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LEVEL OF ENTREPRENEURIAL SUCCESS AMONG WOMEN ENTREPRENEURS IN AGRIBUSINESS

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Abstract: Entrepreneurship has been recognized as an essential ingredient of economic development. Very high literacy rate and lack of employment opportunities paved way for many unemployed youth including women to take up small-scale business units. In this study entrepreneurial success index (ESI) was developed to measure the level of success of women in agribusiness and the respondents were classified into four groups of very high success, high success, medium success and low success.

Key words: Agribusiness, entrepreneurial problems, entrepreneurship, success index

INTRODUCTION

In India, women with varied social, economic, political, regional and linguistic backgrounds constitute half the nation. The socio-economic condition of women is the key for overall growth and development of the country. A study conducted by Manickaval (1997) shows that 56% of the women are unemployed. Hence, development of women entrepreneurship is essential to provide economic opportunities to women.

Entrepreneurship is a concept assumed to be sex-neutral. Even then, in India, women entrepreneurship is still in its infancy. This is because women entrepreneurs are not easily accepted by Indian society (Moitra, 2001). In the case of Kerala, even though the indicators of social development of women are remarkable, the same degree of achievement is not recorded in the economic front as employees and entrepreneurs (Koshy and Joseph, 2000).

During 1990s, many women entered in the field of entrepreneurship to avail economic competence and independence, but many of them are observed to be not succeeding well as they had planned. Main reasons often are placed on the lack of enabling and sustaining facilities of entrepreneurial environment in general. Even then, there are success cases of women-run business units, details of which can motivate the women entrepreneurs in the scene.

The present study was undertaken in this context. An entrepreneurial success index (ESI) was developed for the study and it was used to understand the extent of success of entrepreneurs. Also, an attempt was made to study the major problems faced by the women entrepreneurs to understand the difficulties faced by women to succeed in agribusiness.

MATERIALS AND METHODS

The study was conducted in Kozhikode, Palakkad and Thrissur districts of Kerala. The respondents were identified with the help of developmental institutions like District Industries Centre (DIC), Small Industries Service Institute (SISI), commercial banks and through key informants of the above districts. The enterprises identified were categorized into mainly seven groups; floriculture, food related processing units, handicrafts units, textile units, coir production units, and beedi- and rubber-product units. In order to analyze the extent of entrepreneurship and to measure the level of entrepreneurial success (ES) among the women entrepreneurs ESI was developed as detailed below.

Through relevancy rating of potential attributes/dimensions obtained from review of literature and discussion with experts and known entrepreneurs, eight dimensions, viz., profitability and extent of indebtedness, social recognition, consumer satisfaction, produce or brand recognition, employee's satisfaction, quality of products, capacity utilization and diversification of products were selected and included in this study.

1. Profitability was operationally defined as the degree to which the entrepreneur perceives her enterprise as profitable and to the extent of indebtedness or loan the entrepreneur has to pay back.

2. Social recognition was operationalised as the extent to which the entrepreneur herself perceives how the community/society, peer group, family and also the entrepreneur consider the entrepreneur as a capable person or a worthy citizen.

3. Consumer satisfaction for the study was defined as the degree of stability of consumer group and the amount and frequency of appreciation and complaints the entrepreneur receives.
4. Capacity utilization was defined by Vinayagam (1998) as the extent of which the individual utilizes the potential resources such as land, installed capacity of units etc. related to his/her enterprise.

5. Diversification was operationalized as number of branches the enterprises have and the number of main products or services supplied.

6. Product or brand recognition was operationally defined as the identification of the enterprise and the products/services in the local / state / national / international market, and the receipt of approval of authorities and receipt of recognition through awards, prizes etc. to the entrepreneur or the enterprise.

7. Employer satisfaction is measured in terms of payment, job security, work environment and relation with the employer.

8. Quality of supply/services was operationalized as the extent to which the consumers approve and appreciate the product and the services rendered by the entrepreneur.

The ES was conceptualized as the aggregated score obtained by the individual entrepreneur for the selected eight dimensions. The ESI was worked out using the following formula.

$$ESI = \sum_{i=1}^{K} \frac{Ai}{Pi}$$

Where ESI = Entrepreneurial success index
Ai = Actual score of rth dimension
Pi = Potential score of rth dimensions
K = Number of dimensions applicable

The entrepreneurial success index (ESI) values ranged from zero to one. Relevant data on these dimensions were collected from the respondents through personal interview. Analyzing the data collected through these interview, the ESI of all the respondents were worked out. The respondents were categorized into four levels of success using Delinious Hodges cumulative method of stratification.

Problems faced by women entrepreneurs

Based on the review of previous studies and discussion with the entrepreneurs major problems of entrepreneurship were identified. The responses towards the identified problems were obtained from respondents through rating on a four point continuum. The total score obtained for each problem was calculated and based on the scores, ranks were assigned.

RESULTS AND DISCUSSIONS

The ESI of the respondent women entrepreneurs selected for the study was worked out and was found to range from 0.43 to 0.91. The respondents were classified, into four groups, based on their ESI for detailed analysis using Delinious Hodges cumulative method.

Table 1. Classification and distribution of women entrepreneurs based on entrepreneurial success index (ESI), n = 60

Sl. no.	Category	f	%
1	Very high (0.91 to 0.79)	13	21.67
2	High (0.78 to 0.71)	16	26.66
3	Medium (0.70 to 0.56)	16	26.66
4	Low (0.55 to 0.43)	15	25.01

This table highlights that the percentage of women entrepreneurs falling in the high and medium level success was 26.67 per cent and that of very high and low were 21.67 and 25.01 per cent respectively. The ESI values of women entrepreneurs ranged from 0.91 to 0.43. Out of 60 respondents, 13 belonged to very high group and among them eight were in food processing industries, four in floriculture and one was in textile industry. The success level of women entrepreneurs based on formal registration was analyzed and shown in Table 2.

