CHAPTER - I

INTRODUCTION AND DESIGN OF THE STUDY

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1.1. INTRODUCTION

Entrepreneurship plays a critical role in a country’s economic growth. The industrial growth and economic development of a nation is largely dependent on its enterprising spirit. Besides being the vehicle of industrial development, entrepreneurship can offer solutions for self-employment potential, uniform distribution of wealth and balanced regional development. Entrepreneurship as an economic activity, emerges and functions in a socio-cultural setting. It could be conceived as an individual’s free choice of activity or a social group’s occupation or profession.

Commercialization and modernization of the economy gradually eliminated many of the avenues of employment to women in agriculture and industries and thus enabled them to find ways of supplementing their family income. As a result of this, a section of urban women have emerged as potential entrepreneurs.

Women are increasing by seeking entrepreneurship as a result of increased literacy rate and also increasing opportunities, which have given rise to new aspirations among women. It has been realized that women have vast entrepreneurial talents which could be harnessed to convert them from the position of job seekers to job givers.
Entrepreneurship itself has been recognized as a full-fledged profession and woman entrepreneurship is an even newer phenomenon. Hence, the study of woman entrepreneurs is taken up to analyze woman entrepreneurs from the perspective of the socio-economic background, upliftment of woman entrepreneurs, and factors influencing the success of woman entrepreneurs.

1.2. WOMEN IN INDIA

“Women in Business” is considered a very recent phenomenon in India. The fact that almost half the population of this large country is comprised of females while business owned and operated by them constitute less than 5 per cent, is a reflection on social, cultural as well as economic distortions in the decades of its development. Indeed, women’s participation in economic activity and production of goods and services is far greater than what the statistics might reveal since much of it takes place in the informal sector as also in the households.

As the significance of education has been realised and compulsion for earning has grown more and more, women have started to go out of their homes and opt either for wage employment or self-employment/entrepreneurial career. In case of women, however, handicaps to enter into business ownership have been far too many, given the traditional conservative, orthodox Indian society. The process of breaking many of these shackles has been rather slow.
However, changes have started taking place, as far as the role of women in economic development is concerned and many strides have been made by women in setting up and managing business. A fairly large number has ‘graduated’ out of the initial phase of going out of home to work for somebody. Employment to self-employment has been a noticeable phenomenon in the emergence of new woman entrepreneurs. Many of them not only own small businesses but have set up and are running manufacturing enterprises, the ultimate in the entrepreneurship movement. And by doing so successfully, they have unquestionably established that women can be as capable and successful entrepreneurs as men in business and industry.

1.3. PREREQUISITES OF SUCCESSFUL WOMEN ENTREPRENEURSHIP

The following are the essential prerequisites for a woman entrepreneur to become successful in the venture undertaken by her.

1. Powerful urge: Women entrepreneurs should have a powerful urge to achieve their objective.

2. Strong determination: Only an independent and determined person can be a successful entrepreneur.

3. Commitment: The woman entrepreneurs need ability to stick to their goal through thick and thin and should not get disheartened by set backs.

4. Aggressiveness: She has to be aggressive at times. Aggressiveness, if positively used, provides a thrust towards growth and
achievement. Aggressive character helps in surviving in a male-dominated sphere of entrepreneurship.

5. Hard Work: A woman needs to work much harder than a man. A total mental and physical involvement is needed especially, when the woman is a kingpin of her business. The burden in being a woman entrepreneur is greater as she also has to bear the load of the household. She should be able to cope with the pushing schedules and long burdensome innings.

6. Risk-bearing: A woman entrepreneur should be capable of taking calculated risks and should not gamble or speculate. She should study the market situation, explore profitability in different lines of business, products, machinery, finance etc. before taking a final decision.

7. Knowledge: A thorough knowledge in every aspect of her business in a sine quo non. Knowledge is true power. Mere manual skills, artistic and other talents are secondary knowledge about business and its environment would enable her to see and seize opportunities. She needs to update her knowledge.

8. Emotional Maturity: A woman entrepreneur should not allow her personal bias and prejudices to influence her business decisions. She needs to be level headed and rise above all these set-backs.
9. Administrative skill: A woman entrepreneur should develop her leadership qualities which would not only help her to attract talents but also to retain the talents and also to bring out the best in her team of workers. She should have a fundamental knowledge in all functional areas of business, namely production, marketing, finance, personal accounting etc. Otherwise her staff would take her for a ride. Today, with intense competition, she needs to take crucial decisions. Therefore she should develop and hone her administrative skills.

1.4. NEED FOR THE STUDY

The small-scale industrial sector has been considered as a powerful instrument for achieving ‘accelerated industrial growth’ and creating ‘productive employment opportunities’ in the Indian economy. In recent years, the SSI sector has emerged as a dynamic and vibrant sector of the Indian economy, displaying its phenomenal growth in the varied fields of production, employment and dispersed development, in general. The participation of women is increasingly viewed as one of the prime contributors in economic growth. Irrespective of their involvement in small/medium-scale enterprises or in the informal / formal sector, their contribution to output and value addition is substantial. Woman entrepreneurship is not only necessary for their economic survival but also for strengthening the social system.
Fostering women’s entrepreneurship development is, therefore, crucial for economic growth and development in India. Participation of woman entrepreneurs in small business enterprises is very encouraging in India. But the level of achievement is not upto the expected level. Hence, it is imperative to study about the woman entrepreneurs of SSI units, in order to formulate the policy implications related to the development of woman entrepreneurship.

