CHAPTER  I
INTRODUCTION AND DESIGN OF THE STUDY

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1.1 INTRODUCTION

The entrepreneurial world in India mainly belongs to men for a long time. This trend has changed recently. There is a notion, which is very popularized and emphasized, that women can become an entrepreneur and lend a contribution to the country’s economic growth. Indian experts as administrators and policy makers have to come out with innovative and probable plans to promote entrepreneur skills among women. Indian women have already proved that they can take up any job, which has been meant for men for centuries. They have shown to the world that they are not second to men in proficiency for doing work and have efficiency in the management of enterprise effectively under normal, difficult and challenging circumstances. Indian women are travelling through centuries carrying the testimony for having done from ordinary works such as rocking the cradle to risky works such fighting in the battle field as warriors, ruling the country and the like.

Women are known for their best desirable qualities like their ability to manage details, dedication to the work they take up and tolerance and kindness towards people, which are the qualities relevant to entrepreneurhip. They proved it to be a misconception that women are unfit to be an entrepreneur executive’s experts and managers. Indeed, Indian women are basically excellent managers who, as a wife or a mother, manage the things related to households by making and executing such as planning and exerting budgets and showing the results of their plans in-day-today life.
Women traditionally have an occupational status, which has been ever in close association with the home and family. Since some economically rely on their husband or father their status in the society is secondary to that of the men. Whether it is industrially advanced or less advanced country, the women are treated with inequalities due to micro-cultural and economic discrimination practiced in the society. Industrialization, commercialization and modernizations transform the traditional ways of production into modern capitalistic entrepreneurs by energetically and actively functioning in the fast developing countries. Women form the most important segment of the society irrespective of any country or race. It is very important to give due status to women. It is necessary for women to attain economic self-reliance for themselves to raise their position and status in the home and society. Women can gain self-reliance and self-respect by becoming an entrepreneur and by getting an opportunity to make higher income through entrepreneurial work. It also gives women an opportunity to improve their personality and offer their share to the general welfare or purpose of the society by their good participation. The status of women in the large division of Indian society cannot be raised without creating openings of independent employment for women. The job for women certainly leads to extra income to the family.

Women until recent time have been considered unfit to the roles other than of housewives, nurses, primary school teachers, sales girls, telephone operators, stenographers and the receptionists and unfit for playing any higher roles. The past false image of women is fast losing its shape and the real image of them with its new changing shape is getting emerged. A host of women entering the labour force in the present time
is observed. Working for women has been seen as a secondary business to their main work of running a family, maintain household chores and looking after children and other senior family members. But, the social attitude to women as well as to their education has tremendously changed in the modern world because of the development of diverse and diversity of occupation. It has made women take part in the economic activities of the society and earn their livelihood.

1.2 STATUS OF WOMEN

Women always hold a high and honourable status in the society. Even from the time of the Hindu civilization, they retain an honourable position, enjoy the right of possession of property and distinguish themselves in the fields of science and learning. They exert influence even in politics. Women have not enjoyed such privileges in any other ancient civilization. Women’s position got worsened during the Mohammedan reign. They confined to the circle of family life and discharged their duties as wife and mother and therefore they lost their importance in the social life.

The British rule laid the foundation for women’s participation in public life and service. The British government first adhered to the policy followed of non-interference in the social and religious life of the people of India. But nothing brought any big change in the status of women. There was an agitation of Indian women in 1917 under the leadership of Sarojini Naidu for women’s right for exercising franchise. They got the right of franchise to all the state legislatures in 1919. They achieved the right to be the members in provisional legislature in 1926. An active elections Act, 1935 saw an
inclusion of many eminent women in the governing bodies happened. Taking part of women in the Quit India movement in 1942 marked the event of women joining hands with men in that struggle. Women participation in that struggle brought a big change in the state of women in India.

Men started realizing the importance of women’s education and women got permission and thus secured more freedom. After 1947, women were in the professional life, but they did not enter into the scientific and technological fields. With the flourishing of the large number of industries and public sector undertakings, women got more opportunities to work. Indian women proved that they were not second or inferior to anybody in doing any job which was earlier assigned for men only.

In fact, women in the entire world are discriminated with men despite their urge and effort to attain equality in social life and status with men in all spheres of life. Women have denied education, suitable and higher jobs, and prestigious place in decision-making bodies. They are also subjected to various ill-treatments and both physical and mental harassment in the society, family and working place.

