns on investment (9.34 per cent) and the poor performers are those who have obtained below the average return on investment. Out of the 300 micro entrepreneurs, 166 (55.33 per cent) and 134 (44.67 per cent) belong to the good and poor performer categories respectively.

The good and poor performers significantly differ in a few enterprises involvement aspects, namely sources of inspiration, help during setting up
stage, managing various functions, major decisions, time spent on related work, pride in being an entrepreneur, future plan and overall involvement.

Regarding the relationship between Enterprise Involvement Index (EII) and the profile variables of the respondents, the results of correlation coefficient indicate that age, education, family size, earning members, occupational status, family income and personality traits have been related with the EII of good performers. In the case of poor performer, sex, family size, family income and personality traits are related to EII. Among these variables, age and family size are negatively related to EII for both good and poor performers.

The results of multiple log linear regression model revealed that age, education, family size, earning members, occupational status and personality traits of the good performers and the variables, age, sex, family size, material possession and personality traits of the poor performer have influenced the EII.

The Enterprises Involvement Index score among the entrepreneurs who are aged less than 30 is 3.2816. But it is 2.9264 and 2.7516 among the entrepreneurs aged 50 and above and 40-50 years respectively. Those under different age groups are influenced by factors like sources of inspiration, help
during setting up stage, training, future plans and over all involvement since their respective F statistics are statistically significant at 5 per cent level.

The increase in the level of education indicates the increase in involvement among the entrepreneurs since the overall involvement index has increased from 2.9764 (school level) to 3.1409 (college level). The significant differences among the respondents under different levels of education are noticed in a few aspects of enterprise involvement, namely help during setting up stage, time spent on unit related work, satisfaction, membership, future plans and over all involvement.

The significant differences among the entrepreneurs belonging to different castes are found in a few enterprise involvement aspects, namely source of aspiration, major decision making, satisfaction training, and membership. Regarding the overall involvement, there is no significant difference identified among the entrepreneurs belonging to different castes. Similar results were identified in factors of marital status and enterprise involvements where there was not are significant difference among the entrepreneurs.

Further, the significant differences among the entrepreneurs with varying number of earning members per family have been identified in a few
aspects, namely help during setting up stage, major, decision related work, and train

Significant differences in occupational background are identified in help during setting up stage, managing various functions and training. The significant differences among the entrepreneurs with different stages of material possession are identified in a few aspects, namely help during setting up stage, time spent on unit related work and membership.

The overall involvement among the entrepreneurs who have a monthly income of Rs.5000 and above is noticed to be as high as 3.2236 followed by 3.0189 among the entrepreneurs with a monthly income of Rs.4001-5000. The significant differences among the entrepreneurs under different monthly income categories are noticed in a few aspects of enterprise involvement, namely sources of inspiration, help during setting up stage, and satisfaction, But no significant difference among the entrepreneurs is identified regarding overall involvement.

Significant differences among the entrepreneurs under different family incomes are identified in sources of inspiration, managing various functions, and pride in being an entrepreneur, since their respective F-test score are significant at 5 per cent level. The mean score of overall involvement among the entrepreneurs who have a personality index of less than 20 is 2.8254 and
it has increased to 4.2923 among the entrepreneurs who have a personality index of above 80. The significant differences among the entrepreneurs under different personality indices are seen in a few aspects of enterprise involvement, namely major decision, satisfaction and membership, future plans and overall involvement.

In Chapter VI, the problems faced by micro entrepreneurs have been discussed. In Thoothukudi district, the important entrepreneurial constraints among the goods performers are lack of inner drive and lack of self confidence, whereas among the poor performers, these constraints are lack of risk orientation and lack of sociability, since these score values are high. The significant differences among good and poor performers in the perception of entrepreneurial constraints are identified in the constraints lack of risk orientation, lack of work responsibility, and lack of sociability.