1.5. STATEMENT OF THE PROBLEM

Indian economy which is a developing economy, is in a transitional stage, and the attitude towards women is not unfavourable as it was in the past. Women are trying hard to establish themselves as entrepreneurs. Before independence, women were engaged mostly in agriculture, household activities or in family trade activities. The social constraints and attitude that hampered the development of the woman entrepreneurs, the atmosphere in which they had to work and the attitude of the society towards them, altogether, kept them away from the activity of entrepreneurship. Even if they were holding any position, it was merely secondary management, and the real, management was in the hands of men. Today, there is much talk about the development of woman entrepreneurship in India. The year 1975 was declared as ‘The International Year of Women’. During this decade, several government and voluntary organizations conducted symposia, conferences and
workshops to highlight the importance of entrepreneurship for women.

As a result of the spirited efforts of the government and non-government agencies, there was a phenomenal growth in the 90s. The irony of the situation is that a good number of the woman entrepreneurs, who have set up small-scale enterprises, with great optimism, are not able to achieve their aspirations. A plethora of problems, they have to face in the course of the promotion and development of their units. They have to face a number of constrictions and obstructions in their pursuit. Studies show that, in addition to the problems experienced by male counterparts, the woman entrepreneurs have to face some more unique problems. Hence, the researcher envisages a study of real factors responsible for the entrepreneurial traits among the woman industrialists and suggests the ways to enrich it.

1.6. RELATED REVIEW OF LITERATURE

An attempt is made to review the literature relating to entrepreneurship. Review of literature is an important part of the study and this serves as a background to the researcher to have sound knowledge about the covered and uncovered facts in the indirect bearing on the study. Some of them are reviewed below.
1.6.1. SSI units

Chandawarkar and Kulkarni, P.K. (2006)\(^1\) pointed out that small-scale industries play an important role in the industrialization of our country because they provide immediate large-scale employment, need shorter gestation period, need lower investments and facilitate an effective mobilisation of resources of capital and skill which may be otherwise unutilized. They encourage entrepreneurship and are considered harbingers of economic growth and development. But the extent of sickness in small-scale industries is a matter of great concern. The government should create an environment which would eradicate the sickness.

Sujata (2010)\(^2\) identified that the entrepreneurial activity is inversely proportional to the educational qualification of women. The main aim of venturing into entrepreneurship is to support family earning and also to gain social recognition.

Mukerjee (2007)\(^3\) found that micro-businesses empower the poor by developing skills, self-esteem and self-sufficiency.

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Soetanto et al., (2010)\(^4\) revealed that the students, with high self-efficacy, are more likely to become entrepreneurs. The important factors leading to entrepreneurship are role model, independence-related, personal achievement and talent, money-related and market-related factors. The important perceived barriers are lack of initial investment and lack of guidelines on starting a new venture.

Madhavi (2010)\(^5\) showed that the important barriers faced by the entrepreneurs are lack of power supply, long-term finance and water supply. The important problem faced in business is being ‘unable to expand their enterprise and unable to utilize the skills. The important financial constraints faced by them are shortage of fixed and working capital whereas the important social constraints are dual role of women and prejudice against turner.

Kamalakannan, K. and Namasivayam, N., (2006)\(^6\) portrayed that the small-scale industries in India, over the past fifty years, has made significant contribution towards building a strong and stable national economy. The SIDBI has been playing an important role by operating various schemes of financial assistance to small-scale industries. In order to widen its area of operations, the SIDBI should

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open more branches in district headquarters. The SIDBI should make efforts to sanction loans in a balanced manner to the different states of the country.

Vijayalakshmi S. and Jeyakumar M., (1997) found in their study that in engineering industry, non-institutional credit support has influenced negatively all the performance indicators. Simplification of rules and formalities in lending procedures of institutional finance would discourage entrepreneurs going for non institutional sources where the interest rates are high. Further, the ability of entrepreneurs’ compensation ratio has emerged as an important variable, influencing ability, positively, in engineering industries. It implies that entrepreneurs who have employed skilled workers and have paid relatively higher wages have shown higher ability. Thus, to generate more employment opportunities, especially for skilled workers, who, in turn, can promote performance of entrepreneurial activity in small-scale industry, may be assisted by adequate institutional finance. This could go a long way in providing self employment and also in generating employment opportunities for skilled workers.

Jose, K.G. (2005)\textsuperscript{8} suggested that there is a need for providing better information, besides, development of quality infrastructural facilities. The process of globalization is creating pressures on industrial units to pay more attention to quality, price on delivery considerations rather than to profitability. All these require substantial improvements in technology, organization and information. The working of the small-scale sector in Kerala, is progressively generating employment opportunities and contribute positively to economic growth. In this regard, government must safeguard this sector from sickness as well as from unfair competition from large-scale units. The small-scale industries should always strive to keep pace with the times. The Government should take up the responsibility of upgrading the managerial skills of the small-scale industries and their key officers.