Table 2 shows the classification of registered women run enterprises units and their ESI. Majority of the respondents were formal entrepreneurs as they (83.00%) had registered their enterprises. Among the formal enterprises, more than 50.0 per cent were found to be in high to medium level of success, whereas 24.0 per cent had very high level of success and 20.0 per cent of them had low level of success. In case of informal entrepreneurs, 50.0 per cent of them were with low level of success and only 10.0 per cent

had very high level of success. The enterprise wise success level was calculated to find out the promising and sustainable units that can be taken up by women.

Table 3 clearly indicate the existing trend that innovative and novel enterprises flourish better than the traditional enterprises. It can be noticed that more than 50 per cent of the floriculture industry show very high level of success. Out of seven units studied, only one unit was observed to fall in medium level of success.

In the case of food products units, 18.2% have very high success and it was observed that these units were producing new items such as instant *idiappam, ada, payasam* mix, coconut products etc. Majority of the units falling under high level of success were pickle units, oil and flour-mills and curry powder units. It was noticed that those food product units, concentrating on traditional items like rice flakes, bakery items (friables) etc. were in medium and low level of success.

Table 3 clearly shows that majority of women entrepreneurs belonged to the food processing industry followed by floriculture. The remaining enterprises like handicrafts, textiles, coir, beedi and rubber were very few in number compared to the above-mentioned units. This can be mainly due to the lack of exposure to avenues other than food processing. This observation in the context of Kerala also confirms with the observation of Rathore and Dhaneja (1999). They had observed that the areas of business which provide immense scope for women entrepre-

Table 2. Classification of enterprise units based on formal registration and ESI, (n=60)

Sl. No.	Category	f	%	Success level							
				Very hHigh		High		Medium		Low	
				f	%	f	%	f	%	f	%
1	Formal	50	83.0	12	24.0	14	28.0	14	28.0	10	20.0
2	Informal	10	17.0	1	10.0	2	20.0	2	20.0	5	50.0

Table 3. Classification and distribution of agri business units based on types of enterprises and ESI, (n = 60)

Sl. no.	Enterprise	f	Success level							
			Very high		High		Medium		Low	
			f	%	f	%	f	%	f	%
1	Floriculture	7	4	57.14	2	28.6	1	14.26	0	0
2	Food processing	44	8	18.20	10	23.0	14	33.80	11	25.0
3	Handicrafts	4	0	0	2	50.0	0	0	2	50.0
4	Textiles	2	1	50.00	1	50.0	0	0	0	0
5	Coir	1	-	-	-	-	1	-	-	-
6	Beedi	1	-		-	-	-	-	-	1
7	Rubber	1	0	0	1	-	-	-	0	-

Table 4. Major problems faced by women entrepreneurs

Sl. no.	Problems	Score	Rank
1	High price of raw materials	154	I
2	Shortage of self finance for fixed and working capital	150	II
3	High rate of interest	148	III
4	Competition from other units	147	IV
5	Lack of technical knowledge regarding enterprise	141	V
6	Low benefit cost ratio	141	V

neurs are food processing and packaging, followed by preservation of seasonal vegetables and fruits, seed processing and preservation, floriculture/cut flower and mushroom processing. Another observation is that when the levels of success of these units are compared, it can be noticed that textile and rubber products fall to the high success side while coir and beedi industries are in the low success group.

The major factors hindering the success of women units were also studied and are presented in the Table 4. The problems faced in the management of enterprises were availability of raw materials, finance, labour, power supply, marketing, entrepreneurial problems and social and cultural factors. The most important problem perceived was the high price of the raw materials, which was followed by the shortage of self-finance for fixed, and working capital and its high rate of interest. Another important problem identified was competition in the field from other units. This is mainly due to the present trend of entrepreneurial promotions and training programmes imparted to the women entrepreneurs. It is a fact that the HRD efforts of entrepreneurship promotion mainly remain confined to certain limited areas or topics and that too done irrationally. This ultimately has led to the mushrooms of similar enterprises thereby increasing competition in the market. This emphasize the need of entrepreneurial counselling and promotion with well planned market surveys. This requires much insight on the part of officials to assess the local resources and employment potential, identify areas and plan training strategies accordingly.

Another important problem perceived by women entrepreneurs in agribusiness was low benefit cost ratio. The major cause identified was the ever fluctuating/increasing prices of raw materials in comparison to the more or less fixed price of the products. Due to this, majority of the respondents were reluctant to invest further.

Other important problems identified were the low quality of the raw materials, lack of managerial training programmes, lack of regular contact with developmental agencies and lack of timely financial assistance from the organized credit system. All the above-mentioned factors retard the functioning of agribusiness. The entrepreneurship developmental agencies should take these factors into account and enable an encouraging environment of entrepreneurship.

Results revealed that majority of women prefer traditional industries like food processing and those who have initiated innovative enterprises mostly came from the upper strata of the society. This emphasizes the basic requirement of capacity building efforts among women youth. Such a concerted HRD strategy to accustom the target group with innovative avenues and entrepreneurial traits for sustaining the enterprises only can encourage women to progress as successful entrepreneurs. The potentials of agribusiness avenues like pet animal shops, flower shops, farm camps, tours, farming machinery services etc. are still to be utilized in Kerala.

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