



FACTORS AFFECTING THE PERFORMANCE OF WOMEN OWNED MICRO AND SMALL ENTERPRISES - In Kavali Division

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Abstract

The purpose of this study was to evaluate the variables influencing women-owned MSEs' performance. It focused mostly on the current state of women-owned MSE performance, the fundamental elements influencing an enterprise's business success, and an evaluation of how well governmental institutions carry out their mandate to enhance the performance of women-owned MSEs. Using a basic random selection technique, a sample of 323 female entrepreneurs with less than Rs. 50,000 in capital was selected for the study. In order to provide answers to the fundamental questions, a questionnaire with likert, closed-ended, and open-ended questions was created. It contained demographic profiles, general information about women-owned businesses and their enterprises, factors that affect the performance of women-owned MSEs, and support MSEs received from various governmental and nongovernmental organizations. Following collection, the data was examined using basic statistical methods such as tables, graphs, pie charts, and percentages. The study's conclusions show that the company's performance right now is subpar. Furthermore, the government agencies in charge have not carried out their duties in an efficient or professional manner. Additionally, it demonstrates that the performance of women-owned MSEs is significantly impacted by a number of key factors, including a lack of own premises (land), financial access, training, technology, infrastructure, market access, and managerial skill. Information access has little bearing on performance.

Key terms: *Women owned MSEs – Factors – Performance – Govt. Institutions*

For a vast majority of individuals in India and many other developing nations, the informal sector serves as their primary source of work and income. According to several authors, micro, small, and medium-sized businesses make up the majority of the Indian private sector. More people are beginning to understand the importance Micro and Small-scale Enterprises (MSEs) play in socio-economic development to create long-term jobs and revenue. By enabling people to work and contribute to family incomes, as well as by providing essential commodities and services for domestic use, it significantly improves the socioeconomic conditions of the nation.

The Indian government focused on the growth and promotion of MSEs, particularly for women, as a means of reducing poverty and, more and more, of creating jobs. The justifications for supporting this industry

include fostering growth with equity, generating stable employment, serving as a foundation for medium-sized and big businesses, and boosting exports, among other benefits. The plan lays out resources to help MSEs, including raw material supplies, infrastructure, financial facilities, training, and related support. The effectiveness of these kinds of interventions, however, hinges on pinpointing the main issues or limitations facing micro and small businesses.

Although numerous studies have been done on women who own their own businesses nationwide, there is a severe lack of research specifically aimed at examining the issues facing women-owned micro and small businesses in each town and region. As a result, the focus region of this study sets it apart from previous research. Due to the fact that this study focused mainly on the variables influencing the performance of women-owned MSEs, especially in Kavali Division.

Therefore, the following fundamental research questions were used by the researcher in this study to evaluate the many elements that influence the performance of women-owned MSEs in the division.

Fundamental research inquiries

- How are the MSEs owned by women doing currently in the Division?
- What variables influence the performance of women-owned small and microbusinesses in Kavali Division?
- Do the Division's governmental institutions carry out their duties in a way that enhances the functioning of women-owned MSEs?

Significance of the Study

Women who launch their own businesses should also develop their own jobs and work for themselves, as this will reduce their chances of finding employment in the public, nonprofit, or private sectors. However, this is only feasible if the obstacles facing female entrepreneurs are removed. In general, the study's implications are as follows.

The findings of this study could help the Chamber of Commerce, Trade and Industry office, and MSE agency in Kavali Division identify and address the issues faced by women entrepreneurs. Additionally, current and prospective female business owners are advantageous insofar as the issue is identified and resolved.

