

Insights on the Operational Efficiency of Women Entrepreneurs among Self Help Groups in Coimbatore



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Abstract: *One of the important cities in India which promotes Entrepreneurship startups is Coimbatore, which has flair of water and climatic conditions. The city has a lot of women talents to readily get into any kind of opportunity of doing small businesses leading to a productive environment. Women entrepreneurs are being identified by the Government of Tamilnadu and help them in forming small groups called as Self Help Groups (SHG's) to have their own business according to their skill. This paper aims to investigate the factors that influence the operational efficiency of women entrepreneurs among Self Help Groups in Coimbatore. By using snowball sampling technique the data has been collected from 371 respondents. Data was collected using structured questionnaire by interview method and analyzed by means of descriptive statistics, Correlation and Multiple Regression. Regression Analysis show that Socio-economic factor, Involvement in SHG activities, Functionality of SHG and Training update do have a strong relationship with the Impact of SHG activities on domestic issues. The study reveals that all factors considered are highly correlated and has got a strong relationship among them. The research of this investigation can be applied by the Government and Non – Government organisations, public institutions, panchayat raj's, Policy makers and budding researchers to inspire women as entrepreneurs in SHG's.*

Keywords: *Operational efficiency, Women involvement, SHG's, Entrepreneur.*

I. INTRODUCTION

A number of studies on the contribution of Women Entrepreneurs are conducted by various researchers all over the country. This shows that women are involved in businesses and have start-up companies and thereby contribute to the economy of the country. This involves number of innovation ideas thus creating Job opportunities

and also generating income depending on several priorities and the reforms coming up in the market. Entrepreneurship is also considered to be a path for cost-effective employment which helps the women to be assertive in the job of their choice. This also helps them to improve on the financial well-being and hold the position in their community. (Hassan and Mugambi, 2013)[4]. Today's women have their own start - ups in varied number of industries as well do lot of services for the growth of the economy. The study involves women who take up quality and quantity of employment and to have their small business units formed into small groups to share the profits and distribute among them. Women are being motivated by family and friends to start own enterprises as employment opportunities in private, public, Government and Non-Governmental Organisations keep on decreasing day by day. (Gemechis, T. 2007)[3].

India is a developing country with number of resources available and City of Coimbatore is the Manchester of South India. Women contribute equally in bringing up the family, work adequately to improve the finances and try to maintain a balance in life. The study has identified factors such as socio economic, involvement in SHG activities, functionality of SHG and training update to find out whether there is relationship with the impact of SHG participation on domestic issues leading to the operational efficiency of women as a member of SHG. The researcher has used Correlation and regression analysis to understand the relationship between the variables selected for the study.

II. REVIEW OF LITERATURE

Ayogu, D.U and Agu, E.O (2015) [1] has dealt in assessing the contribution of women entrepreneur towards entrepreneurship development in Nigeria. Specifically, the study seeks to assess the factors that motivate women into entrepreneurship, ascertain the challenges facing women towards entrepreneurship development, and assess the contributions of women towards entrepreneurship development in Nigeria. The study however recommends that government, private sector and NGOs should organize empowerment programmes that are geared towards encouraging women to start their own business. **Demirel, P., et.al., (2017) [2]** has shed light on the issues by underscoring the role of several factors, such as industry life cycles, knowledge spillovers, institutions, and availability of external

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finance, in shaping decision-making and firm behaviour in green start-ups. **Hossain, A et.al., (2018) [5]** aims to investigate the factors that affect women involvement as entrepreneur in SMEs sector, economic development and its impact on poverty reduction in Bangladesh.