Women face many difficulties whenever they attempt to compete with men and they are ridiculed and discouraged when they try to break new grounds, but they are respected highly and accepted as equals when they outshine men. Women herself never thought of life without man and could not accept an existence in the world without him. She could think of herself a mother, daughter, wife and so on never imagined any other identity beyond those of their usual world. Women have recently discovered themselves
as individuals and exposed their various personalities. In the modern world, there is a diversity of occupation which has changed the social attitude towards women and women’s education. Women have now entered into many a different occupation and begun to take part in country’s economic activities.

1.3 WOMEN ENTREPRENEURS

The term women entrepreneur in the study refers to a woman or a group of women, who initiate, organize and operate a business enterprise. In the case of a family partnership business, the key person has been treated as the woman entrepreneur. In the case of a non-family partnership business or a limited concern, the main partner in terms of investment has been considered the women entrepreneur.

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, a woman entrepreneur is defined as “an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women.”

According to the Indian context, an entrepreneur is more an adapter and imitator than a true innovator. The task of entrepreneurs has been full of challenges, but still women have proved to be independent entrepreneurs. In a recent study, economist Catherine Swift has shown that women face a need of a tougher security than men. Women entrepreneurs have been making an impact on all areas of the economy in many countries. The retail trades, restaurants, hotels, education, cleaning, insurance and
manufacturing are the areas chosen by them. Women entrepreneurs start their business for the following reasons.

1. They require new challenges and opportunities for self-fulfillment.

2. They need to prove their mettle in innovative and competitive jobs.

3. They expect the change to maintain the balance between their personal and business lives. Duna Lavoie, Professor of entrepreneurship, Montreal observes that it men entrepreneurs have two or three employees, they have nine employees or more for the same task. Often, a small business is fit for women’s life style. Expanding the business may cause a loss of control or disruption in the amount of time she has to spend in other facets of her life. She may also think of overseeing and controlling every aspect of her business and may feel she will lose opportunity of growing to the level of her success.²

1.4 ENTREPRENEURSHIP AMONG WOMEN

In tune with changing ethos of socio-economic reality, entrepreneurship has been defined differently. The government and other agencies ascribe greater importance to women entrepreneurs as a part of policy. Women form 50 per cent of the population of the world and account for two third of total working hours. About ten percent of the income of the world is received by women and less than one per cent of the asset of the world owned by them. Women entrepreneurs require a special treatment against this backdrop. Since they have to fight against heavy odds and belong to the largest disadvantaged group in the country.³ Industrialization, urbanization and democratization
have made the women move towards emancipation and seek profitable employment in various fields. Indian women are heavily restricted by tradition and they have to play the traditional role of housewife or mother in the home and compete with her men folks in the field of business and industry. They find it increasingly difficult to adjust themselves with these dual roles. Women have equal opportunities and rights as men. In such a situation, it is essential to develop suitable technology, which will enable the woman to play her role as an effective entrepreneur without disturbing her priorities.

The difficult circumstances in which a women entrepreneur has to operate in our society must be recognized. Some of the problems faced by women are not the same as an ordinary entrepreneur would face. Thus, it is necessary to take into account such factors which only women entrepreneurs have to face.

1.5 NEED FOR WOMEN ENTREPRENEURS

Women in India suffer a lot and in many ways. It is marked that generally low work participation rates, excessive concentration in the unorganized sector of the economy and in low-skill jobs and women entrepreneurs’ poor involvement in economic activities. The rate of growth of female employment is dynamic in a greater way. More employment for women has been provided through agriculture in rural areas. The emergence of women entrepreneurs can be seen as a socio-economic emancipation of women. The role of women in any areas has been neglected much for a long time. Though women form a bulk of the population and labour force, their active involvement in the mainstream of development of nation has not been allowed fully. Women are the
main supporters of the survival of the families and can still become a greater supporter by creating many other means of earning through them, but they have been put at a bottom of all, considered inferior to male and their talent has been underestimated are unrecognized.

The prevailing discrimination and inequalities in the traditional social structure of India based on caste, the community and class, play a strongly influenced role becoming very much responsible for the low status of women in different walks-of-life. As a solution to the problems faced by women, an effective strategy must be made for raising the status of women and permitting participation of women in the process of development of economy and nation. Women emerging as entrepreneurs in India can be viewed as the rightful growth of respectable socio-economic growth of women. But, a society restricted by suppressive socio-economic factors cannot produce on its own the more required women entrepreneurs.

