
**BUSINESS COPING STRATEGIES ADOPTED BY THE WOMEN
ENTREPRENEURS IN NAMAKKAL DISTRICT OF TAMIL NADU**

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ABSTRACT

The present paper analyses the various coping strategies adopted by the women entrepreneurs to managing the business. The study was carried out in Namakkal district of Tamil Nadu. Thiruchengode and Namakkal are the blocks selected from the Namakkal district. These two blocks have relatively, higher female population and the large number of entrepreneurial activities as compared to other blocks. As per the report of District Industrial centre, Namakkal District has 2408 women entrepreneurs. From this, 10 per cent women entrepreneurs have been selected at random i.e. 127 from Thiruchengode and 113 from Namakkal block to get a total sample of 240. From the results, the rural and urban women entrepreneurs has almost used same coping strategies for solving the problem in their business. The entrepreneurs need support from the government in solving the production and marketing of their business.

Keywords: Marketing, Production, Labour, Strategy

INTRODUCTION

Tamil Nadu is one of the well-developed states in terms of industrial development especially in agro-based industries. The state government is giving more importance for the development of women entrepreneurship. In the post-liberalisation era, it has emerged as one of the front-runners by attracting a large number of investment proposals. It has been ranked as the third largest economy in India. But the Government's efforts come only from 1970 onwards for the promotion of self-employment among women.

In Tamil Nadu, female population is increasing every year. In 1971 female population in Tamil Nadu was 20,371 thousands and female literacy level was 30.92 percent. There is a steady increase in the number of educated women registered with the employment exchanges. The concept of self-employment arises in the context of finding solutions to the problems of unemployment. According to 1991 census, the female population is 49.28 percent and literacy

rate of the female population is 52.29 percent. In order to develop the self-employment scheme, Tamil Nadu Government started entrepreneurship Development Programme in 1991-92.

As per 2001 census, Tamil Nadu female population is 49.68 percent and the literacy rate of the female population is 57.13 percent. The modern Tamil Nadu women are different from the housewife of the past to whom selling or running a business carried a stigma which she found difficult to shake off. Women entrepreneurs in Tamil Nadu possess organisational abilities, marketing skills, entrepreneurial skills and efficient and novel ideas. Many women have vaulted the barriers of conditioning and reaped the rewards of a globalizing economy. "Women in Tamil Nadu are the best entrepreneurs in the country, they have shown that they could make excellent entrepreneurs if they get support by way of finance and guidance" (Lingam, Lakshmi 2006).

Rural and Urban Women Entrepreneurship

Urban women have good ideas about entrepreneurship, the success rate is very high, where as the success rate of individual women in semi-urban areas is much less, that is, 20-30 percent. In rural areas, the relative percentage is only 10. In rural areas of Tamil Nadu individual woman is not successful, since she does not have any idea about the business. Women are successful when they undertake group activities like SHGs. Since they get very good awareness from it about the Government agencies, Financial institutions, their schemes and opportunity to utilise the facilities. The Agencies that have committed themselves to women entrepreneurship development by conducting some entrepreneurship development programmes exclusively for women are the Small Industries Service Institute, Chennai, The Industrial and Technical Consultancy Organisations of Tamil Nadu Limited and the Tamil Nadu Industrial Investment Corporation Limited.

In Tamil Nadu women were engaged more in agriculture than in manufacturing or services. In the manufacturing sector, women worked as beedi workers and as manual labour for cotton textiles, fish and food processing and match industries. A few were involved in the manufacturing of electronics and electrical goods. Risk-aversion is a common factor in a traditional society like Tamil Nadu.

Majority of the entrepreneurs in Tamil Nadu those who are living in the rural areas are now running micro enterprises or home-based production units such as basket making, mat weaving, beedi making, lace making and the production of agarbathi, garments, candles, telephone mats, handicrafts, pepper dice, ink, soap, washing powder, snacks, fruit juice, jams squash, vattal preparation, small petti shops, etc.

