CHAPTER VII

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

7.1 INTRODUCTION

An entrepreneur is a person who has possession of an enterprise or venture and assumes significant accountability for the inherent risks and outcome. He is an ambitious leader who combines land, labour and capital to create and market new goods or services. A strong desire to do something positive is an inbuilt quality of an entrepreneur. Most successful entrepreneurs have a few things in common such as courage, vision, intuition and persistence. An urge to exercise power over things and objects persists among all human beings. The urge may vary in degree from person to person. This urge is an intrinsic quality of an entrepreneur. He is harbinger of economic growth; he combines entrepreneurial drive with leadership and innovativeness.

Entrepreneurship is an ancient concept that is both simple and complex at the same time. Conceptualizations, definitions and understandings of the phenomenon have attracted scholars and practitioners for a very long time. Even though the definition of entrepreneurship has been debated among scholars, educators, researchers, and policy makers since the concept was first established in the early 1700’s, there is still no complete consensus on the definition of this field of study. Entrepreneurship requires an entrepreneur to be a person of superior ability who pursues his / her goals despite obstacles, opposition, setbacks, and failure. He / she must persist in the face of adversity, confront unknown challenges, risks and learn from failures, have confidence in his / her capacity to deal with the world, and take practical rational steps in the pursuit of goals. The successful entrepreneur tends to be a visionary, competent, independent, action-oriented, passionate, confident, and virtuous person who uses reason to focus his or her enthusiasm on reality in the efforts to attain the goals.
Business exchange and entrepreneurship flourish among migrants because mutual exchange and hard work are respected and are often discriminated against as workers but respected as traders running their own businesses. Given the constraints of the culture around them, they adopt various strategies to earn a living by competing in the market place with natives instead of isolating themselves and only interacting with their fellows. Migrant entrepreneurs form a significant part of the small and medium enterprises sector in the cities and thus, an important vehicles for urban vitality. Usually, these migrant entrepreneurs have to work in an unfamiliar and risky business environment. Often, they tend to be risk-avoiding and hence concentrate on traditional market segments.

In recent years, there is an increasing trend towards self-employment or entrepreneurship among the migrants. The phenomenon of migrant entrepreneurship deserves more in-depth, profound and scientific investigation. Given the growing importance of entrepreneurship, there is practical value in being able to identify critical entrepreneurial characteristics. Due insight into entrepreneurial behaviour and the relative performance of migrants is needed to develop an effective business policy, in which migrants are seen as a source of new socio-economic opportunities, for both the migrant groups and the city concerned. Strategic information is also necessary for the development of fine-tuned policy strategies for enhancing the participation of traditionally less-privileged groups and for improving their business performance potential. This will also help in identifying the issues faced by migrant entrepreneurs not only in their day to day activities, but also in their business activities. Moreover, this will also fill the void in the information about the migrant entrepreneurs in Chennai city, which is chosen as the study area.

The review of the literature related to the nature of migrant entrepreneurs, their characteristics and also the factors which influence them to become entrepreneurs in the host countries / regions reveal that migrants become entrepreneurs both due to push and pull factors. Their entrepreneurial background, inability to found any employment in the host country and the easy nature of becoming of entrepreneurs all facilitate the migrants to become entrepreneurs. However, they also face many barriers and problems while becoming entrepreneurs
and / or after becoming entrepreneurs. Availability of capital, different ethnic background, different language, culture and other factors act as barriers apart from the host regions’ polices and rules of business. Moreover, review of literature also indicates that only a few attempts have been made in India, while there is hardly any attempt pertaining to Tamil Nadu or Chennai that examined the problems and success of migrant entrepreneurs. Thus, the present study aims to fill this void with the help of primary data collected from the migrant entrepreneurs who are settled in Chennai city.

