

Changes in Life After Becoming Entrepreneur : A Study of Small Scale Women Entrepreneurs in Punjab

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Abstract

The present study is an effort to study the small scale women entrepreneurs of Punjab for knowing the changes they perceive in their life after becoming entrepreneurs. A sample of 200 small scale women entrepreneurs operating for more than two years comprised the universe of the study. The ongoing study finds that the respondents surveyed have been found agreeing with the dimensions taken up in the study for measuring changes in their life after becoming entrepreneurs. The significant value of Kendall Coefficient of Concordance signifies that there is a close concordance among the respondents pertaining to the statements designed for the study. The factor analysis has identified seven factors viz.; 'financial strength', 'respect and recognition', 'job creator', 'hectic schedule', 'confidence and authority', 'use of qualification' and 'accept challenges' which collectively account for 73.72 per cent of the total variance and are the factors/changes women perceive in their life after becoming entrepreneurs. The findings of the ongoing study may be helpful for the researchers, centre and state governments especially those dealing with the micro and small scale industry, non-governmental organizations working for the upliftment of the women in the society etc. to formulate effective policies that can motivate women to become entrepreneurs.

Key Words

Changes, Factors, Women Entrepreneurs.

INTRODUCTION

Change is an incessant and usual process. To be the part of change

women show courage either by chance or choice to play the entrepreneurial role for the support of themselves or their families (Patel, 1997, Orhan 2001). They face numerous problems as every entrepreneur faces during the course of entrepreneurship. So far various studies have been examined over the different periods of time exploring the various problems of the women entrepreneurs of different levels/scales of entrepreneurship they face at start-up as well as operating stage viz., limited entrepreneurial skills, inadequate finance, poor marketing, restricted mobility, compulsion to perform dual role for work and family, etc. for their entrepreneurship (Carter, 1980; Hisrich and Brush, 1984; Symons, 1987; Heilbrunn, 2004; Masood, 2011). Rather studies are there to signify that women entrepreneurs encounter more barriers than men entrepreneurs (Buttner, 1993; Aryee *et al.* 1999; McElwee and Al-Riyami, 2003). Despite facing all these barriers women entrepreneurs invest their sources for the change in their life after becoming entrepreneurs. They strive on finding the ways that would help them to come across the problems and realize their aspirations of life. With this objective, to examine the changes women perceive after becoming entrepreneurs the present study has been conducted and categorized into five sections for analysis. Section I deals with the relevant literature reviewed for the ongoing study. This is followed by Section II which discusses the data base and the research methodology adopted for executing the study. Section III comprises of the descriptive analysis of the study. Section IV discusses the application of the factor analysis for measuring the changes women perceive in their life after becoming entrepreneurs. Conclusion and implications are presented in Section V.

SECTION I

EARLIER STUDIES

There is no dearth of literature available abroad or in India that shows that women initiate entrepreneurship for bringing changes in their life. For instance, Shane *et al.* (1991) explore that women initiate entrepreneurship for achievement rather than by monetary reasons. Buttner (1993) perceives that women initiate entrepreneurship often for family needs and have to work harder than men to prove their competence as business owners. Rosa *et al.* (1996) opine that women initiate entrepreneurship not only for financial gains but also for pursuing intrinsic goals, such as autonomy and the flexibility to balance family and work commitments. Zapalska (1997) observes that dislike of previous bosses or dissatisfaction with their previous jobs is the stronger change that compels women to initiate business

as compared to their male counterparts. McElwee and Al-Riyami (2003) examine that the most prominent changes that motivate women to initiate entrepreneurship are enjoyment, finance and job satisfaction. Hossain *et al.* (2009) conclude that desire for financial independence and decision making, market and informational network, availability of a start-up capital, knowledge and skills, and responsibility towards children are the main changes that motivate women to become self-entrepreneurs. Xavier *et al.* (2011) conclude that the main factors that spur women for leaving the corporate world into business ownership are to achieve personal growth, independence and economic payoff. Rehman and Roomi (2012) find that among other motivational changes to start their own businesses, achieving work-life balance is one of the most significant ones. The own businesses of women give them flexibility, control and freedom to juggle with their family and social responsibilities.