The Challenges of Women Entrepreneurship

Though side-lined as the 'weaker sex' for long, with encouragement, support and a conducive environment, women entrepreneurs are fast becoming a force to reckon with in the business world. Women entrepreneurs face challenges viz. identifying opportunities, promoting innovative ideas, implementing ideas into viable enterprises, mobilizing resources, and undertaking risks inherent in starting a new project. A big challenge to women entrepreneurs is that they have to undertake unconventional roles when they start a business. A lack of training and prior experience can render women entrepreneurs susceptible to a number of pitfalls. Unlike men, it is difficult for women to completely ignore family obligations when pursuing business, and they can quickly lose sight of their desire to have a balanced life in the face of a demanding new business. It is important to sustain a personal life and balance family obligations with professional ones, if they are to be successful and happy. Women also need to be twice as persistent and assertive to make their presence felt in a predominantly male business world.

METHODOLOGY

The researcher has adopted multi stage sampling method for the present study. In the first stage Namakkal District in Tamilnadu state has been selected. It is ranked second in a comprehensive Economic Environment index ranking of districts in Tamil Nadu not including Chennai prepared by Institute for Financial Management and Research. It is major source of Tamil Nadu economy. In the second stage the investigator selects two revenue divisions viz. Thiruchengode and Namakkal in the study area. These two blocks have relatively, higher female population and the large number of entrepreneurial activities as compared to other blocks. As per the report of District Industrial centre, Namakkal District has 2408 women entrepreneurs. In the third stage, 10 per cent women entrepreneurs have been selected at random i.e. 127 from Thiruchengode and 113 from Namakkal block to get a total sample of 240. Out of the total size of 240 selected women entrepreneurs, the researcher included the respondents from rural area and urban area of the two blocks. Though Namakkal is a head quarter, the researcher selects more number of sample respondents from Thiruchengode than Namakkal and the number of urban women entrepreneurs are more than that of rural women entrepreneurs as in the list and there by the researcher selects more respondents from urban areas. The Tables 1 and 2 and figure clearly exhibit the selection of sample for the present study.

Table 1: Distribution of sample by Area

Area	Thiruchengode	Namakkal	Total
Rural	40	33	73
Urban	87	80	167
Total	127	113	240

Source: Computed

Table 2: Distribution of the Respondents by Type of Enterprise

Types of Work	Number of Respondents		
	Rural	Urban	Total
Candle Making	8	17	25
Weaving	4	18	22
Puppet Making	6	13	19
Pickle Making	7	7	14
Total (Industrial Sector)	25	55	80
Poultry Farm	10	12	22
Petty Shops	4	19	23
Mutton Shops	3	17	20
Mess Owner	5	13	18
Street Vendors	-	14	14
Total (Business Sector)	22	75	97
Type Writing Shops	7	10	17
Beauty Parlour	4	6	10
Xerox Centre	5	7	12
Tailoring Shop	4	6	10
Book Stall	6	8	14
Total (Service Sector)	26	37	63
Grand Total	73	167	240

Source: Computed

Measures Taken to Overcome the Financial Problems

The Table 3 reveals the various steps taken to solve the problems faced by the selected women entrepreneurs in rural and urban areas of Namakkal district. If the financial problems are not properly solved the business firms cannot survive. The selected women entrepreneurs in the selected area are asked to state different measures to solve their financial problems. It is noticed from Table 3 that majority of the selected women respondents (78.1 percent in rural and 85 percent) are utilising their personal savings in times of financial crisis. Only very few respondents are solving their financial crisis by getting money from money lenders. Savings are useful for future investment. In the study area, women entrepreneurs are solving their financial crises by their personal saving. They invest their savings in the entrepreneurship venture in order to uplift their economics status.

Table 3: Measures Taken to Solve Financial Problems of Women

Solving Strategies	Rural		Urban	
	Number	Percent	Number	Percent
Borrowing from money lenders	1	1.4	5	3.0
Sale of property/valuables	6	8.2	9	5.4
Pledging of jewellery	5	6.8	6	3.6
Borrowing from friends/Relatives	4	5.5	5	3.0
Utilising personal savings	57	78.1	142	85.0
Total	73	100.00	167	100.00

Source: Computed

Measures Taken to Overcome Production Problems

The Table 4 shows various measures taken by the women entrepreneurs to solve the production faced by them during the study period.

