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Determinants of Women Entrepreneurs Performance: A study of small enterprises runs by Women in Kalaburagi District

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ABSTRACT

This paper examines the impact of motivational, individual, and environmental factors on performance of women entrepreneurs, the objectives of this study is to examine the performance of women entrepreneurs who runs small enterprises in Kalaburagi District. To analyze the performance of women entrepreneurs' researcher used extracted factors. A sample of 415 women entrepreneurs involved in small enterprises were considered, Hypotheses were tested, inferences made from which generalizations and conclusions were drawn.

However, this study found that there is moderate correlation among motivational factors and performance of Women entrepreneurs in Kalaburagi District the relationship is not high because of women are not motivated in terms financial performance. Regression analysis could not categorically establish the extent and manner of the effects of the independent variables on the women entrepreneur performance. It was recommended that policy makers should streamline policies to facilitate the growth of women operated enterprises.

1. Introduction

The small and micro enterprise sector, estimated to be comprised of almost over 90 percent of all enterprises in the world, accounts for 50 percent to 60 percent of total employment and holds a major share of the industrial production and exports. A woman entering the field of entrepreneurship has to overcome stiffer struggles and frustrations to emerge as entrepreneurs and to achieve success in business.

As individuals, women may establish micro enterprises, will surely pave the way for sustainable development, the eradication of poverty, human rights, social security and employment promotion in different regions of the Country. In this background the study intends to identify the determinants of the women entrepreneur performance as individuals, women may establish micro enterprises will surely pave the way for sustainable development, the eradication of poverty, human rights, social security and employment promotion in different regions of the Country. Hence the study intends to identify the determinants of the women entrepreneur performance

2. Review of literature

According to Roy and Okafor (2012) women, entrepreneurs in southwest Nigeria have weak entrepreneur's performance due to different aspects such as skills necessary to run their business for that reasons they suggested to undergo training and other capacity-building programs to improve required skills for running their business.Chinomona&Maziriri (2015) studied challenges faced by women entrepreneurs in South Africa and concluded that lack of education and training, lack of access to finance, gender discrimination, negative attitudes, and inadequate resources are the main factors that hamper the performance of women entrepreneurs. K. Aruna. (2016) investigated factors influencing the performance of women entrepreneurs as Economic factors, Social factors, Legal and administrative factors, Entrepreneurial & managerial factors, Personality &integrity and Family background & personal motivation.Wangari (2017) identified the factors affecting the performance of businesses owned by female entrepreneurs are personal characteristics of female entrepreneurs, financial access, lack of own operating premises, stiff competition and access to technology are some of the most important factors that affect the performance of women-led businesses.

It is important to focus on the fact that, the contribution of women entrepreneurs depends on their performance, which in turn is affected by the numerous factors, comprehension of which is a crucial stepping stone towards nurturing and developing women entrepreneurship for sustainable growth in the long run.

Objectives of the study

The research is intended to identify the major factors affecting the performance of women entrepreneurs running their small business in Kalaburagi district. Specifically, it is intended to understand the relationship between the motivational, individual and environmental variables that trigger performance.

Toidentify the determinants of performance researcher generated the hypothesis involving motivational, individual, and environmental factors

3. Research Methodology

The researcher obtained the list of women entrepreneurs from the DIC and prepared the list of enterprises owned by women in the district. A sample of ten per cent of the total enterprises has been chosen using random sampling method. Primary data were collected through personally administering the interview of women entrepreneurs in entire Kalaburagi district (Seven talukas).A structured questionnaire was preferred as it is the best suited method for collection of views, perceptions, and feelings which could not be observed (Oso &Onen, 2005).

Researcher tried to collect secondary data from books, magazines, newspapers, reports, and the publication of government, financial institutions, and other association supporting women entrepreneurs

For this research, the researcher collected 415 samples which consist of 10 per cent of women entrepreneurs, from the universe of 3987 women entrepreneurs. These samples were drawn by lottery method.

