SOCIAL RESPONSIBILITIES AND ESSENTIALS OF WOMEN ENTREPRENEURSHIP IN THE UNION TERRITORY: A CASE EVIDENCE FROM PUDUCHERRY, INDIA

Dr. D. Ranjith Kumar, Assistant Professor & Head, Department of Corporate Secretaryship, Guru Nanak College, Chennai, Tamil Nadu. ranjithkumar.gnc@gmail.com

Dr. N. Saravanakumar, Assistant Professor of Economics, School of Continuing Education, Tamil Nadu Open University, Chennai, Tamil Nadu. nskeco@gmail.com

Dr. A. Sankaran, Assistant Professor of Economics, Pondicherry University, Puducherry sankaranecopu@gmail.com

Dr. M. Abdul Jamal, Assistant Professor, PG & Research Department of Economics, The New College, Chennai, Tamil Nadu abduljamal@gmail.com

Dr. S. Mohamed Nazeer, Assistant Professor, PG & Research Department of Economics, The New College, Chennai, Tamil Nadu getnazeer1981@gmail.com

Abstract
Social entrepreneurship is often described as business that creates goods and services to meet social needs that support long-term development objectives. Social entrepreneurship aims to improve these services by making them more accessible, cheap, and of high quality, using simple, repeatable concepts that can be implemented in a variety of settings. The present study attempted to find out the major determinants of women entrepreneurship in the Union Territory of Puducherry, India. In order to do the same both secondary and primary data have been used. The factor analysis showed that, among the twenty-one factors examined for the estimate of the determinants of women entrepreneurship, the economic benefit category is the most important, followed by existing facilities and basic strengths. It's worth noting that the components of the economic benefit category are: "to attain economic independence," "to supplement family income," "to enhance the quality of life," and "profit with service satisfaction." The logical human being's thinking is reflected in this outcome.

Keywords: Social Entrepreneurship, Women Entrepreneurs, Union Territory of Puducherry.
Introduction

The word entrepreneurship has been alive and well since its introduction by Irish economist Richard Cantillon (1755). The word literally refers to an individual's effective economic activity. Scholars such as Adam Smith (1776), J. B. Say (1845), J. S. Mill (1848), Menger (1871), F.H. Knight (1921), Schumpeter (1961), and P. Drucker (1970) articulated the word entrepreneurship in a variety of ways to show the many dimensions of the same. Entrepreneurial spirit has long been regarded as an essential component of human society's socioeconomic growth. It has long been recognised as a key driver of economic growth in both developed and developing nations (Schumpeter, 1934 and Landes, 1998). Entrepreneurship is the primary source of innovation and good change, and it promotes productivity and competence as a result (UNCTAD, 2004). Entrepreneurs' contributions to innovation, optimum resource use, conversion of raw materials into valuable commodities, and meeting the demands of human society have all been extensively recorded in the contemporary world.

Social entrepreneurship is often described as business that creates goods and services to meet social needs that support long-term development objectives. The World Bank first acknowledged the importance of meeting basic human needs that lead to health and education in 2003. Social entrepreneurship aims to improve these services by making them more accessible, cheap, and of high quality, using simple, repeatable concepts that can be implemented in a variety of settings (Seelos & Mair, 2005). In India, we see the impact of what the World Bank defines as social entrepreneurship: ‘a business instrument to address societal issues of poverty, unemployment, and inequity through socially oriented business innovations,’ as defined by the National Council for Skills and Entrepreneurship Development (Ministry of Skill Development and Entrepreneurship, Government of India, 2015: 41).

Scholars from all around the globe have tried to assess the connection between entrepreneurship and economic growth in the available literature. Carree and Thurik (1998, 1999a) found that the creation of small entrepreneurial units in European countries had a beneficial impact on those countries' economic performance in the 1990s, based on available research. Audretsch et al. (2008) showed that entrepreneurs' creative spirits, especially knowledge-based economic activities, had an indirect impact on regional economic development in West Germany. Thurik (2009) calculated the linear regression estimate using the Global
Entrepreneurship Monitor (GEM) resources. The experiment showed a significant U-shaped relationship between economic growth and entrepreneurship as a consequence of the findings. According to Acs and Armington (2002), greater levels of entrepreneurial activity correspond to higher levels of economic growth in the US economy. Entrepreneurial activities were significantly and positively linked with economic development, according to the statistical findings.