The assimilated review of the available literature helped in the study to compose total sixteen dimensions/statements that women perceive after becoming entrepreneurs. With the help of a well structured questionnaire the sixteen dimensions /changes were assessed separately in the ongoing study. Keeping in view these dimensions the following objective is carried out in the present study :

OBJECTIVE OF THE STUDY

The present study is an effort to study the perceptions of the small scale women entrepreneurs of Punjab for examining the changes they perceive in their life after initiating the entrepreneurship.

SECTION II

DATA BASE AND RESEARCH METHODOLOGY

This study is exploratory in nature and is based on primary data. The small scale women entrepreneurs operating for more than two years comprised the universe of the study. They were considered to be one of the most relevant sources of information in this regard as they could provide accurate feedback about the factors motivating women for becoming entrepreneurs. All sorts of small scale women entrepreneurs: organized, unorganized, registered, unregistered, in service as well as in manufacturing sector will comprise the universe of the present study. The definition of the Ministry of Micro, Small & Medium Enterprises, Government of India will be used for considering small scale women entrepreneurs in the study. A sample of 200 respondents was selected using the stratified

convenience sampling, 100 respondents each in Jalandhar and Amritsar were interviewed personally from May to December, 2012. These two districts are two of the four highly female populated districts of Punjab as per the Statistical Abstracts of Punjab, 2010. The demographic profile of the respondents is presented in Table 1.

Table 1
Demographic Profile of the Respondents (N=200)

Demographic Profile		Number of Respondents	Percentage
Age (in Years)	Less than 30	34	17.0
	More than 30	166	83.0
	Total	200	100
Qualification	Upto Matric	27	13.5
	Upto Graduation	56	28.0
	Post-Graduation or Above	117	58.5
	Total	200	100
Marital Status	Unmarried	17	8.5
	Married	183	91.5
	Total	200	100
Family Members	Less than 4	23	11.5
	4 to 6	67	33.5
	More than 6	110	55.0
	Total	200	100
Entrepreneurial Experience (in Years)	Less than 4	22	11.0
	4 to 6	62	31.0
	More than 6	116	58.0
	Total	200	100
Type of Entrepreneurship	Service	122	61.0
	Manufacturing	78	39.0
	Total	200	100

The above Table shows that 17.0 per cent of the respondents belong to the age group of 'less than 30 years' and 83.0 per cent belong to the age group of 'more than 30 years'. 58.5 per cent of the respondents are post-graduates or above and 28.0 per cent are graduates and 13.5 per cent are upto matric. 91.5 per cent of the respondents are married and the remaining 8.5 per cent are divorcee in the study. 55.0 per cent have more than 6 family members followed by 33.5 per cent who have 4 to 6 family members and 11.5 per cent have less than 4 members. 58.0 per cent have an experience of more than 6 years followed by 31.0 per cent more than 4 to less than 6 years and 11.0 per cent have less than 4 years experience of entrepreneurship. 61.0 per cent respondents are managing the entrepreneurship of service sector and 39.0 per cent the manufacturing sector.

With the help of a well structured questionnaire the changes that have taken place in their life were assessed through a total of sixteen statements (c1 to c16). The respondents were requested to express their level of agreement/disagreement on a five point scale ranging from strongly agreed to strongly disagreed. Suitable weights were assigned ranging from strongly agreed (5) to strongly disagreed (1) to analyze the collected information. The reliability of the scales used was also computed by using the Cronbach Alpha that was .926 which was more than the acceptable level (Cronbach, 1951; Hair *et al.*, 2003). The ongoing study is based on this limitation that the results of the present study may not be generalized as this study is confined to only two districts of Punjab. The difference between the respondents of two districts considered in the study is also not made in the ongoing study. This study is also a qualitative study based on the limited number of variables and further research can be carried out to examine the other factors for examining the changes in the life after becoming entrepreneurs not considered in the present study.

