Strategies Adopted by the Indian Women Entrepreneurs and Their Success in Rural Areas

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INTRODUCTION

The development of women entrepreneurship should form an integral part of the entire development process. In India, there is a growing awareness of the need for women entrepreneurs in the development of the nation. It, therefore, becomes imperative for the government to frame policies for the development of entrepreneurship among women. The government should develop strategies and development programme which should aim to raise their economic as well as their social status. It should make woman self-sufficient and autonomous. The following are some of the strategies that government could act on for the development of women entrepreneurs in India:

- **Education and Awareness**: The negative attitude of the society towards women needs to be changed. This change is possible only through education and awareness. Women should know their potential and role in the society.
- **Better Time Management**: A women have to shoulder dual responsibilities, one of an entrepreneur and other of a homemaker. She can fulfill both her responsibilities through better time management. She can also get her family members involved in the business.
- **Organize Workshops And Seminars**: Government should organize workshops and seminars on a regular basis to promote entrepreneurship among women.
- **Training Facility**: Government should design training schemes to develop entrepreneurship among women. Women can attend these training facilities and acquire necessary skills required to be an entrepreneur.
- **Easy Finance**: Procedures for financial assistance by banks and governments should be simplified. Collateral security should be dispensed as women hard have any property for guarantee.

The corporate world celebrates the rise of women in its ranks, thousands of women entrepreneurs are working hard to prove that even when it comes to starting and sustaining a business, they are second to none.

"Entrepreneurship is not all that tough if you have the right aptitude,"

- Women entrepreneurs constitute a tenth of the Indian entrepreneur universe.
- Currently there are 1.3 million SSIs and 9.1 million registered SMEs in India.
- There are more women entrepreneurs in smaller towns compared to metros.
- Women find it easier to start up but equally difficult to grow and access venture capital.

The women entrepreneurs struggle to strike the right balance between family and business. As they do their best to succeed in their businesses, any failure tends to make them risk-averse and, more often than not, renounce the business.

OBJECTIVES OF THE STUDY

1. To know about the strategies adopted by them.
2. To find out the steps for continuous improvement.
3. To find out the factors that sustains competitive advantage.
4. To know about the financial support for their success.
METHODOLOGY

Research Design: The study is in Descriptive in nature.
Data Collection through Questionnaire: For the research purpose, Primary Data was collected personally and individually from the respondents consisting of a sample of 200 Women Entrepreneurs in rural areas (Karur, Kangayam, Tirupur, Erode and Coimbatore district).
Selection of the Sample: The sample consisted of 200 Women Entrepreneurs, i.e. Sample Size was 200. The elements of the sample i.e. the entrepreneurs were selected through the random sampling plan.
Tools and Techniques: The primary data collected from the respondents was analyzed by using the percentage method, chi-square, ranking and weighted average method.

LITERATURE REVIEW

There is one gender-specific definition the authors came across that specifically appealed to them due to its emphasis on female entrepreneurship. “Female entrepreneurs are defined as those who use their knowledge and resources to develop or create new business opportunities, who are actively involved in managing their businesses, and own at least 50 per cent of the business and have been in operation for longer than a year” (Moore and Buttner, 1997 in Farr-Wharton and Brunetto, 2009: 2)
Women’s motives for starting and leading a business have been documented in many studies (Lee and Rogoff, 1997; NFWBO, 1999b) to help illuminate the desires and needs of women leaders who choose business ownership over organizational management positions. Women's reasons for business start-up reasons encompass a wide range: desiring greater work-life flexibility, seeking challenge, fulfilling a long-felt desire, or escaping an organizational glass ceiling.
Women business owner-leaders exercise a large degree of control over the vision and purpose of the enterprise, and often deliberately craft working environments and cultures that support their personal values and preferences. They can cultivate their own working relationships with greater freedom. They can seek as much challenge and take as much risk as they can personally manage. Business-Development Bank of Canada, 1999; Industry Canada, 1999.
Comparisons of women to men business owners continue to be prevalent in business ownership literature. Gender-comparative studies have focused on psychological characteristics such as propensity to take risks (Masters and Meier, 1988; Sexton and Bowman-Upton, 1990), leadership dimensions such as levels of experience and education (Bowen and Hisrich, 1986), and networking styles (Aldrich, Reece, and Dubini, 1989).
Women business owners’ psychological characteristics were a focus of many early studies (Hisrich and Brush, 1987; Watkins and Watkins, 1983), showing the historical interest in relationships between psychological profile and leadership success.

