

SOCIAL WOMEN ENTREPRENEURSHIP – THE EFFECT OF ITS DETERMINANTS ON ENTREPRENEURIAL PERFORMANCE

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ABSTRACT

The individuals who are willing to take on the risk and effort to create positive changes in society through their initiatives are called as social entrepreneur. They pursue an innovative idea with the potential to solve a community problem. These Entrepreneurs are engaged in a process of continuous innovation, adaptation, and learning; they are innovative; they break new ground, develop new models, and pioneer new approaches. Social entrepreneurship is determined by different factors and those factors significantly influence entrepreneurial performance. The present study focuses on the influence of the determinants of social women entrepreneurship on entrepreneurial performance. The study was carried out with women entrepreneurs who have interest on societal wellbeing. The data was collected from 458 entrepreneurs using stratified random sampling method. The result shows that except access funding and education training, all other determinants significantly influence entrepreneurial performance of social women entrepreneurs.

Keywords: *social women entrepreneurship, regulatory framework, taxation, access funding, financing.*

Introduction:

Social entrepreneur pursues an innovative idea with the potential to solve a community problem. Social entrepreneurship has a unique approach in finding solutions to societal and developmental problems that also attracts academic interest. Social entrepreneurship and social enterprise appear to be having an identical meaning, though the former indicates the process and the latter means the organizational form. Neither has a uniform conceptualization because different countries use different legal definitions to define social enterprises. In India too, there are no definite boundaries given to social entrepreneurship and social enterprises. The fact that in India social enterprises are mainly structured as public/private limited companies and only a few are registered as trust or non-government organizations. Sometimes, it is difficult to define social entrepreneurship based on structural features because then it overlaps traditional enterprises. Thus, an important reflection is that we need to

consider the qualitative features over the structural features of social enterprises.

In general and today's world women are allowed to participate in political and public life. It is not only happening in India, but also across the world. Some women take this freedom and fight for other. They are given a chance to serve the community including fighting for the basics amenities and welfare needs of the village community such as safe drinking water, public sanitation, street light, and chance to help the weaker people like disabled and the aged. It is recognized that women entrepreneurship as an important source of economic growth. They create new jobs for themselves, others and also provide society with different solutions to management, organization and business problems. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal.

Social women entrepreneurs are also take risk and effort to create positive changes in society through their initiatives. They are engaged in a process of continuous innovation, adaptation, and learning; they are innovative; they break new ground, develop new models, and pioneer new approaches. A social entrepreneur is an individual, who engaged with finding innovative solutions for the more pressing social problems. Social entrepreneurs are more passionate towards tackling major social issues and offering new ideas on a wide scale. Social enterprise offers a new way to do business that is animated by a social purpose

Review of Literature:

As social entrepreneurship is a innovative and novel concept, researches on this topic is minimum. However, few authors have done researches on this topic which are given hereunder. Though the social concept is new, women entrepreneurship is not new to the world. In the year 2005, Charantimath affirmed that the participation of women in economic activities is necessary not only from a human resource point of view but is essential even for the objective of raising the status of women in society. Blundel and Lockett (2011) claimed that entrepreneurship is a phenomenon associated with entrepreneurial activity and involves a complex pattern of social interactions that extends beyond individual entrepreneurs to incorporate teams, organizations, networks and institutions. For Carter and Evans (2012), it is also a capacity, but for innovation, investment and expansion in new markets, products and techniques. Lamontagne (2014) disclosed the existence of female entrepreneurs that are thriving in Saudi Arabia. As the political and economic landscape has shifted, women have taken advantage of the move away from social constraints on their gender to follow their dreams and build their businesses and become a catalyst for change.

In another study conducted in the year 2012 by Koponen and he suggested that social entrepreneurship emerged to solve problems by suggesting solutions which persuade entire societies to change the whole socio-economic system. Social entrepreneurship has role in balancing social interest with market mechanism by combining social and economic initiatives. This makes social entrepreneurship gain capacity to function as a catalyst and source of innovation and development of society, which happens by combining entrepreneurial activities to welfare.