SECTION III

CHANGES IN LIFE AFTER INITIATING ENTREPRENEURSHIP: DESCRIPTIVE ANALYSIS

This part deals with the perceptions of the women entrepreneurs for examining the changes they perceive in their life after initiating the entrepreneurship. With the help of a well structured questionnaire the push [16 statements (c1 to c16)] statements were assessed. The description of these variables in terms of weighted average score (WAS) and standard deviation (SD) is as follows :

Table 2
Changes in Life after Initiating Entrepreneurship

Variables	Statements (in abridged form)	WAS	SD
c ₁	Can fulfil financial necessities	4.74	0.75
c ₂	Can provide financial support to spouse/family	4.59	1.00
c ₃	Financial independence	4.50	0.50
c ₄	Respect by spouse/family	4.51	0.50
c ₅	Recognition in family/society	4.53	0.66
c ₆	Hectic schedule	4.58	1.05
c ₇	Fear of work-life imbalance	4.46	1.21
c ₈	Sense for having job	4.12	0.69
c ₉	Able to generate employment opportunities for others	4.15	0.36
c ₁₀	Satisfaction for using qualification	4.30	0.46
c ₁₁	Pleasure to do something industrious	4.23	0.42
c ₁₂	Have authority	4.24	0.43
c ₁₃	Confidence in decision making	4.40	0.74
c ₁₄	Have courage to take challenges	4.32	0.47
c ₁₅	Can grow in life	4.47	0.50
c ₁₆	People exemplify me	4.46	0.50

WAS = Weighted Average Score and SD = Standard Deviation

Table 2 shows that the respondents surveyed have been found agreeing that 'can fulfil financial necessities' (weighted average score 4.72), 'can provide financial support to spouse/family' (4.59) 'hectic schedule' (4.58) 'recognition in family/society' (4.53) 'respect by spouse/family' (4.51) 'financial independence' (4.50) 'can grow in life' (4.47) 'people exemplify me' (4.46) 'fear of work-life imbalance' (4.46) 'confidence in decision making' (4.40) 'have courage to take challenges' (4.32) 'satisfaction for using qualification' (4.30) 'have authority' (4.24) 'pleasure to do something industrious' (4.23) 'able to generate employment opportunities for others' (4.15) 'sense for having job' (4.12) are the changes women perceive in their lives after becoming entrepreneurs.

Further, an attempt has also been made to examine the concordance among the respondents for perceiving the statements designed for examining the changes they perceive in their life after becoming entrepreneurs. For measuring concordance among the respondents, Kendall's Coefficient of Concordance has been applied in the ongoing study. The value of Kendall's (W) is found to be .492 [where (n = 200); ($\chi^2 = 252.828$) and (df = 15)] which is asymptotically significant at 1 per cent level of significance and signifies that there is a close concordance among the perceptions of the respondents pertaining to the statements designed for exploring the changes in the lives of women after becoming entrepreneurs.

SECTION IV

CHANGES IN LIFE AFTER INITIATING ENTREPRENEURSHIP : AN APPLICATION OF FACTOR ANALYSIS

In this section, factor analysis technique has been used for exploring the changes women perceive in their life after becoming entrepreneurs. Before applying factor analysis it is needed to examine whether the data is fit for factor analysis or not (Hair *et al.*, 2003; Malhotra and Dash, 2009). For this purpose the data adequacy tests were also conducted in the present study viz., (i) The substantial number of correlations (not reported in the study) among the variables supports the fitness of data for relevance of factor analysis. (ii) The anti-image correlations (not reported in the study) also reveal that partial correlations were low, signifying that accurate factors exist in the data. (iii) The computed value of KMO statistic is 0.782 which is appropriate for factor analysis. (iv) The Bartlett's test's chi-square value is 10624.25 (approx.), d.f. 15, significant at 0.000 Table that correlation coefficient matrix is not an identity matrix. Therefore, all the above standards disclose that the assimilated data can be used for applying factor analysis in the ongoing study.

After investigating the appropriateness of data as above, the Principal Component Analysis through Orthogonal Rotation with Varimax Method was used for extracting the factors and the number of factors was finally selected on the basis of 'Latent Root Criteria'. The variables with loadings greater than or equal to 0.50 have been taken up for analysis in the present study. The variables with their factor loadings and percentage of variance explained by each factor are given in Table 3.