Table 4: Measures Taken to Solve Production Problems

Solving Strategies	Rural		Urban	
	Mean Score	Rank	Mean Score	Rank
Purchase of high quality materials	12.275	4	13.000	1
Vendor data base	12.400	3	-	-
Entering forward contract	11.000	7	-	-

Importing cheap labour	13.000	1	-	-
Issuing tenders	10.000	9	-	-
Purchase of modern machinery	11.222	6	13.000	1
Usage of power generator	10.100	8	11.000	5
Proper Solid Waste Management	9.000	10	-	-
Quality Control Management	12.681	2	11.400	4
Researcher and Development	11.616	5	12.000	3

Source: Computed

It is found from the Table 4 that the women entrepreneurs in rural areas and the women entrepreneurs in urban areas take necessary measures to solve their production problems. The usual measures taken by the women entrepreneurs in rural and urban areas is given in Table 4 it shows that importing of cheap labourers is the major measure taken by the women entrepreneurs in rural to reduce the cost of production and they take quality control as the next step. In urban areas, the women entrepreneurs have rated two different steps as the first to solve their production problem i.e. purchasing quality materials and modern machinery followed by the research and development. It is noticed from the Table 4 that there exists variation in solving strategies between rural women entrepreneurship and urban women entrepreneurship.

Measures Taken to Solve Labour Problems

To make sure for steady increase in production, the co-operation of employees is important. Some of the normal measures taken by the respondents are listed in the Table 5.

Table 5: Measures Taken to Solve Labour Problems

Measures Taken	Rural		Urban	
	Mean Score	Rank	Mean Score	Rank
Executing labour contracts	6.175	4	6.650	2.5
Provides incentives/gifts to reduce absenteeism	6.468	3	6.000	4.5
Not allowing to form Trade Union	5.320	6	6.000	4.5
Punishment for absenteeism	6.500	2	7.000	1
Providing Training to employees	5.710	-	5.440	6
Incentives for increased production with minimum waste	6.667	1	5.000	7

Conducting time/work study/waste management	5.710	5	6.650	2.5
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Source: Computed

It can be observed from the Table 5 that selected respondents in rural areas mainly resort to the practice of giving incentives to the workers as step to solve their labour problem with a view to increasing production and thereby minimising wastage. In urban areas, the selected women entrepreneurs prefer to punish the employees for default as their first step, which ranks second in rural area. Executing labour contract and conducting time/work study/waste management rank second in urban areas. In urban areas, discouraging the formation of trade union is the third rank measures along with provides incentives/gifts to the employees.

Measures Taken to Solve Marketing Problems

It is important that women entrepreneurs should acquire the knowledge of marketing technique to run their enterprises in a sound manner. Various measures taken by the women entrepreneurs are furnished in the Table 6.

Table 6: Measures Taken to Solve Marketing Problems

Measures Taken	Rural		Urban	
	Mean Score	Rank	Mean Score	Rank
Innovative advertisement	5.000	7	6.000	3
New salesmanship	6.316	3	7.000	1
Product differentiation	6.356	1	6.400	2
Product diversification	6.340	2	5.000	5
Participating in Trade exhibitions	5.400	4.5	5.400	4
Arrangement of own storage facilities	5.400	4.5	5.000	6
Own transport facilities	5.140	6	4.800	7

Source: Computed

From the Table 6 it can be found that in rural areas the women entrepreneurs adopt the technique of product differentiation as the first rank measure to solve their marketing problems. They also go for product diversification which ranks second, with a view to overcoming poor demand. Meanwhile in urban areas the women entrepreneurs feel that participating in trade exhibitions new salesmanship is the best step to solve the marketing problem and they consider product diversification as the second step. Innovative advertisement is the third step taken by the urban

entrepreneurs. Participating trade exhibition stand fourth rank in both rural and urban areas of Namakkal district. Product differentiation is the best strategies suggested business magnets and economists. It is observed from the Table 6 that own transport arrangement is not the major strategy for solving marketing problem of both rural and urban women entrepreneurship.

Measures Taken to Solve Personal Problems

The measures usually taken by the women entrepreneurs to solve their personal problems are listed in the Table 7.

