

The Impact of Entrepreneurial Motivations on Women Entrepreneurs in Sikkim

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Abstract: Entrepreneurial motivation is the key to success for transferring entrepreneurial initiatives into a successful venture subsequently transforming an ordinary individual to a powerful businessman, who can create opportunities and helps in maximizing wealth and economic development. Defined as internal stimuli that convert desires to enthusiasm, entrepreneurial motivation helps in achieving goal in a single minded pursuit. This paper looked at the relationship between motivations and entrepreneurial challenges among women entrepreneurs in general and Sikkim in Particular. Examining the relationship between motivations and women entrepreneurial challenges tends to provide some useful insights into some theoretical issues on the one hand and on the other hand, it raises some practical implications for policy makers both in the government and women entrepreneurs. The results of the correlation analysis revealed that a positive relationship exists between motivational factors and women entrepreneurial challenges. Based on this finding, this study among others recommends that women entrepreneurs should take some time to study the nature of challenges women entrepreneurs face in business before starting their own business.

Key words: *entrepreneurship, motivation, women, entrepreneurs, challenges and effectiveness.*

I. INTRODUCTION

Confidence, leadership and Managerial skills are the key requirements for the entrepreneurs to be successful. With growing access to new markets, Entrepreneurs in general and women Entrepreneurs in particular are an on role in developing economies like India. Entering into business as a woman offers challenges of learning how to effectively operate the activities of such business while simultaneously attempting to meet all other expectations that are part of entrepreneurship (Schaefer, 2003).

As in any complex undertaking, women entrepreneurship usually focus on survival and growth of the enterprises managed and controlled by women with less attention on those factors that are most likely to result in business failure when they are starting their businesses. The priority choices and sacrifices made by women entrepreneurs can take the form of individual opportunity cost decisions, in which they reject alternative competing activities that vie for their time and consideration (Kickul, Welsch and Gindry, 2001). The study seeks to examine the effect of motivational factors on entrepreneurial challenges among women in Sikkim.

II. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

Motivational Factors for Women Entrepreneurs: Motivation of women entrepreneurs, empirically are

associated with different factors. Bartol and Martin (1998) classified these factors into: (i) Personal characteristics (ii) Life-path circumstances and (iii) Environmental factors. Shapero and Sokol (1982); Sexton and Vasper (1982); Hisrich and Brush (1986) classified these factors into push and pull factors. However, the results of their findings revealed that most women under their study cited push factors as their major motivation into business. These factors include: frustration, job dissatisfaction, deployment, divorce and boredom in their previous jobs. They also identified pull factors to include: independence, autonomy, education and family security.

Konrad and Langton (1991) and Morris et al (1995) reported that family issues and responsibility are important to women and can influence their career choices. Aside from these factors, recent researchers have devoted more attention to the issue of 'glass ceiling' (barriers that prevent female mid-managers from moving up to the executive suite) as a factor that motivate women into business (Morrison, White and Velsor, 1987; Lawlor, 1994; Griffin, 1995; Walbert, 1995; Crichton, 1996; Familoni, 2007). This was in line with the result of Hisrich and Brush (1986) which saw 'glass ceiling' as an organizational push factor that can motivate women to leave their corporate positions to become entrepreneurs.

In support of this classification Boyd and Vozikis (1994) included the concept of self-efficacy as an important

variable of antecedent factors. According to them, self-efficacy provides insight into efficacy judgments which influence one's behaviour. Bartol and Martin (1998) also identified socio-demographic variables as factors that can influence women entrepreneurs: education, age, work history, relative experience, childhood family environment such as birth order and occupations of parents. Kjeldsen and Nielson (2000) classified these factors into personal characteristics, the surroundings, types of enterprise and the entrepreneurial process. Parboteeah (2000) categorized women motivational factors into: (i) the entrepreneur's background (ii) the entrepreneur's personality and (iii) the entrepreneur's environment. Bird (1988) and Jones (2000) on the other hand classified these factors as personal and contextual elements. While personal elements include: entrepreneur's experience, abilities, and personality characteristics, contextual elements include social, political, and economic variables such as changes in markets, displacement and government deregulation.