Table 3
Changes in Life after Initiating Entrepreneurship

Label	Factors (Changes)	Factor Loadings
C₁	Financial Sovereignty (12.72 per cent variance)	
c ₁	Can fulfil financial necessities	.87
c ₂	Can provide financial support to spouse/family	.85
c ₃	Financial independence	.80
C₂	Respect and Recognition (11.74 per cent variance)	
c ₄	Respect by spouse/family	.86
c ₅	Recognition in family/society	.85
c ₁₆	People exemplify me	.75
C₃	Job Creator (11.42 per cent variance)	
c ₈	Sense for having job	.87
c ₉	Able to generate employment opportunities for others	.77
C₄	Hectic Schedule (10.29 per cent variance)	
c ₆	Hectic schedule	.80
c ₇	Fear of work-life imbalance	.79
C₅	Confidence and Authority (9.73 per cent variance)	
c ₁₃	Confidence in decision making	.82
c ₁₂	Have authority	.61
C₆	Use of Qualification (9.40 per cent variance)	
c ₁₀	Satisfaction for using qualification	.75
c ₁₁	Pleasure to do something industrious	.64
C₇	Accept Challenges (8.42 per cent variance)	
c ₁₄	Have courage to take challenges	.73
c ₁₅	Can grow in life	.62

C₁.....C₇ denote the factors extracted, whereas c₁.....c₁₆ denote the variables comprising these factors.

Finally seven factors have been extracted which collectively account for 73.72 per cent of total variance. The percentage of variance explained by factors individually varies from 12.72 to 8.42 and communalities range from .85 to .63. On

the basis of the various variables present in each case, all the seven factors have been given suitable names in the study. The composition of these eight factors is discussed in detail in the following pages :

Financial Sovereignty (C₁)

Three variables have been positively loaded on this factor and it explains 12.72 per cent of variance. The variable 'can fulfil financial necessities (c₁)' has got the highest loading of .87. This has been followed by the variables 'can provide financial support to spouse/family' (c₂) with loading .85 and 'financial independence' (c₃) with loading .80. The loading pattern of this factor shows that women perceive that after becoming entrepreneurs their financial strength has improved. They are now in a position to fulfil their financial necessities and can provide financial support to their families. The augmented economic eminence enables them to sense financial sovereignty.

Respect and Recognition (C₂)

Three variables have been positively loaded on this factor and it explains 11.74 per cent of variance. The variable 'respect by spouse/family' (c₄) has got the highest loading of .86. This has been followed by the variables 'recognition in family/society' (c₅) with loading .85 and 'people exemplify me' (c₆) with loading .75. The loading pattern of this factor shows that women perceive that after initiating entrepreneurships they feel respect and recognition. Their family members and spouse will consider them important for them and they are exemplified by others in society.

Job Creator (C₃)

Two variables have been positively loaded on this factor and it explains 11.42 per cent of variance. The variable 'sense for having job' (c₇) has got the highest loading of .87. This has been followed by the variable 'able to generate employment opportunities for others' (c₈) with loading .85. The loading pattern of this factor shows that women perceive that being entrepreneurs they are actively undertaking the entrepreneurial risks by managing all the factors of production and by doing this are not only creating employment opportunities for themselves but also for others.

Hectic Schedule (C₄)

Two variables have been positively loaded on this factor and it explains

10.29 per cent of variance. The variable 'hectic schedule' (c_6) has got the highest loading of .80. This has been followed by the variable 'fear of work-life imbalance' (c_7) with loading .79. The loading pattern of this factor shows that women perceive that the entrepreneurial role make their schedule hectic which affects the equation of their work and life adversely. They perceive that there is a fear in their mind for the pressure of work on life or vice versa.

Confidence and Authority (C_5)

Two variables have been positively loaded on this factor and it explains 9.73 per cent of variance. The variable 'confidence in decision making' (c_{13}) has got the highest loading of .82. This has been followed by the variable 'have authority' (c_{12}) with loading .61. The loading pattern of this factor shows that women perceive that after becoming entrepreneurs they feel confidence and authority in their life. The entrepreneurial role has made them bold enough to take their decisions confidently and authoritatively.

Use of Qualification (C_6)

Two variables have been positively loaded on this factor and it explains 9.40 per cent of variance. The variable 'satisfaction for using qualification' (c_{10}) has got the highest loading of .75. This has been followed by the variable 'pleasure to do something industrious' (c_{11}) with loading .64. The loading pattern of this factor shows that women perceive that entrepreneurial role helps them to use their qualifications. If they would not start entrepreneurship certainly there would not be any opportunity for them to use their qualification.

