

Determinants of Women Entrepreneurs Performance: An Empirical Analysis

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Article Info

Page Number: 3686 - 3694

Publication Issue:

Vol 71 No. 4 (2022)

Article History

Article Received: 25 March 2022

Revised: 30 April 2022

Accepted: 15 June 2022

Publication: 19 August 2022

Abstract

Entrepreneurship is considering as a key element of monetary dynamism and plays active role in the financial development, employment creation and progress of economic development of a country. This study investigated the contribution of social support, knowledge, financial support and psychological support in women entrepreneurs' performance. The results confirmed that social support, knowledge, financial support and psychological support significantly promote the women entrepreneur's performance.

Keywords: Women entrepreneurship, social support, knowledge, financial support and psychological support.

1. Introduction

Entrepreneurship is considered as a key element of economic activity driving overall economic development (Ali et al., 2019). More Specifically small-scale industries play critical role in the financial and social development of less developed economies (Ingalagi et al., 2021). SME's account for 90 percent of global business and 50 percent of employment worldwide (*World Bank SME Finance: Development News, Research, Data* / World Bank, n.d.) Hence, SMEs are predominantly projected as new engines for growth and efficient vehicle of emerging economies to bring prosperity and welfare (Gupta & Mirchandani, 2018). Micro and small business entities account for about 80 percent of the total industries in India, but women participation in the business found to be significantly less, especially in the developing economies (Ali et al., 2019). Poor social standard, professional discrimination, household responsibilities preventing women from enterprising activity (Roomi & Parrott, 2008; Ali et al., 2019). Under estimation of monetary

capability of women by her family and other peer members discourages and curtails their ability to access financial support (Ali et al., 2019). With an advent of education and progressive policies of government related to liberalisation, globalisation and privatisation helped women to explore and gain momentum in economic and social activities as entrepreneur (Ingalagi et al., 2021).

Entrepreneurship proven to be considerable instrument to empower women and enhance quality of life (Ingalagi et al., 2021). Women entrepreneurship attracting considerable attention of researchers and policy makers due to their contribution in terms of job creation and economic growth (Khan et al., 2021). However, despite the significant contribution of women entrepreneurs towards GDP and poverty alleviation, very few studies have focused on the assessing the factors contributing towards women entrepreneurs' performance. Majority of research on entrepreneurship focused on male rather than female entrepreneurs (Gupta & Mirchandani, 2018). Among those studies most of the studies focused on examining the barriers faced by women entrepreneurs (Gupta & Mirchandani, 2018). Most of such studies undertaken in developed nations rather than developing nations. In this regard, this study is an attempt to examine the factors contributing towards the women entrepreneur's performance in Karnataka.

2. Literature review

2.1 Social Support

Social support represents a blend of social and cultural factors influencing the women entrepreneur's performance (Khan et al., 2021). Support structure determine the level of entrepreneurship activity in a given time and place (Arasti et al., 2012). Women entrepreneurs performance significantly influenced by the social relationship of women among other stakeholders (Khan et al., 2021). Social network of women entrepreneurs with agencies, family and relatives facilitates them to develop model for progress, decision making and performance of women in developing economies (Omwenga, Mukulu, & Kanali, 2013). Social cultural constraints like discrimination, harassment, extra burden of household duties negatively affect the women entrepreneur's performance and limit the opportunity for women (Ali et al., 2019). Based on the above-mentioned literature, we propose this hypothesis.

Hypothesis 1: Social support have significant positive effect on the performance of women entrepreneurs.

2.2 Knowledge

Lack of education and experience among women entrepreneurs' bleads to failure in identifying opportunities (Sam Al-Kwif et al., 2020). Individuals' knowledge and skills boost intellectual capabilities and entrepreneurs' performance (Mozumdar et al., 2020). Education is the key determinant of working capability, productivity, annual turnover and employment growth of women entrepreneurs (Peng & Shekshnia, 1993; Belwal et al., 2012; Davidsson & Honig, 2003; Coleman, 2007). Based on the above literature review following hypotheses has been formed.

Hypothesis 2: Knowledge has significant positive effect on the performance of women entrepreneurs.

2.3 Psychological support

Women's indigenous knowledge and skills of managing a business and tackling social barriers depends on psychological abilities of women. Psychological factors comprise of learning orientation, free from business risk failure and high self-esteem (Ingalagi et al., 2021). Balogun, Balogun & Onyenko, (2017) endorsed that women entrepreneur with high confidence, high level of motivation and low anxiety level could quickly gain competitive advantage and demonstrate better decision-making style. Self-realisation helps the women to determine her abilities and self-esteem encourage them to achieve greater goals in life (Khurshid et al., 2021). Psychologically empowered women feel more skilful and persistent in achieving higher performance in her business (Sugiyanto, 2021). Based on the review, it is hypothesised that

Hypothesis 3: psychological support has significant positive effect on the performance of women entrepreneurs.

2.4 Financial Support

Access to finance enhances the profitability and timely availability of working capital allows business using advanced technology confirms financial stability and performance (Terefe Alene, n.d.). Women entrepreneurs perform better when they have access finance (George, 2018). Policies supporting financial access to women entrepreneurs empowers women to deliver better performance in their business (Vuong et al., 2022). Therefore, it is hypothesised that

Hypothesis 4: Financial Support has significant positive effect on the performance of women entrepreneurs.