7.2 OBJECTIVES OF THE STUDY

1. To examine the socio-economic characteristics of the migrant entrepreneurs;

2. To study the business profiles, investment and returns of migrant entrepreneurs;

3. To study the factors that influenced the migrants to become entrepreneurs;

4. To assess the reasons for the success of the migrant entrepreneurs;

5. To study the problems faced by the migrant entrepreneurs;

6. To suggest policy measures for the promotion of entrepreneurial activities among the migrants in the study area.

7.3 FINDINGS OF THE STUDY

7.3.1 Societal Characteristics

Area and Sex

In the study area, male entrepreneurs comprise of 82 per cent overall, which is 84 per cent in North Chennai and 80 per cent in South Chennai and hence, the proportion of female entrepreneurs is marginally higher in South Chennai (20 per cent) than that of North Chennai (16 per cent).
Area and Age

Age-wise, 42 per cent of the entrepreneurs are upto 40 years of age which is 43.6 per cent in North Chennai and 40.4 per cent in South Chennai, while 58 per cent of the total entrepreneurs are above 40 years of age, which is 56.4 per cent in North Chennai and 59.6 per cent in South Chennai.

Sex and Age

Among the male entrepreneurs, 36.9 per cent belong to the upto 40 years of age, which is 65.9 per cent in the case of females, while 63.1 per cent of the male entrepreneurs are above 40 years, which is only 34.1 per cent among the female entrepreneurs. Thus, the female respondents are younger than the male respondents in the study area.

Age and Religion

Religion-wise, the proportion of Hindus is more than 81 per cent overall, which is 78.6 per cent among the males and 93.2 per cent among the females. The proportion of entrepreneurs who belong to Hinduism is 45.1 per cent among those who are upto 40 years of age and 54.9 per cent belong to above 40 years, while around 70 per cent of the respondents belonging to Christianity and Islam also fall in the above 40 age group.

Sex and Community

The sex-wise community of the respondents indicates that around 41 per cent belong to the BC community overall, which is 40 per cent among the males and 47.7 per cent among the females, while in the case of latter, no one belongs to SC and ST communities.

Community and Age

Among the FC respondents, 42.4 per cent belong to below 40 years of age, which is 42 per cent among the BC respondents, 44.8 per cent in the case of MBC
respondents and only 20.8 per cent among the SC and ST respondents. This underscores the varying age levels of the respondents in the study area.

**Sex and Educational Levels**

The sex-wise educational levels of the respondents indicate that overall the level of education is low, since 44.2 per cent of them are literate upto a maximum of higher secondary level, while 38.8 per cent are either graduates or post-graduates. Among males, 48.3 per cent are literate upto the higher secondary level, which is 25 per cent among the females, while 32.5 per cent of the male respondents are either graduates or post-graduates, which is 68.2 per cent among the females. This implies that among the male migrants, even those with low level of education have turned entrepreneurs, whereas in the case of females, only those with higher educational qualifications have become so.

**Age and Educational Levels**

Among those who are upto 40 years, 36.2 per cent (76 out of 210 respondents) are literate upto higher secondary level, while 37.1 per cent (78 out of 210 respondents) have graduation or post-graduation degrees. In the case of those who are above 40 years, 50 per cent (145 out of 290 respondents) are literate upto the level of higher secondary, while 40 per cent (116 out of 290 respondents) are graduates or post-graduates.

**Sex and Place of Origin**

The place of origin of the migrant entrepreneurs suggests that around 36 per cent of the respondents have come from other States, which is 42 per cent among the males and 10.2 per cent among the females.

**Age and Place of Origin**

Age-wise, among those who have come from other parts of Tamil Nadu, 51 per cent come under the upto 40 years age group, which is only 26.4 per cent in the case of those who have come from other States, while among those who have made
intra-state migration, 49 per cent are above 40 years of age, which is 73.6 per cent in the case of those who have made inter-state migration.

**Sex and Language**

The share of respondents who speak other languages is higher among the male respondents (94.4 per cent), while only a few (5.6 per cent) could be found among the female respondents.

**Age and Language**

On the basis of their age, the percentage of respondents who speak Tamil is higher among those who belong to the age group of upto 40 (50.5 per cent) than those who belong to above 40 years (49.5 per cent); on the other hand, out of those who speak other languages, 28.7 per cent belong to the upto 40 years age category, while 71.3 per cent belong to above 40 years. This implies that the proportion of respondents who speak other languages is higher among the older respondents.