Accept Challenges (C_7)

Two variables have been positively loaded on this factor and it explains 8.42 per cent of variance. The variable 'have courage to take challenges' (c_{14}) has got the highest loading of .73. This has been followed by the variable 'can grow in life' (c_{15}) with loading .62. The loading pattern of this factor shows that women perceive that the entrepreneurial role has made them able to take on the challenges and to make use of them for growth in life. They perceive that to take on the challenges is must for growth in life.

SECTION V

CONCLUSION AND IMPLICATIONS

The present study is an endeavour to examine the perceptions of the

small scale women entrepreneurs of Punjab for assessing the changes they perceive in their life after becoming entrepreneurs. The ongoing study finds that the respondents surveyed have been found agreeing that after becoming entrepreneur they 'can fulfil financial necessities', 'can provide financial support to spouse/family', 'hectic schedule', 'recognition in family/society', 'respect by spouse/family', 'financial independence', 'can grow in life', 'people exemplify me', 'fear of work-life imbalance', 'confidence in decision making', 'have courage to take challenges', 'satisfaction for using qualification', 'have authority', 'pleasure to do something industrious', 'able to generate employment opportunities for others' and 'sense for having job' in their lives. The significant value of Kendall Coefficient of Concordance signifies that there is a close concordance among the perceptions of the respondents pertaining to the statements designed for exploring the changes women perceive after becoming entrepreneurs. The factor analysis has identified seven factors viz.; 'financial strength' (12.72 per cent variance), 'respect and recognition' (11.74 per cent variance), 'job creator' (11.42 per cent variance), 'hectic schedule' (10.29 per cent variance), 'confidence and authority' (9.73 per cent variance), 'use of qualification' (9.40 per cent variance) and 'accept challenges' (8.42 per cent variance) which collectively account for 73.72 per cent of the total variance and are the factors/changes women perceive in their life after becoming entrepreneurs.

Though the ongoing study has identified certain changes in the life of women after initiating entrepreneurship but it is important to note that a meagre number is the part of this process. Out of the total small scale industry a meagre figure belongs to the women entrepreneurs. The statistical sources of India portrays that the plight of women entrepreneurship is also not impressive in our economy. The Annual Report (2012-13) of the Ministry of Micro, Small and Medium Scale Industry, based on the results of 'Fourth All India Census of Micro, Small and Medium Enterprise Sector 2006-07' in India shows that the number of the women entrepreneurship is too insufficient. Out of the total registered and unregistered 361.76 lakh MSMEs, only 26.6 lakh belong to the women enterprises. This accounts for only 7.36 per cent out of the total micro, small, medium industry and shows that despite initiating numerous women development schemes since independence the growth of women entrepreneurs is not upto the mark. It calls for corrective measures for the growth of women entrepreneurship in our economy.

The results of the ongoing study help to recommend that to initiate an entrepreneurship and to take decisions pertaining to the various issues viz.,

selection of the nature of business, search of ideal location, suitable time to start off, to procure skilled labour, search of qualitative material at reasonable rates, have adequate marketing and so on are not easy for a woman as an entrepreneur. It is recommended that rather to decide about the crucial issues under the influence of family/spouse woman should be capable to apply her mind for the same. For this, the government should conduct frequent entrepreneurial development programmes/workshops to make women capable to have knowledge for all the possible issues of the entrepreneurship so that they can be motivated for initiating entrepreneurship. Similarly, the government policies/schemes play an indispensable role for the development of entrepreneurs in an economy. In order to motivate women entrepreneurs, the government policies/schemes need to be more impressive and easily accessible for them. It is essential on the part of government/regulating authorities especially of the Ministry of Micro, Small and Medium Scale Industry to lay down exclusive policies for the women that can provide benefits to the women entrepreneurs. Such policies should also be reviewed periodically for getting feedback for the policies/schemes composed for the women entrepreneurs. The findings of the ongoing study may be helpful for the researchers, centre/state governments especially those dealing with the micro and small scale industry, non-governmental organizations, etc. to formulate useful course of action that can promote women to turn out to be entrepreneurs.

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