Chinnaiyan, P. and Nandagopal, R. (2005)\textsuperscript{9} explained that small-scale industries are viewed increasingly as an important vehicle for meeting both the growth and equity objectives of developing economics. Employment generated by this sector stood at 185.6 lakh, which constitutes 59.8 per cent of the total employment in the organized sector. These units are facing the problem of finance, marketing their products, shortage of raw materials because of high


risk perception from the angle of investors and financial agencies and enforcement of multiple laws and procedures. It is suggested that apart from financial documents, selective entrepreneurial traits could also be considered for sanctioning loans. It could also be helpful to many of the first-generation entrepreneurs, who need the institutional support without having their own financial backup.

Rana Bijoy Deb (2004)\textsuperscript{10} stated that the experience of developing countries clearly demonstrates that the development of an economy has direct bearing upon expansion of its employment opportunities. Gainful employment of labour with adequate wages not only helps to raise their standard of living but also significantly contributes by way of increased capital formation and creation of demands for goods and services which further pave the way for employment of surplus labour through productive channels. Thus, it also promotes the national income that is taxed to pay for public services, which again boosts the standard of living. Rural-based industrial units have proved to be more efficient in generation of employment than their urban counterparts on more grounds than one. Inspite of various constraints, which stand on their way in utilizing plant capacities, the rural units are able to generate more employment with low involvement of capital as compared to their urban counterparts.

1.6.2. Woman Entrepreneurs

K. Madhumurthy, (2002)\textsuperscript{11} in “Entrepreneur evaluation of the concept and characteristics” revealed that “the entrepreneur is initially identified with such simple characteristics as willingness to take risk and ability to make decisions under uncertain conditions with changes in the state of economy and technology, to take up other roles like manager etc”. These attributes give an impression that the entrepreneur is a special kind of person and that not everyone can be an entrepreneur. Though this cannot be conclusively proved, the entrepreneur is certainly different from a nonentrepreneur in his social, economic and psychological disposition and achievement motivation.

Vibha Sinha (2000)\textsuperscript{12} revealed that the number of women, burning to take up entrepreneurship, has been growing manifold in the region. Most of the woman entrepreneurs take up entrepreneurship primarily, to remain busy and fulfill their ambition. Women have shown to have high single-mindedness of purpose to achieve perfection in the quality of their products and services and establish their business well.

\textsuperscript{11} Madhumurthy, K., Entrepreneur: Evaluation of the Concept and Characteristics, SEDME, 29.4., December 2002, pp. 1-29.
Raveendran, N. et al. (2002)\textsuperscript{13} revealed that the dummy variable of state was significant to determine the annual savings of the self group. Age factor had an interesting influence on the savings of the groups and it influenced negatively. The significantly influencing variable on the annual savings of the SHG are annual loan disbursement, age of the group, average annual saving / members and the nature of the state.

Dil Bagh Kaur et al. (2003)\textsuperscript{14} in his study concluded that besides providing technical and financial assistance, it is essential to educate rural women and extend entrepreneurial management and marketing skills also, to enhance their confidence and competence so that they would become self reliant.

Sivaloganathan, K. (2002)\textsuperscript{15} identified the problems faced by woman entrepreneurs in India to be inequality in family background, low wages, inadequate training, government policies, exploitation by middlemen, problem of finance, scarcity of raw materials, stiff competition, high cost of production, low mobility, social attitudes, low ability to bear risk, lack of education, low need for achievement,

project-related problems, family ties, shortage of power, inadequate infrastructure facilities and socio economic constraints.

Sandberg (2003)\textsuperscript{16} revealed that doing business in rural sectors seems to diminish gender-related barriers. It may be that it is advantageous for women to start business in rural areas, where inhabitants seem to be more concerned with economic opportunity than gender distinctions. One difference that is of interest is that female owners / operators were more articulate. In effect, they were better at describing problems common to both males and females.

Carter and Rosa (2002)\textsuperscript{17} identified that the female entrepreneurs tended to write more and respond in ways that suggest that they tend to reflect more upon the future and new possibilities. Differences in style of operations were evident. Others have reported that written responses from female entrepreneurs described in greater detail and more clearly, the urging need for governmental support of networking activities and other programmes that promote co-operation and resource pooling.


Westhead (2003)\textsuperscript{18} provided the empirical evidence relating to the wealth contributions of female and male-controlled businesses. His study focused on the performance of business controlled by male or female single decision makers. The total assets and owners’ equity was significantly higher for the male-controlled business. The total income and profit were also significantly higher in male-controlled business.

\textit{Agnete Alsos et al.,} (2003)\textsuperscript{19} identified three types of farm-based entrepreneurs, who were labelled as pluriatric, resource-based and portfolio entrepreneurs. These differed on several features relevant to the three theoretical perspectives employed, including connection to the farm, business goals, source of business ideas, resource-base and source of competitive position. They also differed in business characteristics such as size, capital requirements, ownership and employment.

Ambigadevi (2003)\textsuperscript{20} found that due to the increased income of women, their contribution to their families has increased. Women who do household work for which they are not being paid, also work outside for money to supplement their family income. The important


discriminant variables among women, who contribute to their family income, are income earned and family income. The study identified the importance of socio-economic factors to discriminate the two groups of women.