Guillen (2013) pointed out that women entrepreneurs in the developing world are so important because they can truly make a difference. Certainly, this statement is true as they show significant different not only in their business but also in the society as well. Yujuico (2008) also suggested that the social entrepreneurship's needs are the existing societal needs, to which they provide workable solutions. However, Yujuico (2008) did not

mention about women entrepreneur's role in societal need. Short et al. (2009) also suggested the future scholars to develop theoretical relationships on various aspects of social entrepreneurship more explicit and to move towards predictive theory, particularly with women entrepreneurs. Their suggestions were considered by Richi (2011) and made a study on women social entrepreneurs. Based on Richi's (2011) result it is identified that though several factors influence women social entrepreneurship as a whole, but the influence on the individual determinants of women social entrepreneurs is a great vacuum which needs to be filled. Therefore, it is required to develop a model that shows women social entrepreneurship which will be useful for social entrepreneurs and also to the government to device strategies both short term and long term for the development of the nation's economy and society.

Need for the study:

The results of various studies reveal that some of the demographic factors have significant effect on women entrepreneurship but not on women social entrepreneurship. Younger age group may have an edge over elders in their performance, while experienced always have the advantage of winning over the competition. Sometime, highly educated people may fail, but many times they succeeded in their business compared to others. Report shows that the women entrepreneurs from rural and semi-urban villages are significantly less in number compared to urban area, and hence the performance. All the studies were performed with respect to women entrepreneurship. Though the definition of women social entrepreneurship tells about the non-profit motives of the entrepreneurs, it is imperative to have a significant performance in their business to sustain in the market. While analyzing women social entrepreneurship and its determinants, the outcome variable needs to be mentioned and it is no other than entrepreneurial performance. When a woman social entrepreneur is successful in her societal activities, automatically her entrepreneurial performance will also good. However, very few studies pointed out that the women social entrepreneurship has effect on entrepreneurial performance. Thus, this study provides a platform to check whether women social entrepreneurship has significant effect on entrepreneurial performance. This research fulfills the gap mentioned in the previous studies.

Objectives of the Study:

To find out the most influencing determinants of women social entrepreneurship on entrepreneurial performance

Methodology:

Descriptive research design is used in this study. In Tamilnadu, the size of population is more than one lakh. Women entrepreneurs who have registered their enterprises alone have been considered for this study. For the population of above 1,00,000, Van der Lans (2005) suggested a minimum of 400 samples enough to be surveyed. However, to avoid the error rate the sample size needs to be increased (Sekaran, 2003). Hence, the researcher plans for more than 400 samples. In this study the respondents are the Women entrepreneurs who run any business including trading, industry and service enterprises. Respondents have been selected from the following top FIVE associations in Chennai based on their familiarity. Chennai is selected because of the number of entrepreneurs is more compared to other cities in Tamilnadu. Moreover, Chennai is a metropolitan city where people from different culture and background can do business. Hence, Chennai is selected as the research area. Researcher planned to select 3 percent of the respondent from the top five associations. So the planned sample size is 443. In anticipation of non-response data have been collected from few more respondents and hence the total sample size is 458. The researcher adopted proportionate stratified random sampling method to identify the respondents, as the sampling fraction for all the strata are equal irrespective of the strata size.

Analysis and Discussion:

Table: Influence of various determinants of Women Social Entrepreneurship on Entrepreneurial Performance

Model Summary					
R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
.693	.480	.472	.60842	66.507	0.000

a. Predictors: (Constant), Education Training, Access Funding, Taxation, Financing, Regulatory Framework, Technical Support, Entrepreneurship Culture

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	SE	Beta		
(Constant)	3.574	.049		123.23	.000
Financing	0.426	.021	.508	14.654	.000
Regulatory Framework	-0.239	.018	-.285	-8.235	.000
Technical Support	0.297	.014	.354	10.214	.000
Access Funding	0.050	.010	.060	.720	.156
Entrepreneurship Culture	0.188	.015	.213	2.914	.000
Taxation	0.092	.012	.105	3.032	.000
Education Training	0.004	.022	.005	1.130	.093

a. Dependent Variable: **Entrepreneurial Performance**

It is found from the table that the entrepreneurial performance has relationship with all the determinants. However, considering these determinants in finding out which factor is highly influencing entrepreneurial performance, regression analysis was performed and the results are given in the table

From the Adjusted R square value, it is inferred that independent variables explain 47.2 percent of the dependent variable. To check whether R² is statistically significant, ANOVA is used. The value of F was found to be significant at 0.001 level. It can be ascertained from this table that education training, access funding, taxation, financing, regulatory framework, technical support, and entrepreneurship culture are clearly not the only determinant factors of entrepreneurial performance, (52.8 percent of variations in entrepreneurial performance are still not explained).

