

WOMEN ENTREPRENEURS IN COIMBATORE DISTRICT

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Abstract

Entrepreneurs play very important role in socio-economic welfare of the country. Entrepreneurship development is an important aspect of women empowerment. A woman needs to be encouraged to start a business in order to improve their economic standards as well as to improve their overall status in the economy. The aim of the present study is to examine the status of women entrepreneurs in Coimbatore district. From the findings made in the study it was inferred that women got enough opportunity to start a business and earn accordingly. But, they had to overcome some of the problems in order to sustain their business. Income, convenient timings, no higher officials interruption were some of the benefits enjoyed by the women through entrepreneurship. Their status in the society had also been improved due to entrepreneurship as what they have before.

Entrepreneurs play very important role in socio-economic welfare of the country. They identify the needs of the business, purchase the other factors of production and coordinate them for some productive purposes. They are the innovators, researchers and risk-takers of the company. An entrepreneur can be defined as one who initiates and establishes an economic activity or enterprise.

Women constitute half of the world's population, accomplish about two third of its working hours, receive 1/10th of the world's income. More than 90 per cent of rural women in India are unskilled, restricting them to low paid occupations. Women generally have no control over land and other productive assets. Despite several attempts by government after independence, Indian women are still in disadvantage in relation to survival, health, nutrition, literacy and productivity.

Entrepreneurship development is an important aspect of women empowerment. A woman needs to be encouraged to start a business in order get economic gains as well as to improve their overall status in the economy. Though they fill nearly half of the population in the country according to 2001 census, their participation in entrepreneurial activity was relatively less. As half the population on this planet is women there is an unnatural gap between genders. There is thus potential to enhance the level of women entrepreneurs. Women entrepreneurs have a massive potential which are yet to be unleashed. Not only due to the gender gap, but also because women bring in diversity to the innovation process.

In Coimbatore District, women while establishing firm foothold in literary and social status seem yet to identify their role in entrepreneurship. According to District Industrial Center (DIC) the number of enterprises managed by women entrepreneurs was 5270 in the year 2005.

Now days, women entrepreneurs in the District were engaged in a variety of industries i.e., traditional as well as non-traditional, such as engineering, readymade garments, fabrics, eateries, handicrafts, doll making, Poultry, diary farming, chemical industry, knitting, jewelers designing and the like. The motivation behind these women entrepreneurs has been an aspiration for a career in business.

Keywords: Entrepreneurs, economic standards , women empowerment, District Industrial Center, handicrafts, socio-economic profile

Objective of the Study

The major aim of the present study is to examine the status of women entrepreneurs in Coimbatore district. The following are the specific objectives of the study.

1. To identify the motivational factors which encourage women to start business

2. To examine the socio-economic profile of the women entrepreneurs in the district
3. To identify the problems faced by the entrepreneurs in business

Methodology

The present study was based on primary data. The total sample consisted of 100 women entrepreneurs engaged in Tailoring units, Fancy shops, Xerox shops, Computer (Internet) centre, Beauty parlour and Food stalls in Coimbatore city. The samples were selected by adopting purposive sampling technique, since not all women who engaged in business were willing to supply the necessary information. Hence, the investigator approached only those members who were willing to cooperate and supply the required information. The data collected was tabulated and analysed by using simple percentages, Chi-square test and Discriminant analysis. Garrett ranking technique was used to find out the problems faced by women in their business.

The Major Findings of the Study

Socio-Economic Profile:

1. Majority of the entrepreneurs belonged to the age group of 30-40 (76%) and the remaining entrepreneurs come under the age group of 40-50 (12%), 20-30 (8%) and four per cent of them in above 50.
2. Among the 100 entrepreneurs, most of them were married (81%).
3. Under the educational status, majority of the entrepreneurs were completed secondary education (64%).
4. Out of 100 entrepreneurs, most of them were earning monthly income of Rs.10, 000-20,000 (76%).
5. Family (52%), ambition (28%) and friends (11%) are the important factors which motivate the women to start own business.
6. Out of 100 entrepreneurs surveyed, 31 per cent of them were engaged in tailoring units, 27 per cent in fancy shops, 15 per cent in computer centre, 9 per cent in Xerox centre and the remaining 18 per cent in beauty parlours(8%), food stalls (5%) and stationary shops (6%) in Coimbatore district.
7. Most of the entrepreneurs ranked financial burden as first most important problem faced by them in business (Table 1).
8. SHG loans, bank loans and savings are the sources of financial needs used by the entrepreneurs.
9. Of the total sample, 56 per cent of the entrepreneurs were highly satisfied with their business, 14 per cent were satisfied and 8 per cent were dissatisfied with their business.
10. Among the 100 entrepreneurs more than half of them were belong to nuclear family and only 12 per cent of the entrepreneurs belong to joint family.
11. Out of the total respondents, 84 per cent of the respondents were willing to continue their business and the remaining 16 per cent of them were not.
12. Lack of necessary skills to meet the risk aroused in their business, competition existing in the market, and lack of support from their family members were the reasons for the unwillingness to continue the business.