In India education has been the right of men for ages. The existing system of education in India is not up to the level of imparting entrepreneurial instincts in the minds of young boys and girls in general and women in particular. The higher levels of education especially commerce and management education, too lacks the direction for promoting entrepreneurship. Entrepreneurship as a subject is not a part of the curriculum in many universities. The politicians and policy makers always talk about introduction and development of vocational education at +2 and graduation level. But in many states, vocational courses are not given systematically. The government should take some initiative in this regard.
In UK and USA Private initiative has been directed towards the growth of entrepreneurs, but it does not exist in India. As a result, there are direction from the policies of the government and the performance of commercial banks, financial institutions and training institutions for promoting and developing the women entrepreneurship, which has become very crucial for India.

During the 50 years of independence, the scope for the growth of private entrepreneurship has been limited by the stress on the socialistic pattern and the role of public sector assigned. The policy of liberalization by the government has thrown open a huge area of economy for the private entrepreneurship. It is keenly felt under such situation and the circumstances that special efforts must be taken for the development of entrepreneurship.

1.6 SIGNIFICANCE OF THE STUDY

Small enterprises and business are established by most of the women entrepreneurs in Sivagangai District. The government has introduced a number of policies to encourage and support the efforts of the informal sector and these enterprises are recognized as the engines of private-led growth. It has regulated the organizations and support entrepreneurship initiatives through conducting various programmes. The significance of this study is brought by examining the fact that the character and the details of enterprises of women entrepreneurs, how they activate and perform their business and how they get financial assistance from government agencies or from financial institutions, which are not known well. The present study concentrates on the
contribution to the understanding of women entrepreneurs’ activities and experience in the most backward district of Sivagangai in Tamil Nadu. An extra knowledge can be added by this contribution to the field of entrepreneurship and policy makers’ beneficiaries and other stakeholders of entrepreneurship from government and non-government organization will be informed of it. The aims of this study are to deeper understanding and insight of women entrepreneurship in the region at Sivagangi District. Sivagangai is the most backward district in which women entrepreneurs have very limited knowledge. This study may lend its contribution to improving the existing policies and the practice of women entrepreneurs not only in Sivagangai District but also in the other districts of Tamil Nadu in India.

1.7 STATEMENT OF THE PROBLEM

Sivagangai has women entrepreneurs in a large number. They are not exploited well to make them contribute much for the economic development. The problem of women entrepreneurs in the informal sectors is one of the causes for it. And different empirical evidences support it. The present study differs from the other researches done on the similar topic in various angles. They also fail to see the factors related to personal details of women entrepreneurs, the performance of women enterprises, institution support and the problems affecting the women entrepreneurs. Likewise, the grievances of women entrepreneurs in the enterprises were not addressed by previous studies. This study puts special emphasis on factors that affect performance of women entrepreneurs in the enterprises especially in Sivagangai District of Tamil Nadu.
Technical assistance and training programmes should target at the entrepreneurs, who can create jobs for themselves and other rather than seeking employment in any organization. Therefore, it is mandatory to give them entrepreneurship training. Apart from the entrepreneurial training, financial assistance in the form of loan with low interest rate may contribute much for strengthening women entrepreneur’s performance.

Thus, this study is aimed at assessing the different factors that affect the performance and operations of women entrepreneurs in Sivagangai District in Tamil Nadu. Furthermore, this has assessed the support given by financial institutions to enterprises by collecting opinions from the respondents from the study area. Hence, the study is endeavoured for the research.

1.8 OBJECTIVES OF THE STUDY

The following are the specific objectives of the study:
1. To assess the growth and development of women entrepreneurs in the study area.
2. To study the personal characters and business conditions of the women entrepreneurs in the study area.
3. To examine the activities and the performance of women entrepreneurs in the study area.
4. To analyze the role of the government and also the various supporting agencies to promote women entrepreneurship in the study area.
5. To identify the problems faced by the women entrepreneurs in the study area.
6. To suggest feasible measures to promote successful women entrepreneurs in the study area.
1.9 HYPOTHESES OF THE STUDY

1. There is no significant relationship between the age, religion, the community, the marital status, the educational qualification, the technical qualification, the family type of the respondents and their level of opinion on the problems in getting loans from financial institutions.