Audretsch and Fritsch (2002) found in analytical research that entrepreneurship was used as a strong engine of development in Germany throughout the 1990s. Audretsch et al. (2006), in a research co-authored with other academics, said that entrepreneurs' contributions to the general economic growth of a country via the spillover of knowledge are praiseworthy over time. Harbi et al. (2011) used yearly data from 1996 to 2007 to evaluate the causal connection between entrepreneurship and economic development in 34 OECD nations in a wide-ranging study. During the research period, the findings showed that there is a unidirectional causation rising from entrepreneurship to economic development. Evidence of sustainable development through social entrepreneurship can also be found in the literature (Yujuico, 2008; Ziegler, Schulz, et al, 2014), where social entrepreneurship focuses on both non-economic and economic dimensions, particularly the earth's environmental sustainability for present and future generations (Ziegler et al , 2015). According to the research, social entrepreneurship and sustainable development are both covered by social equality. According to the research, social equity in social entrepreneurship is defined as the "filling of fundamental health and educational requirements, as well as participatory democracy," both of which are recognized to be important components of development and are linked to environmental sustainability (J. M. Harris, 2003: 2). Social equity is a route for sustainable development in social entrepreneurship, which is also an intrinsic feature of sustainable development in social entrepreneurship.

Previous Studies

The current body of research at the worldwide level showed that the determinants of entrepreneurship include socioeconomic, political, perceptual, institutional, personal, and policy related variables (Carree, 1997, OECD, 1998; Career et al., 2002; Martins, 2007; Bjornskov & Foss, 2008, Global Entrepreneurship Monitor, 2012; Khan, 2014; Arin et. al., 2015;
and Gbadeyan, 2017). Mathews and Moser (1995) and Crant (1996) found in two separate research investigations that males start entrepreneurship at a far higher rate than females. Verheul et al. backed up this finding in subsequent research (2006). The data suggests that an individual's mindset and principles encourage them to become entrepreneurs in today's society (Naffziger et al. 1994; Gatewood et al. 1995; Wilson et al. 2007; and Sasu, 2012). The data gathered in the field showed that the family history, especially the parents' business activities, had a substantial impact on the following generation's decision to pursue entrepreneurial endeavours (Scheinberg, et. al. 1988; Birley and Westhead, 1994; Matthews and Moser, 1995; Crant, 1996; and Vliamos, & Tzeremes, 2012). Furthermore, the data shows that family circumstances, access to available resources, and current economic conditions have a significant impact on entrepreneurial activity (Barney, 2001; Alvarez & Busenitz, 2001; Carter & Ram, 2003; and Welter, 2011). Nandamuri & Gowthami (2013) showed that a greater level of family income, along with useful business knowledge, encouraged individuals to establish their own businesses. Gentry & Hubbard (2004) and Arenius & Minniti (2005) came to the same result, finding a U-shaped relationship between entrepreneurial activities and family income.

Regional differences are also a significant factor in influencing entrepreneurial activity. Information, money, labour resources, and raw materials are all readily available in one pocket, which has a direct impact on entrepreneurial activity (Markusen, 1996; Krugman, 1998; Fujita, Krugman & Venables, 1999). Glaeser, et al., (1992), Karlsson, (2011); Karlsson, Johansson & Stough, (2012) showed that knowledge spillovers, talent availability, and human capital are significant in metropolitan centres, which encouraged entrepreneurial activity, especially in the early stage. People are more readily able to engage in entrepreneurial activity as a result of governments' liberal policies. Carree and Thurik (1996) showed that the flexible environment in entrance and exit, as well as profit possibilities, are enabling elements in the entrepreneurial arena; this conclusion was confirmed by Bosma, Awinkels, and Carree's findings (1999). Government choices can have an impact on entrepreneurial activity. Carroll et al.,(2000), Cullen and Gordon (2002), and Schuetze and Bruce (2004) showed that the low rate of income tax on businesses and other government support systems encouraged educated individuals to establish their own businesses using data from the United States during various eras.
The degree of educational qualification has a direct impact on the start-up of entrepreneurial ventures. Warneryd et al., (1987) found that highly educated people are actively engaged in entrepreneurial activities in a large study based on Swedish data. The seminal works backed up this conclusion (Aronsson, 1991; Taylor; 1996; Reynolds, 1997; Delmar & Davidsson, 2000; Banchflower, 2000; Zhao & Seibert, 2006; van der Zwan & Verheul, 2012; Heinrichs & Walter, 2013; and Grilo & Thurik, 2008). Positive personal insights have a significant effect on the development of entrepreneurial activity. According to the literature (Arenius & Minniti, 2005; van der Zwan & Verheul, 2012; Bosma, 2013; Heinrichs & Walter, 2013), an individual's view of their ability to accomplish anything in their life, as well as other positive thinking, encouraged individuals to become businessmen. The provision of financial assistance is critical in the establishment of entrepreneurial activity. Foster, (1986); Kashyap & Stein, (1994); De Meza & Southey, (1996); and Kaplan, & Seira, (2006) found that the availability of money and incentives from both local and international nations has a significant impact on business starting. Technological advancement is occurring on a huge scale in the contemporary world. According to Casson (1993) and an OECD study (1996), technical advancement is one of the elements that facilitate entrepreneurial activity.