Sandra et al., (2003) found that motivational reasons for business start up are dissatisfaction with the previous employment, inability to find suitable employment and desire to be their own boss. It was found that the important barriers faced are lack of affordable business premises, inadequate grants, cash-flow problems, child-care problems, lack of business networking and support groups, inconsistent support from service providers, dissatisfaction with support from banks, lack of confidence and limited expectations about future business progression.

1.6.3. Success Factors for Woman Entrepreneurs

Kalyani and Chandralekha (2002) observed that the socio-economic and demographic characteristics have a significant impact on the involvement of woman entrepreneurs, particularly, when it comes to enterprise management. Many of them do receive help from

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their family members, particularly, the male members, in carrying out various kinds of work.

Rani, C. (1997)\textsuperscript{23} opined that the participation of women in economic activity is a must for the development of the country. At present, the rate of participation of women is very low; only 28 per cent of them are working women and the percentage of self-employed women is only 5.7 per cent. The percentage of women entrepreneurs is found to be only 6.7 out of the 16 million SSI entrepreneurs of India.

Ray, P. et al., (2002)\textsuperscript{24} found that the variables namely caste, family size and social participation had a significant influence on the change in the income of the respondents. The farm was found significantly and positively correlated with the change in income and the variables namely size of holding, caste, family size, social participation, change in crop yield and the difference between the amount of loan applied for and the amount realized. The direct effects were substantial over the total effect.


Katar Singh and Raji Gain (2002)\textsuperscript{25} pointed out that the women distribute their work in three shifts. In the mornings, a team of four women prepares cows for milking and undertake distribution of milk, recording of milk yield and clearing the shed. The second team of three, in the afternoon, prepares feed, wash the utensils and makes dung cakes. In the evenings, the third team of three women milk the cows, distribute the milk and record the yield. The shifts are taken up by rotation. The total expenses and total income are equally shared by the women.

Manimekalai (2002)\textsuperscript{26} mentioned that the entrepreneurship is not confined to any particular stratum of society, sex or race. There is no difference between men and women, on the basis of personality recognition etc. However, entrepreneurial women still constitute only a small percentage of the total self-employed population in the developing countries. Majority of them constitute only a small percentage of the total self-employed population in the developing countries. Majority of them had low initial investment and 100 per cent of the investment was made out of their own effort. The major problems faced by these women were lack of funds for initial investment, lack of knowledge of procedures for acquiring loans, non-implementation of existing policies etc.

1.6.4. Determinants of Women Entrepreneurship

Vipinkumar, V.P. and Baldeo Singh (2000)\textsuperscript{27} pointed out that the most important variables for selected personal and socio-psychological characteristics, were socio-economic status, information source, use pattern, extension orientation, attitude towards SHG and scientific orientation. These variables provide enough morale strength to the members to explore into new areas and develop inter-personal relationship with various kinds of people and sources of information.

Neelaveni et al., (2000)\textsuperscript{28} found that age factor, mass media consumption and extension contact were significantly influencing the variation in the developmental priorities of farm women in agri-business management. Age was found to be significantly and negatively associated with developmental priorities. As age increases, their energy declines and hence their attention in management of activities in agri-business declines. As mass media consumption and extension increase, their exposure to new technologies in agri-business management increases thereby increasing their attention in management of agri-business activities.

Raveendran et al., (2002) revealed that the average annual savings per women self help group in Tamil Nadu was less than that in Kerala by Rs.3185.24. The number of group leaders, who took initiatives for starting income generation activities, were higher in Tamil Nadu than in Kerala. The number of group leaders, interested in providing training to group members were higher in Tamil Nadu than in Kerala. He found that the significant variables which lead to functional performance of the self-help groups are annual loan disbursement, age of the group members, average annual savings per member and dummy variable of the state.

Aravinda and Renuka, S. (2001) in their exploratory study on woman entrepreneurs, revealed that the important factors which motivated the women towards entrepreneurship are self interest in that particular area of enterprise and inspiration from other successful women. Their study revealed that the facilitating factors that had an impact, in maintaining the enterprises successfully, were self experience, interest and family’s help and support. Woman entrepreneurs, in general, face conflicts in work and home roles. The main conflicts in work role pertained to inability to expand the enterprise and optimum utilization of available skills. Non availability of time to spend with family and to be a good spouse were the conflict

areas in the performance of home role. It may be concluded that
woman entrepreneurship requires a congenial entrepreneurial climate
which motivates and facilitates women to take up entrepreneurial
career.

1.6.5. Problems faced by Women Entrepreneurs

Lalitha Rani (2000)\textsuperscript{31} identified the two major problems faced by
the woman entrepreneurs to be dual career and wrong evaluation of
the product by the customers. Securing financial aid and marketing
have also been listed as other issues which posed a problem to the
woman entrepreneurs. The social barriers like comments by
husbands and relatives and criticism by the immediate society are the
societal barriers for woman entrepreneurs.

Manimekalai (2002)\textsuperscript{32} mentioned that the significant correlation
between women’s education and their role in decision-making are
identified in the areas namely child care, education, recreation, dress
and family savings. Similarly, there is a significant correlation
between women’s contribution to household income and their role in
decision making regarding child care, education, recreation, dress and
family savings.

