

Factors Influence Women to Become Entrepreneurs: A Study In Namsai Districts Arunachal Pradesh

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Abstract:

Entrepreneurship is the process of designing, launching and running a business venture. Establishing a new business venture involves capitalizing on fresh opportunities. Entrepreneurship has a significant impact on the economy as they facilitate the creation of new wealth, new employment opportunities, through the invention of novel products, processes, and services. Entrepreneurship in various forms is widely recognised and practiced globally, yet women's entrepreneurial efforts are frequently confined to conventional business models. In developing countries like India, women encounter various obstacles, including limited financial resources, inadequate education, and a lack of family support, when attempting to establish a business. The role of women in local business is notably significant in north eastern India. The challenges of this issue vary significantly from one region to another, and depend on the unique conditions and characteristics of each business. This study initially examines the key factors that motivated women to become entrepreneurs in the Namsai District of Arunachal Pradesh. This study also examines the obstacles faced by women entrepreneurs in achieving business success. The researcher surveyed 400 women entrepreneurs using structured questionnaires. The primary factor prompting women to become entrepreneurs appears to be economic necessity within the family, alongside self-confidence, the absence of employment opportunities for family members, and other related factors. The respondent is experiencing difficulties with financial issues, insufficient entrepreneurial skills, minimal government support, health concerns, and family obligations.

Keywords: Entrepreneur, Factor, Challenges, Namsai, Women's Empowerment.

“To awaken the people, it is women who must be awakened; once she is in the moves, the family moves, the villages move, and nation moves.” Pt. Jawaharlal Nehru

1. INTRODUCTION

The development of a nation is notably impacted by the successful establishment of various businesses. Every demographic segment, from gender-based groups to indigenous communities, plays a significant role in building a robust economy. Female entrepreneurs make a crucial contribution to job creation and business diversification in India's economy. Despite varied social factors, women frequently encounter numerous hindrances to their success as business owners. India's northeast is economically underdeveloped primarily due to poor management of the economy, inadequate exploration of its natural

resources, and a shortage of long-term political strategy. In many areas of this region, disparities in growth and development have distorted the notion of equal growth and development. Women entrepreneur in the region are restricted to traditional business. The presence of women in the local economy in this area is evident and significant. As mentioned earlier, women are presumed to have tremendous independence, yet the number of businesses registered under women is still lower than that of men. The independence of finance and decision-making is a hallmark of liberal women's society. Finance is also a huge issue in developing countries like India. It is obvious to project the increased research trends concerning the lag in women's entrepreneurship compared to their men counterparts and other problems that women entrepreneurs face in this region. The majority of case studies on this topic were conducted in the Manipur, Mizoram, Assam, and Meghalaya regions.

2. REVIEW OF LITERATURE

Factors influenced women to become entrepreneur

Stefan, D., Vasile, V., Oltean, A., Comes, C., Stefan, A., Ciucan-Rusu, L. and Timus, M. (2021). In their study "Women entrepreneurship and sustainable business development" observed that innovation is a valuable and essential intangible asset that is scarce, non-imitable, and essential for achieving success.

De Silva, T., Männikkö Barbutiu, S., Wakanuma, K., & S Dhameeth, G. (2021). Their study found that facilitating factors encourage women to establish their own businesses. Entrepreneurship innovation plays a central role in success achievement.

Kaur, A. (2021). The study suggested that improving women's social, psychological, and economic status is crucial for their empowerment, as these factors are closely linked.

Kanapathipillai, K. and Azam, S. (2019). They analysed that access to sufficient financial resources has a substantial impact on women who start and run their own businesses.

Kaur, S. (2018). The research analysed that women entrepreneurs in India have turned their ideas into value-added customer solutions.

Khan, M., Kanwal, N., Nabi, P. and Shah, A. (2016) Their study observed that Indian women have successfully overcome numerous challenges to achieve empowerment and personal growth through self-help groups, non-governmental organisations, banks, government assistance, microfinance institutions, or the private sector.

