

# Impact of Demographics on Motivational Factors Affecting Woman Entrepreneurship

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**Abstract**—In the wake of economic liberalization and globalization women entrepreneurship is gaining importance in India. Due to change in environment, now people are more comfortable to accept leading role of women in our society, though there are some exceptions. Women owned enterprises are playing a dynamic role in the society and have changed the demographic characteristics of business and economic growth of the country. Purpose of this empirical study is to find out Impact of demographic variables on the motivational factors for women entrepreneurship. Primary data was collected from 212 women entrepreneurs with the help of self designed questionnaire. The study identified factors like ambition, supportive, professional competence, confidence, affluence, independence, responsive and work environment as the important entrepreneurial motivational factors. The factors explored were subjected to Anova to test the differences on the basis of demographic variables. The present study will explore various issues concerning women entrepreneurs in India.

**Keywords**—Liberalization, Entrepreneurship, Demographic, Motivational.

## I. INTRODUCTION

GROWING industrialization and globalization has brought about a revolutionary change in the status of women in India. Women are readily venturing into professions like trade, industry and engineering apart from selected professions. They are also willing to take up business and contribute positively towards the growth of the nation. The Policy makers of developed as well as developing countries have recognized the role of women entrepreneurs and are framing policies for promotion of women entrepreneurship. This has led to a rapid rise in the efforts made in the past few years to encourage women entrepreneurship in developing countries. These countries have witnessed the phenomenon of the rapid increase in occupational movement among women as owners of their own business. The process of becoming entrepreneur involves learning, unlearning and relearning many things relating to the roles, tasks, functions, responsibilities and problems of entrepreneurs (Kumari, 2012). Women entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. Some significant reasons for women to run and organize enterprises are their skill and knowledge, talent, abilities and creativity in business and a compelling desire of wanting to

do something positive. It is high time that countries should rise to the challenge and create more support systems for encouraging more entrepreneurship amongst women. At the same time, it is up to women to break away from stereo type mindsets. In this dynamic world, women entrepreneurs are a significant part of the global expedition for sustained economic development and social progress. Due to the growing industrialization, urbanization, social legislation and along with the spread of higher education and awareness, the emergence of women owned businesses are highly increasing in the economies of almost all countries. In former days, for women there was 3 K- kitchen, kids, and knitting then came 3 P- powder, pappad and pickles and now at present there are 4 E- electricity, electronics, energy, and engineering. Indian women have undergone a long way and are becoming increasingly visible and successful in all spheres and have shifted from kitchen to higher level of professional activities.

### A. Literature Review

The growth in the proportion of women entrepreneurs in developing countries has drawn the attention of both the academic and the industrial sector. Donors, international public institutions, national and local governments, NGOs, private companies, charities, knowledge institutes and business associations have initiated programs or policies to promote and develop women's entrepreneurship. They initiate programs for capacity-building of entrepreneurial skills, strengthening women's networks, provide finance and trainings, or design policies that enable more and stronger start-ups and business growth. They all claim that women entrepreneurship is essential for growth and development. Some even argue that women entrepreneurs' contribution tends to be higher than that resulting from entrepreneurial activity of men (Minniti, 2010). Women in Arab countries more so than men are likely to depend on external resources to fund their projects, which conforms to (Verheul and Thurik, 2001) study suggesting that female and male entrepreneurs differ in the way they finance their businesses. Women entrepreneurs in developed countries were motivated by the need for achievement. On the other hand, women in developing countries were motivated by a combination of push and pull factors (Orhan and Scott, 2001). Women are increasingly becoming more motivated by the social contribution that their businesses can make to society. Desire for self-fulfillment is an important motivator to start up a business (McClelland et al., 2005). In Malaysia, psychological motives such as self-satisfaction, the search for independence, and source of finance have been found to be

motivational factors for women entrepreneurs to start-up business (Nordin, 2005).

In their study on 225 women entrepreneurs, engaging in the manufacturing, trading and services sectors in Small and Medium Industries in Malaysia (Raman & Jayasingam, 2008) revealed that work core, exploring inner talent and doing something creatively is the most important motivating factor for women entrepreneurs. (Singh, 2008), identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. Financial support from the government especially in the start-up capital is an important factor that motivates women to establish their own businesses. Self-fulfilment, knowledge, skills and experience, including relationship to spouse/father business, are all important factors in the development of women entrepreneurs. Unlike previous research factors such as social norms, market network, and competition do not seem to be barriers for women in becoming entrepreneurs (Belaynesh, 2014).

#### B. Objectives

To identify the difference in the perception of women entrepreneurs towards the factors motivating for the initiation as well as conduct of the enterprise on the basis of demographic variables.

