

Impact of factors affecting Success of Women Entrepreneurs in Micro Enterprises

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Abstract:

Women's entrepreneurship is on the rise all across the world. However, it has been shown that women-owned firms underperform and have greater failure/closure rates than men-owned businesses. This article highlights the most critical elements influencing the success of female entrepreneurs in emerging markets such as India. It would be valuable in steering politicians, scholars, and female entrepreneurs in their efforts to establish a more conducive climate for female entrepreneurship success in emerging nations, where failure rates are greater.

Keywords: Women Entrepreneurs, Micro Enterprises

1. Introduction:

One of the biggest challenges that India faces is the rising rate of unemployment. Entrepreneurship is seen as the most suitable solution to this problem and in accordance, the Government of India (GoI) has initiated many policy measures to foster a culture of innovation and entrepreneurship in the country. Initiatives such as Start-Up India, Make in India, Atal Innovation Mission (AIM), Support to Training and Employment Program for Women (STEP) Scheme, Digital India, Trade India, Pradhan Mantri Kaushal Vikas Yojana (PMKVY), and the National Skill Development Mission, are some of the initiatives launched by the government with the aim of fostering entrepreneurship in India. All these steps have made India a fertile ground for entrepreneurship. The World Bank's Doing Business Report (2018) has ranked India at 77th position out of 190 countries on supportive entrepreneurial policies. The country's ranking in terms of ease of doing business has improved by 30 positions to rank among the top 100 countries. It has also recognized India as one of the top improvers for the year, bringing in reforms and streamlining the processes of starting a business, getting permits, making available electricity, simplifying the taxation system, etc. Similarly, on the competitiveness and innovation index, India was ranked at 58th out of the 140 surveyed countries in 2018 by Global Innovation Index rankings (2018). According to a NASSCOM report published in 2016, globally, India has the third largest start-up ecosystem with

more than 4,750 start-ups that have collectively received a funding of about 3.8 billion and creating employment opportunities for almost 85,000 people. It is further predicted that the number of start-ups would increase to more than 10,000 while generating employment for over 2 million people in the country by the year 2020. Similarly, after a period of 14 years, International Agency Moody's has upgraded India's sovereign rating to Baa2 level, indicating a stable economic outlook. They have also predicted that India will have 100, 0000 start-ups by 2025 creating employment for 3.25 million people. In this overall positive entrepreneurial-enabling culture, the level of entrepreneurship is increasing. As per the latest Economic census, India has more than 58 million enterprises. However, in comparison to men, the number of women entrepreneurs is still very low, owing only 14% of the total enterprises. There is an odd paradox in Indian society regarding women's roles and status. Women have been revered as goddesses, both loved and dreaded, since ancient times. At the same time, traditional society saw them as the weaker sex, with a lower place in the family hierarchy. They were saddled with domestic tasks, child rearing, and other family responsibilities, and they were never accorded equal status as men or encouraged to pursue professional jobs. This gender gap still persists after centuries and it is seen that women, even in the modern times, lag behind men by a huge proportion in their professional development. Considering that women constitute almost 50% of the population of India it is natural to assume that they should be participating equally and contributing towards the growth and economy of the nation (Verma, 2014). However, this is not the case. Therefore, GoI, along with private institutions, such as Confederation of Women Entrepreneurs (COWE), National Entrepreneurship Network (NEN), Federation of Indian Women Entrepreneurs (FIWE), has been giving special emphasis to the promotion and development of entrepreneurship among women. The government has launched specific women-oriented financial schemes such as Annapurna Scheme, Stree Shakti Package, Bharti Mahila Bank Business Loans, Dena Shakti Scheme, Udyogini Scheme to promote women entrepreneurship. Besides, it also regularly hosts many industrial fairs, exhibitions, training and development programs, Executive Development Programs and conferences to create awareness and encourage women entrepreneurship.

2. Objectives:

- To understand success as perceived by Women Entrepreneurs.
- To evaluate the factors that lead to the success of Women Entrepreneurs.
- To study the impact of these factors on the success of Women Entrepreneurs.

3. Literature review:

Henry et al. (2016) conduct an evaluation of the literature on gender and entrepreneurship published in 18 publications over a 30-year span. They identify methodological trends in this discipline and discuss methodological changes needed for future research. They come across large-scale empirical research that mostly compare male and female entrepreneurs.

Goyal and Yadav (2014) provide an overview of the problems that women entrepreneurs confront in developing nations such as India. They claim that female entrepreneurs confront more significant challenges than their male colleagues. For women living in impoverished nations, these difficulties are distinct and more complex. They discover that women in poor nations confront financial barriers, socio-cultural biases, and low self-esteem. They say that institutional gaps and a lack of entrepreneurial education exist in developing countries.

According to Anita Tripathy (2012), The primary purpose of this study was to look into the significant rise of women entrepreneurs in India and how they have evolved since pre-independence days (before 1947), during the British colonial period. The study also looked into what motivated female entrepreneurs to focus their entrepreneurial efforts on start-ups. Based on both qualitative and quantitative analyses, the growth of women's entrepreneurship in India has been studied in four distinct periods: the Pre-Independence Period (before 1947), the Post-Independence Period (after 1947), the Post-Liberalization Period (after 1991), and the Post-Global Recession Period (2008 onwards). Finally, the study concluded how far India's various support systems can go in developing a favourable environment for women entrepreneurs in India.

Hughes et al. (2012) characterise women's entrepreneurship research as "on the edge of adolescence" in 2012. Other publications in the topic of women's entrepreneurship, such as GEM reports, chapters, and books, were also mentioned. G. Palaniappan et al. (2012) investigated how women have been successful in breaking down barriers within the constraints of their families by

adopting various types of occupations in their article. This study was also carried out to examine the motivating factors and other factors that influence women to become entrepreneurs; the major strengths and weaknesses of female entrepreneurs; the environmental opportunities and threats that promote entrepreneurship; and to make recommendations to promote women's entrepreneurship in selected districts in Tamilnadu.