The important general constraints perceived by the good performers are lack of emotional stability in Thoothukudi district. Among the poor performers, these constraints are lack of poor forecasting efforts in Thoothukudi district. Regarding the perception on the general constraints among the good and poor performers, significant differences are identified in the aspects of lack of leisure time, excessive work and burden and lack of managerial skills.
Among the good performers, the important knowledge constraints are lack of ideas on diversification in Thoothukudi district. Regarding the perception on the knowledge constraints, significant differences between good and poor performers are identified in the perception on lack of ideas on diversification, lack of exposure, lack of ideas about modernization, lack of idea on government assistance and lack of ideas on innovation.

The important economic constraints among the good performers are constant need of finance and lack of credit facilities whereas among the poor performers, constant need of finance, lack of credit facilities and constant need of finance are identified. Significant differences between good and poor performers in Thoothukudi district are identified in the perception on lack of investment.

Regarding the perception on the social constraints, the important constraints perceived by the good performers in Thoothukudi district are higher credit seeking behaviour of the customers. Regarding the perception on social constraints, the significant difference between good and poor performers in Thoothukudi district are found in personal problems, multi-responsibility, lack of family support, lack of social contracts and non-co-operation of others.
The important psychological constraints among the good performers in Thoothukudi district are lack of communication skills and lack of self motivation for Thoothukudi district. There is lack of resource sharing ability in Thoothukudi district. Regarding the perception on psychological constraints, the significant differences between the good and poor performers is noticed in the perception on lack of resource sharing ability, lack of communication skills, fear of future, lack of self motivation and lack of faith on personal skills.

7.3 CONCLUSION

To conclude, the economic, the economic development of a country depends upon the proper utilization of the available employment avenues. Micro entrepreneurship is the mode of self employment. The main problems which have been faced by the micro entrepreneur’s are drive and self confidence and these problems can be overcome by proper guidance and motivation. In the study area the government through agencies should give proper training in order to encourage and motivate. Further, through DIC, quality circles should be arranged at right time intervals to develop the right attitudes in order to promote their business in a profitable manner.
7.4 SUGGESTIONS

The following suggestions are given for the development of micro entrepreneurs in Thoothukudi district on the basis of the findings of the study:

In spite of their best efforts the bankers find it difficult to know correctly the background of the applicants. Hence, sometimes, false addresses are given and existing employment concealed by the applicants. One way of overcoming these difficulties would be to inspect the ration card of the applicant and to demand the recommendations of at least two account holders well known to the bank branch. This is needed since the scheme does not provide for collateral security or third party guarantee.

Political interference is often reported to be prevalent both at time of sanctioning (in the form of Loan meals) and at the time of recovery in the form of suggestions by certain unscrupulous politicians not to repay the loan. Such a kind of political inference should be avoided by the politicians.

Inadequate loan amount force the micro entrepreneurs to go in for borrowed funds at high rate of interest.

It is observed from the analysis that government provides only financial aid and some help in the entrepreneurial development of micro enterprises in the study area. It is suggested that along with financial help,
government should give training to micro enterprises to initiate and accelerate the process of entrepreneurial development.

It is also observed that the micro entrepreneurs in Thoothukudi district do not even know the names of some of the schemes and institutions which provide various services. This is due to lack of awareness among entrepreneurs of the services rendered and incentives provided. This is also due to their lack of knowledge of the current demand for products in the markets.

The success stories of existing micro entrepreneurs should be given as models to the low performers to update their knowledge about existing entrepreneurs and also to develop new entrepreneurship. Information Technology centers may be established in each taluk head-quarters in Thoothukudi District to help entrepreneurship attempts.

7.5 SCOPE FOR FURTHER RESEARCH

The research has revealed that the present topic chosen has scope for further investigation and exploration of knowledge in the area of current interest and importance. However, the present study is limited in its approach the personality traits, involvement and constraints faced by micro entrepreneurs.
A study of the mental make-up, psychological attitudes and environmental conditions necessary for the growth of entrepreneurship can be attempted. Further, one can evaluate the growth of micro-enterprises in the district. Another potential area for research is a comparative study of such entrepreneurship attempts in other district in a similar manner; one can also take up further research of entrepreneurship of tiny sectors in Thoothukudi district giving importance to its several aspects and trends of transformation.