**7.3.3 Nature of Business of the Migrant Entrepreneurs**

**Sex and Nature of Business**

Nature of business-wise, among the total respondents, around 30 per cent are engaged in retail trade, which is 24.3 per cent among males, while it is as much as 52.3 per cent among females. Moreover, in the case of female respondents, none of them is involved in manufacturing, construction and also transport activities, which is understandable, given the nature of the business.

**Age and Nature of Business**

On the other hand, the age-wise distribution of nature of business of the respondents suggests that except that of ‘finance’, in all other businesses, more than 50 per cent of the respondents are above 40 years of age.
7.3.4 Previous Employment of the Migrant Entrepreneurs

Sex and Previous Employment

The previous employment status of the migrant entrepreneurs indicates that in the case of male respondents, 22.6 per cent were employed previously, which is only 4.5 per cent among the female respondents. This suggests that entrepreneurship among the females is an afterthought or the factors which exist in the host place have attracted them to become entrepreneurs, while in the case of males, some of them have migrated with the aim of becoming entrepreneurs in Chennai.

Age and Previous Employment

In the case of those who were employed earlier, 83.6 per cent belong to the above 40 years age group, which underlines the fact that among the younger entrepreneurs, most of them were not employed earlier.

7.3.5 Number of Years in Chennai by the Respondents

Sex and Number of Years in Chennai

Among the male migrant entrepreneurs, 35.2 per cent are residing for upto 10 years in Chennai, which is 72.8 per cent in the case of females, while 64.8 per cent of the males are living in Chennai for more than 10 years, which is only 27.2 per cent in the case of female respondents. Thus, the proportion of male respondents is higher in the category of those who are residing for longer duration than that of females.

Age and Number of Years in Chennai

The age level-wise number of years in Chennai by the respondents indicates a positive relationship. For instance, in the case of those who are residing for upto 10 years in Chennai, 64.6 per cent belong to the age group of upto 40 years, while 35.4 per cent come under the above 40 years age group; on the other hand, in the case of those who are living for more than 10 years, 25.8 per cent belong to upto 40 years age group, while the remaining 74.2 per cent fall in the above 40 years age group.
7.3.6 Number of Years of Establishment of Enterprises

Sex and Years of Establishment of Enterprises

The sex-wise number of years of establishment of the enterprises by the sample respondents implies that among males, 32.7 per cent are operating their enterprises for upto 10 years, which is 63.6 per cent among the females, while 67.3 per cent of the former are functioning for more than 10 years, which is 36.4 per cent in the case of females. This also underlines the fact that most of the entrepreneurs have taken some time to set up their enterprises after their migration into Chennai, since the proportion of respondents in each duration class is different between the number of years of their living in Chennai and the number of years of running their enterprises.

Age and Years of Establishment of Enterprises

Among those who are upto 30 years of age, all of them are running their enterprises for upto 10 years, which is 25 per cent in the case of those who belong to the 31-40 years age group, 23.3 per cent come under the 41-50 years age group and 21.7 per cent belong to the above 50 years age group.

7.3.7 Source of Capital

Sex-wise Source of Capital

The source of capital of the migrant entrepreneurs indicates that in the case of male respondents, 44 per cent have relied on own funds and bank funds as a major source of their capital, which is 18.2 per cent among the females; on the other hand, 36.4 per cent of the latter have depended on their own fund to start their enterprises, which is 22.8 per cent in the case of former.

Age Level-wise Source of Capital

On the basis of their age, out of those who come under the age group of upto 30 years, 37.8 per cent have used their own fund, in the case of those who belong to the 31-40 years age group, 36.6 per cent have made use of both own fund and bank
loan, among the respondents who come under the 41-50 years age group, 41.9 per cent relied on own and bank funds, which is the highest (47.2 per cent) also in the case of those who are above 50 years of age. This suggests that own fund and that of bank loan have been used by majority of the respondents in a greater manner to start their enterprises.

7.3.8 Place of Business

Place of Business and Nature of Business

The place-wise nature of business of the respondents indicates that among those who are located in North Chennai, 26.4 per cent are involved in retail, which is 32 per cent in South Chennai and on the other hand, 9.2 per cent of the respondents in North Chennai are engaged in wholesale business, which is only 3.2 per cent in South Chennai.