2. There is no significant difference between the opinions of the women entrepreneurs about the procurement of raw materials.

3. There is no significant difference between the earlier condition before starting an enterprise and the factors affecting women entrepreneurs.

4. There is no significant difference between the factors affecting women entrepreneurs’ opinions about the time of doing business and

5. There is no significant difference in the opinion of the women entrepreneurs about the factors affecting labor problems

1.10 SCOPE OF THE STUDY

The scope of the study comprises of profile of entrepreneurs and their enterprises, activities and performance of the enterprises, role of government agencies and financial institution and problems faced by the entrepreneurs in all perspectives while carrying out the business.

A study has been done on the performance of the enterprises since they do much contribution for the improvement of economy of the study area and consequently helping
to eliminate the poverty among women both from urban and rural areas and to improve their standard of living and therefore it cannot be ignored.

The study has covered the technical support and training that are needed for the performance of their business in a proper manner. It has also covered their individual problems, financial problems, production problems, labour problems, marketing problems, problems of getting power-supply, technological problems and problems from government agencies and financial institution. Sivagangai District of Tamil Nadu is the geographical area covered by the study.

1.11 METHODOLOGY

i. Collection of Data

The study is mainly based on primary data collected from the field survey using pre-tested questionnaire. Secondary data were obtained from various sources such as journals, magazines, publications, websites and including the District Industries Centre, Sivagangai.

ii. Sampling Design

The sample comprised of registered women entrepreneurs in Sivagangai District. Of them, 150 in manufacturing industries, 150 in trading industries and 160 in service industries were taken as samples by adopting random sampling method. Table 1.1 shows the taluk-wise distribution of sample women entrepreneurs.
TABLE 1.1
Taluk-wise Distribution of Women Entrepreneurs

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of Taluks</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Manufacturing</td>
</tr>
<tr>
<td>1.</td>
<td>Sivagangai</td>
<td>42</td>
</tr>
<tr>
<td>2.</td>
<td>Thirupattur</td>
<td>36</td>
</tr>
<tr>
<td>3.</td>
<td>Karaikudi</td>
<td>24</td>
</tr>
<tr>
<td>4.</td>
<td>Manamadurai</td>
<td>22</td>
</tr>
<tr>
<td>5.</td>
<td>Thiruvadanai</td>
<td>19</td>
</tr>
<tr>
<td>6.</td>
<td>Ilayankudi</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>150</td>
</tr>
</tbody>
</table>

Source: Primary Data.

iii. Pilot Study

The questionnaire was pre-tested in a pilot study involving 30 women entrepreneurs from 10 manufacturing industries, 10 trading industries and 10 service industries in the district. Pre-testing is essential if the researcher is to be satisfied that the questionnaire being developed will perform its various functions in the interview situation on the expected lines. Pre-testing helps the researcher to eliminate vague and irrelevant, uncomprehensible queries being put to the sample respondent.

iv. Period of Study

The data relating to the women entrepreneurs of Sivagangai District had been collected from June 2011 to July 2014.

v. Tools for Analysis

1. The percentage technique was used throughout the Report to express the trend of women entrepreneur. The Garrett Ranking Technique was used to rank the reasons for use. Rotated factor matrix was used to study profits earned by women
entrepreneurs and the problems in getting loans from financial institutions by women entrepreneurs.

2. The Kendall’s Co-efficient of Concordance is used for the purpose of analyzing the factors affecting women entrepreneur’s opinion regarding the starting of an enterprise in Sivagangai District. In order to analyze factors affecting women entrepreneur’s opinion at the time of doing business – ‘F’ Test was done based on the ratio of two variances. Five variances were grouped into two variances. One variance consisted of favorable opinion. Strongly agree and agree were listed under the head of favorable opinion, disagree and strongly disagree were grouped under the head of unfavorable opinion.

3. In order to examine the opinion of the women entrepreneur’s, regarding labour problems a five point rating scale was adopted. The hypotheses were formulated for this purpose. They were tested with the help of Kolmogorov-Smirnov Test (hereafter known as KS – Test). The opinion of the women entrepreneurs about the factors affecting labor problem had been taken for the purpose of analysis.

4. The data had been analyzed to verify the hypotheses framed in line with the objectives of the study. In order to test the relationship between the personal characters of the respondents and their level of opinion regarding problems to avail loans from financial institutions, the method of Chi square Test is applied.