Modarresi, M., Arasti, Z., Talebi, K., and Farasatkah, M. (2016). In their study they observed that a range of motivational and facilitating factors encourage women to engage entrepreneurial pursuits. Entrepreneurship is frequently selected as a career path by many women for various motivations. Entrepreneurial motivation stems from factors such as desire for achievement, self-confidence, and participation in social and cultural activities.

Hemavathy, S. and Julius, S. (2015). They conclude their research that in addition to socioeconomic and cultural factors, government policies, family situation, personal characteristics, financial resources, and market influences.

Ionescu, D. and Ionescu, A. (2015). The research found that innovation influences entrepreneurial activities by acquiring resources, generating new ideas, and implementing work systems, thereby enhancing learning, minimizing risks, and capitalising on market opportunities.

Balhara, S. and Singh, A. (2015). Financial autonomy, achievement, equal standing, and building one's own identity in society are crucial motivators for women as the study observed.

Krishnamoorthy, V. and Balasubramani, R. (2014). In their study "Motivational factors among women

entrepreneurs and their entrepreneurial success: A study” the conclude that drive such factors as ambition, knowledge, skills, family backing, self-reliance, Government aid, job fulfillment.

Shah, H. (2013). In the study it is observed that women from lower socioeconomic backgrounds often opt for entrepreneurship. Improving one’s socioeconomic status and gaining financial independence can be achieved through entrepreneurship.

Bannur, M., and Teli, R. (2012). Research has found that support from a spouse or family at the initial stage of a business is a crucial factor in its establishment and growth.

Kelley, D., Bosma, N. and Amorós, J. (2011). The research investigates that female business owners play a significant role in the economy by creating jobs and driving economic expansion. They are increasingly seen as a vital source of entrepreneurial diversity.

Naser, K., Mohammed, W., and Nuseibeh, R. (2009). The study observed that in contrast to single or unmarried women, married women have limited freedom to engage in business activities because of family commitments.

Robbins, S. and Judge, T. (2009). The research examined the primary driving factors for women to establish their own businesses are their desire for success, job fulfillment, autonomy, and financial gain.

Qian, F., & Luoma, A. (2007). The study suggested that women tend to prefer self-employment over traditional employment. This preference stems from a desire for independence and the opportunity to become their own bosses, which drives their decision to pursue entrepreneurship.

Challenges faced by women entrepreneurs

Afroze, T., Alam, M., Akther, E., and Jui, N. (2014). They noted women experience difficulties such as limited mobility and low literacy rates in their study “women entrepreneur in Bangladesh- challenges and determining factors”.

Jennings, J. E., and Brush, C. G. (2013). In their study observed that women entrepreneurs encounter significant difficulties in managing family responsibilities, which limits their participation in high-pressure and high-risk business ventures.

