

A Study on Competencies of Women Entrepreneurs in the District of Thrissur, Kerala State

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Abstract

In the competitive business environment, the role of an entrepreneur's competencies are highly critical factor for the success of the business. The importance of entrepreneurial competencies have been increased during the past few decades due to the strategic role played by the human factor particularly the entrepreneur. Women Entrepreneurs have grown in large number across the globe over the last decade and increasingly the entrepreneurial potentials of women have changed the rural economies in many parts of the world. Some recent researches indicate that several women are becoming entrepreneurs, especially the middle class women, due to the pull of the traditional values and push of the changing values. In this context a study is inevitable to study the competencies present in the successful women entrepreneurs. This will help to mould the future entrepreneurs.

Keywords: Entrepreneur Competency; Women Entrepreneurs; Independency; Behaviour.

Introduction

Kerala is a State with 100% declared literacy, a State have creditable achievements in human development index. Kerala has been different from the rest of the country in terms of the indicators of women's development. Kerala has a favorable sex ratio of 1084 per 1000 males, but the all India figure stands at 940 as per the 2011 Census. According to the 2011 Census Kerala's Female literacy is 92% while the corresponding figure at the national level is only 65%. Life expectancy of women in Kerala is 76.3 years and that in the national level is 64.2 year. Kerala is a state which all feminist organizations have their role but, the record of having the maximum number of unemployed educated women also.

Women participation in business has considered as a major indicator of gender development. It not only gives them an independent income but also

provides self-reliance and social status. Promotion of self-employment of educated Women has additional advantage of creating more jobs for aspiring educated Women. Self-employed Women enterprises are creating employment particularly for Women in Rural area and uplift economic and social status of Women. So, Governmental and non governmental agencies strive to provide maximum incentives for motivating entrepreneurial spirit among women.

According to the Sixth Economic Census results, Out of total 33.55 lakh establishments in Kerala State, ownership of 29.7 lakhs is proprietary and 30.72% establishments are owned by women entrepreneurs. ie 913917 establishments are under women entrepreneurship in Kerala. 95% of the entrepreneurs are using self finance as the major source of fund. 1.09% establishments have financial assistance from Governments and rests of them are relying on financial institutions and money lenders.

The highest number of establishments under women entrepreneur is in Thiruvananthapuram district, 1.68 lakh (18.38%) and least number of establishments are in Wayanad District (1.85%).

Literature Review

Valmisking and Jerman Rose (1989) studied the profitability and variables affecting it. They

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analysed entrepreneurial characteristics, situational variables and variables related to the product or service idea itself, and came to the conclusion that experience level of the women and their competence levels were influential in the success of the firm.

Yusuf, Attahir (1995) provided findings from a survey study of South Pacific entrepreneurs. Respondents gave information regarding their level of education and previous business experience. They were asked to rank critical success factors. The top four factors were: good management, satisfactory government support, marketing factors and overseas exposure. The importance of government support is consistent with the findings in other developing areas as well.

Paula Kantor (2002) suggested that concentrating only on economic outcomes such as profitability, turnover, sales and employment to evaluate success was not sufficient within many cultural contexts where culturally specific power relations influenced women's opportunities for success.

Singhla and Syal (1997) also studied the problems faced by women entrepreneurs at different stages of their entrepreneurial career. They found that problems faced by women entrepreneurs could be classified into three major heads as problems in

- a) Project formulation
- b) Project implementation, and
- c) Project operation.

They also found that a group approach to entrepreneurship might be successful for women to face the problems as listed above. Hence they suggested Group Women Entrepreneurship as the best alternative to promote entrepreneurship among women in India.

Anna V. (1990) tried to identify the trends of women entrepreneurs in Kerala. A detailed study on the background of the entrepreneurs was attempted by collecting primary data from 102 entrepreneurs randomly from all over the State. The study found that social barriers and traditions were still relevant in Kerala society and the better educated. Christian women were more enterprising in nature. Growth of entrepreneurship among women is influenced by the occupational background of father or husband. An interesting result of the study was that a considerable number of the women entrepreneurs of Kerala still consider salaried job as their first option.

Karunakaran Pillai. G (1989) dwelt upon the problems and prospects of women entrepreneurs in Kerala. He is of the opinion that inadequate

financial resources, inefficient arrangement for marketing and sales, shortage of raw materials and other inputs, high cost of production and the like are the major problems faced by women entrepreneurs in Kerala.

Mr. P.M. George (1995) conducted a study at Cochin to identify the profile of successful women entrepreneurs in Kerala. He adopted the case study method for the purpose. He could identify seven successful women entrepreneurs from the region on the basis of analysis done on the above seven cases and reported that willingness to take challenge, hard work, and good labour relations were the factors influencing the success of women entrepreneurs in Kerala.