**Methodological Approach**

The present study attempted to find out the major determinants of women entrepreneurship in the Union Territory of Puducherry, India. In order to do the same both secondary and primary data have been used. Secondary information have been collected from published books, articles, reports and websites, while primary data have been collected from the sample respondents from the Union Territory of Puducherry. This region includes four parts viz. Pondicherry, Karaikal, Yanam and Mahe, in this study the geographical scope is confined to only two regions such as Pondicherry and Karaikal. Pondicherry is an important region, which has the cosmopolitan nature and encompassed by administrative offices, major tourist points, and development of business environment is substantial particularly in the recent past. Moreover, this region is an educational hub in which educated men and women involved in micro and small scale entrepreneurial activities, more or less the same scenario is appearing in Karaikal too.
Hence, the present study focused on Pondicherry and Karaikal regions. The District Industrial Center (DIC), Union Territory of Pondicherry is the authority, which has been documenting the entrepreneurship related statistics. At the same time this organization provides support for the emerging and existing entrepreneurs. Hence, in the present study, the units registered with the District Industrial Center (DIC) upto 2020 have been considered. These units belonging to various categories like ready-made garments, ladies tailoring shops, food processing units, printing and binding, fabrication, photocopy and computer, ladies beauty clinics, gem cutting and other.

As per the 2020 annual report of the District Industrial Centre, Puducherry, there are 1615 women entrepreneurs have registered from Puducherry and Karaikal regions. The document exposed that there are 1295 entrepreneurs have registered from Puducherry in which 620 from rural and the remaining 675 from urban area. Whereas, there are 320 women entrepreneurs have registered from Karaikal in which 157 are from rural and the remaining 163 from urban centre. Hence, in the universe of 1615 women entrepreneurs, the share of Puducherry region is 80 percent and the rest 20 percent by Karaikal. Among those women entrepreneurs, 15 per cent have been selected as ultimate sample for this study using proportionate sampling method. Naturally, the fresh and newly established entrepreneurial units will take few years to show their economic progress and reinforce their performance hence, the fresh units; they yet to settle down have been outside of the study. Whereas, sick and closed units have been omitted from the preview of the present research. The primary data have been collected with the help of the well structured (pre-tested) interview schedule and also record the response of the sample respondents using advanced devices. The data collected from the sample women entrepreneurs through structured interview schedule have been analyzed using SPSS software. Further, in order to estimate the major determinants of the women entrepreneurs in the Union Territory of Puducherry, the Factor Analysis has been administered.

**Results and Discussions**

It is generally accepted that the entrepreneurship is the fundamental need for the overall socio-economic development of a nation. Entrepreneurial spirit has been playing a central role not only in developing countries but also in developed countries. A group of research studies
conducted in European Union by OECD, (1998); EZ, (1999) and European Commission, (1999 & 2004); exposed that the entrepreneurship development has been a key agenda in the development policies of European Union for the past few decades. Further, in a quite number of studies scholars (Audretsch et al. 2007; Wennekers & Thurik, 1999; Acs and Armington, 2002; Wong, Ho, & Autio, 2005; Agarwal, Audretsch, & Sarkar, 2007; Harbi et al. 2011; and Drucker, 2014) uttered that the entrepreneurial spirit has been recognized as a powerful vehicle for the paramount development. Against the theoretical background the present study is an attempt to document the determinants of the women entrepreneurship in the Union Territory of Puducherry, which is one of the noticeable regions in the Peninsular India.

In this study we considered twenty one variables, which are closely associated with the essential and determinants of women entrepreneurship, they include: (1) entrepreneurs had sufficient capital to start their business, (2) had working and running capital, (3) had credit support (4), had collateral capacities to take financial risk (5) easy access to raw materials (6) adequate demand for my product (7) product differentiation (8) enough space to start the business (9) have relevant skill (10) availability of required facilities (11) got training (12) family members got technical knowledge (13) family support (14) self confidence (15) to prove the social status (16) support of the state owned institutions (17) profit with service satisfaction (18) to achieve economic independency (19) to supplement family income (20) to improve the living standard of my family and (21) governments schemes. In order to understand the major factor influence to start the entrepreneurial activity, the Factor Analysis has been administered.