The researchers strongly expect that this investigation creates value to the literature because it uses a conceptual framework to give explanation the factors that affect women involvement as entrepreneur in SMEs sector, economic development and its impact on poverty reduction in Bangladesh. **Ladge, J. (2016) [6]** seek to better understand why women entrepreneurs often limit the growth of their businesses by developing a framework that takes into account the masculine domain of entrepreneurship. Further, to expand the understanding of why women business owners may be less likely to possess an entrepreneurial identity than men, the authors extend the imposter phenomenon to women's entrepreneurship. In addition, while research on the imposter phenomenon has focused on how personality traits contribute to imposter fears, researcher extend this theory by proposing that situational factors can fuel imposter fears for women entrepreneurs. **Omar, F.I., et.al., (2018) [7]** carried out in order to understand affective need that found in the Uses and Gratification Theory elements in influencing ICT usage among Malay women entrepreneur. This study implicates ICT usage among Malay women entrepreneurs especially to increase digital economy and to prepare for the industrial revolution 4.0. **Satyasai, K.J.S. et.al., (2014) [8]** in their paper have measured the graduation of a self-help group member as a two dimensional index, combining savings and enterprise dimensions, that reflects the ability of SHG members to start their own enterprises/ income-generating activities. The paper has identified personal factors, SHG-related aspects and environment-related factors that helped the graduation process. Savings have shown positive influence on graduation index. However, borrowings did not emerge as a positive factor behind graduation. Nor it stimulated members to take up additional activities. However, using loan for non-consumption use has encouraged higher level of graduation. The study suggests the convergence of efforts by various organisations and training as an important component for consideration.

III. RESEARCH METHODOLOGY

A structured questionnaire was prepared by the researchers after reviewing various articles in the area of research. Variables were identified and questions were framed in the questionnaire which is easily understandable. The population as per National Rural Livelihood Mission (NRLM) database is 1071 comprising of 10 grampanchayats of Thondamuthur block in Coimbatore city. Out of the population, the total respondents were 371 which were taken using snowball sampling and it is confirmed that the sample size is adequate with a confidence level of 95 per cent and a standard error of 5 per cent. The questionnaire was circulated and all the 371 respondents were interviewed. Several variables under each factor are determined and they are very much essential to assess operational efficiency of women entrepreneurs while they are members in SHG. The factors identified are, Socio Economic factors, Functionality of SHG and training update, Involvement in SHG activities and Impact of SHG

participation on domestic issues. Data were analyzed by means of descriptive statistics, Correlation and Multiple Regression.

IV. OBJECTIVES OF THE STUDY

The study relates to the impact on the operational efficiency of women entrepreneur among SHG's of grampanchayats of Thondamuthur block in Coimbatore city with the identified factors from the literature review. The objectives framed for this research is as follows:

1. Identify the factors that motivate woman of SHG towards operational efficiency of being an entrepreneur.
2. Evaluate the relationship among select variables that influence the impact of SHG participation on domestic issues.

V. ANALYSIS AND DISCUSSION

The results from the analysis are discussed as under:

5.1 Factors identified to motivate members of SHG towards operational efficiency of being an entrepreneur.

Table 1 show that the major factors taken up for the study do have an impact on the operational efficiency of women being an entrepreneur. The mean scores of all the four major factors are above 2 which is an indication that the operational efficiency of women involving into small scale business do affect the economy as a whole.

Table 1: Factors identified for operational efficiency of Women Entrepreneur in SHG – A Descriptive Statistics

Factors	Mean	Std. Deviation
Socio Economic Factors	2.2857	.66111
Involvement in SHG Activities	2.3531	.72175
Impact of SHG participation on Domestic Issues	2.1563	.83978
Functionality of SHG and Training update	2.2830	.85942

The involvement in SHG activities has a mean score of 2.3531 which impacts a greater lot on the other factors taken up in this study. The Socio-economic factor with a mean score of 2.2857 has a significant impact on the operational efficiency of women Entrepreneur in SHG followed by the functionality of SHG group with a mean score of 2.2830. The impact of SHG participation with a mean score of 2.1563 can be found on the operational efficiency of women Entrepreneur in SHG on the domestic related issues. Thus, the involvement of women in SHG with a mean score of 2.3531 reveals that SHG group participation improves the economic status of women in the country.