Place of Business and Previous Employment

In the case of North Chennai entrepreneurs, a greater proportion of them were employed earlier (23.2 per cent) than that of the respondents who are located in South Chennai (15.6 per cent).

Place of Business and Source of Capital

The place of business-wise source of capital of the respondents suggests that in the case of those in North Chennai, 36 per cent of them have relied on their own fund and also bank loan, which is 42.8 per cent in South Chennai, while the reliance on friends and relatives is 17.6 per cent in the case of North Chennai, whereas it is only 8.4 per cent in South Chennai.

Place of Origin and Source of Capital

The dependence on own fund is higher among the ‘other states’ category (29.7 per cent) than in ‘Tamil Nadu’ (22.6 per cent), while the proportion of bank
loan is higher among the latter (22.6 per cent) than in the case of the former (8.2 per cent).

**Place of Business and Initial Investment**

In North Chennai, 68 per cent of the respondents have invested upto Rs. 5 lakhs as their initial investment to start their businesses, which is 56 per cent in the case of South Chennai, whereas 32 per cent of those who are in North Chennai have invested above Rs. 5 lakhs, which is 44 per cent in South Chennai. Thus, the migrant entrepreneurs who are located in South Chennai have invested more than that of North Chennai as their startup capital.

**7.3.9 Initial Investment**

**Initial Investment and Source of Capital**

It is also inferred that among those who have used their own fund to start to their enterprises, 77.8 per cent have invested upto Rs. 5 lakhs, whereas 64.4 per cent of the respondents who have depended on bank loan have invested above Rs. 5 lakhs, and out of those who have relied on own and bank funds and also among those who have taken the help from their friends and relatives, around 65 per cent have invested only upto Rs. 5 lakhs as their initial investment. This suggests that dependence on own fund acts as a restraining factor as far as their investing capability is concerned.

**Initial Investment and Nature of Business**

In businesses like hotel / restaurants and transport, more than 50 per cent of the respondents have invested more than Rs. 5 lakhs, while in other cases, a greater proportion of the respondents have invested upto Rs. 5 lakhs as their initial investment to start their enterprises.
Initial Investment and Current Net Worth

The analysis indicates that the initial investment made by the migrant entrepreneurs has certainly grown over the years. For instance, 33.4 per cent of the respondents had invested upto Rs. 2 lakhs to start their enterprises, in which only 21.4 per cent enterprises fall in the current net worth category; similarly, 28.6 per cent of the migrant entrepreneurs had invested Rs. 2-5 lakhs, which has now come down to 23 per cent. On the other hand, the proportion of respondents who belonged to the initial investment category of Rs. 5-10 lakhs was 20.4 per cent, which has now gone up to 26.2 per cent, while 29.4 per cent of the respondents’ enterprises now worth more than Rs. 10 lakhs, while only 17.6 per cent had invested that much amount as their startup capital.

7.3.10 Current Net Worth

Current Net Worth and Nature of Business

The nature of business-wise current net worth of the migrants’ enterprises shows that there is a significant growth among those who are involved in manufacturing, construction, wholesale, retail and also in the hotel businesses.

Current Net Worth and Place of Business

The proportion of enterprises which had an initial investment of upto Rs. 5 lakhs in North Chennai was 68 per cent that have now declined to 52.8 per cent, which in the case of South Chennai has declined from 56 per cent to 36 per cent; on the other hand, the proportion of enterprises which had an initial investment of more than Rs. 5 lakhs in North Chennai has gone up from 32 per cent to 47.2 per cent, which in the case of South Chennai has increased from 44 per cent 64 per cent. This underlines the fact that the rate of growth in the current net worth of the enterprises is greater among those who are located in South Chennai than that of North Chennai.
7.3.11 Monthly Turnover

Monthly Turnover and Place of Business

The proportion of enterprises which make a turnover of upto Rs. 2 lakhs per month is 59.2 per cent in North Chennai and it is 51.2 per cent in South Chennai, whereas 40.8 per cent of the enterprises which are located in North Chennai make a turnover of above Rs. 2 lakhs, which is 48.8 per cent in South Chennai.