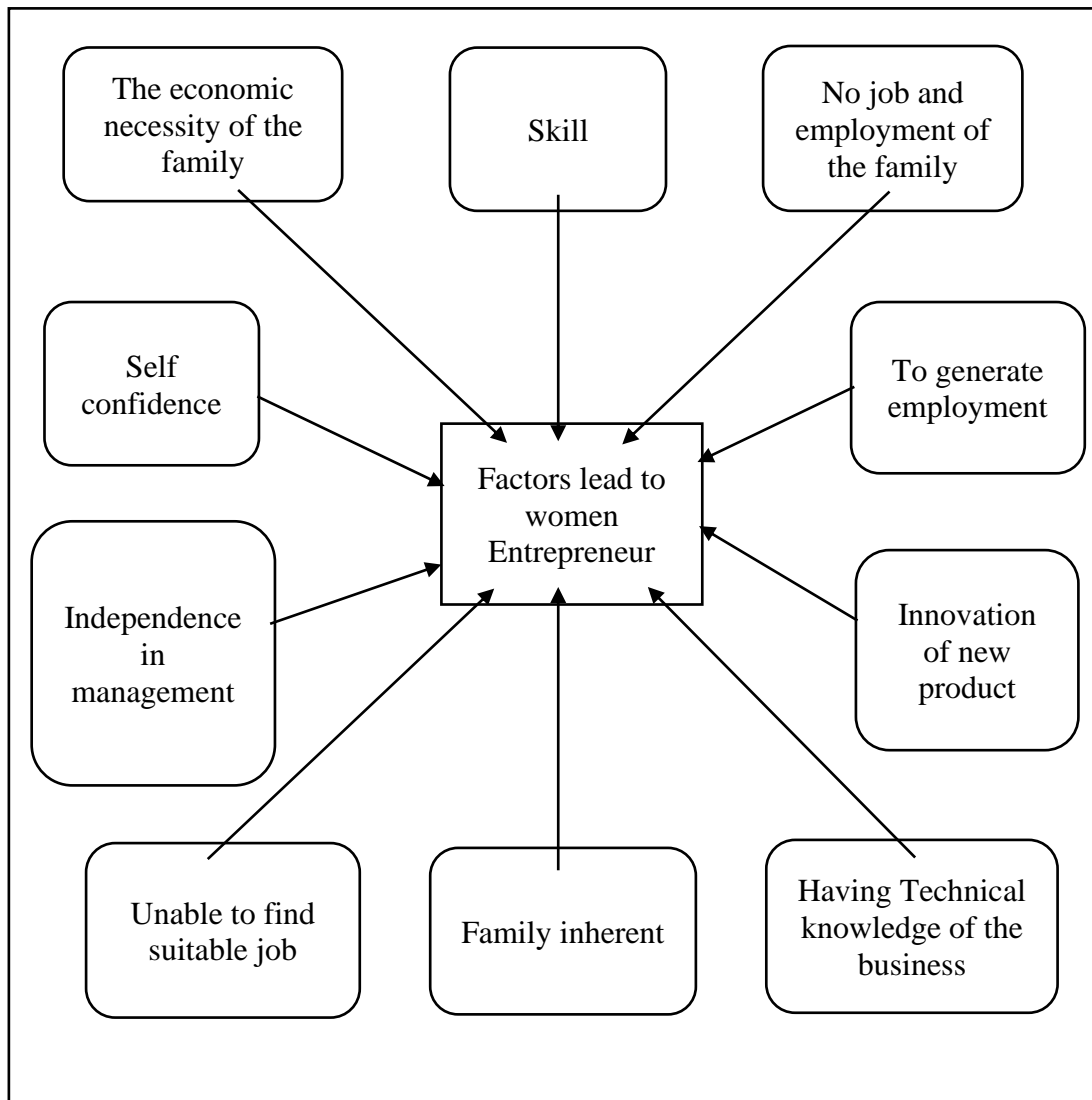
Pharm, A., and Sritharan, R. (2013). In the study they found that numerous female business owners encounter difficulties stemming from inadequate leadership skills, insufficient access to finance, unfamiliarity with government initiatives, unpaid loans, and a deficiency in both education and self-assurance.

Singh, N. and Singh, P. (2012). Their research has found that women encounter distinct challenges when establishing and expanding their businesses, including a shortage of necessary skills or training, restricted access to capital or credit, insufficient personal savings, limited social connections and a restricted range of industries to choose from. Limited access to land, credit, education, technology, networks, information, and market opportunities exists for women. The societal view also influences women’s confidence, resulting in an increased fear of failure.

Senthilkumar, V. (2012). In his study the “role of women entrepreneur in Prambalur district of Tamil Nadu” observed that women encounter numerous challenges in trying to achieve success in their entrepreneurial ventures. In addition, women suffer from a disadvantageous position in terms of literacy and workforce engagement.

Framework for factor influenced women to become an entrepreneur

Figure-1



3. OBJECTIVES

The objective of the study

1. To identify the factors that influence women to become entrepreneurs.
2. To identify problems and challenges faced when running a business.