5. For the purpose of effective research, the hypothesis that “the favourable opinion of women entrepreneurs and the unfavourable opinion of women entrepreneurs regarding the procurement of the raw materials were framed and tested and were separately analysed by Student “t” Test.
1.12 TABULATION AND CLASSIFICATION OF DATA

The data has been collected through a questionnaire have been tabulated. The data have been classified on the basis of sex, age, marital status, educational qualifications, occupation, monthly income and family size of the respondents. Cross tabulation has been done according to different variables.

1.12.1 Tools Applied

Percentage Analysis

It is a univariate analysis where the percentage of a particular factor with categories is calculated in order to get a fair idea regarding the sample. These are used in making comparisons between two or more series of data.

\[
\text{Percentage of Respondents} = \frac{\text{No.of respondents}}{\text{Total respondents}} \times 100
\]

Garrett’s Ranking Technique

To find out the most significant factor which influences the respondent, Garrett’s Ranking Technique\(^4\) is used. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the following formula:

An attempt has been made to analyze the various factors influencing the customers by using Garrett Ranking Method.

Percept position = \[
\frac{100 \times (R_{ij} - 0.5)}{N_{j}}
\]

Where

\(R_{ij}\) = Rank given for the \(i^{th}\) variable by the \(j^{th}\) respondent

\(N_{j}\) = Number of variables ranked by the \(j^{th}\) respondent.
With the help of Garrett’s Table, the percentage estimated is converted into scores. Then for each factor, the scores of each individual are added and then total value of scores and mean values of score are calculated. The factors having highest mean value are considered to be the most important factor.

‘F’ Test or Analysis of Variance (ANOVA)

The F-test is named in honour of the great statistician R.A. Fisher. The object of the F-test is to find out if two independent estimates of population variance differ significantly, (or) whether the two samples may be regarded as drawn from the normal population having the same variance. For carrying out of the test of significance, we calculate the ratio F. F test is defined as.\(^5\)

\[
F = \frac{\text{Larger Estimate of Variance}}{\text{Smaller Estimate of Variance}}
\]

\[
\bar{X}_1 = \frac{\sum X_1}{n_1}, \quad \bar{X}_2 = \frac{\sum X_2}{n_2}
\]

\[
S_1^2 = \frac{\sum X_1^2}{n_1 - 1}, \quad S_2^2 = \frac{\sum X_2^2}{n_2 - 1}
\]

**Rotate Factor Matrix**

\[X_i = A_{ij} F_1 + A_{i2} F_2 + A_{i3} F_3 + \ldots + A_{im} F_m + V_i U_i\]

Where

\[X_i = \text{ }^{i^{th}}\text{standardised variable}\]

\[A_{ij} = \text{standardised multiple regression coefficient of variable } i \text{ on common factor } j\]

\[FDI = \text{common factor}\]
Vi = standardised regression coefficient of variable I on unique factor i

Ui = the unique factor for variable i

m = number of common factors

The unique factors are uncorrelated with each other and with themselves can be expressed as a linear combination of the observed variables.

Fi=W1iX1+W2iX2+W3iX3+.....+WkiXk

Where

Fi = estimate of ith factor

Wi = weight or factor score coefficient

K = number of variables

**Kolmogorov-Smirnov Test (KS – Test)**

For the purpose of analyzing whether there is any difference in the importance of rating given by the women entrepreneurs on various statements, the hypotheses have been formulated. The hypothesis has been tested with the help of Kolmogorov-Smirnov Test (hereafter known as K.S. Test)

**Formula:** \( D = O - E \)

Where

D = refers to calculated value.

0 = refers to cumulative observed proportion and

E = refers to cumulative expected proportion.