ANALYSIS AND INTERPRETATION

SIMPLE PERCENTAGE METHOD

Table:1 Demographic Profile of the Women Entrepreneurs

<table>
<thead>
<tr>
<th>AGE OF THE RESPONDENTS</th>
<th>FREQUENCY</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 30 years</td>
<td>34</td>
<td>17</td>
</tr>
<tr>
<td>31-40 years</td>
<td>70</td>
<td>35</td>
</tr>
<tr>
<td>41-50 years</td>
<td>54</td>
<td>27</td>
</tr>
<tr>
<td>51-60 years</td>
<td>25</td>
<td>13</td>
</tr>
<tr>
<td>Above 60 years</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>200</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Demographic profile of the women entrepreneurs:
1. **Age of the Respondents:** The analysis of the table shows that majority of respondents (35 respondents) were between the ages of 31 – 40 years. The study revels that most of the entrepreneurs are young and successful to face the competition.

2. **Marital Status:** The table shows that 74% of the respondents were married and they are dynamic in doing their business with their family support.

3. **Educational Level:** From the above table we determine that 24% of respondents were educated up to the Secondary level, while 49% of them were graduates, 28% of them possessed education up to post-graduate degrees. Which shows that majority of the respondents was having ample educational experience of managing the business.

**CHI SQUARE TEST**

**Relationship between Educational Level and Strategies Adopted by Women Entrepreneurs**

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>Strategies Adopted</th>
<th>Secondary</th>
<th>Graduation</th>
<th>Post Graduation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differentiation</td>
<td></td>
<td>14</td>
<td>25</td>
<td>40</td>
<td>79</td>
</tr>
<tr>
<td>Standardization</td>
<td></td>
<td>8</td>
<td>18</td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td>Focused Leadership</td>
<td></td>
<td>7</td>
<td>15</td>
<td>25</td>
<td>47</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td>8</td>
<td>6</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>37</td>
<td>64</td>
<td>99</td>
<td>200</td>
</tr>
</tbody>
</table>

Source: Primary data


$$X^2 = \frac{\sum (O_i - E_i)^2}{\sum E_i} = 5.611372$$

**Level of Significance:** At 5% level, 
Degree of freedom = \((\text{number of rows-1}) \times (\text{number of columns-1})\) 
\[= (r-1) \times (c-1) = (4-1) \times (3-1) = 6\]

The table value of Chi-Square at 5% level of confidence with degree of freedom 6 is 12.592. The calculated value of chi-square is less than the table value. So, the relationship between educational Level and Strategies Adopted by Women Entrepreneurs is not significant, and the hypothesis does not hold. Thus, the null hypothesis (Ho) is accepted.

**WEIGHTED AVERAGE METHOD**

**Table: 3 Continuous Improvement of Women Entrepreneur**

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Factors</th>
<th>High (3)</th>
<th>Medium (2)</th>
<th>Low (1)</th>
<th>Total score</th>
<th>WAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Determine the Current Performance</td>
<td>120</td>
<td>65</td>
<td>15</td>
<td>505</td>
<td>2.52</td>
</tr>
<tr>
<td>2</td>
<td>Organize the Diagnostic Resources</td>
<td>99</td>
<td>55</td>
<td>46</td>
<td>453</td>
<td>2.26</td>
</tr>
<tr>
<td>3</td>
<td>Obtain Commitment</td>
<td>154</td>
<td>32</td>
<td>14</td>
<td>540</td>
<td>2.70</td>
</tr>
<tr>
<td>4</td>
<td>Define the Improvement Objectives</td>
<td>128</td>
<td>41</td>
<td>31</td>
<td>497</td>
<td>2.48</td>
</tr>
<tr>
<td>5</td>
<td>Identify and Overcome Resistance to Change</td>
<td>136</td>
<td>36</td>
<td>28</td>
<td>508</td>
<td>2.54</td>
</tr>
</tbody>
</table>

**Total Weighted Average Score**

Source : Primary data

Weighted average = \(\frac{W\sum_i X_i}{\sum Wi}\)

The analysis of the table shows, overall mean score was 2.50. The respondents were highly improved in their performance. The respondents are highly involved in their commitment which got the highest mean score of 2.70, followed by resistance to change with mean score of 2.54. Determine the Current Performance got the mean score of 2.52, improvement objectives got the mean score of 2.48 and the diagnostic resources got the mean score of 2.26. Hence it can be inferred that Women Entrepreneur contributes more on their Commitment towards their Success.