4. RESEARCH METHODOLOGY

Research design

This quantitative study is grounded in an examination of initial data gathered from women entrepreneurs residing in the Namsai districts of Arunachal Pradesh. The survey method used by the researcher involved the distribution of questionnaires to respondents across the five blocks of the Namsai district: Chongkham, Namsai, Lathow, Payong, and Lakang. Respondents were asked to rate their opinions for the first study objective on a five-point Likert scale and for the second objective on a scale ranging from 1 to 10, where ten represents the strongest opinion and one represents the weakest.

Study area

The study area comprises five blocks: Chongkham, Namsai, Lathow, Payong, and Lakang, situated within the Namsai District of Arunachal Pradesh.

Population and sample

The population of the study area consisted of women entrepreneurs. The sample for the study consists of 400 women’s entrepreneurs, the sample size was determined based on the population of the blocks, which were selected based on simple random sampling.

Instrumentation

The survey questionnaire consisted of sixty-three questions divided into four sections, section one includes the demographic profile of the respondent; section two included the business profile of the respondent; section three focused on factors influencing women to become entrepreneurs; section four focused on challenges or problems faced the women entrepreneur while running the business.

5. DATA ANALYSIS AND INTERPRETATION

The researcher used frequency and percentage to analysis the study data. Descriptive statistics are significance for describing the data and offer a robust set of conceptual tools one would use to extend a better understanding of data in several important ways. For factors influencing women to become entrepreneurs, relationship between entrepreneurs and empowerment and challenges or problem faced by women entrepreneur, Fridman test was performed. Based on the analysis, reasonable conclusion and suggestion were made about the study.

Table-1 Detail of population of survey area as per 2011 Census

SL.NO	BLOCK	TOTAL POPULATION	PERCENTAGE OF POPULATION	TOTAL NUMBER OF RESPONDENT
1	Chongkham	21995	22.9	92
2	Lathao	8390	9.0	36
3	Namsai	26865	27.7	110
4	Piyong	10481	11.0	44
5	Lekang	28219	29.4	118
Total		95950	100	400

Table-2 Descriptive statistics of the demographic and business sectors of the respondent

Age of respondent	CATEGORY	FREQUENCY	PERCENTAGE OF POPULATION	TOTAL SAMPLE SURVEYED
	20-25 years	2	.5	400
	26-35 years	48	12.0	
	36-50 years	219	54.75	
	51 and above	131	32.75	
	Married	358	89.5	400
	Unmarried	03	0.75	
	Widowed	37	9.25	

Marital status of the respondent.	Divorce	2	0.5	
Education qualification	Illiterate	38	9.5	400
	Below class X	224	56.0	
	Xth passed	71	17.75	
	XIIth passed	43	10.75	
	B.A and above	24	6.0	
Type of business	Manufacture	03	0.75	400
	service	03	0.75	
	Distribution	00	00	
	Retail Treader	53	13.25	
	Accommodations	47	11.75	
	Information and communication	02	0.5	
	Beauty Parlour	07	1.75	
	Agriculture	285	71.25	
Number of employed in the business.	1-4	238	59.5	400
	5-9	83	20.75	
	10-19	46	11.5	
	20-30	31	7.75	
	Above 31	2	0.5	

Friedman’s test of the factors influences women to become entrepreneurs and challenges/problem faced by the women entrepreneur in running the business.

In this section, the researcher uses the Friedman’s test to prioritise the factors influences women to become entrepreneurs in term of influence percentage and challenges/problem faced by the women entrepreneur while running the business in the study area.