The collected data has been analyzed using SPSS version 20 by applying factor analysis the Pearson correlation test is used to check the correlations between performance and other influencing factors. Finally, Linear Regression Analysis is conducted for hypothesis testing to find out the relationships between performance and individual factors, performance and environmental factors.

4. Results and Discussion

Descriptive statistics were carried out for demographics and the scale items.EFA with Varimax rotation were used for multi-item scales like motivation, individual, and environmental variables.A total of sixteen items grouped under four factors, a total of seven items grouped under two factors and a total of nineteen items grouped under eight factors emerged from the factor analysis. The EFA output was tested statistically for validity and reliability.The Cronbach's α value for extracted factors was greater than 0.5 indicating the reliability of the output were kept and whose reliability was very low are not considered for further analysis. To check whether the various extracted factors were correlated with the women entrepreneur performance, researcher used Pearson correlation test among the variables.

Table 1: Correlation between extracted factors and performance

Motivation	Coefficient (r)		Significance (p)
Necessity	.110*	4	.025
Challenge	.202**	2	.000
Individual talent	.224**	1	.000
Human capital	.170**	3	.001
Technological environment	-.205**	8	.000
Personal environment	-.147**	6	.003
Economic environment	-.198**	7	.000
Family environment	-.109*	5	.027

*. Correlation is significant at the 0.05 level (2-tailed).
**. Correlation is significant at the 0.01 level (2-tailed).

After finding out the factors involved in running a business enterprise, the next step is to find out the relationship between the motivational, individual and environmental factors and the performance of women entrepreneurs in Kalaburagi district the study area. Multiple linear regressionused to predict the total effect of eight factors.Variables were entered into the regression model as independent variables and mean performance as the dependent variable.Where the dependent variable was the Performance of women entrepreneur measured by sales, income, profit, production capacity on a scale ranging from 1 for significantly decreased to 5 for significantly increased. And the cost of production on a scale ranging from 5 for significantly decreased to 1 for significantly increased.

Table 2: Model summary of regression analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.224[a]	.050	.048	.64979
2	.269[b]	.072	.068	.64294
3	.293[c]	.086	.079	.63913
4	.309[d]	.095	.087	.63649
a. Predictors: (Constant), Individual talent				
b. Predictors: (Constant), Individual talent, Economic environment				
c. Predictors: (Constant), Individual talent, Economic environment, Personal environment				
d. Predictors: (Constant), Individual talent, Economic environment, Personal environment , Technological environment				

It was found that the correlation coefficient R= 0.309 indicates a level of prediction. It was observed that the adjusted R square (coefficient of determination) was 0.087 (p <0.000) which indicates that the various independent variables explain 8.7 per cent of the variability of the dependent variable performance.

Table 3: ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.243	1	9.243	21.892	.000[b]
	Residual	174.377	413	.422		
	Total	183.621	414			
2	Regression	13.311	2	6.655	16.100	.000[c]
	Residual	170.310	412	.413		
	Total	183.621	414			
3	Regression	15.733	3	5.244	12.839	.000[d]
	Residual	167.888	411	.408		
	Total	183.621	414			
4	Regression	17.522	4	4.380	10.813	.000[e]
	Residual	166.099	410	.405		
	Total	183.621	414			
a. Dependent Variable: Performance of respondent						

The F-ratio in the **ANOVA** Table 3 tests whether the overall regression model is a good fit for the data. The overall model was significant. The table shows that the independent variables, statistically significantly predict the dependent variable, F (4,410) =10.813,

p< 0.005 that validates the whole model.