Monthly Turnover and Initial Investment

Out of the 167 enterprises which have made an initial investment of upto Rs. 2 lakhs, 13.2 per cent make a turnover of above Rs. 2 lakhs per month, which is 43.3 per cent in the case of those which have invested Rs. 2-5 lakhs, 60.8 per cent fall in the initial investment class of Rs. 5-10 lakhs and 88.6 per cent belong to the investment category of above Rs. 10 lakhs.

Monthly Turnover and Nature of Business

The proportion of enterprises which make a turnover of above Rs. 2 lakhs per month is more than 50 per cent in the case of wholesale, retail and hotel / restaurant businesses.

Monthly Turnover and Current Net Worth

Among the 107 enterprises which have a net worth of upto Rs. 2 lakhs, none of them makes a turnover of above Rs. 2 lakhs per month, which is 40 per cent (46 out of 115 enterprises) in the case of those which have a net worth of Rs. 2-5 lakhs, 51.9 per cent fall in the net worth category of Rs. 5-10 lakhs and 74.8 per belong to the net worth class of above Rs. 10 lakhs.

7.3.12 Monthly Net Profit

Monthly Net Profit and Place of Business

The percentage of enterprises which make a net profit of upto Rs. 1 lakh per month is 52.4 per cent in North Chennai, which is 44 per cent in South Chennai,
whereas 47.6 per cent of the enterprises which are located in North Chennai make a net profit of above Rs. 1 lakh, which is 56 per cent in South Chennai.

**Monthly Net Profit and Initial Investment**

Out of the 167 enterprises which have made an initial investment of upto Rs. 2 lakhs, 16.2 per cent make a turnover of above Rs. 2 lakhs per annum, which is 55.9 per cent in the case of those which have invested Rs. 2-5 lakhs, 74.5 per cent fall in the initial investment class of Rs. 5-10 lakhs and 86.4 per cent belong to the investment category of above Rs. 10 lakhs.

**Monthly Net Profit and Current Net Worth**

Among the 107 enterprises which have a net worth of upto Rs. 2 lakhs, 2.8 per cent make a net profit of above Rs. 1 lakh, which is 55.6 per cent in the case of those which have a net worth of Rs. 2-5 lakhs, 63.3 per cent fall in the net worth category of Rs. 5-10 lakhs and 74.2 per cent belong to the net worth class of above Rs. 10 lakhs.

**Monthly Net Profit and Nature of Business**

The share of enterprises which make a net profit of above Rs. 1 lakh per month is more than 50 per cent in the case of construction, wholesale, retail and hotel / restaurant businesses.

### 7.3.13 Number of Male Employees

**Number of Male Employees and Place of Business**

In North Chennai, 43.2 per cent of the enterprises have employed upto 10 male employees, which is 34.8 per cent in the case of South Chennai, whereas 56.8 per cent of the enterprises in North Chennai have employed more than 10 employees and it is 65.2 per cent in the case of South Chennai.
7.3.14 Number of Female Employees

Place of Business and Number of Female Employees

In the case of the enterprises which are located in North Chennai, 46 per cent have employed upto 10 female employees, which is 39.2 per cent in the case of South Chennai, whereas 54 per cent of the enterprises in North Chennai have employed more than 10 employees, which is 60.8 per cent in the case of South Chennai.

7.3.15 Differences among the Migrant Entrepreneurs

Place-wise Differences among the Migrant Entrepreneurs

Descriptive statistics clearly indicates that the mean values of initial investment, present net worth, monthly turnover, monthly net profit and the number of male and female employees employed by the migrant entrepreneurs are all higher among those who are located in South Chennai than that of the North Chennai entrepreneurs, which underscores the superiority of the former than that of the latter.

7.3.16 Testing of Hypothesis

7.3.16.1 Hypothesis One

Null Hypothesis ($H_0$): There is no significant relationship between age and the profit earned by the migrant entrepreneurs.

Alternative Hypothesis ($H_1$): There is significant relationship between age and the profit earned by the migrant entrepreneurs.