Table - 3 Mean rank of factors influencing women to become an entrepreneur

SL.NO	FACTORS	MEAN	MEAN RANK
1	The economic necessity of the family.	4.91	8.77
2	Self-confidence.	4.46	7.78
3	No job and employment of the family	4.05	7.40
4	To generate employment.	4.10	6.91
5	Innovation of new product.	3.71	6.30
6	Unable to find suitable job.	2.48	4.97
7	Independence in management	1.91	3.79
8	Family Inherent.	1.41	3.19
9	skill	1.25	2.98
10	Having technical knowledge of the business	1.19	2.90

Table-3 shows the factors from the highest to the lowest mean rank. It indicates the economic necessity of the family (MR- 8.77) and self-confidence (MR-7.78) are the most significant factors from the respondents’ perspective. So having technical knowledge of the business (MR-2.90) is the least important factor influencing women to become entrepreneurs, followed by skill and family inherent (MR-2.98) and (MR-3.19) respectively.

TABLE -4 Challenges/problem face in running the business

SL.NO	FACTORS	MEAN	MEAN RANK
1	Financial problem	9.36	9.36
2	Lack of entrepreneur aptitude	8.81	8.81
3	Government influence is very low and the procedure is very lengthy.	7.32	7.31
4	Health issue and family responsibility.	6.73	6.72
5	Labour problem.	5.91	5.90
6	Lack of Education.	5.57	5.56
7	Marketing problem.	4.36	4.35
8	Availability of raw material.	3.14	3.14
9	Lack of proper transportation.	2.18	2.18
10	Lack of training.	1.68	1.68

Table 4 shows the challenges/problems from the highest to the lowest mean rank. It shows that financial problem (MR-9.36) and Lack of entrepreneur aptitude (MR-8.81) are the most significant challenges faced by women entrepreneurs of Namsai district of Arunachal Pradesh. Lack of training (MR-1.68) Lack of proper transportation (MR-2.18) are the least significance challenges faced by the women entrepreneur in the study area.

6. DISCUSSION AND CONCLUSSION

The purpose of this study was to determine the factors that influence women to start their own businesses. Based on the data analysis above, the women entrepreneurs in the Namsai district of Arunachal Pradesh start their businesses due to these factors: the family's economic necessity, self-confidence, the family's employment and lack of a job, the invention of a new product, and the inability to find a suitable job. The study also identifies the least influencing factors as having technical knowledge about the business, skill, family inherent, and independence in management.

This study aimed to identify the factors influencing women to start their business. As for the factors the above data analysis suggests that the women entrepreneurs of Namsai district of Arunachal Pradesh start their business because of factors like the economic necessity of the family, self-confidence, no job and employment of the family, innovation of the new product, unable to find suitable job. The study also finds that least influencing factors like having technical knowledge about the business, skill, family inherent, Independence in management.

Among the ten challenges faced by women entrepreneurs, the most significant issues are financial difficulties, limited entrepreneurial skills, and minimal government support. Conversely, issues such as inadequate training, insufficient transportation, and reliable access to raw materials are relatively less important. According to the findings, the government should make credit available for starting a business or supporting existing businesses. It is recommended that the government launch a campaign to inform

women business owners in rural areas about the government's programs and credit options. The significant economic role that half of the population's women could play should not be overlooked, and development of more women-led entrepreneurship initiatives is required. The government should implement targeted new policies and initiatives to enhance the productivity and well-being of female entrepreneurs. The participants in this study were from micro, small, and medium-sized enterprises that did not necessitate high levels of capital. It is also advisable to partner with a more established financial institution so that they can also provide the requested capital as this business continues to grow.

7. LIMITATION AND SUGGESTION FOR FURTHER STUDY.

Every research has its limitations, and this one is no exception. The placement of the sample composition inside a constrained geographic region was the current study's constraint. In this study, the researcher sampled a single district in Arunachal Pradesh. To obtain more thorough results, future researchers might extend it to the entire state of Arunachal Pradesh using a sizable sample for more comprehensive result. By connecting the present work to the various states in India, a comparison analysis with other districts of the state and with other states of the nation is also advised. The lesser number of factors in the questionnaires is another study constraint, and the researcher suggests that future researchers incorporate more data to draw valid conclusions. Furthermore, mixed-method research would be more accurate in determining the precise motivations that drive women to start their own businesses as well as the difficulties and issues that these women entrepreneurs encounter.

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