From the results, it is further observed that technical support is found to be the most significant related factor affecting the entrepreneurial performance. Financing is the second important factor in influencing entrepreneurial performance followed by taxation and entrepreneurship culture. An examination of t – values of this table shows that ‘technical support’ (t = 10.214), ‘Financing’ (t = 14.654), ‘Taxation’ (t = 3.032) and ‘Entrepreneurship culture’ (t = 2.914) are significantly contributed in the prediction of entrepreneurial performance. In addition to that ‘Regulatory Framework’ (t = -8.235) is also found to have negatively and significantly contributed to the prediction of entrepreneurial performance.

Findings and Suggestions:

It is found from the study that ‘technical support’, ‘Financing’, ‘Taxation’ and ‘Entrepreneurship culture’ are significantly contributed in the prediction of entrepreneurial performance. In addition to that ‘Regulatory Framework’ is also found to have significantly but negatively contributed in the prediction of entrepreneurial performance. It is also found that access funding and education training do not significantly influence entrepreneurial performance. It derived out from this study put forth several outcomes, and these outcomes will be helpful for entrepreneurs to enhance their performance and to determine their position in the business.

Government should take necessary steps to assists social entrepreneurship, should open the door for excluded talents among the women entrepreneurs, and should create more networking opportunities for the entrepreneurs in the country. It is suggested that the government and other agencies need not educate and give training to women social entrepreneurs who had good intention to become entrepreneurs and who have very good entrepreneurial characteristics. Rather, government should take initiative to make use of those women social entrepreneurs who have good entrepreneurial characteristics and intention and

motivate them to conduct training program for various entrepreneurial aspirants at various places. This will create a revolution in the field of social entrepreneurship studies particularly among women aspirants.

Government should eradicate the fear by means of providing adequate financial support in the form of bank loans, cooperative loans, subsidies, etc., loosen the rules and regulation, provide technical support by integrating technological innovation in the business process, and should show the ways of accessing fund for their enterprise from various sources like corporate business enterprises, donor agencies, and government. This will enhance the level of motivation among the women social entrepreneurs and concentrate more on doing social activities and help the society to a greater extent. Though several associations are functioning in state level and also in central level, government should take necessary steps to organize these associations and make them to put under one roof which is an "Apex Association of Women Entrepreneurs" that controls all the associations across the country. This body will device a regulatory system among the entrepreneurs and will help them to solve their unsolved problems and issues pertaining to their business in both individual oriented and society oriented.

Conclusion and scope for further research:

Women social entrepreneurs are establishing their name in several fields like import and export trade, wholesale and retail business, technical and engineering services, education and training services, and also computer related services. Presently women social entrepreneurship focuses on different social activities like health awareness program, road safety program, education related program, poverty eradication program, child welfare program me, etc. Government and other organizations both private and public should come forward to assist women social entrepreneurs in several ways to reduce their problems and enhance their strength and create more opportunities for their future development. Both public and private agencies should promote and support the start-up social enterprises in overcoming challenges along finance, support services and regulatory frameworks to motivate the youth and emerging women social entrepreneurs to continue their various

social programs and projects sustainably. This will undoubtedly enhance the performance of women social entrepreneurship and thereby the society gets benefitted in various aspects. If the same is implemented across the country, then without any second thought, India will become socially developed country.

Women entrepreneurs are running small, medium and large enterprises and their societal contributions also differ based on their quantity of turnover. Future studies should be carried out in the field of women social entrepreneurship by categorizing them into small, medium and large entrepreneurs and compare the results. This study is focusing only on women social entrepreneurs and in future a comparative study can be conducted among the female and male entrepreneurs and compare their performance to have deeper insights into this field.

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