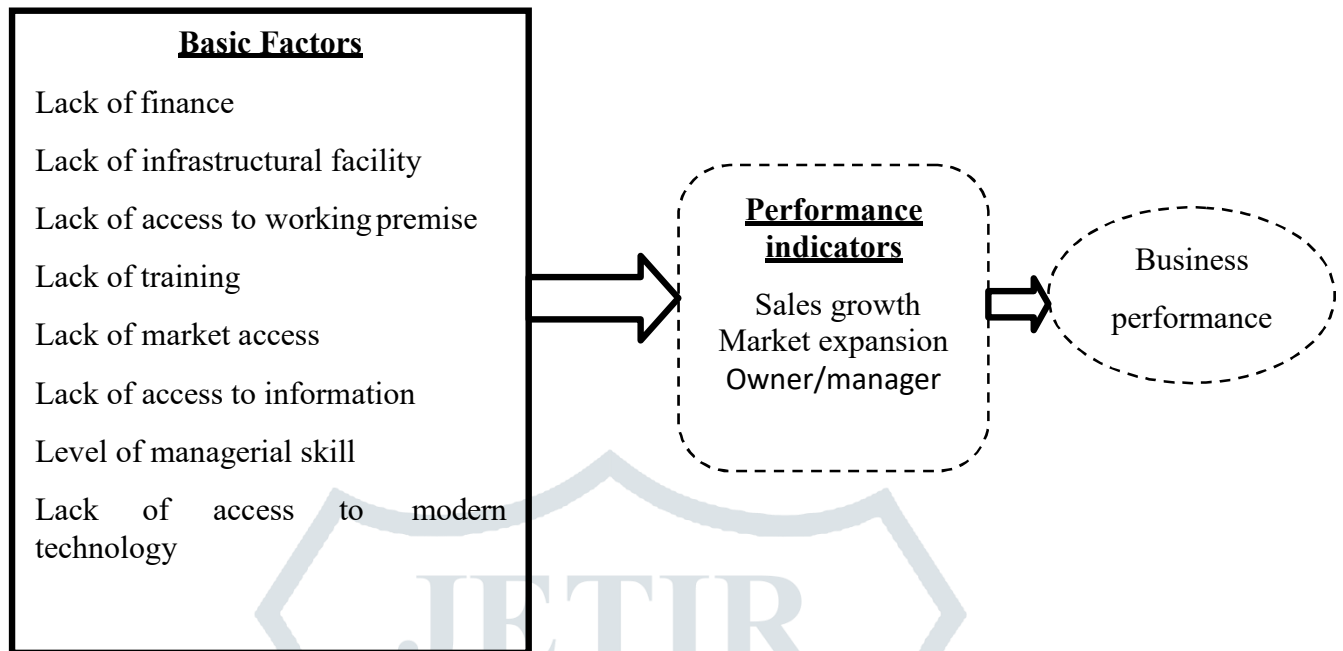
Scope of the Study

Although there are many topics that can be researched in relation to women-owned MSEs, the scope of this study is limited to looking into the variables that influence the performance of women-owned micro and small businesses in Kavali Division, as well as the enterprise's present performance and the accountability of the relevant parties. Additionally, this study concentrated on just eight of the variables that influence the performance of women-owned micro and small business owners. These include: a lack of capital; low educational attainment; difficulty obtaining land for commercial buildings; a lack of infrastructure; difficulty accessing markets and information; difficulty utilizing contemporary technology; a lack of managerial ability; and difficulty obtaining training.

Conceptual frame work

The researcher has created the conceptual framework below using the many literatures that were reviewed.

Research Design



Descriptive and partially explanatory research designs were employed in this study. The researcher employed the survey method in this study, drawing on descriptive research design techniques. Describe the current variables influencing women-owned micro and small business enterprises' performance using these techniques, and investigate the connection between those variables and business performance.

Sources of Data

Both primary and secondary sources of data were employed in this study to meet the research's goal.

Population of the Study

The women who operate micro and small businesses in Kavali Division were the study's target group. There are 1294 female business owners in MSEs overall, according to data from the District Industries Center office.

Sample magnitude

This study has a total sample size of 323. The Cochran formula for n in sampling for a finite population was used to calculate the number of women business owners that were selected from the population.

n_0

$$n = \frac{n_0}{1 + (n_0 - 1)/N}$$

Sampling Technique

The required business owner samples were chosen using basic random sampling. This is due to the fact that every item in the universe has an equal probability of being included in the sample when using this sampling technique.

Data Analysis

The demographic profile of respondents is broken down by age, marital status, and educational attainment in the following table.

Respondents' Demographic Profile

Item		Respondents	
		Number	Percentage
1. Age	<20	22	7.4
	21-30	167	56.4
	31-40	82	27.7
	>40	25	8.4
	Total	296	100.0
2. Marital status	Married	142	48.0
	Single	94	31.8
	Divorced	32	10.8
	Widowed	28	9.5
	Total	296	100.0
3. Educational level	Illiterate	16	5.4
	Read and Write	34	11.5
	Primary school(1-8)	74	25.0
	Secondary school (9-12)	112	37.8
	College (diploma & certificate)	44	14.9
	University (1 st degree & above)	16	5.4
	Total	296	100.0

Source: Questionnaire

The above table shows that, out of all respondents, 56.40% fall into the age range of 21 to 30 years old, and 27.07% fall into the age range of 31 to 40 years old. The remaining responses, 8.40%, fall into the above 40-year-old and below 20-year-old age groups, respectively. Therefore, it suggests that women under the age of forty make up the majority of business owners.

As can be seen in item 2 of the above table, 48% of the total respondents indicated they were married, while 31.8% indicated they were single. 10.80% and 9.50% of the respondents, respectively, said that they were divorced or widowed. This indicates that the majority of responders are married.

In terms of respondents' educational attainment, secondary school accounts for 37.80% of their responses, followed by primary school (25.0%) and college (14.9%). Read and write, illiterate, and university educated make up the remaining 11.5%, 5.4%, and 5.4% of the respondent's educational level, respectively. This indicates that the majority of women who operate micro and small businesses in the community are literate and have completed their secondary, elementary, and college education.