Table 7: Measures to Solve the Personal Problems

Measures Taken	Rural		Urban	
	Mean Score	Rank	Mean Score	Rank
Relying on servants/parents	8.054	2	8.640	2
Sharing family responsibilities with the children and spouse	9.000	1	9.000	1
Becoming member of various social/industrial organisation	7.000	5	8.100	5
Getting advice from friends/relatives	8.000	3	8.150	3.5
Getting the support of husband	7.950	4	8.150	3.5

Source: Computed

From the Tabular (7) analysis it is noticed that selected women entrepreneurs in rural and urban areas of Namakkal district are sharing family responsibilities with the children to solve their personal problems which is ranked first in both areas. They also rely on servants/parents as a second measure to solve their personal problems. Getting advice from friends/relatives is the third rank in both rural and urban areas. Getting the support of husband also ranks third in urban areas whereas it stands fourth rank in rural areas of Namakkal district. Personal problems are due to subjective factors. This type of problems differ person to person. In this study the personal problems are more or less same for rural women entrepreneurship and urban women entrepreneurship

Nature of Problems in Rural and Urban Areas

From the Table 8 it is found that the problems of entrepreneurship are related irrespective of regions. Production problems due to the cost of raw materials, higher cost of transport cost, lack of skilled staff, frequent power failure, pollution problem, lack of technology, etc and labour

problems due to high labour cost, in strikes and lock outs due to trade union organization, low productivity etc. are same for rural women entrepreneurship and urban women entrepreneurship.

It is clear from the Table 8 that the problems of rural women entrepreneurship and urban women entrepreneurship are same. The ‘t’ test shows that correlation is significant which reflects that women entrepreneurs have same type of problems irrespective of cost and returns differences. The cost of urban women entrepreneurship is high and they are getting more returns than that of their rural counterparts, but the problems are same for rural as well as for urban entrepreneurship. For instance, the attitude of employees is more or less same in rural areas and urban areas. Moreover power failure is common in all the places. Also getting raw materials is difficult for them irrespective of costs and there by the results shows that the problems of entrepreneurship is similar. One may know that knowledge of alternative source of raw materials availability and high negotiation skills are the basic requirement to run a business. Getting the raw materials from different sources with discount prices is the factor that determines the profit margin. Lack of knowledge of availability of the raw materials and low-level negotiation and bargaining skills are the factors, which affect women entrepreneur’s returns especially rural women entrepreneur’s returns.

Table 8: Nature of Problems between Rural and Urban Women Entrepreneurship: ‘T’ test

Production Problems	Labour Problems
$r = 0.965$	$r = 0.95$
$t_{0.05} = 2.571$	$t_{0.05} = 2.776$
$t_{0.01} = 4.032$	$t_{0.01} = 4.694$
$ t = 7.68$	$ t = 5.93$
$ t > t_{0.01}$	$ t > t_{0.01}$
$7.68 > 4.032$	$5.93 > 4.694$
‘r’ is Significant at 1% level	

Source: Computed

CONCLUSION AND SUGGESTIONS

In order to overcome the financial issues in business the women entrepreneurs have mostly utilised their personal savings and only few found alternative ways like borrowings, pledging of jewellery and sale of property. Production issues are comparatively high in rural region as compared to urban region. In rural region they have reported that labour issue and quality management is a big issue. Whereas, purchase of high quality materials update of modern machines are the major issues faced by the urban entrepreneurs. Thus, the rural women entrepreneurs face basic issue of production process while urban entrepreneurs face the issue in moving to next stage of production, which is, implementing modern methods of production.

For solving the labour issues, incentives and punishment for absenteeism are the major coping strategies adopted by the rural entrepreneurs whereas executing labour contracts is adopted by the urban entrepreneurs. Product differentiation and new salesman are the major techniques adopted by both rural and urban entrepreneurs for solving the marketing problems. The rural and urban women entrepreneurs seek the help of children, spouse, parents and servants for managing their personal needs. Thus, the rural and urban women entrepreneurs has almost used same coping strategies for solving the problem in their business. The entrepreneurs need support from the government in solving the production and marketing of their business.

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