III. CHALLENGES FACED BY WOMEN ENTREPRENEURS

Women entrepreneurs face many challenges, which include: government rules and regulations, lack of access to finance, assets, information technology, infrastructure and other facilities that enable their efficiency and business growth, 2006). Kantor (1999) rightly argued that women often experience greater constraints on their economic actions relative to men. Mayoux (2001) also noted that there are certain factors that limit women entrepreneurs' ability to take advantage of the opportunities available to them in their environment and these factors have been identified as the reasons why their business fail (Kantor,1999).

These factors according to Mayoux (2001) and United Nations (2006) include: poor financial management, liquidity problems, management inexperience and incompetence, poor or non-existent books and records, sales and marketing problems, staffing, difficulties with unions, the failure to seek expert advice, limited social and business networks, a low level of demand in the local economy, the value and system of tenure for housing, constraints in access to finance, lack of work experience and skill, and lack of role models. Other barriers to women entrepreneurship development are cultural obstacles, lack of motivation, high crime rates and problems during the transition from reliance on government benefits and employment.

Motivations and the Challenges Women Entrepreneurs Face in Business

Understanding of the classification of motivational factors into intrinsic and extrinsic or push and pull or implicit and explicit factors will help to throw more light on the relationship between motivational factors and challenges

women entrepreneurs face in business. As Kutanis and Bayraktaroglu (2003) rightly observed, women that are forced into business need many years to gain self-confidence and it takes them longer time to persuade others about their products and services. Kuratko and Hodgetts (1995) saw lack of experience and management skills before starting a business as a major challenge facing women that are pushed into business. That is why women entrepreneurs are largely found at mean and lower levels of business success ladders (Kuratko and Hodgetts, 1995). Thus, motivational variables have become important factors in handling the issue of entrepreneurial challenges.

H1: Motivational factors determine the challenges women entrepreneurs face in business.

IV. METHODOLOGY

Sample Size: Two Hundred (200) respondents were randomly selected from the registered women entrepreneurs from four different districts of sikkim used as the population of the study. Out of the total questionnaires distributed to the respondents, 180 or 90% of them were retrieved.

Measurement of Variables

Some demographic variables of the women entrepreneurs under the study reviewed include; age, marital status, number of children, nature of their business, business structure and other variables. Structured questions were formulated so as to elicit information on the women's profiles. The questions were structured into five sections with one hundred and thirty five (135) items. The respondents were required to select from a five-point Likert- scale which include a category of strongly agree (5), agree (4), undecided, (3), disagree (2) and strongly disagree (1). To be able to test the hypothesis of this study (which states that there is no relationship between motivation and the challenges women entrepreneurs face in business) correlation coefficient was used. This enabled the researchers to test the relationship between the independent variables on the dependent variable. Entrepreneurial motivational variables and the challenges of the business as regards women entrepreneurs were obtained from the instrument of questionnaire. These variables include; antecedent, triggering and supporting factors such as desire independence, desire for extra income, drive for autonomy, job dissatisfaction, loss of paid job, divorce, education, desire of development of personal skills, quest for knowledge and so on.

V. SURVEY RESULTS

The results revealed that majority of the businesses owned by women entrepreneurs are in the distribution of in agricultural, in trade, service and manufacturing sector.

The majority of the women entrepreneurs surveyed had prior experience in their fields of endeavour. For example, 2.4% of the respondents had less than one year working experience, 11.3% of the respondents had one year working experience, 47.8% of them worked two years, 32.2% had working experience of three years, while 4.7% and 1.6% had a working experience of between four and five years respectively before they started their business. In other words, out of the women that owned business, more than half of them had related prior experience in their kind of trade. Considering how the respondents started their businesses, the survey revealed that 58% of them started their businesses from the scratch, 17% of them purchased their businesses, 12% of them inherited their businesses while 56 13% of them joined their husband to start their business.