3. Research Methodology

This study is conducted to investigate the factors influencing on women entrepreneurs' performance. The population of the study comprise of women entrepreneurs operating in Bangalore rural. Self-reporting questionnaire was used to collect the data on the basis of convenience sampling method. Questionnaire was administered among entrepreneurs through Google form and study received 164 responses.

Self-reporting questionnaire administered to collect the primary data includes questionnaire to measure social support, knowledge, financial support, psychological support, and perceived women entrepreneurs' performance. The data is collected from women entrepreneurs using self-administered Likert-based questionnaire ranging from strongly disagree (1) to strongly agree (5).

Reliability of data has been measured through Cronbach's alpha. SPSS-20 has been used for reliability, correlation analysis and regression analysis. Regression analysis has been used to find out the influence of social, knowledge, financial and psychological support on the performance of women entrepreneurs.

4. Result and Discussion

The main objective of the study is to examine the influence of social support, knowledge, financial support and psychological support on women entrepreneurs' performance. The following analysis are being conducted to test the validity, relationship and influence between the variables.

Table No.1- Reliability Analysis

Scale	Items	Cronbach's Alpha (α)
Social Support	4	0.751
Knowledge	2	0.812
Financial Support	2	0.716
Psychological Support	4	0.717
Entrepreneurial Performance	4	0.981

Source: Primary Data

The reliability analysis for all the constructs showed the Cronbach's alpha values ranged from 0.716 to 0.981. All the constructs indicate alpha point above 0.7 (Nunnally, 1978). This demonstrates that all the research variables (Social support ($\alpha = 0.751$, Knowledge ($\alpha = 0.812$, Financial support ($\alpha = 0.716$, and psychological support ($\alpha = 0.717$, Entrepreneurial performance ($\alpha = 0.981$, were internally consistent and had the acceptable reliability values. All items for the constructs were assessed using a Likert scale ranging from 1 (Strongly disagree) to 5 (Strongly agree)

Table No. 2- Relationship between social support, knowledge, financial support, psychological support and entrepreneurial performance.

Variables	Social Support	Knowledge	Financial Support	Psychological Support	Entrepreneurial performance
Social Support	1				
Knowledge	.864**	1			
Financial Support	.929**	.785**	1		
Psychological Support	.921**	.827**	.973**	1	
Entrepreneurial performance	.887**	.705**	.969**	.918**	1

Source: Primary data

Entrepreneurial orientation is positively related to social support ($r = .887$), knowledge ($r = .705$), financial support ($r = .969$), and psychological support ($r = .918$) at $p < 0.05$). The bivariate correlation between the variable representing a strong and significant positive relationship, which explains that extent of support in the form finance, motivation and family and information and market and operational knowledge positively influences the entrepreneurial performance of women entrepreneurs.

Table no. 3a: Predictors of Women Entrepreneurs Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.990 ^a	.979	.977	.45166
a. Predictors: (Constant), Social Support, Knowledge, Financial Support, Psychological Support				

Source: Primary Data

The regression model in the table 6a shows that 97.7 percent (Adjusted R Square 0.977) of the variability in entrepreneurial orientation is due to variability of social support, knowledge, financial support, psychological support and meanwhile the remaining 2.1 percent was due to other variables which are not included in the objectives of the research study.

Table no. 3b: Predictors of Women Entrepreneurs Performance

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.972	.779		.892	.218
	Social Support	.951	.067	.897	14.091	.000
	Knowledge	.871	.097	.701	6.986	.000
	Financial Support	.915	.057	.879	33.356	.000
	Psychological Support	.756	.132	.798	18.676	.000
a. Dependent Variable: Entrepreneurial Orientation						

Source: Primary Data

In the above table 6b, the Beta under standardised coefficient of all the predictor variables showing strong and significant predictive ability on the entrepreneurial orientation among women respondents. This means that social support ($\beta=.951$), Knowledge ($\beta=.871$), Financial Support ($\beta=$

.915), Psychological support ($\beta=.756$) makes the significant contribution to explain the entrepreneurial orientation among women entrepreneurs. Hence, it can be inferred that, existing entrepreneurial eco system in the surrounding environment in form of social support from family, friends, timely financial assistance, knowledge about the business and operation and psychological abilities and self-belief to complete the assumed task significantly predict and form as a basis for entrepreneurial orientation of the women entrepreneurs.

Conclusion:

The purpose of this study was to investigate the factors facilitating the performance of women entrepreneurs. For this purpose, data was collected from women entrepreneurs from Bangalore region. The findings show that the women entrepreneur's performance significantly affected by all factors studied i.e., social support, knowledge, financial support and psychological support. Continuous support extended by the social surroundings of the entrepreneurs boost the motivational level and moral level of the women entrepreneurs. Educational and training support extended by the institutions through formal education and vocational and job-oriented trainings confirms tremendous contribution in supporting the ideas of rural women. Timely financial support delivered by the government and non-governmental agencies enhanced the risk bearing capacity of the women entrepreneurs. Women enterprises already proven to be the effective instrument to alleviate poverty and employment creation in the developing economies. Therefore, it is necessary that government should articulate the business-friendly policies to extend easy access to capital, special trainings, technical and marketing supporting systems at local levels to encourage their participation in the economic activities of the country.

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