**Chi-square Test**

Karl Pearson in 1900 developed a non-parametric test for testing the significance of the discrepancy between experimental (observed) frequencies and the theoretical
frequencies (expected) obtained under some theory or hypothesis. This test is known as
Chi-square Test (\(x^2\)-test) of goodness of fit and is used to test whether the discrepancy
between expected and observed values may be attributed the chance (fluctuations of
sampling) or whether the deviation is really because of the inadequacy of the theory to fit
the observed data.\(^6\)

In order to apply the Chi-square Test either as a test of goodness of fit or as a test
to judge the significance of association between attributes, it is necessary that the
observed as well as theoretical or expected frequencies must be grouped in the same way
and the theoretical distribution must be adjusted to give the same total frequency as we
find in case of observed distribution. \(\chi^2\) is then calculated as follows:

\[
\text{Chi-square} = \sum \frac{(O - E)^2}{E}
\]

Where

\[O = \text{Observed frequency}\]
\[E = \text{Expected frequency}\]
\[c = \text{Number of columns in a contingency table and}\]
\[r = \text{Number of rows in a contingency table}\]

With \((r-1) (c-1)\) degrees of freedom

The calculated value of Chi-square is measured with the table value of
Chi-square for given level of significance usually at five per cent level. If the calculated
value (C.V) is less than the table value (T.V), the null hypothesis is accepted and
otherwise it is rejected.
**Student ‘t’ Test**

Student ‘t test’ has been used which is considered an appropriate test for judging the significance of a sample mean or for judging the significant difference between the means of two samples in case of small samples when population variance is not known. In case two samples are related, paired ‘t’ test is used for judging the significance of the mean of difference between two related samples. It can also be used for judging the significance of the co-efficient of simple and partial correlations. The relevant test statistic, ‘t’, is calculated from the sample data and then compared with its probable value based on ‘t’ – distribution at a specified level of significance for concerning degrees of freedom for accepting or rejecting the null hypothesis. It may be noted that ‘t’ test applies only in the case of small samples when population variance is unknown.\(^7\)

\[
t = \frac{\bar{d} \sqrt{n}}{S}
\]

\[
\bar{d} = \frac{\Sigma d}{N} \quad S = \sqrt{\frac{\Sigma d^2 - n(\bar{d})^2}{n-1}}
\]

**Reliability Statistics**

In order to test the reliability on the supporting factors on the growth of women entrepreneurs in the study area, Cronbach’s Alpha test had been applied and the result is shown in Table 1.2.
TABLE 1.2
Reliability Statistics on the Women Entrepreneurs for the Factors

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Factors</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Before Starting an Enterprise</td>
<td>0.701</td>
</tr>
<tr>
<td>2.</td>
<td>At the Time of doing the Business</td>
<td>0.708</td>
</tr>
<tr>
<td>3.</td>
<td>Procurement of the Raw Materials</td>
<td>0.711</td>
</tr>
<tr>
<td>4.</td>
<td>Labor Problem</td>
<td>0.703</td>
</tr>
<tr>
<td>5.</td>
<td>Marketing of the Product</td>
<td>0.721</td>
</tr>
<tr>
<td>6.</td>
<td>Power Supply</td>
<td>0.806</td>
</tr>
<tr>
<td>7.</td>
<td>Technological Factor</td>
<td>0.703</td>
</tr>
<tr>
<td>8.</td>
<td>Problems in Getting Services from Government Agencies</td>
<td>0.704</td>
</tr>
<tr>
<td>9.</td>
<td>Problems in Getting Loans from Financial Institutions</td>
<td>0.706</td>
</tr>
</tbody>
</table>

Source: Primary Data.

When items are used to form a scale, they need to have internal consistency. The items should all measure the same thing, so they should be correlated with one another. Cronbach’s Alpha Co-efficient was used to assess internal consistency of items in the scale. The formula is:

$$\alpha = \frac{K}{K-1} \left( 1 - \frac{\sum S_i^2}{S_T^2} \right)$$

Where K is the number of items, $S_i^2$ is the variance of the with item and $S_T^2$ is the variance of the total score formed by summing all the items.

Cronbach’s Alpha reliability co-efficient normally ranges between 0 and 1. The closer Cronbach’s alpha co-efficient is to 1, the greater is the internal consistency of the items in the scale. Therefore, all values exceed the recommended threshold 0.70, indicating good internal consistency among the items within each variable and the entire scale.
1.13 PROFILE OF THE STUDY AREA

Sivagangai district has been carved out from the composite Ramnad District. The district of Sivagangai, extending over an area of 4233 Sq. Km, is situated in the southeastern portion of the state, on the east by the district of Pudukkottai and Ramanathapuram, on the south by the district of Ramanathapuram and Virudhunagar and on the west by Madurai District. The administrative headquarters is located at Sivagangai town.