The above null hypothesis is rejected at 1 per cent level which suggests that there is statistically a significant relationship between the age levels and the monthly net profit earned by the migrant entrepreneurs. Moreover, as the value of linear-by-linear association indicates there is a positive relationship between the two variables, signifying the fact that as the age levels go up, the monthly profit earned by the respondents also goes up.
7.3.16.2 Hypothesis Two

**Null Hypothesis (H₀):** There is no significant relationship between place of origin and nature of business among the migrant entrepreneurs.

**Alternative Hypothesis (H₁):** There is significant relationship between place of origin and nature of business among the migrant entrepreneurs.

The null hypothesis is rejected at 1 per cent level of significance, which underscores the fact that there is significant relationship between place of origin and nature of business among the migrant entrepreneurs. Those who have hailed from other states are involved in business like wholesale, construction, manufacturing and finance, while those who have come from other districts are engaged in business like retail, hotel/restaurants, transport and other services.

7.3.16.3 Hypothesis Three

**Null Hypothesis (H₀):** Community and nature of business of the migrant entrepreneurs are not significantly related.

**Alternative Hypothesis (H₁):** Community and nature of business of the migrant entrepreneurs are significantly related.

The null hypothesis is rejected at 1 per cent level of significance, which suggests that there is significant relationship between community of the respondents and the nature of business in which they are involved. For instance, those who belong to Backward Class (BC) and Most Backward Class (MBC) communities are engaged in manufacturing, construction, wholesale and hotel/restaurants, while those who belong to Scheduled Caste (SC) and Scheduled Tribe (ST) communities are engaged in other services.

7.3.16.4 Hypothesis Four

**Null Hypothesis (H₀):** There is no significant relationship between startup capital and the profit earned by the migrant entrepreneurs.
Alternative Hypothesis (H₁): There is significant relationship between startup capital and the profit earned by the migrant entrepreneurs.

The null hypothesis is rejected at 1 per cent level and hence, there is also statistically a significant relationship between startup capital of the sample respondents and their monthly net profit. This is also underscored by the linear-by-linear association between the two variables which is also positive. The positive sign underscores the fact that those who have invested more initially are also able to earn more as their monthly net profit.

7.3.16.5 Hypothesis Five

Null Hypothesis (H₀): There is no significant difference between the level of education and the amount of turnover earned by the migrant entrepreneurs.

Alternative Hypothesis (H₁): There is significant difference between the level of education and the amount of turnover earned by the migrant entrepreneurs.

Test result indicates that the null hypothesis is rejected at 1 per cent level of confidence and it is inferred that that there is significant difference between the monthly turnover and the levels of education of the sample respondents. Higher education provides greater awareness about various factors which are associated with today’s business. Better educated respondents are better aware about the available opportunities, build a strong social network not only to protect but also to promote their business interests.

7.3.17 Reasons for Venturing into Business

Sex-wise Reasons for Venturing into Business

The analysis pertaining to the reasons for venturing into business suggests that among the male respondents, ‘Vision and Foresight’, ‘Managerial Skills’ and ‘Technical Skills’ are more prominent and in the case of females, ‘Community’s welcoming culture’, ‘Managerial Skills’ and ‘Will to conquer’ are more prominent reasons.
7.3.18 Choice of Location

Place-wise Reasons for Choice of Location

Among the reasons for choosing their business location indicates that the entrepreneurs do not attach much importance to proximity to market or residence, since Chennai is a Metropolitan area with a population size of more than 50 lakhs and also, in this highly urbanised and costliest area, they cannot afford to think about their proximity to the residence to locate their business. On the other hand, out of those who are located in North Chennai, warehousing facility, professional position and availability of incentives are more significant, while in the case of those who operate from South Chennai, professional position, availability of incentives and warehousing facility are more prominent in that order.

7.3.19 Factors influencing Entrepreneurship

Sex-wise Factors among the Respondents

In the case of the push factors influencing migrant entrepreneurs, lack of employment and more competition in the place of origin of the respondents are cited as the major factors among both males and females. As far as pull factors are concerned, more importance is attached to securing self employment, more regular employment and to continue family business over others.

