

PSYCHOSOCIAL PROFILE OF WOMEN ENTREPRENEURS IN FOOD PROCESSING ENTERPRISES

by

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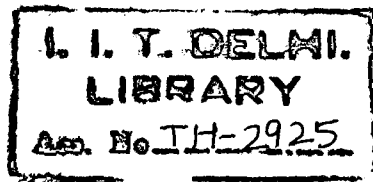
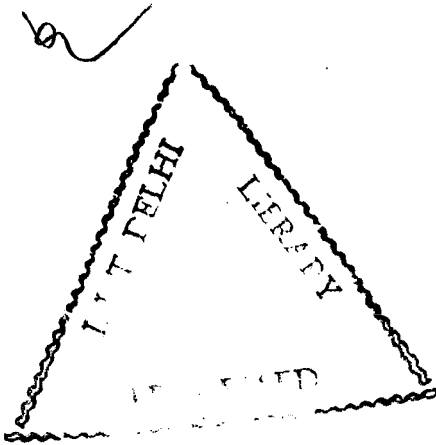
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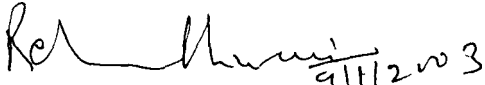
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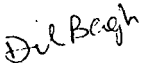
CERTIFICATE

This is to certify that the thesis entitled **"PSYCHOSOCIAL PROFILE OF WOMEN ENTREPRENEURS IN FOOD PROCESSING ENTERPRISES"** being submitted by **Mr. R. Ganesan** to the Indian Institute of Technology, Delhi, India for the award of Doctor of Philosophy, is a record of bonafide research work carried out by him under our guidance and supervision in conformity with the rules and regulations of Indian Institute of Technology, Delhi.

The research report and results presented in this thesis have not been submitted, in part or full, to any other University or Institute for the award of any degree or diploma.


(Dr. R.C. Maheshwari) 9/11/2003

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TO

MY

GRANDFATHER

*Late. Shri. **M.RAJARATHINAM***

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ABSTRACT

The food processing industry sector in India was one of the largest in terms of production, consumption, export and growth prospects. Women entrepreneurship was not considerably high in India in comparison with other developing countries and developed countries, although it started much before than other countries.

The Government envisaged measures to empower them e.g. trade related entrepreneurship assistance development (TREAD) for women was designed to empower women economically through the development of their entrepreneurial skills by eliminating constraints faced by them. It included assistance in form of loans, trade related training, trade information, counselling, and extension activities relating to product and market development. Thus, in spite of 'fundamental rights' 'equal status' 'tread', and other measures, women entrepreneurship was lagging behind, because the basic three concepts of entrepreneur, environment and support system were not integrated. However, several factors, which affected women entrepreneurship in India, were lack of appropriate finances, education and training, and favourable societal attitudes and familial problems. In addition to that, personality characteristics of the entrepreneur played a crucial role in establishing and maintaining any enterprising activity, thus in entrepreneurial growth. The individual's personality traits and characteristics account for the entrepreneurial manifestations in any entrepreneurship development activities especially in predicting entrepreneurial success. The effects of social variables, like

education, experience, family could confound the output leading to poor entrepreneurial success. This made crucial to understand the psychosocial profile of women entrepreneurs, which could designate appropriate interventions in terms of policies and programmes. Thus, the present study attempted to assess psychosocial profile of women entrepreneurs and their perceptions about the factors and problems affected the start-ups.

The following hypotheses were tested:

1. There would be significant mean differences by age, education, social category, previous occupation, year of experience, family income, membership in associations, entrepreneurship and technical training, place of enterprise, husband's education, and father's present occupation on various psychosocial variables such as, i) locus of control ii) perception towards: a) present ladder of success, b) entrepreneurial expectations about the future, c) self-achievements, and d) success and, psycho-entrepreneurial variables such as, conceptual understanding of entrepreneurship, and entrepreneurship & technical know-how skills.
2. There would be significant correlation between background and psychosocial variables, and amongst psychosocial variables.
3. Locus of control, conceptual understanding of entrepreneurship, and ladder of success, etc. would be predicted differently by different background and psychosocial variables.
4. Entrepreneurial & technical training, and familial & financial problems will be perceived as most significant factors and problems faced during the start-ups.

The present study had been carried out in two non-governmental organizations in Chennai and Bangalore named MOOWES and AWAKE working for women entrepreneurship development. 32 women entrepreneurs in food processing enterprises involved in preparation of jams, jellies, pickles, papads squashes, bakeries were included.