Performance Indicators

Item		Respondents	
		Number	Percentage
1. Sale	Increase	110	37
	Decrease	186	63
	Total	296	100
2. Satisfaction	Yes	101	34
	No	195	66
	Total	296	100
3. Expansion	Yes	44	15
	No	252	85
	Total	296	100

Source:

Questionnaire

According to the above table, the largest proportion of respondents 63% indicated that their sales were dropping, while the remaining 37% said that their sales were increasing. It suggested that the company is not performing well in terms of sales.

The aforementioned table illustrates that 66% of the respondents stated they were dissatisfied with their business performance, while 34% of the respondents mentioned they were satisfied. This demonstrates that the business does not function well in terms of the owners' pleasure. Even satisfied customers are not truly satisfied with the way their firm performs; rather, the company gives them employment opportunities and provides money for their families.

The above table shows that 15% of respondents are expanding their market, whereas the majority of respondents (85%) say they are not. This suggests that the respondents' overall company performance is appalling when it comes to expanding their market.

Responsibilities of Governmental Organization

The general situation regarding governmental entities' assistance for MSEs in the Division is summed up in the table below.

Item		Respondents		
		Number	Percentage	Adjusted %
Have you got any support?	Yes	82	27.70	-
	NO	214	72.30	-
	Total	296	100.0	-
Are satisfied by the support you receive?	Yes	44	14.9	54
	NO	38	13	46
	Sub total	82	28	100
	Were not supported	214	72.00	
	Total	296	100	
Do you have awareness about the existence of supporter?	Yes	104	35.1	48.6
	No	110	37.2	51.4
	Sub total	214	72.3	100

	Supported	82	27.7	
	Total	296	100	
Do you have awareness about the existence of chamber of commerce?	Yes	103	34.8	-
	No	193	65.2	-
	Total	296	100	-
Are you a Member of chamber of commerce?	Yes	36	12.16	34.95
	No	67	22.64	65.05
	Sub total	103	34.8	100
	Not concerned	193	65.2	
	Total	296	100	
Have you awareness about benefit what you get from the chamber?	Yes	17	5.74	47.2
	No	19	6.42	52.8
	Sub total	36	12.16	100
	Not concerned	260	87.84	
	Total	296	100	
Do you think that the chamber execute their Responsibility effectively?	Yes	8	2.7	47.05
	No	9	3.04	52.94
	Sub total	17	5.74	100
	Not concerned	279	94.26	
	Total	296		

Source: Questionnaire

Performance Factors

This section presents the results of the statistical analysis of the indicators for the dependent variables. Eight independent variables—financial access, market access, access to training, access to modern technology, infrastructure access, information access, access to business premises, and managerial skill problem—as well as three indicator variables—sale, owners' satisfaction, and market expansion—make up the analysis. Three distinct models were used to conduct a separate logistic regression analysis for each indicator variable.

CONCLUSION

With respect to the enterprise's present performance, the majority of those surveyed have expanded their business. However, because expansion and diversification do not demonstrate or quantify business performance, they cannot be used to conclude that an enterprise is operating well. The vast majority of respondents stated that they do not plan to hire more staff members. Furthermore, the majority of them do not offer their staff any unique benefits, which suggests that business performance is subpar.

The other metric used to assess business performance is sales, which is qualitative in nature and indicates declines for the majority of respondents. This demonstrates how poorly the company is doing. Furthermore, the majority of respondents expressed dissatisfaction with their business performance. This is what happens when you perform poorly. Furthermore, the majority of respondents do not grow their market; those that do typically do so from a local to a regional one. It is among the consequences of subpar corporate performance.

The majority of those surveyed reported receiving no assistance from either non-governmental or governmental entities. When they encounter challenges in their business endeavors, the majority of them are even unaware that there are governmental institutions available to assist them. Consequently, they do not seek assistance from others and instead attempt to resolve the issues on their own. Furthermore, the majority of them do not belong to the town/district chamber of commerce because they are unaware of the chamber's existence and the advantages that come with membership, and because the chamber does not adequately inform its members about its activities and services, some of them hold inaccurate perceptions of the organization.

There is no work being done by the district trade and industry office to assist business owners; the office itself is unaware of its responsibilities. On the other hand, district's Micro and Small firm office performed admirably in terms of offering various forms of assistance to the commercial firm. Nevertheless, since it is limited to the business they have created and they do not treat female entrepreneurs any differently from male entrepreneurs, it follows that women do not receive any preferential treatment.

The other point relates to variables that impact an organization's performance. Of the eight factors that were identified, seven—financial access, market access, training access, access to the business premises, access to contemporary technology, infrastructure access, and managerial skill issue—have a major impact on the performance of the business and are positively correlated with it.

The performance of women-owned businesses in the division is generally poor; the accountable bodies carry out their duties inadequately; and the elements that have been highlighted are fundamental and important to the success of the firm.

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