\textsuperscript{31} Lalitha Rani, “Enterprise Development: Employment avenues for Women”,
\textsuperscript{32} Manimekalai, N., “A Comparative Study of Working Women and Housewives”,
Dil Bagh Kaur et al., (2003)\textsuperscript{33} concluded that besides providing technical and financial assistance, it is essential to educate rural women and extend entrepreneurial management and marketing skills so as to enhance their confidence and competence to make them self reliant.

Shailendra Singh and Saxena (2000)\textsuperscript{34} revealed that the woman entrepreneurs of eastern U.P. struggle against many odds namely traditional culture, low economic opportunity, low special accessibility and the personal characteristics namely shyness, lack of achievement motivation, low risk - taking, low education level, unsupportive family environment, lack of information and experience, problem of liquidity and finance.

Thangamani K and Uma Priya (2001)\textsuperscript{35} identified that 56 per cent women obtained a profit of Rs.500 and below 34 per cent of women gained Rs.501 to Rs.1000. Only 10 per cent of women had a profit of Rs.1001 to Rs.1500. Totally, 88 per cent of the women expressed that they had gained profit from their enterprises. Out of this, fifty six per cent women obtained a profit of Rs.500 and below. It was found that sixty two per cent utilized the profit for the expansion

\begin{itemize}
\end{itemize}
of business, by investing more on the purchase of raw materials whereas 24 per cent women utilized the profit on family expenditure followed by 14 per cent utilizing the profit for the education of their children.

Kamar Jahan et al., (2000)\(^{36}\) found out that the woman entrepreneurs in Tamil Nadu were engaged in three important activities namely manufacturing, trade and commerce and services. Manufacturing includes food-based and cloth-based products. The trade and commerce activity includes retail trade in food items, fruits, vegetables, flowers etc. Services include community, social and personal repair services like beauty parlour, tailoring, money-lending, pawn- broking etc.

Sivaloganathan, K. (2002)\(^{37}\) pointed out that the problems faced by woman entrepreneurs in India are inequality, family background, low wages, inadequate training, government policies, exploitation by middlemen, problem of finance, scarcity of raw materials, stiff-competition, high cost of production, low mobility, social attitudes, low ability to bear risk, lack of education, low need for achievement, project-related problems, family ties, shortage of power, inadequate infrastructure facilities and socio economic constraints.

Neelam Yadav et al. (1998) stated that lack of security, maternity and medical leave facilities, job guarantee, cuts in wages if absent from job, seasonal nature of employment and long hours of work were the major constraints to woman entrepreneurs. Limited mobility in women is the greatest handicap of female labour. The self-employed women suffer from lack of finance, a fixed place for business and a stable market for their products.

Surapa Raju (2000) revealed that the pull category of woman entrepreneur are more younger than the push category. Most of the pull category women are of upper castes and majority of the push category belong to backward and scheduled class categories. After starting the enterprises, the average monthly income of the pull and push entrepreneurs have increased by 4.0 and 1.2 times respectively. The percentage contribution of push entrepreneurs’ income to their family income is nearly 69 per cent whereas in the case of pull category it is only 34 per cent.

Gayatridevi Patil and Uma Gaurmath (2002) found from their study that an educated woman would be in a better position to collect, interpret, utilize and relate information in day to day life and though

women’s participation in social institution was very low, their indirect participation, either as member or office bearer, might have contributed to gaining knowledge. Mass media are important sources of information and women who were exposed to mass media gained better knowledge.

Vasumathi A., et al., (2003) highlights two important matters on stress. First, small entrepreneurs are affected by stress, caused by achievement and affiliated need related stressors. Power-need related stressors are not significant in affecting them. Secondly entrepreneurs adopt silent, less expensive, tradition-bound stress reduction strategies, in preference to other types of copying styles.

1.7. RESEARCH GAP

Even though, there are so many studies, related to entrepreneurship, woman entrepreneurship and its consequences on their performance and empowerment, there is no exclusive study on entrepreneurial traits, its determinants and consequences in Kanyakumari district, especially among the woman industrialists (SSI). Hence, the present study has made an attempt to fill up the research gap with the proposed research model.

1.7.1. Proposed Research Model

The proposed research model of the present study is given below:

Proposed research model

- Socio-economic profile of respondents
- Determinants of entrepreneurial traits
- Entrepreneurial traits among respondents
- Outcome of entrepreneurial traits
  - Enterprise involvement
  - Entrepreneurial risk
  - Enterprise problem
  - Business performance
1.8. OBJECTIVES OF THE PRESENT STUDY

The objectives of the present study are as under:

1. To exhibit the socio-economic profile of the respondents and their personality traits,

2. To measure the existence of entrepreneurial traits among the respondents,

3. To explain the various determinants of entrepreneurial traits among the respondents,

4. To examine the linkage between the determinants of entrepreneurial traits and the existence of entrepreneurial traits among the respondents,

5. To explain the various outcome of entrepreneurial traits,

6. To identify the discriminant entrepreneurial traits and their determinants and outcome among the experienced and less experienced respondents and

7. To evaluate the impact of entrepreneurial traits on their various outcomes.

1.9. METHODOLOGY

Research methodology is the way of systematically and scientifically solving the research problem. It is a blue print of the way in which the research work is going to be conducted. It starts from ‘objectives of the study’ and ends with the ‘findings and suggestions of the study’. The research methodology also enlightens the methods to be followed in research activities, starting from problem identification to presentation of research report. It includes the research design,
population, sampling frame work, source of data, collection of data, frame work of analysis and limitations.