Nirmala Karuna D'Cruz (2003) presented a study conducted among women-owned enterprises in Thiruvananthapuram district. The enterprises were from both urban and rural areas. Information was collected from 200 enterprises, out of a total of 1750 registered unit in 1994 with the District Industries Centre (DIC), through personal visits by the investigator herself with the help of an elaborate interview schedule. Besides the field survey, consultation programmes, workshops, in-depth interviews, and case studies were also conducted. The researcher presented her analysis on the basis of data obtained from 20 samples. The purpose of the research was to investigate the educational, religious, familial and social background of the entrepreneurs; to examine the extent and nature of family influence in the choice of their entrepreneurial career; to discuss their religious composition; and to identify the psychological factors (such as attitudes, traits, willingness, and confidence) that govern enterprise development among women entrepreneurs in Kerala. The study reported that personal traits such as economic independence, self-reliance and need for achievement, helped entrepreneurial success. The study revealed the following aspects too: the women in Kerala have taken up this career in the absence of any other means of contributing to family income. Most of them started business only after all their attempts to secure a regular, secure, salaried job failed. The size and the nature of activities of women's enterprises show their low risk-taking tendency; the bulk of the units were in the tiny sector. Social and psychological factors that act as impediments to the growth and success of a woman entrepreneur also existed.

Man et al. (2002) defined entrepreneurial competencies as higher-level characteristics encompassing personality traits, skills and

knowledge, which can be

seen as the total ability of the entrepreneur to perform a job successfully. Six major

competency areas are identified in their work: (1) opportunity, (2) organizing, (3) strategic, (4) relationship, (5) commitment, and (6) conceptual competencies.

Eva Kyndt, Herman Baert, Centre for Research on Professional Learning & Development, and Lifelong Learning, University of Leuven, Belgium, conducted a study on 'Entrepreneurial competencies: Assessment and predictive value for entrepreneurship' published in *Journal of Vocational Behavior*, July 2015, used a instrument on behaviorally rating scale. This questionnaire was developed between 2005 and 2007 in collaboration with entrepreneurs and organisations (UNIZO, VDAB, & Syntra). The variables used for the study are Seeing opportunities, Insight into market, Awareness of potential ROI, Orientation towards learning, Social and environmentally conscious conduct, Building network, Persuasion, Planning for future, Independence, Decisiveness, Self knowledge, Persistence.

Research Methodology

Statement of problem

Entrepreneurship was once the domain of male population and at present many women entrepreneurs entered in the field of entrepreneurship and proved success in their venture. Like men entrepreneurs, women entrepreneurs also have an equal role in the nation's development. By starting enterprises, exploring new markets, innovating new products and techniques and giving employment to people, women entrepreneurs will be able to add to the growth and prosperity of the nation and to the state of Kerala. These women entrepreneurs are generating more than 11 lakh employment opportunity. Various governmental and non governmental bodies like Kerala State Women Industries Association (KSWIA) giving guidelines and coordinating various empowerment programs.

High literacy and education along with skill and confidence motivates women to start enterprises. The entrepreneurial activities of women are primarily focused on income generating activity that they undertake by using the available resources. In spite of the growth in number, the business units run by women entrepreneurs are facing a number of problems like competition from MNCs and other

peers and they are also suffering from family and personal problems. Many of them have not been able to contribute significantly to the economic development of the region. Most of the units are either liquidated, dormant or are in the process of liquidation. Though the women entrepreneurs are ready to face the challenges and work hard to achieve their objective, they are not able to achieve their aspirations. It is inevitable to study the competency required by the entrepreneurs to sustain in the competitive world.

So the study is conducted among the successful women entrepreneurs running unit for at least five years and have overcome its initial troubles and sustainable in the business.

Objectives of the study

1. To ascertain the demographic profile of women entrepreneurs in Thrissur District, Kerala.
2. To identify the most important and indispensable Entrepreneurial Competencies possessed by women entrepreneurs in Thrissur District.

Population

Sixty four thousand forty three establishments are under women entrepreneurship in Thrissur district, Kerala. Among them 538 units are working with six or more than six employees. Since our study is focused on establishments where more than 6 employees work the population is 538. (Source: 6th Economic census, DES, GOK)

Sample size

- a) The women entrepreneurs, who registered their units on or before 31st March, 2013.
- b) Those units in which the owned women entrepreneurs have a definite say and active involvement were chosen for the detailed study.

Population is 538. The sample of 65 women entrepreneurs is to be purposively selected for collecting the data. Purposive Sampling is used in this study.

Design of questionnaire and variables considered

The variables used for the study are Seeing opportunities, Insight into market, Awareness of potential ROI, Orientation towards learning, Social and environmentally conscious conduct,

Building network, Persuasion, Planning for future, Independence, Decisiveness, Self knowledge, Perseverance.

Reliability of the questionnaire was checked by using Crompach Alpha test.

Other Variables Considered

Entrepreneurial activity is dependent on several complex economic, social, and psychological factors. Thus, for any attempt made to understand the entrepreneurial activity among women, an analysis of their socioeconomic status is necessary. Therefore in addition to these variables factors like age, educational qualification, marital status, sector in which they are working, legal status of the business, premises used by them, reason for starting, size in terms of employees, change in net profit are also taken into consideration.