Place-wise Factors among the Respondents

Among the North and South Chennai respondents, more competition, irregular employment and limited scope for future development in their place of origin are cited as the important push factors, though the degree of their importance differ. The analysis suggests that pull factors which exist in Chennai City like the possibility of securing self employment, more regular employment and also a better opportunities for development have attracted them to migrate from their places of origin.
7.3.20 Reasons for Success

Sex-wise Reasons for Success

The reasons for success among the migrant entrepreneurs indicate that in the case of male entrepreneurs, family employees, migrant employees, their business location and achievement motivation are cited as more crucial reasons for their success. In the case of female entrepreneurs, greater importance is attached to reasons like own ethnic employees, business location, good reputation and business practice.

Place-wise Reasons for Success

Place of operation-wise, the North Chennai entrepreneurs chose reasons like family employees, own ethnic customers, business location, good reputation, business practice and commitment, while the South Chennai entrepreneurs pick reasons like own ethnic employees, business location, good reputation, leadership, achievement motivation among others as important reasons for their success. Hence, the reasons which are cited as their success mantra differ among the North Chennai and South Chennai respondents.

Community-wise Reasons for Success

Community-wise, the degree of importance of each reason differ among the migrant entrepreneurs on the basis of their communities. For instance, 34 per cent either strongly agree or agree that family employees are the reason for their success, which is 17.6 per cent and 11.2 per cent among the MBC and SC and ST respondents.

7.3.21 Problems faced by the Migrant Entrepreneurs

Sex-wise Problems faced by the Migrant Entrepreneurs

The nature of problems faced by the male and female respondents differs considerably, since in the case of the latter, work-family conflict, limited mobility, society domination, low risk bearing capacity, technical knowhow and management
problems are cited as formidable barriers, while in the case of the latter, finance, stiff competition, social recognition and also lack of awareness about opportunities are seen as problems, which is not so in the case of the former.

**Place-wise Problems faced by the Migrant Entrepreneurs**

In the case of North Chennai entrepreneurs, finance, stiff competition, society domination and management are considered as problems, while among the respondents who carry out their businesses in South Chennai, finance is not cited as an important problem, though they are opine that stiff competition, low risk bearing capacity and management are viewed as crucial problems.

**Community-wise Problems faced by the Migrant Entrepreneurs**

Only 7.7 per cent of the BC respondents opine that they face discrimination as a problem in their business ventures, which is 12.7 per cent and 59.4 per cent among the MBC and SC and ST respondents; and similarly, 60 per cent of the SC and ST respondents either strongly agree or agree that social recognition is a problem for them, which is around 12 per cent among the BC and MBC respondents.

**7.3.21 Testing of Hypothesis**

**7.3.21.1 Hypothesis One**

**Null Hypothesis (H₀):** The migrant entrepreneurs do not face similar problems in their business activities in the study area.

**Alternative Hypothesis (H₁):** The migrant entrepreneurs face similar problems in their business activities in the study area.

Testing of hypothesis suggests that the calculated F-value is not significant even at 5 per cent level and hence, the null hypothesis is accepted. The nature of problems vary among the migrant entrepreneurs. They range from finance to stiff competition, society domination, management, work-family conflict, limited
mobility, low technical knowhow, etc. However, the degree of importance of these problems varies among the respondents.

### 7.4 SUGGESTIONS

The following suggestions are made on the basis of the analysis made and information gathered from the migrant entrepreneurs during field survey.

- Availability of finance is cited as one of the major problems by the migrant entrepreneurs, which stifle the extent of business carried out by them. This is particularly true in the case of tiny and small entrepreneurs. The Government can take appropriate steps in removing the bottleneck of credit availability.

- The migrant entrepreneurs also opine that they face considerable hardship in availing institutional credit due to various reasons. Banks are not quite forthcoming in advancing the necessary credit, which hampers their day-to-day operations. Hence, the Government can persuade the banks to lend more liberally especially to small and medium enterprises, which will help the industrial and service sector immensely.