1.10. RESEARCH DESIGN OF THE STUDY

The applied research design of the present study is descriptive in nature because of the following given reasons:

1. The present study has made an attempt to describe the characteristics of the owners of SSI units.

2. The entrepreneurial traits of the owners of SSI units have been estimated with the help of the owners’ view on the various aspects, related to entrepreneurial traits.

3. The association between the profile of the owners of SSI units and their entrepreneurial traits have been discussed.

4. The degree of impact of the various components of entrepreneurial traits on the overall entrepreneurial traits have been focused.

5. The impact of the various aspects in entrepreneurial traits on the business performance have been discussed.

Apart from the above, the present study has its own preplanned and determined objectives and methodology. Hence it is descriptive in nature (William, 2002).42

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1.11. NATURE OF DATA

The present study is mainly based on both primary data and secondary data. The secondary data related to the population of the study, has been collected from the District Industries Centre at Nagercoil.

1.11.1. Number of SSI Units in Kanyakumari District (Population of the Study I)

The SSI units in Kanyakumari district are confined to the units which are registered in District Industries Centre Nagercoil as on 31.03.2010. The number of units owned by male and female respondents are collected from the DIC at Nagercoil and presented in Table 1.1.
Table 1.1

Number of SSI units in Kanyakumari District

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of block / Municipality</th>
<th>No. of units owned by</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>1.</td>
<td>Agasteeswaram</td>
<td>486</td>
<td>264</td>
</tr>
<tr>
<td>2.</td>
<td>Killiyoor</td>
<td>369</td>
<td>189</td>
</tr>
<tr>
<td>3.</td>
<td>Kuruthencode</td>
<td>443</td>
<td>186</td>
</tr>
<tr>
<td>4.</td>
<td>Melpuram</td>
<td>432</td>
<td>184</td>
</tr>
<tr>
<td>5.</td>
<td>Munchirai</td>
<td>364</td>
<td>168</td>
</tr>
<tr>
<td>6.</td>
<td>Rajakkamangalam</td>
<td>343</td>
<td>241</td>
</tr>
<tr>
<td>7.</td>
<td>Thiruvattar</td>
<td>287</td>
<td>263</td>
</tr>
<tr>
<td>8.</td>
<td>Thovalai</td>
<td>249</td>
<td>197</td>
</tr>
<tr>
<td>9.</td>
<td>Thuckalay</td>
<td>296</td>
<td>178</td>
</tr>
<tr>
<td>10.</td>
<td>Nagercoil, Kuzhithurai, Colachel and Padmanaphapuram Municipality</td>
<td>3820</td>
<td>2742</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>7089</td>
<td>4612</td>
</tr>
</tbody>
</table>

**Source:** DIC at Nagercoil, during 2010-11.

Totally, there are 11701 SSI units in Kanyakumari district out of which 7089 unit are owned by men whereas the remaining 4612 units by women. Higher number of SSI units are seen in the four municipalities of Kanyakumari district. It is followed by Agasteeswaram and Kuruthencode blocks which consist of 750 and 629 SSI units respectively.
1.11.2. Number of Woman Industrialists (SSI) at Kanyakumari district (Population of the Study II)

The woman industrialists are classified into experienced and less experienced industrialists. The experienced industrialists are those who have registered their units before 2005 and those who registered their units on or after 2005 are considered as less experienced. The distribution of woman industrialists in Kanyakumari district is given in Table 1.2.

Table 1.2

Number of Woman Industrialists in Kanyakumari District

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of block</th>
<th>Number of respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Experienced</td>
<td>Less Experienced</td>
</tr>
<tr>
<td>1.</td>
<td>Agasteeswaram</td>
<td>119</td>
<td>145</td>
</tr>
<tr>
<td>2.</td>
<td>Killiyoor</td>
<td>103</td>
<td>86</td>
</tr>
<tr>
<td>3.</td>
<td>Kuruthencode</td>
<td>88</td>
<td>98</td>
</tr>
<tr>
<td>4.</td>
<td>Melpuram</td>
<td>112</td>
<td>72</td>
</tr>
<tr>
<td>5.</td>
<td>Munchirai</td>
<td>79</td>
<td>89</td>
</tr>
<tr>
<td>6.</td>
<td>Rajakkamangalam</td>
<td>107</td>
<td>134</td>
</tr>
<tr>
<td>7.</td>
<td>Thiruvattar</td>
<td>123</td>
<td>140</td>
</tr>
<tr>
<td>8.</td>
<td>Thovalai</td>
<td>91</td>
<td>106</td>
</tr>
<tr>
<td>9.</td>
<td>Thuckalay</td>
<td>89</td>
<td>89</td>
</tr>
<tr>
<td>10.</td>
<td>Municipalities (4)</td>
<td>1189</td>
<td>1553</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2100</td>
<td>2512</td>
</tr>
</tbody>
</table>

Source: DIC at Nagercoil, during 2010-11.
Out 4612 women industrialities 2100 are experienced and 2512 are less experienced. Higher number of woman industrialists (SSI) have been identified in the four municipalities. It is followed by Agasteeswaram and Thiruvattar blocks which consist of 264 and 263 woman industrialists respectively.