According to Ahl and Marlow (2012), the entrepreneurship narrative conceals a gender prejudice. This contrasted with neoliberal attitudes on entrepreneurship, which emphasise personal efforts as factors of reward and status. They claimed that gendered assumptions limit the epistemic breadth of inquiry in this domain and portray female entrepreneurs as either failures or reluctant participants. They contend that a critical reflective perspective is essential. This can help evaluate existing theoretical approaches to women's entrepreneurship within the context of entrepreneurship studies in general.

4. Research Methodology:

Research Strategy

For the present study, the survey method was chosen. Primary data can be collected by survey, observation, experiment, focus groups, case studies, checklists and documentation review and others. Survey research allows the quickest, inexpensive, and accurate collection of data about the intended population. Further, it is most compatible strategy for quantitative data collection and generating information about attitude, behavior, or characteristic of the entire population based on a much smaller sample. In addition, majority of the past studies had utilized the quantitative measures and survey instrument to deal with similar objectives. Therefore, considering all the above reasons the survey method was selected.

Population

The population for the current study consisted of all women micro-entrepreneurs of all age groups, caste, and communities, educational status, marital status, all residential areas and socioeconomic status who were running their own businesses in Nagpur.

5. Data Interpretation:

Financial parameters of Success

Variable	Mean
Sales	3.67
Profit	3.63
Liquidity (Cash Flow)	3.22
Market Share (Increase in the number of customers)	3.30
Increase in number of Employees	3.48
Total	17.30
Average	3.5

Interpretation:

Analysis of the financial parameters of success reflects the mean of each of the variables used to signify financial success. The mean of Sales was the highest at 3.67 followed by Profit which was 3.63. The third highest mean was of Increase in the number of Employees at 3.48. The last two variables, Market Share had a value of 3.30 while the Liquidity had the least value of 3.22. Therefore, it can be concluded that sales was the most important parameter to measure success in financial terms followed by profit and an increase in the number of employees.

Business Motivation

Variable	Group	Frequency	Percent
Motive	Financial necessity	61	14.1
	To contribute to Family income additionally	88	20.3
	To keep me busy	81	18.7
	To fulfill my ambition	20	4.6
	For better work-life balance	32	7.4
	Had an interest	23	5.3
	Use my skill and talent	21	4.8
	To be independent	25	5.8
	To take advantage of an opportunity	27	6.2
	Achieve Social Status and Recognition	26	6.0
	Encouragement by friends and family	29	6.7
	Total	433	100.0

Interpretation:

The response to other business related questions, the data analysis revealed that majority of ventures that is 52.9% (n = 229) were 100% owned by the respondents, while in case of 25.6 % (n = 111) of women owners had a majority stake in their businesses that is their share was more than 50%. In the rest of the cases n = 93 (21.5%) the respondents had an equal share in the business. Women having less than 50% were not considered in this study.

In detail, about the longevity of the business, it was found that the maximum number of businesses that is 46.4% (n = 201) were 3-7 years old, while 46% (n = 199) ventures were 8-11 yrs. old. The third highest category 5.5% (n = 24) were found to be businesses that had been in running for 15yrs or more. The least 2.1% (n = 9) in the collected data were 12-14 yrs. old businesses.

Non -Financial parameters of Success

Variable	Mean
Your sense of Achievement	3.74
Your sense of self-fulfillment	3.66
The feeling of being recognized by others	3.68
How independent you are	3.77
Your work-life balance (amount of time split between work and family)	3.87
Total	18.72
Average	3.75

Interpretation:

The analysis of the Table of Non-Financial parameters of Success reflects the mean of each of the items used to signify Non-financial success. The highest value was of Work-Life balance, which was 3.87, followed by sense of independence with a value of 3.77 while the sense of achievement had a value of

3.74. The least values were of social recognition, which had a mean value of 3.68 and a sense of fulfillment, which had a value of 3.66.

Overall, if we compare the mean of both the parameters we can clearly see that the average of Non-Financial parameters was higher than those of financial parameters. The mean value of non-financial parameters was 3.8 while those of financial parameters are 3.5. In addition, the value of four items of Non-financial parameters was higher than the highest value 3.67 of Financial Parameter.

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6. Conclusion:

Women entrepreneurs might sound less ambitious as they are not measuring success in terms of financial growth such as profit, sales and income, but it is not so, rather they are ambitious but the goal of setting up business was different for them. The results clearly reveal that in their case the motive of setting up business is achieving work life balance, get sense of independence or fulfillment and/or even gaining social status and recognition. Thus, when this aim is fulfilled they feel successful even if there are no huge profits or income. For women nonmonetary goals have greater importance and fulfilling those goals provide them satisfaction and feeling of success. If we evaluate the overall results, though nonfinancial subjective criteria have better average score than financial criterion, the difference is marginal. Therefore, while measuring success of women entrepreneurs due importance needs to be given to the subjective goals and how well they achieve those, without compromising the financial goals.

7. Scope for further research

The current study analyzed women's success factors across all sectors without differentiating between sectors. A deeper dive into sectoral differentiation may find that factors of success differ for different sectors of industry. There are various combination of qualitative and quantitative method of research in pragmatic approach of research. Various other combinations of research may be tried. This study utilized serial combination. Qualitative and quantitative study could be run in parallel and method triangulation may be done. While the current model in the present study examined relevant variables as antecedents and success as a consequence of various attributes, certain moderating and/or mediating variables can be introduced in future studies.

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