#### C. Research Methodology

The study was conducted to identify the impact of demographic variables on motivational factors for women entrepreneurs. The sample of the study constituted of 212 women entrepreneurs engaged in small business from the city of Indore and nearby areas. Primary data for the final study were collected through a self-structured scale of 23 items. Responses for the study were received from 192 women entrepreneurs. Due to incomplete responses 6 samples were discarded from this research and finally 186 properly filled questionnaires were processed and analyzed for the study. The Cronbach alpha for the questionnaire is 0.747. After item-total-correlation the data were finally, subjected to Principal Component Method of Factor Analysis. The analysis of data was carried out using Statistical Package of Social Science (SPSS 18.0). The Factors explored were subjected to second order of Factor Analysis and were further tested by applying Analysis of Variance (ANOVA) to test the impact of demographics.

#### D. Hypotheses

H01: There is no significant difference in the perception of women entrepreneurs on the basis of marital status towards

the Achievement oriented dimension.

H02: There is no significant difference in the perception of women entrepreneurs on the basis of marital status towards the Entrepreneurial aptitude dimension.

H03: There is no significant difference in the perception of women entrepreneurs on the basis of marital status towards the Societal acknowledgement dimension.

#### E. Results and Discussion

Value of KMO measure of sample adequacy in case of present research is 0.753 which signifies the purpose of adequacy. The results of Barlett's test of sphericity in the present study indicate a significance value less than 0.05. Thus considering all the above facts, we are eligible to use factor analysis to reduce the variables into motivational factors for women entrepreneurship. A pilot study resulted in eight factors namely Ambition, Supportive environment, Professional competence, Confidence, Affluence, Independence, Responsive, Work environment. The 23 variables included in the entrepreneurial motivation are explained by eight important factors to the extent of 65.56%. These factors when subjected to second order factor analysis, resulted into three imperative dimensions of entrepreneurship motivating factors namely Achievement oriented, Entrepreneurial aptitude and Societal acknowledgement. The details of these dimensions with their factor load and factors tabularized with their item loads, Eigen values and percent of variances are shown in annexure (Table 3). Analysis of Variance (ANOVA) was applied to test the hypotheses set to study the perception of women entrepreneurs on the basis of Marital status towards the three dimensions namely Achievement oriented, Entrepreneurial aptitude and Societal acknowledgement. The results are tabulated in annexure (Table 4). The results indicated that the significance values 'P' for  $H_{01}$ ,  $H_{02}$ ,  $H_{03}$  is  $>0.05$  and therefore the hypothesis were not rejected at 5% level of significance. It was found that there is no significant difference in the perception of women entrepreneurs on the basis of marital status towards the dimensions namely Achievement oriented, Entrepreneurial aptitude and Societal acknowledgement.

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TABLE I  
RELIABILITY STATISTICS

Cronbach's Alpha	No. of items
0.747	23

TABLE II  
KMO AND BARLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.753
Bartlett's Test of Sphericity	Approx. Chi-Square	1251.06
	df	253
	Sig.	.000

TABLE III  
DIMENSION LOAD

Dimension	Dimension Load	Eigen values	% of Variance	Factor	Factor Load	Item	Item Load
Achievement oriented	7.128	1.829	22.867	Ambition	3.688	Desire for self economic –independence	0.838
						Have high aspiration	0.820
						High self esteem	0.767
						Opportunities for growth	0.698
						Achievement of social status	0.565
				Confidence	2.122	Self confident	0.720
						Readily accept challenges	0.628
						Perseverance	0.387
				Affluence	1.318	Desire to build wealth	0.718
						Wish to capitalise own business ideas	0.600
Entrepreneurial Aptitude	6.110	1.209	15.115	Independence	1.408	Working under someone does not appeal me	0.747
						Strong Determination	0.661
				Professional Competence	2.031	Spirit of creativity and innovation	0.787
						Easy availability of resources	0.623
						Effective Managerial skills	0.621
				Supportive Environment	2.671	Professional qualification	0.556
						Supportive social network	0.756
		Financial assistance easily available	0.692				
Societal Acknowledgement	2.777	1.183	14.791	Responsive	1.371	Self recognition	0.829
						Contribute towards the society	0.542
				Work Environment	1.406	Supportive employees	0.827
						Technical assistance	0.579

TABLE IV  
DESCRIPTIVES: MARITAL STATUS

			Mean	Std. Deviation	Std. Error	F	Significance
Achievement Oriented	Married	141	22.13669	5.369265	0.455415	1.319	0.269
	Un-married	28	21.5	5.263734	0.961022		
	Single	17	20	4.315669	1.046704		
	Total	186	21.83871	5.277777	0.386985		
Entrepreneurial Aptitude	Married	141	18.03597	3.834266	0.325218	0.634	0.531
	Un-Married	28	18	3.79655	0.693152		
	Single	17	16.94118	3.508393	0.85091		
	Total	186	17.93011	3.793374	0.278144		
Societal Acknowledgement	Married	141	6.834532	1.759435	0.149233	0.914	0.402
	Un-Married	28	6.833333	1.5105	0.275778		
	Single	17	6.235294	1.953504	0.473794		
	Total	186	6.77957	1.739777	0.127567		

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