1.12. SAMPLING FRAMEWORK OF THE STUDY

The total sample size of the present study is arbitrarily determined as 20 per cent of the population. The applied sampling procedure for the present study is proportionate random sampling. The samples are drawn from each block of Kanyakumari district and 4 municipalities of the district on the basis of 20 per cent of their respective population. The selected number of woman industrialists and the industrialists who responded to the questionnaire in the first and second attempts are summarised in Table 1.3.
### Table 1.3

 Included Samples and Responded Samples of the Study

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Block</th>
<th>Sample (20 per cent of population)</th>
<th>Responded samples</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Experienced</td>
<td>Less Experienced</td>
<td>Total</td>
</tr>
<tr>
<td>1.</td>
<td>Agasteeswaram</td>
<td>24</td>
<td>29</td>
<td>53</td>
</tr>
<tr>
<td>2.</td>
<td>Killiyoor</td>
<td>21</td>
<td>17</td>
<td>38</td>
</tr>
<tr>
<td>3.</td>
<td>Kuruthencode</td>
<td>18</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>4.</td>
<td>Melpuram</td>
<td>22</td>
<td>14</td>
<td>36</td>
</tr>
<tr>
<td>5.</td>
<td>Munchirai</td>
<td>16</td>
<td>18</td>
<td>34</td>
</tr>
<tr>
<td>6.</td>
<td>Rajakkamangalam</td>
<td>21</td>
<td>27</td>
<td>48</td>
</tr>
<tr>
<td>7.</td>
<td>Thiruvattar</td>
<td>25</td>
<td>28</td>
<td>53</td>
</tr>
<tr>
<td>8.</td>
<td>Thovalai</td>
<td>18</td>
<td>21</td>
<td>39</td>
</tr>
<tr>
<td>9.</td>
<td>Thuckalay</td>
<td>18</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>10.</td>
<td>Municipalities (4)</td>
<td>237</td>
<td>310</td>
<td>547</td>
</tr>
</tbody>
</table>

**Total** 420 502 922 327 349 676
The total number of samples included in the present study are 922 (20% of 4612 respondents). In the first attempt, the total number of samples who responded to the questionnaire was 327 whereas in the second attempt, it was 349. Totally, the responded sample size is 676. Hence, the response rate is 73.32 per cent to the total 922 respondents.

1.13. COLLECTION OF DATA

The required data to fulfill the objectives of the present study were collected with the help of a pre-structured questionnaire. The questionnaire was classified into three important parts. The first part of the questionnaire consists of the general profile of the respondents and their personality traits. The second part of the questionnaire traces the existence of entrepreneurial traits among the respondents and the existence of various antecedents of entrepreneurial traits among them. The final part of the questionnaire consists of the various outcomes of entrepreneurial traits.

The variables related to entrepreneurial traits, determinants of entrepreneurial traits and the outcome of entrepreneurial traits were drawn from the review of previous studies and the view of experts. A pre-test was conducted among woman industrialists at the rate of 20 each from Nagercoil, Kuzhithurai, Colachel and Padmanabhapuram municipalities in Kanyakumari district. Based on the feedback from
the pilot study, certain modifications, additions and deletions were carried out to prepare the final questionnaire.

1.14. FRAMEWORK OF ANALYSIS

For analyzing the data collected during the investigation, the following statistical tools were used. It is highly based on the nature of data and the relevance of information required. The applied statistical tools and the relevance of their application are given below.

1.14.1. Exploratory Factor Analysis

Exploratory Factor Analysis is a procedure that takes a large number of variables and searches to see whether they have a small number of factors in common which accounts for this inter correlation (Karl, 1971). The factor analysis is used for data reduction, structure identification, scaling and data transformation.

In the present study, the factor analysis has been used to identify the entrepreneurial motivation factors, entrepreneurial orientation and entrepreneurial risks among the woman industrialists.

1.14.2. Two-group Discriminant Analysis

Discriminant Analysis is a technique that is appropriate with a nominal dependent variable and internal independent variables. Nominal dependent variables are very common in Human Resource management. The basic idea of Discriminant Analysis is to find a

linear contribution of the independent variables that make the mean scores, across categories of the dependent variables on this linear combination maximally different. The linear combination is called the discriminant function. In symbols it is an follows

\[ Y = a + b_1x_1 + b_2x_2 + \ldots + b_nx_n \]

where

- \( Y \) = Discriminant criterion
- \( x_1, x_2, \ldots, x_n \) = Discriminant coefficients
- \( b_1, b_2, \ldots, b_n \) = regression coefficient of independent variables
- \( a \) = Intercept

The Wilk’s Lambda was calculated as a multi-variant measure of group difference over discriminating variables. The relative power of the variables was calculated by

\[ I_j = K_j (\bar{X}_{jk} - \bar{X}_{jk}) \]

where

- \( I_j \) = the important value of the \( j^{th} \) variable
- \( K_j \) = Unstandardised discriminant coefficient for the \( j^{th} \) variable
- \( \bar{X}_{jk} \) = Mean of the \( j \)th variable for the ‘\( k \)' th group.