Table 4: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.224	.083		38.967	.000
	Individual talent	.130	.028	.224	4.679	.000
2	(Constant)	3.465	.112		30.884	.000
	Individual talent	.109	.028	.188	3.847	.000
	Economic environment	-.065	.021	-.153	-3.137	.002
3	(Constant)	3.567	.119		29.947	.000
	Individual talent	.103	.028	.178	3.660	.000
	Economic environment	-.061	.021	-.145	-2.973	.003
	Personal environment	-.066	.027	-.116	-2.435	.015
4	(Constant)	3.849	.179		21.492	.000
	Individual talent	.086	.029	.149	2.948	.003
	Economic environment	-.052	.021	-.123	-2.472	.014
	Personal environment	-.061	.027	-.107	-2.245	.025
	Technological environment	-.071	.034	-.108	-2.101	.036
a. Dependent Variable: Performance of respondent						

The regression coefficients of dependent variables explaining the dependent variable were shown in Table 4.

Table 5: Excluded variables

Model		Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
						Tolerance
1	Necessity	.046	.907	.365	.045	.906
	Challenge	.119	2.160	.031	.106	.748
	Human capital	.099	1.914	.056	.094	.856
	Technological environment	-.147	-2.914	.004	-.142	.891
	Personal environment	-.126	-2.630	.009	-.128	.990
	Economic environment	-.153	-3.137	.002	-.153	.943

	Family environment	-.064	-1.303	.193	-.064	.955
2	Necessity	.046	.913	.362	.045	.906
	Challenge	.111	2.021	.044	.099	.746
	Human capital	.093	1.816	.070	.089	.855
	Technological environment	-.118	-2.303	.022	-.113	.848
	Personal environment	-.116	-2.435	.015	-.119	.985
	Family environment	-.043	-.875	.382	-.043	.935
3	Necessity	.062	1.236	.217	.061	.892
	Challenge	.112	2.066	.039	.101	.746
	Human capital	.078	1.521	.129	.075	.841
	Technological environment	-.108	-2.101	.036	-.103	.841
	Family environment	-.040	-.814	.416	-.040	.934
4	Necessity	.057	1.135	.257	.056	.889
	Challenge	.091	1.626	.105	.080	.706
	Human capital	.064	1.247	.213	.062	.825
	Family environment	-.029	-.593	.553	-.029	.923

Table 6: Result of regression analysis

	df	R^2	F	β	t	Sig.
Dependent Variable: Performance	410	0.095	10.813		21.492	0.000
Individual talent				0.149	2.948	0.003
Economic environment				-0.123	-2.472	0.014
Personal environment				-0.107	-2.245	0.025
Technological environment				-0.108	-2.101	0.036

Individual talent, Personal environment, Technological environment, Economic environment make the unique contribution in explaining the dependent variable, i.e. performance with standardized beta coefficient with a p-value less than alpha level 0.05. The p-values of the remaining independent variables being greater than 0.05 are not making a significant unique contribution to the prediction of the dependent variable, i.e. there is no significant directional relationship between those variables and performance.

The general form of the equation to predict performance from dependent factors is

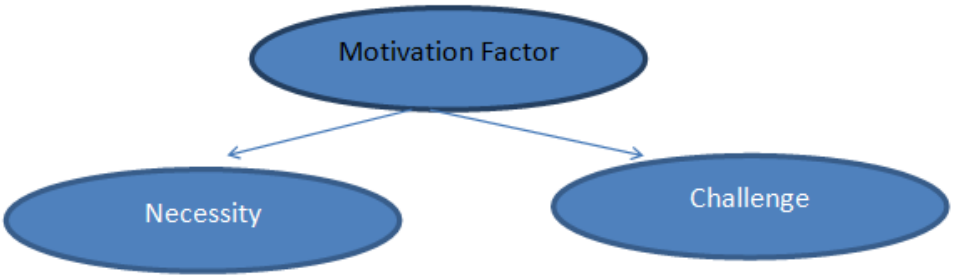
Predicted performance = 3.849+ 0.149 IF1 - 0.123 EF3 - 0.107 EF5 - 0.108 EF1

IF1= Individual talentEF5= Family environment

EF3=Economic environmentEF1= Technological environment

Testing of hypothesis

Factor analysis results into two sub-hypotheses within H_1 as shown below:



