



An insight into the critical success factors influence on women entrepreneurship

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Abstract

Entrepreneurship has presently employed a prominent residence in the record of rewarding career opportunities for women. There is an extensive reservoir of human resource potential that remains untapped in the economy. Many factors influence women entrepreneurs when they are running their business. This study aims to identify the factors that influence the success of women entrepreneurs in the Northern Region. For this study purpose 100 small scale women entrepreneurs identified in the Northern Region registered in the Industrial Development Board. A convenient sampling technique was used in this study. Data is entered and analyzed using SPSS version 20. The present study results indicated that the mean square and F-value of the Economic factors, Socio-cultural factors, and Family factors significantly associate with the success of the women entrepreneurs. Further Correlation results indicated that Economic factors, Socio-cultural factors, and Family Factors are positively and significantly correlated with the success of women entrepreneurs and Psychological factors, Enterprise factors and legal factors are positively correlated but insignificant in this study.

Keywords: critical success factors, the success of women entrepreneurs and women entrepreneurs

Introduction

Entrepreneurship has presently employed a prominent residence in the record of rewarding career opportunities. Women's labor force participation is essential for an economy for many reasons. It indicates the utilization of labor in an economy (and influences the growth potential); relates to income/poverty status of households; and is a signal of women's economic empowerment. There is an extensive reservoir of human resource potential that remains untapped in the economy. This becomes particularly critical as most Sri Lanka's population is Women and as the population begins to age and fewer working-age individuals remain in the workforce. After the end of the 30 years of Civil war in Sri Lanka, women are mostly engaged in medium, small, and micro enterprises in the Northern Region to generate income to look after their family and support their husbands or other family members. Many factors influence women entrepreneurs when they are running their business. Despite numerous papers previously exist that discuss women entrepreneurs, there have been very a few research focusing on factors



influencing and challenges facing women entrepreneurs, more specifically in the Northern Region. This is one of the Northern Region studies that embrace empirical evidence to investigate pivotal factors hampering women entrepreneurs and calls for more research in this domain. Therefore, the objectives of this study are to;

- analyze, the association between the influencing factors and the success of women entrepreneurs.
- measure the relationship between the influencing factors and the success of women entrepreneurs.

Literature Review

Women entrepreneurship is one of the world's rapidly evolving entrepreneurial populations (Brush, Bruin & Welter, 2009). They make substantial contributions to innovations, employment and wealth creation (Brush et al. The issue of women and men's entrepreneurship has gained evolving consideration among policymakers in the developing and developed countries (Hossain, Naser & Zaman, 2009).

Women and men's entrepreneurial activities are pivotal in creating and enhancing employment opportunities and safeguarding economic growth. It can be understood that women entrepreneurship is a rising concept and has a remarkable economic impact in all economies. Notwithstanding, women entrepreneurship has challenges and drawbacks that need to be addressed and definite needs that have to be discovered to enhance their success (Ayadurai, 2006). Jayawardane (2016) stated that the phenomenon of women entrepreneurship is much interesting and important in the world. Of late, it has been absorbing loftier significance in Sri Lanka and economic changes and globalization. Moreover, legislation has been formulated to assist fostering entrepreneurship, encouraging education and training for potential entrepreneurs; which has supported the empowerment of women entrepreneurs. Women entrepreneurship should be learned for various reasons (Jayawardane et al., 2015); women entrepreneurship has been embraced during the last decade as a prominent facet of the country's economic growth. Women entrepreneurship in Sri Lanka generates open doors to harness different approaches in entrepreneurship research. Moreover, women entrepreneurs create new jobs for themselves and the nation as well. These women can be encouraged to be entrepreneurs who will contribute to the income of their families. The recognition of the significance of the research approach's context and significance will stimulate more informed policymaking. The development and cultivation of women entrepreneurs



would be a value accumulation to the holistic country's business development and affluence.

Weerawansa and Samarasinghe (2018) noted that women had grasped their business firm dramatically in recent years. They abdicate well-paid jobs in their private sector to launch their business venture. Additionally, these phenomena were created due to frustration at hitting a glass ceiling, dissatisfaction with their career advancement, unmet career expectations, and corporate downsizing. Intriguingly, they fulfill their dreams of entrepreneurship, being their own boss, achieving their business success.

Methodology

For this study purpose, 100 small scale women entrepreneurs identified in the Northern Region registered in the Industrial Development Board. The researchers selected 20 women entrepreneurs from every five districts, especially Mannar, Vavuniya, Mullaitivu, Kilinochchi, and Jaffna. A convenient sampling technique was used in this study. The Economic, Socio-Cultural, Family, Psychological, Entrepreneurial competencies, Legal factors are considered independent variables and the success (performance) of the women entrepreneurs is as a dependent variable of the present study. Data is entered and analyzed using SPSS version 20. One sample T- test, F - test for mean value, and correlation analysis were done to analyze the factors influencing the success of women entrepreneurs. The following hypotheses were derived:

- H₁: There is an association between the influencing factors and the of women entrepreneurs.
- H₂: There is a relationship between influencing factors and the success of women entrepreneurs.

Results and Discussions

The present study describes the Economic, Socio-Cultural, Family, Psychological, Entrepreneurial competencies. Legal factors are considered independent variables and the success (performance) of the entrepreneurs is as a dependent variable of this study. The results of the association between the influencing factors and success of women entrepreneurs were indicated in table 1:

Table No. 1 ANOVA Analysis

Variables	SS	MS	F	Sig
Economic Factors	.640	.213	5.431	.002
Socio-Cultural Factors	.492	.098	2.360	.046



Family Factors	1.058	.176	4.941	.000
Psychological Factors	.294	.029	0.635	.780
Enterprise Factors	.004	.002	0.042	.959
Legal Factors	.274	.091	2.119	.103

The results of the present study illustrated in the Table 1 the mean square and F-value (5.431, $p < 0.01$, 2.360, $p < 0.05$, and 4.741, $p < 0.01$ respectively) of the Economic factors, Socio - cultural factors, and Family factors significantly associate with the success of the women entrepreneurs. The psychological factors, Enterprise factors and legal factors have no association with the success of women entrepreneurs. Hence the hypothesis 1 is partially accepted.

To test hypothesis 2, the researchers performed the correlation analysis.

Table 2. Correlation Analysis

Variables	Success of women Entrepreneurs	Sig.
Economic Factors	.763	.000
Socio-Cultural Factors	.432	.042
Family Factors	.683	.003
Psychological Factors	.008	.324
Enterprise Factors	.029	.325
Legal Factors	.048	.425

Table 2 indicated that the correlation relationship between influencing factors and the success of women entrepreneurs. The results indicated that the Economic factors, Socio-cultural factors, and Family Factors are positively and significantly correlated with the success of women entrepreneurs and Psychological factors, Enterprise factors and legal factors are positively correlated but insignificant in this study. Hence the hypothesis 2 is partially accepted in this study.

Conclusions and Recommendations

Based on the results, the study concludes that the Economic factors have more association with women entrepreneurs' success than the other factors because the F statistics of the Economic factor is higher than the other factors and has significant. Hence the Economic factors mostly influence the success of the women entrepreneurs than the other factors in the Northern Region. The women entrepreneurs are facing some challenges in running their business. They need to overcome the challenges of getting advice from the Government sector and non- government sector to improve their business.



Further, they should get proper training from the relevant training institution for improving their entrepreneurial skills. They should break social barriers. Further, women entrepreneurs have strong communication skills with their proficiency in the core business, attributed their success to the quality of their output, which was rated better than their competitors, conditioned by their hard work and dedication to achieving success.

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