The demographic particulars in Sivagangai District, the total population 13,39,101, of which 50.07 per cent females and 49.93 per cent are males. 71.67 per cent are literates in the district as a whole. Male literacy rate is higher with 54.84 per cent when compared to female literacy level of 45.16 per cent. Taken as a whole, the sex ratio is (per 1000) 1003, area is 4,233 sq.km and proportion of state population is 1.86 per cent.

**Infrastructural Facilities**

As far as transport facilities are concerned, there are both roadways and railways. National Highways cover 40 kilometres, Municipal roads 213.175km, Panchayat union and Panchayat roads 3239.200 km and forest roads cover 33.300 km. The district has 142.4 km. of meter gauge track in among fourteen railway stations.

Regarding communication facility, the district has 64 Telephone exchanges, 312 post offices and 38 Post and Telegraph offices. In case of educational institutions, it has 19 Arts and Science Colleges, seven Engineering Colleges, four Polytechnic, 14 I.T.I, One University, 85 Higher Secondary Schools, 85 High Schools, 147 middle schools, 986
Primary Schools and one Nursing school. As far as water and irrigation is concerned there are 42 government canals, 669 major tanks, 4440 minor tanks and 18230 irrigation wells.

**Financial Institutions**

The co-operative bank is leading the Financial Institution, which extends unique service to industry. There are 15 nationalised banks, 5 private sector banks, one Sivagangai Central Co-Operative Bank Limited, one District Land Development Bank and One Tamil Nadu Industrial Investment Corporation situated in the district, of which 82 banks are located in rural areas and 71 located in semi urban area.

**Schemes for Backward Areas in Sivagangai District**

There are ten backward areas in Sivagangai District such as, Ilayangudi, Kaliyarkoil, Kallal, Kannangudi, Manamadurai, S.Pudur, Singampunari, Sivagangai, Thiruppathur and Thiruppuvanam. To improve the study area, the government of Tamil Nadu has offered schemes for micro, small and medium manufacturing enterprises established in industrially backward areas and agro based industries. It has granted 15 per cent capital subsidy on the value of eligible plant and machinery, subject to a maximum of ₹30 lakhs and 5 per cent additional capital subsidy on the value of eligible plant and machinery for units set up by women, scheduled caste/scheduled tribe, physically disabled persons and transgender entrepreneurs, subject to a maximum of ₹2 lakhs. It has sanctioned 25 per cent additional capital subsidy on the value of eligible plant and machinery installed to promote clear environment friendly technologies subject to a maximum of ₹3 lakhs. With the permission of the Tamil Nadu government, Pollution Control Board has given 20% low tension power tariff subsidy for 36 months
from the date of commencement of production or from the date of power connection whichever is later after allotment.

1.14 LIMITATIONS

Even though the study is extensive, innovative, and unique in certain aspects, it suffers from the following limitations:

1. The majority of the respondents did not maintain proper records of their sources of income, expenditure and savings. Hence, this study was made on this basis of facts and information provided by the respondents from their memory.

2. Since some of the respondents were hesitant to furnish data and information, this study is likely to suffer from non-sampling error.

3. There was much variation in the information given by the sample respondent and the data found in the official records.

4. Only registered women entrepreneurs in District Industries Centre were taken as samples and

5. The findings of the study can be applied to Sivagangai District only and it may not be possible to apply other district. It may be applicable to other areas if similar conditions exist there.

1.15 OPERATIONAL DEFINITION

District Industries Center (DIC)

It deals with all requirements of small and village Industries.

Enterprise

The term enterprise seemed to do the job. In practice, the term is applied much more often to larger organization than smaller ones.
Entrepreneur

An entrepreneur is “one who undertakes an enterprise.

Entrepreneurial Development Programme (EDP)

It induces motivation and competition among young prospective entrepreneurs.

Entrepreneurship Development Institute (EDI)

EDI is committed to becoming highly professional centre of excellence and a by word in Entrepreneurship education, training and research.

Federation of India Women Entrepreneurs (FIWE):

It helps women entrepreneurs in diversified activities through interaction with various women organizations and associations.

Food and Agro-based Units

It includes appalam, ice cream, wheat products, pickles, vegetable production, hotels, rice mills, stone and dust separation from rice, cool drinks, sweet making, mini dairy and flour mill.

Industrial Finance Corporation of India (IFCI)

It caters to the long-term finance needs of the industrial sector.

Labour

Labour is a primary factor of production. The labour force is determined by the size of its adult population.