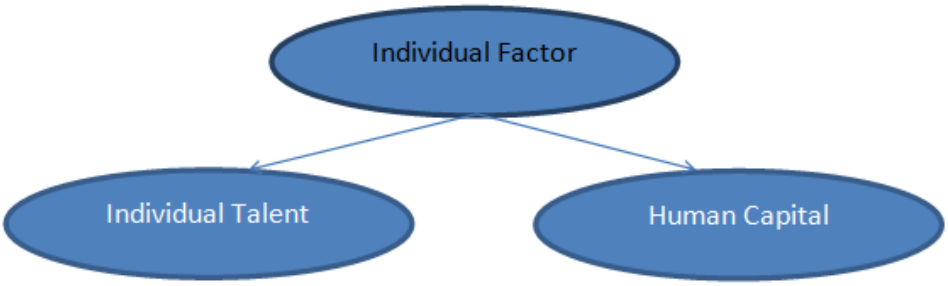
H_{1a}: Necessity influences the performance of women entrepreneurs

p= 0.257 being greater than the alpha level of 0.05, the null hypothesis was accepted. The data didn't provide sufficient evidence supporting the idea that necessity influences the performance.

H_{1b}: Challenge influences the performance of women entrepreneurs

p=0.105 being greater than the alpha level of 0.05. The null hypothesis was accepted. The data didn't provide sufficient evidence that challengeinfluence the performance of women entrepreneurs.

Factor analysis results into two sub-hypotheses within H2 as shown below:



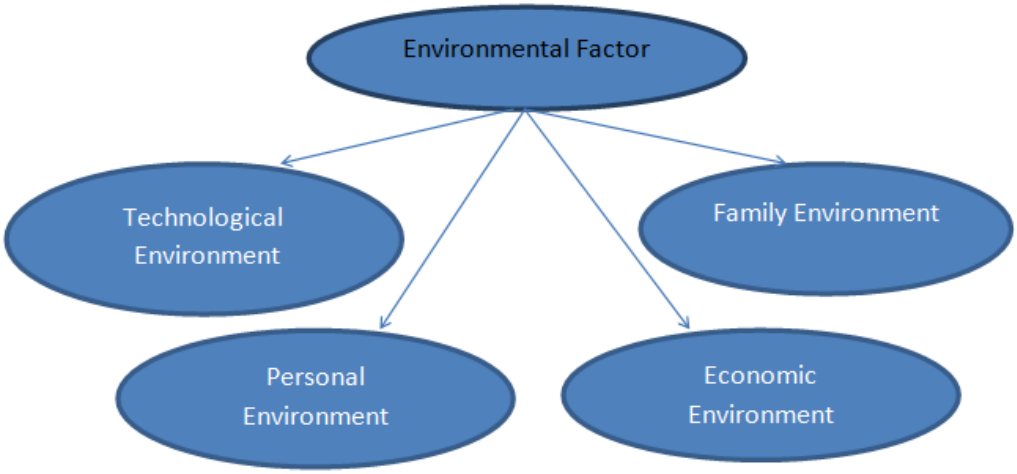
H_{2a}: Individual talent influence the performance of women entrepreneurs

p = 0.003 from the regression analysis being smaller than the level of alpha 0.05. The data provided sufficient evidence that there was a significant relationship between individual talent and performance.

H_{2b}: Human capital influence the performance of women entrepreneurs

p =0.213 being greater than the level of alpha 0.05, the data does not provide sufficient evidence that there was a significant relationship between human capital and performance.

Factor analysis results into four sub-hypotheses within H_3 as shown below:



H_{3a}: Technological environment influences the performance of women entrepreneurs

p = 0.036 being smaller than the level of alpha of 0.05, the data provided sufficient evidence that there was a significant relationship between technological environment and performance. There is a negative directional relationship between the two analyzed variables. Technological environment makes unique contributions in the prediction of the dependent variable i.e. performance. Therefore the hypothesis is supported by these findings.