5.2 Factors influencing the members of SHG in the operational efficiency of being an entrepreneur.

H₁: There is a significant relationship between the demographic factors and other factors taken up for the study

Table 2 Relationship between demographic factors and other factors – A Correlation Matrix

		Socio Economic Factors	Involve ment in SHG Activiti es	Impact of SHG participat ion on Domestic Issues	Function ality of SHG and Training update
Demo graph ic Facto rs	Pearson Correlat ion	.790**	.771**	.809**	.840**
	Sig. (2-tailed)	.000	.000	.000	.000

Table 2 reveals that demographic factors have a high level of relationship with the following factors: socio-economic factors ($p < .05$) of magnitude .790; involvement of SHG ($p < .05$) of magnitude .771; impact of SHG participation on domestic issues ($p < .05$) of magnitude .809; and functionality of SHG and training update ($p < .05$) of magnitude .840. This implies that there is a strong relationship between demographic factors and other factors taken up in this study.
H₂: There is a significant relationship between the Socio-economic factors and other factors taken up for the study

Table 3 Relationship between Socio-economic factors and other factors – A Correlation Matrix

		Demog raph ic Facto rs	Involveme nt in SHG Activiti es	Impact of SHG participat ion on Domestic Issues	Functiona lity of SHG and Training update
Socio Econ omic Facto rs	Pearson Correlat ion	.790**	.813**	.810**	.771**
	Sig. (2-tailed)	.000	.000	.000	.000

Table 3 reveals that Socio-economic factors have a high level of relationship with the following factors: demographic factors ($p < .05$) of magnitude .790; involvement of SHG ($p < .05$) of magnitude .813; impact of SHG participation on domestic issues ($p < .05$) of magnitude .810; and functionality of SHG and training update ($p < .05$) of magnitude of .771. This implies that there is a strong relationship between Socio-economic factors and other factors taken up in this study.

H₃: There is a significant relationship between the Involvement in SHG activities and other factors taken up for the study

Table 4 Relationship between Involvement in SHG Activities and other factors – A Correlation Matrix

		Demogra phic Factors	Socio Econom ic Factors	Impact of SHG participat ion on Domesti c Issues	Functiona lity of SHG and Training update
Involv ement in SHG Activiti es	Pearson Correlat ion	.771**	.813**	.858**	.858**
	Sig. (2-tailed)	.000	.000	.000	.000

Table 4 reveals that Involvement in SHG Activities have a high level of relationship with the following factors: demographic factors ($p < .05$) of magnitude .771; Socio Economic factors ($p < .05$) of magnitude .813; impact of SHG participation on domestic issues ($p < .05$) of magnitude .858; functionality of SHG and training update ($p < .05$) of magnitude of .858. This implies that there is a strong relationship between Involvement in SHG Activities and other factors taken up in this study.

H₄: There is a significant relationship between the Impact of SHG participation on domestic issues and other factors taken up for the study

Table 5 Relationship between Impact of SHG participation on domestic issues and other factors – A Correlation Matrix

		Demog raphic Factors	Socio Econ omic Factor s	Involv ement in SHG Activiti es	Functiona lity of SHG and Training update
Impact of SHG participati on on Domestic Issues	Pearson Correlati on	.809**	.810**	.858**	.923**
	Sig. (2-tailed)	.000	.000	.000	.000

Table 5 reveals that Impact of SHG participation on Domestic Issues have a high level of relationship with the following factors: demographic factors ($p < .05$) of magnitude .809; Socio Economic Factors ($p < .05$) of magnitude .810; Involvement in SHG Activities ($p < .05$) of magnitude .858; functionality of SHG and training update ($p < .05$) of magnitude .923. This implies that there is a strong relationship between Impact of SHG participation on Domestic Issues and other factors taken up in this study.