Factory Analysis is one of the techniques, quite often used in business and social science research works. The main objective of factor analysis is to reduce a collection of items into a less number of dimensions. Further, it is cited in the academic writings that the Factor Analysis can also be used to simplify/reduce the volume/variables of data set. The nature of Factor Analysis is that it needs a large number of sample size/respondents. As the Factor Analysis includes the correlation matrix, the computation of correlation normally requires a large number of samples before they stabilize. In connection with the sample size, Comrey & Lee’s (1992) and Tabachnick & Fidell (2001) highlighted that if the sample size is 50, it is very poor, 100 is poor,
200 is fair, 300 is good, 500 is very good, and 1000 or more is excellent. As, the present study has included 242 sample respondents, it is nearly in the category of good.

**Testing of Hypothesis**

$H_0$: Economic independency does not significantly influence the starting of entrepreneurial unit in the union territory of Puducherry.

$H_1$: Economic independency is a significantly influencing factor to start the entrepreneurial unit in the union territory of Puducherry.

<table>
<thead>
<tr>
<th>Name of the Test</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</td>
<td>.752</td>
</tr>
<tr>
<td>Approx. Chi-Square</td>
<td>634.341</td>
</tr>
<tr>
<td>Bartlett's Test of Sphericity</td>
<td>Df</td>
</tr>
<tr>
<td></td>
<td>Sig.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>210</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
</tbody>
</table>

*Source: Computed from Primary data*

The Kaiser-Meyer-Olkin test (KMO) yielded a value of 0.752 (as it is higher than 0.5), indicating that the sample is sufficient. Furthermore, the outcome demonstrates that the Factor Analysis is effective.

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Factors</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Economic Benefit:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= To achieve economic independency + To supplement family income +</td>
<td></td>
</tr>
<tr>
<td></td>
<td>To improve the standard of living + Profit with service satisfaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= 2.808/4 = 0.702</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Existing Facilities:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= Access to raw materials + Enough place + Market for the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= 1.977/3 =</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Basic Strength:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= Relevant skill + Confidence + Basic Collateral capacity</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= 1.922/3 =</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Computed from Primary data*
dubbed "economic benefit" since it is heavily weighted with economic benefits-oriented variables (such as achieving economic independence, supplementing family income, improving quality of life, and profit with service satisfaction). Similarly, the second element might be referred to as "existing facilities" since it includes "access to raw materials," "availability of sufficient space," and "existing market for the product." The third component, on the other hand, might be dubbed "basic strength" since it is filled with "relevant talents," "high confidence level" among women entrepreneurs, and the presence of "basic collateral capability." There is no justification to accept the null hypothesis that "economic independency is not a significant influencing factor to start an entrepreneurial unit in the union territory of Puducherry" because the factor "achieving economic independency" is one of the major components in the economic benefit category with a rotated value of 0.815. This finding suggests that women entrepreneurs are acting rationally in order to make money and contribute to the welfare of their families in order to improve their quality of life in the studied region. As a result, federal and state governments, bank officials, non-governmental organisations, and community-based groups may step forward to provide training, productive capital, raw materials, and other forms of assistance to women entrepreneurs in the Union Territory of Puducherry.

**Conclusion and Implications for Policy**

Every country considers entrepreneurship to be a successful economic activity, and its contribution to economic growth is palpable. Van Stel et al. (2005), Wong et al. (2005), Wennekers et al. (2005), Baumol et al., (2007); Gries and Naude, (2008); Frederick and Monsen (2011), Koellinger & Thurik (2012), and Noel Saraf (2015) identified a significant connection between entrepreneurship and economic development in the current research. In this study, the factors of women entrepreneurship in the Union Territory of Puducherry, India, were investigated using a theoretical framework. Both secondary and primary data were utilised in order to complete this study. Secondary sources of information include published documents, government papers, and online sites, while primary data was gathered from 243 sample respondents through face-to-face interviews using the proportional sampling approach. SPSS software was used to analyse the obtained data. The factor analysis showed that, among the twenty-one factors examined for the estimate of the determinants of women entrepreneurship,
the economic benefit category is the most important, followed by existing facilities and basic strengths. It's worth noting that the components of the economic benefit category are: "to attain economic independence," "to supplement family income," "to enhance the quality of life," and "profit with service satisfaction." The logical human being's thinking is reflected in this outcome. As a result, the federal and state governments, as well as non-governmental organisations, may step forward to boost the economic advantages of women entrepreneurs in the Union Territory of Puducherry via new ideas, increased lending, training, marketing, and other support systems.
Reference:
http://doi.org/10.1002/9781118955567.wbieo201


**********