H_{3b}: Personal environment influences the performance of women entrepreneurs

P= 0.025, smaller than an alpha level of 0.05, there is a negative directional relationship between this independent variable and performance. The data provided sufficient evidence supporting the idea that there was a significant relationship between these two variables.Personal environment makes unique contributions in the prediction of the dependent variable. Therefore the hypothesis is supported by these findings.

H_{3c}: Economic environment influences the performance of women entrepreneurs

p = 0.014 smaller than the level of alpha of 0.05, The data provided sufficient evidence that there was a significant relationship between the economic environment and performance. There is a negative directional relationship between the two analyzed variables. Economic environment makes unique contributions in the prediction of the dependent variable. Therefore the hypothesis is supported by these findings.

H_{3d}: Family environment influence the performance of women entrepreneurs

P= 0.553, which is greater than an alpha level of 0.05, the data didn't provide sufficient evidence supporting the idea that there was a significant relationship between these two variables. Therefore, this hypothesis hasn't been supported.

5. Findings

'Necessity' did not seem to influence the performance of women entrepreneurs but 'N*ecessity'* can be used as a means to portray opportunities available to women entrepreneur.

Women entrepreneurs can create success stories for themselves, in this district woman entrepreneurs are trying to fulfil or satisfy family needs. It is revealed by the respondents and found by the researcher that 'Necessity' is considered to be a crucial factor in improving the performance of women entrepreneur. Hence Women entrepreneurs or policymakers cannot ignore this factor. The findings of the study did not support that ***'Challenge'***motivate women to contribute something to the society is not considered to be a crucial factor in improving the performance of women entrepreneur.

Women entrepreneur decision-making ability, a leadership trait, increase in social prestige, having a role model are more likely to influence positively to improve the business performance of women entrepreneur. The data provided sufficient evidence that there was a significant relationship between ***'Individual talent'***and performance. Women entrepreneur's previous experience, education, availability and accessibility of mentors and advisors in business matters are not influencing to improve the business performance of them. It is revealed from the respondents as well as researcher found out that number of illiterates involved in a small and traditional business where they don't feel that education and previous experience is essential to get involved in such traditional businesses. The data did not provide sufficient evidence that there was a significant relationship between ***'Human capital'***and performance.

'Technological environment' inadequate knowledge about the latest information and operational related technologies knowledge and lack of training negatively influence the performance of women entrepreneur. Therefore, *'Technological environment* 'is considered to be a crucial factor in influencing the performance of women entrepreneur.' *Personal environment'* lack of communication skill and lack of self-confidence negatively influence the performance of women entrepreneur. Therefore, ***'Personal environment*** 'is considered to be a crucial factor in influencing the performance of women entrepreneur. *'Economic environment'* Uneven demand for the product/service, Income derived is inadequate negatively influence the performance of women entrepreneur. Therefore, *'**Economic environment'*** is considered to be a crucial factor in influencing the performance of women entrepreneur.The findings of the study did not support that ***'Family Environment'*** motivate women to contribute something to the society is not considered to be a crucial factor in improving the performance of women entrepreneur.

6. Conclusion and recommendations

The results of the research, identified significant relationship between motivation, individual environmental variables and performance of the women entrepreneurs. The findings of the research can be used by women entrepreneurs, to enhance the performance and create a convenient and inspiring environment for improving business performance.

The study reveals that women in the district are largely engaged in the entrepreneurial activities in which value addition is relatively low. The women in the district have a greater scope for establishing small and medium enterprises. Further, they have a promising scope for Textile industry in the district. Thus, an exclusive support system that women entrepreneurs would be able to freely access has to be thought of.A new curriculum may be designed in such a way that women can develop the required business and management skills.The best practices of Women entrepreneurs who are successfully involved in MSEs should share experiences with the women who are keen to get involved in MSEs will result in improved performance of enthusiastic women entrepreneurs in the District.

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