**RANKING METHOD**

**Table: 4 Sustain Competitive Advantage of Women Entrepreneur**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barriers to Entry</td>
<td>4</td>
</tr>
<tr>
<td>Efficiency</td>
<td>1</td>
</tr>
<tr>
<td>Quality</td>
<td>2</td>
</tr>
<tr>
<td>Customer Service Responsiveness</td>
<td>3</td>
</tr>
</tbody>
</table>

Source : Primary data
The analysis of table shows, majority of the respondents were ranked Efficiency as important for sustaining the competitors and followed by Quality and Customer Service Responsiveness and finally the Barriers to Entry were ranked as the least score for sustaining their competition level.

**SIMPLE PERCENTAGE ANALYSIS**

<table>
<thead>
<tr>
<th>Factors</th>
<th>No. of Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks</td>
<td>150</td>
<td>75</td>
</tr>
<tr>
<td>Friends</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Families</td>
<td>38</td>
<td>19</td>
</tr>
<tr>
<td>Relatives</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>200</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

The analysis of table shows, we inferred that about 75% of the respondents got financial support from Banks (150 Respondents) and 19% of the respondents got financial support from their family members to support their business and they got least financial support from their relatives and friends for their business.

**FINDINGS**

The following are the majority of findings of the study:

1. **Demographic profile of the women entrepreneurs:**
   Women Entrepreneurs in the age group of 31 – 40 years (35%) felt more concerned for their business activities.
   Out of the total respondents, a majority portion of the respondents (49%) belonged to graduation level.

2. **Strategies Adopted by Women Entrepreneurs:**
   The survey findings clearly indicate that the strategies followed by the women entrepreneur and most of them chosen differentiation as the major strategy for their success. There is no significant relationship between educational qualification and the strategies adopted by them.

3. **Continuous Improvement:**
   It was observed that the total weighted average of 2.70 percentage of respondents had obtain their commitments successfully. Out of total respondents, 2.52 percentage of the respondents had determined their current performance.

4. **Sustain Competitive Advantage:**
   It can be inferred that the respondents have ranked efficiency as one, quality has been ranked as two. Finally the respondents have ranked barriers to entry as least in order to sustain competitive advantage.

5. **Financial Supports:**
   The survey clearly states that most of the women entrepreneurs get their financial supports mostly from the banks i.e. 75%, and only 2% of financial support they got from their relatives.

**SUGGESTIONS**

On the basis of main findings and survey, the study makes the following suggestions:

1. To encourage the women entrepreneurs below 30 years to participate in the business to become an eminent entrepreneurs.
2. To access the knowledge and business practices through their experience and technologies available.
3. To continuous improvement they are recommended to concentrate on organizing the resources that are needed.
4. To sustain in the competitive environment they should have to develop their potential and ability.
5. To have access to better credit facilities.

CONCLUSION

Today, more women are breaking free from the traditional, gender-specific roles and venturing into the business world. Not only are they holding high corporate positions but they are also successful women entrepreneurs who own almost half of all businesses in India. The steady rise in female entrepreneurs can be due to many different reasons, most of which share the same rational as their male counterparts passion for their ideas, the desire to become their own boss, and the need to address philanthropic causes. A recent study indicated that 1 out of every 11 adult women is an entrepreneur in India. On the basis of findings of the study, the following objectives are considered to be most important for the success of the women entrepreneurs:
1. Barriers to entry
2. Organize the competitive advantage
3. Time Management
4. Training
5. Make use of banks and financial institutions.

REFERENCES

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JOURNALS:

WEBSITES:
1. www.informit.com