- Lack of technical knowhow is also felt as one of the barriers, mainly by the female entrepreneurs in the study area. They are not trained technically, which is exposed while running their businesses. Hence, the entrepreneurial training institutes which are meant to train the small and medium entrepreneurs can come forward to provide the necessary technical training to the female entrepreneurs. This will also help in increasing the number of female entrepreneurs in the region.

- Most of the migrant entrepreneurs state that ‘Management’ is a crucial problem in operating their enterprises. The entrepreneurs join business in order to continue their family establishments or they start enterprises in a haste, without obtaining the necessary training or education in business management. It becomes a critical problem, especially when the establishments become larger in size. Hence, efforts can also be made to
impart necessary management training to the entrepreneurs either by the training institutes or by the association of entrepreneurs themselves.

The respondents also feel that there is no proper mechanism to strengthen the entrepreneurial activities of the migrant entrepreneurs in Chennai city. Lack of systematic information about the number of migrant entrepreneurs in Chennai and the nature of business they are involved all hamper their growth and development. Thus, efforts can be made to collect relevant data about the number of entrepreneurs, particularly that of migrant entrepreneurs, the nature of business they involved, the size of capital, number of employees, etc., which will help in understanding their problems and also in formulating the appropriate policies by the Government.

7.5 CONCLUSION

This study examined the basic characteristics of the sample respondents who have migrated from other parts of Tamil Nadu and also from other states of India and have become entrepreneurs in Chennai city. Their overall level of education is low and they are engaged in businesses which are varying in nature. Most of them have made use of their own capital and also bank loan, though the size of startup capital invested is less. Analysis suggests that there is a positive correlation between the level of startup capital and other variables like current net worth, monthly turnover and net profit. The economic well-being of the entrepreneurs who are located in South Chennai is considerably and significantly better than that of those who are located in North Chennai, which has been underlined by descriptive statistics. This is prompted by factors like the nature of business, size of investment, business location, etc. The growth of the enterprises has taken place mainly among those who are engaged in businesses like manufacturing, construction, wholesale, retail and hotel / restaurants.

The analysis pertaining to the reasons for venturing into business suggests that among the male respondents, ‘Vision and Foresight’, ‘Managerial Skills’ and ‘Technical Skills’ are more prominent while females cite, ‘Community’s welcoming culture’, ‘Managerial Skills’ and ‘Will to conquer’ as major reasons. The possibility
of securing self employment and regular employment and also to make use of better opportunities for development have pulled the respondents to migrate into Chennai and to become entrepreneurs.

The reasons for success among the migrant entrepreneurs indicate that family employees, migrant employees, their business location and achievement motivation are more crucial reasons for their success in general, while, female entrepreneurs give greater importance to reasons like own ethnic employees, business location, good reputation and business practice. The nature of problems faced by the respondents differs considerably, as they range from finance, work-family conflict, limited mobility, society domination, low risk bearing capacity, technical knowhow and management problems are cited as formidable barriers.

Entrepreneurs play a crucial role in the development of the economy, as they directly increase the stock of capital formation, bring in industrial development, enhance employment generation and income creation. They need to be supported, provided with sufficient capital not only to start their ventures but also to run them, and more importantly the extension of proper training in technical knowhow, management and other relevant aspects will improve the status of the entrepreneurs and also that of the economy. Moreover, the government can also take appropriate measures to gather information pertaining to the number of entrepreneurs in Chennai city, their nature and size of operation, etc., which will help in formulating appropriate policies.

7.6 SCOPE FOR FURTHER STUDY

- Further research can be directed towards the survey of the problems and prospects exclusively among the ethnic entrepreneurs in Chennai city, since it might differ compared to that of migrant entrepreneurs;

- The problems and the prospects of the migrant entrepreneurs can be compared with that of the ethnic entrepreneurs, as the latter hold some locational, cultural and other advantages over that of the former;
It is also necessary to examine the problems and the prospects of the female entrepreneurs exclusively, since they are growing in numbers and the nature of problems faced by them certainly differ from that of male entrepreneurs;

The problems and the prospects or the factors responsible for the success and survival of the entrepreneurs residing in Chennai city can be compared with that of those reside in other towns or outside Chennai.