Association between Income of the Entrepreneurs and Their Socio-Economic Background

The Chi-square test was estimated to examine the association between entrepreneurs and the selected socio-economic factors. Chi-square test at 5 per cent level of significance indicated that age and marital status did not differ with regard to the entrepreneurs. However, education, type of family and nature of business significantly differed with regard to entrepreneurs who were participated in the study (Table 2).

Willingness of the Entrepreneurs to Continue their Business

Discriminant analysis was carried out to identify the factors/ variables that distinguish the desire to continue the business among the entrepreneurs. The variables under consideration were age, income, marital status, level of education and nature of the business they have undertaken. The estimated discriminant function is given below

$$Z = .056X_1 + .021 X_2 + .096 X_3 - .081X_4 - .131X_5$$

$$\text{Wilks lambda} = 0.214$$

$$\text{Chi-square} = 65.483^*$$

$$\text{Eigen value} = 2.651$$

$$\text{Canonical correlation} = 0.812$$

(*significant at 5 percent level)

Where

X_1 = Income, X_2 = Education, X_3 = Nature of work, X_4 = Age and X_5 = Marital status

In the above function the variables income, education, nature of work had the positive sign indicating that these variables had higher discriminating power between groups. In short, it was these variables which distinguished the entrepreneurs who want to continue the business and who do not want to continue the business. Hence, the other variables such as age and marital status had a negative sign implying that these variables were commonly regarded as suppressor variables. The Wilks lambda and Chi-square value indicated that the function was significant at 5 per cent level. The canonical correlation associated with the discriminant function was 0.81 implying that 81 per cent of the variation in the dependent variable was accounted by this model.

The nature of work has the highest discriminating power (93.50%) in differentiating the entrepreneurs willing continue the business from those who are not. The second and third most important components were the percentage of income and educational level with a discriminating power of 1.59 per cent and 1.26 per cent respectively. Age and marital status had the least discriminating power of 0.93 and 0.10 per cent respectively. The overall discriminating power of all the variables together contributes 100 per cent (Table 3).

Conclusion

From the findings it was concluded that women got enough opportunity to start a business and earn accordingly. But, they had to overcome some of the problems in order to sustain in their business. Income, convenient timings, no higher officials interruption were some of the benefits enjoyed by the women through entrepreneurship. Their status in the society had also been improved due to entrepreneurship as what they have before. The economic environment of women forms the very basis of sustainable development in a country. There is a need to create an environment that encourages and protects women's role in the economic activity in general and as an entrepreneur or business woman in particular.

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Table 1 Problems Faced by Women Entrepreneurs in Coimbatore District

Problems	Average Score	Rank
Competition from the market	53.6	3
Family obligations	54.7	2
Financial burden	63.1	1
Lack of technical knowledge to improve the existing condition	35.3	4
Risks involved in cost	33.2	5

Source: Based On Primary Data

Table 2 Association between Income of Entrepreneurs and Selected Socio Economic Variables

S.NO	Variables	Degrees of freedom	Level of significant	Calculated value	Result
1.	Age	4	5 percent	26.946	Accepted
2.	Educational level	2	5 percent	4.142	Rejected
3.	Marital status	4	5 percent	34.551	Accepted
4.	Type of family	6	5 percent	7.923	Rejected
5.	Nature of business	4	5 percent	3.344	Rejected

Source: Based on primary data

Table 3 Relative Discriminating Power of the Variables

Variable	Relative discriminating power
Age	0.93
Educational Level	1.26
Income	1.59
Marital status	0.10
Nature of work	93.50

Source: Based on primary data