This might be as a result of many businesses springing up to pose as a challenge once a business is started and hence they become a barrier to the business expansion. Second to this is 'whether the challenges facing women entrepreneurs are gender-related' with a mean score of 3.5171. Another major challenge facing women entrepreneurs is finance with mean score of 3.2736. This is probably because of the poverty level in the country. This is followed by family related problems and sexual harassment with mean scores of 3.2672 and 3.1442

respectively. Other factors that pose as challenges to women entrepreneurs are lack of financial skill and the nature of business with mean scores of 3.0658 and 3.1406 respectively. On the issue of how the entrepreneurs perceived the relationship between the factors that motivated them into entrepreneurship and the challenges they were facing in business, 81% of them were of the opinion that the challenges women face in business depend on what motivated them into business while 29% of them disagreed with statement.

Hypothesis Testing

The research hypothesis was raised and tested in this study using correlation coefficient as a statistical tool. The hypothesis sought to differentiate between motivational factors across different business sectors operated by women entrepreneurs and the challenges women face in business.

H0: Motivational factors do not determine the type of challenges women entrepreneurs face in business.

Table 1. Correlation Coefficient between the Factors that Motivate Women Entrepreneurs and the Challenges Women Entrepreneurs face in Business.

Variables	Family	Psychological	Financial	Environmental	Challenges
Family	-	0.83*	0.75	0.72	0.55
Psychological		-	0.65*	0.81*	0.42
Financial			-	0.61*	0.49
Environmental				-	0.52
Challenges					-

Note: P<0.05 (2-tal test)

VI. RESULTS

The correlation coefficient of this study reveals a significant relationship among the motivational factors and challenges women entrepreneurs face in business. The result from the testing of the research hypothesis shows that the factors that motivate women entrepreneurs (family influence, psychological, financial and environmental factors) and the challenges they face in business exhibit moderate positive values with family factor having the highest influence of 0.55, followed by environmental factor (0.52), psychological and financial factors with values 0.49 and 0.42 respectively. The highest value exhibited by the family factor is an indication that majority of the respondents are married and are probably finding it difficult coping with their family issues and business activities. Also financial factor recorded the value of 0.49. This confirmed why majority of them saw finance as one of

the challenges they are facing in their business. In likewise perspective, the null hypothesis which states that motivational factors do not determine the challenges women entrepreneurs face in business is rejected in preference for the alternative hypothesis.

VII. DISCUSSION, CONCLUSION AND RECOMMENDATIONS

The findings of this study uncovered the fact that several relationships exist between the underlying facets of motivational factors and the challenges women entrepreneurs in the state of Sikkim.

1. They were unable to expand their business because they lack properly coordinated support, cheap and long-term credit and sufficient access to new technologies.
2. They face poor infrastructure, low capacity and sometimes obstructive government policies. Many of them were restricted to choose businesses that do not require

high skill because they were intrinsically motivated into entrepreneurial venture (Finnegan and Danielsen, 1997).

3. The findings revealed that most women who are forced into business usually encounter challenges such as inadequate resources and lack of managerial skills required for effective operation of their businesses.

4. On the other hand, it was revealed that women who are extrinsically motivated into business encounter challenges such as mismanagement of business finances, high rate of labour turnover and distraction from the business objective due to involvement on unrelated business transactions.

5. Other findings based on family financial histories act as barriers to women wishing to develop their own businesses and they are mostly found in the real sectors of the Sikkim economy (agriculture & allied service), which generally are not supported by traditional financial institutions are mostly found to be extrinsically motivated.

6. Women entrepreneurial intensity and willingness to handle their business challenges were found to be key motivating factors that propel them to seek for high performance in the industry.

The understanding of the reasons why women go into business may help in predicting the kind of challenges women face in business.

VIII. CONCLUSION

This study seeks to find out the relationship between motivational factors and women entrepreneurial challenges. To throw more light on the multiple effects of each of the motivational variables on women entrepreneurial challenges, past researches into personal dissatisfaction (a motivational factor) concluded that personal dissatisfaction as a 'push factor' which has an intrinsic effect on women entrepreneurs' performance can help in tackling the challenges they face in business. This study discovered that motivational variables whether intrinsic or extrinsic, push or pull are positively related to the challenges women entrepreneurs face. To investigate more on this, statistical analysis was conducted to determine the multiple effects of family influence, financial, psychological and environmental factors as motivational factors on the challenges women entrepreneurs face in business.

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