Labour Problem

Controversy between an employer and its employees regarding the terms such as conditions of employment, hours or work, tenure, wages.
Pattern of Organisation

It includes sole proprietorship, partnership with others or it may be a private limited company or public limited company.

Risk-taking

It makes the investment loses of one’s money or becomes personally liable for the debts of the business.

Self Employed Women Association (SEWA)

It empowers women entrepreneurs in rural sector.

Service Units

It includes beauty parlour, sarees painting work, photo copying, book binding, printing press and the like.

Small Industries Development Bank of India (SIDBI)

It has introduced two special schemes such as Mahila Udyam Nidhi and Mahila Vikash Nidhi for small scale industries by women.

Small Industries Development Organization (SIDO)

It has introduced various development programmes in the areas of TV repairing, leather goods, screen printing and preparation of circuit boards.

Small Industries Service Institute (SISI’s)

It organizes courses for different target groups like energy conservation, pollution control, Technology up-gradation, Quality improvement, Material handling, Management technique and so on as mentioned earlier.
Tamil Nadu Corporation for Development of Women

It builds strong and self-reliant SHG federations at the Village Panchayat, Block and district levels throughout the State.

**Technological Factors**

It has an impact on how an organization operates that are related to the equipment used within the organization’s environment.

**Term Loan**

Term loans last between one and ten years, but may last as long as 30 years in some cases. It involves an unfixed interest rate that will add additional balance to be repaid.

**Trading Units**

It includes readymade shop, vegetable shop, petty shop, mobile shop, fancy shop, processing of waste plastics and clothes, fruit shop and rice shop.

**Training of Rural Youth for Self-employment (TRYSEM)**

It aims at providing basic technical and entrepreneurial skills to the rural poor in the age group of 18 to 35 years to enable them to take up income generating activities.

**Women Enterprise**

An enterprise in which at least 50% of the promoters are women.

**1.16 SCHEME OF THE REPORT**

This study “A Study on Women Entrepreneurs at Sivagangai District” is divided into eight chapters.
This chapter addresses the introductory part of the research background of the study deals with the “Introduction and Design of the Study”. It includes introduction, concepts and entrepreneurship, status of women, need for women entrepreneurs, significance of the study, statement of the problem, objectives, hypotheses, methodology, tools of analysis, profile of the study, limitations, operational definition and scheme of the report.

The second chapter presents the “Review of Literature”. This chapter revises the different literatures written in the areas of women entrepreneurs, the problems of entrepreneurs, factors affecting the performance of women entrepreneurs and the reference from books, journals, articles, thesis and government reports.

The third chapter discusses the “Growth and Development of Women Entrepreneurs”. The purpose of this chapter is to explain how the study has been proceeded in order to make the growth of women entrepreneurs in global level, Indian level and Tamil Nadu, registered women entrepreneurs in Sivagangai District, role of District Industries Centre and growth and development of women entrepreneurs in the study area.

The fourth chapter evaluates “The Personal character and business conditions of Women Entrepreneurs”. It sketches out the profile of the women entrepreneurs like personal factors and enterprises. Then the structure is followed to a great extent by applying the statistical data, namely percentage analysis.
The fifth chapter deals with the “Performance of Women Entrepreneurs.” The main purpose of this study is to evaluate the performance of women entrepreneurs and their financial position. The primary objectives of appraisal of financial position are to determine various financial factors which influence the growth of the enterprises. Then the structure is followed to a great extent by applying the statistical data, namely Kendall’s Co-efficient, ‘F’ Test, Likert Scaling Technique, mean score and so on.

The sixth chapter illustrates the “Role of Government Agencies and Supporting Financial Institutions”. This chapter also deals with the financial institutions which play an importance role in the development of women entrepreneurship, as credit is the prime input for sustaining the growth of business of the women entrepreneurs.

The seventh chapter illustrates the “Problems and Prospects of Women Entrepreneurs in Sivagangai District. The research has also studied the sources of problems encountered and to analyse the significant variable of problems affecting the women entrepreneurs the following statistical tools have been applied: Chi-square test and factor analysis and some problems like procuring of raw material, labour problems by using Student ‘t’ Test and K.S. Test.

This final chapter presents the findings, conclusion and suggestions of this study. With the help of various measures taken and summaries, the most important findings that help solve the main problem are presented and thereby the purpose of this study for further development of women entrepreneurs in the study area has been explained.
REFERENCES