Instrument used for data Collection

The instrument contains the twelve competencies considered relevant for entrepreneurs in different sectors. The items of the questionnaire are formulated as behavioural indicators and ask entrepreneurs to what degree they perform certain behaviours in their daily as well as professional activities. Behavioural indicators were used because it has been argued that "the mere possession of competencies does not necessarily make an entrepreneur competent. Competencies can only be demonstrated by a person's behaviour and actions". For every competency four to eleven behavioural indicators were formulated. In total 78 items were included in the instrument.

5-point Likert scale with following response options '1 = Strongly disagree '2 = Disagree '3 = Neither agree nor disagree'4 = agree'5 = strongly agree'.

Method of Data Collection

The study is based both primary and secondary sources of data. The primary data for this research study were collected by way of a questionnaire. The secondary sources of data were collected from sources such as standard textbooks, conference materials, newspapers, journals, magazines, publications, reports, periodicals, articles, research papers, websites, company publications, manuals, booklets etc.

Statistical Techniques Used in study

The data collected from final survey were analysed by using SPSS Version 21.0. The details of the statistical tools are given hereunder

1. Mean
2. Standard Deviation
3. Correlation

Data Analysis

Demographic profile of the respondents

	4-5years	13
Experience	6-10years	22
	11-15years	10
	16-20years	14
	20-25years	16
Education	SSLC	5
	Plus Two	7
	Degree	33
Type	Post graduation	20
	Manufacturing	23
	Trade	22
	Service	20
Category	Food processing	7
	Garment industry	26
	Beauty and Wellness	16
Legal status	Others	16
	Proprietorship	54
	Partnership	11
Premises	Owned	40
	Rented	25
How to Start	Own started	46
	With friends	9
	Continue family business	8
	Take over from third party	2

Mean Analysis

The mean distribution of the data collected according to the various factors. These factors are Seeing opportunities, Insight into market, Awareness of potential ROI, Orientation towards learning, Social and environmentally conscious conduct, Building network, Persuasion, Planning for future, Independence, Decisiveness, Self knowledge and Perseverance.

Factors	Mean value	Competency factor
Independence	4.61	
Awareness of potential ROI.	4.60	Highly present in women entrepreneurs
Perseverance	4.51	
Decisiveness	4.48	
Seeing opportunities	4.39	
Self knowledge	4.306	
Willingness to learn	4.24	moderately present in women entrepreneurs
Social and environmentally conscious conduct	4.24	
Insight into market	4.00	
persuasion	4.00	Lastly present in women entrepreneurs
Planning for future.	3.54	
Building network	3.49	

Independency is the most important competency present in the women entrepreneurs in the study. They are ready to solve problems by themselves and able to determine what they do and don't. When they free, they perform best. Women entrepreneurs are capable to use the resources in the best possible way. They have the capacity to control the cost and find out the short term and long term financial sources.

Table 1: Correlation showing the years of experience in the business and independency of the women entrepreneurs.

		experience	Independence
experience	Pearson Correlation	1	.127
	Sig. (2-tailed) N	65	65
	Pearson Correlation	.127	1
independence	Sig. (2-tailed) N	.315	65

** Correlation is significant at the 0.01 level (2-tailed).

The above table 1 shows the positive relationship between the experiences the business and the independency of the women entrepreneurs.

Table 2: Correlation showing the years of experience in the business and perseverance of the women entrepreneurs.

		experience	perseverance
experience	Pearson Correlation	1	.165
	Sig. (2-tailed) N	65	65
	Pearson Correlation	.165	1
perseverance	Sig. (2-tailed) N	.189	65

** Correlation is significant at the 0.01 level (2-tailed).

The above table 2 shows the positive relationship between the experiences in the business and the perseverance of the women entrepreneurs.

Findings

1. Independency is the most important competency present in the women entrepreneurs in the study. They are ready to solve problems by themselves and able to determine what they do and don't. They have the opinion that, when they free, they perform best.
2. Women entrepreneurs are capable to use the resources in the best possible way. They have the capacity to control the cost and find out the short term and long term financial sources. They have the capacity to monitor the budget closely and if any deviations they correct it. They are very conscious about the cost reduction and also manage inventory without making any burden to business.
3. Women entrepreneurs have perseverance in the business. If any setbacks in the business they are ready to continue in the business till its success.
4. Majority of the entrepreneurs is having the experience of 6-10 years and 75% of them are graduates or post graduates.
5. 50% of the women entrepreneurs are working with Garment industry. And their convenient form of legal status is proprietorship. 70% of women entrepreneurs are started their establishment by themselves.

Recommendations

1. As independency is the most important competency factor possessed by the women entrepreneurs, it is good to give training to the prospective entrepreneurs how to become independent and take their own decision in business. If family members and society should give a favourable environment to make them independent, surely they perform best in the industry.
2. Successful women entrepreneurs regularly monitor their budget and calculate the return on investment. So the new comers must study the fund management and how to make best utilization the available resources to improve the return on investment.

Conclusion

Successful entrepreneurs have the ability to keep on applying their competency to deal with challenges. This study is helpful to understand and identify the women Entrepreneurs in Thrissur District and able to understand how competent they are in entrepreneurial and managerial area.

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