H₅: There is a significant relationship between the Functionality of SHG and training update and other factors taken up for the study

Table 6 Relationship between Functionality of SHG and Training update and other factors – A Correlation Matrix

		Demographic Factors	Socio Economic Factors	Involve ment in SHG Activiti es	Impact of SHG participati on on Domestic Issues
Functionality of SHG and Training update	Pearson Correlation	.840**	.771**	.858**	.923**
	Sig. (2-tailed)	.000	.000	.000	.000

Table 6 reveals that Functionality of SHG and Training update have a high level of relationship with the following factors: demographic factors (p<.05) of magnitude .840; Socio Economic Factors (p<.05) of magnitude .771; Involvement in SHG Activities (p<.05) of magnitude .858; Impact of SHG participation on Domestic Issues (p<.05) of magnitude .923. This implies that there is a strong relationship between Functionality of SHG and Training update and other factors taken up in this study.

5.3 Evaluate the relationship among select factors that influence the impact of SHG participation on domestic issues.

The hypothesis framed for purpose of this objective is as under:

H₆: There is a significant relationship between the Impact of SHG participation on domestic issues and Socio economic factors

H₇: There is a significant relationship between the Impact of SHG participation on domestic issues and Involvement in SHG activities

H₈: There is a significant relationship between the Impact of SHG participation on domestic issues and Functionality of SHG and training update

Multiple Regression Analysis is used to find out the significant relationships as stated in the above hypothesis and the results are depicted below with the discussion.

Table 7 Determining the goodness of Model Fit – Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.938 ^a	.881	.880	.29116	.103

Fig. 1. Predictors: (Constant), Functionality of SHG and Training update, Socio Economic Variables Involvement in SHG Activities

b. Dependent Variable: Impact of SHG participation on Domestic Issues

Table 7 denotes that the multiple correlation co-efficient R=.938 which indicates a good level of prediction. This suggests that there is a positive correlation between impact of SHG participation on domestic issues and socio-economic factor, involvement in SHG activities, functionality of SHG and training update. R Square value of .881 indicates that the independent variables explain 88.1 per cent of the variability of the dependent variable. Adjusted R Square of .880 determines how well the model is fit with a bare minimum of error.

Table 8 Determining a Statistical Significance - ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	229.820	3	76.607	903.637	.000 ^b
Residual	31.113	367	.085		
Total	260.933	370			

Table 8 depicts that the F-statistics F (3,367) = 903.637, p<.01, and it confirms that the regression model is a good fit of the data.

Table 9 Estimated model coefficients and statistical significance of the independent variables

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.245	.057		-4.334	.000
Socio Economic Factors	.241	.041	.190	5.946	.000
Involvement in SHG Activities	.164	.046	.141	3.567	.000
Functionality of SHG and Training update	.641	.035	.656	18.123	.000

a. Dependent Variable: Impact of SHG participation on Domestic Issues

Fig. 2. Table 9 depicts that Socio-economic factor (β=.190; t-value=5.946; p<.05), Involvement in SHG activities (β=.141; t-value=3.567, p<.05), Functionality of SHG and Training update (β=.656; t-value=18.123; p<.05) do have a strong relationship with the Impact of SHG activities on domestic issues.

VI. CONCLUSION

The research work was undertaken with a purpose to identify the factors that motivate and affect the operational efficiency of women entrepreneur as a member in the SHG. The factors determined in this research are the Socio-economic factors, the involvement of women in SHG activities, the functionality of SHG and training update and the impact of SHG activities on domestic issues. The paper investigates all the core issues that women face in the public as well as their private life which impacts the society at large. The study reveals that all the factors identified in this research are highly correlated and it reveals strong relationship that exists among them. From the results of the Regression analysis it is observed that socio-economic factors, involvement of women in SHG activities and the functionality of SHG and training update do have a strong relevance with the impact of SHG on domestic issues. The outcomes of this research will be helpful for any kind of organizations which work among women for their development.



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