The relative importance of a variable \( R_k \) is given by

\[ R_k = \frac{I_k}{\sum_{j}^{} I_j} \]

In the present study, the two group discriminant analysis has been administered to identify the discriminant determinants and the
outcome of entrepreneurial traits among the experienced and less experienced woman industrialists.

1.14.3. Confirmatory Factor Analysis

The Confirmatory Factor Analysis has been used to examine the reliability and validity of the variables included in each construct. The standardized factor loading of the variables is greater than 0.4 and the significance of the standardized factor loading at 0.05 per cent level indicates the convergent validity of the construct (Anderson and Gerbing, 1988)\(^{44}\). The composite reliability of the construct is assured when the composite reliability is greater than the minimum threshold of 0.70 (Fornell and Larcher, 1981)\(^{45}\). The more conservative proportion of variance extracted indices which indicate the amount of variance captured by a construct, in relation to the amount of variance due to the measurement error, demonstrate high validity. All indices exceeding the minimum standardized unit of 50 per cent, indicate that the variance captured by the construct exceeds the variance due to measurement error (Kang et al., 2002)\(^{46}\).

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It is applied to examine the reliability and validity of variables in each construct related to entrepreneurial traits, its determinants and outcome.

1.14.4. Multiple Regression Analysis

The Multiple Regression Analysis is applied to measure the impact of independent variables on the dependent variable when both dependent and independent variables are in interval scale. The Linear Regression Model has been applied by using least square method. It takes the form of

\[ Y = a + b_1x_1 + b_2x_2 + \ldots + b_nx_n + e \]

where

- \( Y \) = dependent variable
- \( x_1, x_2, \ldots, x_n \) = independent variable
- \( b_1, b_2, \ldots, b_n \) = regression coefficient of independent variables
- \( a \) = Intercept
- \( e \) = error term

In the present study, the multiple regression analysis has been used to measure the impact of the various determinants of entrepreneurial traits on the entrepreneurial traits among the owners of SSI units and the impact of various aspects of entrepreneurial traits on the various outcomes of the entrepreneurial traits among the woman industrialists.
1.14.5. T-Statistics

The 't' test has been used to find out the significant difference between the two means among the experienced and less experienced woman industrialists regarding various aspects related to entrepreneurial traits.

\[ t = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{s_1^2}{n_1} + \frac{s_2^2}{n_2}}} \]

where

\[ \bar{x}_1 = \text{Mean of the first sample} \]
\[ \bar{x}_2 = \text{Mean of the second sample} \]
\[ s_1^2 = \text{Variance in the first sample} = \frac{\sum(x_i - \bar{x}_1)^2}{n_1} \]
\[ s_2^2 = \text{Variance in the second sample} = \frac{\sum(x_i - \bar{x}_2)^2}{n_2} \]
\[ n_1 = \text{Number of samples in first sample group} \]
\[ n_2 = \text{Number of samples in second sample group} \]

1.14.6. One Way Analysis of Variance

The One Way Analysis of Variance is applied in the present study when the criterion variables are internal scale and the number of samples are greater than 2 groups. The F-statistics is calculated by

\[ F_{\text{ratio}} = \frac{\text{Variance between groups}}{\text{Variance within groups}} \]

and it has to be compared with the respective table value of 'F'
In the present study, the one way analysis of variance has been applied to analyze the association between the profile of the woman industrialists and their possession of entrepreneurial traits, view on the determinants of entrepreneurial behaviour and its outcome. The association between the profile of SSI units and their entrepreneurial traits have also been examined.

1.15. LIMITATIONS OF THE STUDY

The present study is subjected to the following limitations:

1)  The classification of woman industrialists is based on the date of registration of their unit at District Industries Centre, Nagercoil.

2)  The scope of the study is limited to Kanyakumari district only.

3)  Since the study is purely based on the psychological aspects related to entrepreneurial traits of the owners of SSI units, the qualitative variables are converted into quantitative variables, with the help of Likert Five Point scale.

4)  The linear relationship between dependent and independent variables has been assumed.

5)  Even though, the business performance can be measured in monetary terms, the present study uses only the descriptive variables to measure it.

6)  The included determinants of entrepreneurial traits are only business environment factor, entrepreneurial motivation, entrepreneurial intention and entrepreneurial orientation.
1.16. CHAPTERIZATION OF THE STUDY

The present study is presented in six chapters.

The first chapter covers the introduction, need for the study, statement of the problem, related reviews, research gap, proposed research model, objectives of the study, methodology followed, limitations and chapterization of the study.

The second chapter contains the conceptual frame work of the study. The focused concepts are entrepreneurial motivation factors, entrepreneurial intention, entrepreneurial orientation, entrepreneurial traits, entrepreneurial risks, problems in enterprising and the personality traits of respondents.

The third chapter gives the socio-economic profile of the respondents and their personality traits among them.

The fourth chapter consists of the various determinants of entrepreneurial traits, overall entrepreneurial traits associating between the profile of respondents and their entrepreneurial traits and the impact of the determinants of entrepreneurial traits on the overall entrepreneurial traits.
The fifth chapter explains the enterprise involvement entrepreneurial works, perception of problems in enterprising and business performances, the impact of various entrepreneurial traits on the business performance and the discriminant entrepreneurial aspects among the experienced and less experienced entrepreneurs.

The sixth chapter gives the summary of findings, conclusions, research implications, suggestions and scope for future research.