Three categories of variables, i.e., background, psychosocial and entrepreneurial were used to carry out the study. Interview schedules and questionnaires comprised of background information about self and enterprise, factors and problems affecting start-ups, locus of control, conceptual understanding of entrepreneurship, entrepreneurial and technical know-how skills, and perceptions about self-achievement and success were administered.

Both parametric and non-parametric statistical analysis had been carried out. Mean differences were found on psychosocial and psycho-entrepreneurial variables such as, locus of control, perceived present ladder of success, entrepreneurial expectations about the future, perceptions of self-achievements and perceptions of success, conceptual understanding of entrepreneurship, entrepreneurship awareness and technical know-how skills. An attempt was made to find out the correlation coefficients between background and psychosocial variables and among psychosocial variables. The contribution of background and psychosocial variables in predicting different psychosocial variables was also seen. Percentages had been calculated for the perceptions of problems faced in starting the enterprise, problems in enterprising (marketing, human resource, training, preservation & quality control and finance), background

of the enterprise, motivational factors, facilitative factors, family related problems and the data were interpreted accordingly.

Major findings and the explanations associated with these were highlighted below:

- 1) Women entrepreneurs in older age group exhibited more internal locus of control, which was explained in terms of social maturity, habituation effect of handling similar situations in the daily activities in the enterprises as well as home (hence, less role-conflict), and experience (duration of experience and type of experience) and expertise in the food processing areas. Nevertheless, in a developing country like India, this finding gave a new direction to all the training programmers, workshop, and facilities available to women entrepreneurs focusing more on socialization, women and role-conflict.*
- 2) Women entrepreneurs belonging to general category showed more external locus of control and less conceptual understanding than their counterparts i.e., backward category, which could be due to various factors like, the Government's policy on job reservations for the backward class (especially in south India), superiority complex, more stiff competition in a male dominated profession, etc.*
- 3) Women entrepreneurs who had a monthly family income of less than Rs. 4500/ possessed significantly better conceptual understanding, and entrepreneurship awareness and technical know-how skills than the other group who belonged to the higher family income group. This could be attributed to mounting financial compulsions*

and hardships faced during the self and the family management for the lower class group in metro cities, which compelled them to understand the concept in depth of the enterprise i.e., about what they were doing and how they were doing it. Thus, the striving to overcome these barriers perhaps enhanced their concept of entrepreneurship and entrepreneurship awareness and technical know-how about their venture.

- 4) Women entrepreneurs having membership in professional societies had significantly better conceptual understanding, which was explained in terms of exposures and contacts, exchange of thoughts, and research findings discussed during workshops and conferences that might have helped them to take steps to control the expected/forthcoming and current problems in the enterprise.*
- 5) Women in Bangalore had more positive perceptions of success and achievements, which could be attributed to factors like, the socio-economic conditions and socio-cultural differences prevailing in two metropolitan cities.*
- 6) Women who had fathers without any occupation exhibited significantly more positive perceptions of success and entrepreneurial expectations. The finding was supported with social comparison theory of Festinger (1954), wherein downward comparisons with their fathers helped them to perceive their success more positively and similarly expected higher returns from their future enterprising activities. The finding still needed to be explored on other similar kind of studies.*

7) *Social category emerged as the common predictor of locus of control, conceptual understanding of entrepreneurship, ladder of success at present and perceptions of success, which contributed negatively for the first two variables but positively for the other two variables.*

On the basis of these findings several policy and theory related implications were suggested. The Industrial Policy Resolution of 1998 highlighted the necessity to provide training programmes to facilitate women entrepreneurship. However, no part of such programmes focused on the psychosocial components relevant to women entrepreneurship, hence, frequency of training programmes should be increased with a systematic and special emphasis on these components, so that both quantity as well as quality women participation in economic growth are encouraged. The policy/ curriculum makers could also seriously consider inclusion of entrepreneurship as a separate subject right from the secondary level of education. Role of media especially through television and non-government organizations could also be more systematically pursued and encouraged to foster the awareness campaign. Social comparison theory of Festinger (1954) was extended to support the finding of higher perception of achievements and success in women belonging to lower economic category and women having fathers without any occupation. This needed further verifications for wider applicability.

There were few limitations of this study, which could be taken care in future researches e.g. the sample size and sample specific findings. The future researchers should try to include women entrepreneurs with a

larger sample size and from various segments of the society to test the generalizability of these findings. The study was mainly focused on the psychosocial aspects, but not on the economic aspects of the enterprise. Other studies could stress upon this aspect and see the relationship with the psychosocial profile of the women entrepreneurship. Thirdly, some important parameters, like achievement motivation, rate of financial growth in last few years and personality types could be included for a more comprehensive study.

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