RESEARCH PAPER | Entrepreneurship | Volume : 4 | Issue : 4 | Special Apr Issue 2014 | ISSN - 2249-555X

A Study on Factors Inducing Disabled to Choose Entrepreneurship as Career

KEYWORDS : Entrepreneurship, Persons with Disabilities (PWDs), Employment factor, Societal factor, External factor, monetary factor, self actualization factor.

Dr. G. MADAN MOHAN

Assistant Professor, Department of Management Studies, Pondicherry University.

ABSTRACT *Unemployment rate for persons with disabilities (PWDs) in developed and developing countries is unacceptably high. Most PWDs who remained unemployed wanted to work but they were denied opportunities to work. The society often undermines the abilities of PWDs, complicating the process of finding a paid employment for them. Employers may be reluctant to hire PWDs because of fear of additional cost to be incurred for accommodating their special needs. As a result, bulk of the PWDs are unemployed, inducing more and more PWDs to start their own business. Self-employment offers PWDs flexi working hours, providing them more time to concentrate on health, and freedom to work at their own place, accommodating their special needs. This paper makes an attempt to analyse the factors which might have motivated PWDs to choose entrepreneurship as their career option. 150 disabled entrepreneurs were selected using Convenient sampling method and a structured interview schedule was administered to them and their opinion about various factors which might have motivated them to select entrepreneurship as their career was collected in a Likert's five point scale. The data collected were analysed using statistical tools of Mean, ANOVA, Factor Analysis, Cluster Analysis, Discriminant Analysis and Correspondence Analysis. Results reveal that PWDs are more pushed to entrepreneurship rather than being pulled to it.*

INTRODUCTION

Unemployment rate for PWDs is unacceptably high despite their sincere efforts to find jobs. Indifferent attitude of society and employers towards PWDs pose a serious impediment for them to find paid employment. This results in them trying to earn their living through entrepreneurship, which offers flexibility and freedom in work. However, entrepreneurship is highly demanding and it requires numerous skills and commitment.

Despite entrepreneurship being a complex process, many choose it as their career due to various reasons. Some may be pushed to entrepreneurship due to absence of better alternatives while some may be pulled to it. Some may have inbuilt desire to be entrepreneur due to family or other social reasons while others may prefer entrepreneurship to take advantage of favourable political, social, cultural, Economic, Legal and Technological environment. The fact is that persons prefer entrepreneurship due to the combination of all these factors. Studies reveal that in many cases, disabled started business 'out of necessity'. In this background, the researcher, being a visually challenged person, is highly interested in assessing the factors which might have motivated PWDs to choose entrepreneurship.

Objectives of the Study

1. To study the various factors which might have motivated PWDs to choose entrepreneurship as their career;
2. To analyse the association that might exist between the demographic features and the various segments of disabled entrepreneurs identified using cluster analysis.

METHODOLOGY

The proposed study is descriptive in nature, based on primary and secondary data. 14 factors which might motivate persons to choose entrepreneurship as their career were identified through a thorough literature review and a structured interview schedule was drafted using these 14 factors. 150 disabled entrepreneurs were selected using Convenience sampling method in the Metropoliton city of Chennai and their response to these 14 factors were collected using a Likert's five point scale, with responses ranging from 1 indicating strong level of agreement and 5 indicating strong level of disagreement with 3 as neutral point. The 14 factors identified for this study are for making money, striving for personal achievement, low capital requirements, experiences gained from friends/relatives carrying on business, role of training/educational institutions, opportunity of being one's own boss, providing employment to others, better scope for innovative ways of doing things, helping other disabled by involving them in their business, experiences gained through working as customers or suppliers of small businesses, influence of media, inability to find paid employment, the possibility of availing family assistance in business, and difficulties associated with paid employment. The data obtained have been represented in tabular and diagrammatic forms and analysed using the statistical package of SPSS, employing the statistical tools of Mean, Percentage, ANOVA, Factor Analysis, Cluster Analysis, Correspondence Analysis and Discriminant Analysis. Reliability test was conducted using Cronbach's Alpha Method which yielded a reliability of 83%.

DATA ANALYSIS AND DISCUSSION

Demographic Profile of Respondents

Of the 150 disabled entrepreneurs studied, 36% are aged 35-50 years, 32% are aged 20-35, 14% are young entrepreneurs aged less than 20 and 18% are agedabove 50; 60% are males and 40% are females; 24% possess educational qualifications of less than Matric/SSLC, 56% are Matriculates, 14% possess HSE qualification, while a mere 6% are Degree/Diploma holders; 40% are visually challenged and 60% are Orthopaedically handicapped; 50% are engaged in resale business, 22% are engaged in contractual job and 28% in providing services; 42% run their business in sole proprietorship form, 40% use the Self Help Group (SHG) Model, 18% are using the partnership form of business organization.

Factors Influencing Disabled to choose Entrepreneurship as Career

This study has taken 14 such factors. Factor Analysis has been used to reduce these 14 variables into minimum manageable factors by exploring common dimensions available among the variables.

Volume : 4 | Issue : 4 | Special Apr Issue 2014 | ISSN - 2249-555X

Table 1: KMO and Bartlett's Test

KAISER-MEYER-OLKIN MEASURE OF SAMPLING ADEQUACY.		0.390
Bartlett's Test of Sphericity	Chi-Square	1348.869
	Df	91
	Sig.	0.000

It can be inferred from the above table that the KMO value is 0.390 and the significant value is 0.000, indicating that the data is useful for factor analysis.

The next step in the process is to decide about the number of factors to be derived. The thumb rule is factors which are having 'Eigen values' greater than unity can be taken. For the purpose of extraction Principal Component Analysis method is used. The Component matrix so formed is further rotated orthogonally using Varimax rotation algorithm. After the rotation, five factors have been formed. Details of these five factors have been displayed in Table2 which suggests that the total variance accounted by all the five factors is 75.872%. This means that significant amount of variance is explained by the reduced five factors alone. Therefore it is better to take these five factors alone for further analysis. It can further be noted that the factor loadings in respect of all the statements loaded in each of the five factors exceed the threshold limit of 0.5, suggesting that all statements fit properly into the factors. Based on the statements loaded under each factor the five factors can be christened as Employment, Societal, External, monetary and self actualization factors. The "Employment factor" contains two statements related to problems associated with paid employment for disabled. This factor accounts for 17.096% of variance. The "Societal Factor", consisting of four statements, accounts for 16.889% of variance. The "External Factor", consisting of three statements, accounts for 15.025% of variance. The "Monetary Factor", consisting of two statements, accounts for 13.959% of variance while "Self Actualisation Factor" consists of three statements, accounting for 12.903% of total variance.

Table 2: Factors and Variance Explained

Factor	Statement with Factor Loadings	Eigen value	% of variance	Cumulative %
Employment	Difficulty in finding paid employment-0.782 Difficulties in paid employment-0.767	2.393	17.096	17.096
Societal	Helping Other Disabled-0.870 Through Education/ Training Institutions-0.730 Contact With Small Businesses-0.631 To provide employment to others-0.526	2.364	16.889	33.984
External	Influence Of Media-0.865 Experiences Of Friends Running Business-0.746 Availing assistance of family-0.626	2.103	15.025	49.009
Monetary	Low Initial Capital Requirements-0.934 I want to make more money-0.683	1.954	13.959	62.968
Self actualization	I always wanted to be my own boss-0.802 For Personal Achievement-0.785 Better Scope for Innovation-0.565	1.806	12.903	75.872

SEGMENTATION OF ENTREPRENEURS

K means cluster analysis has been used to segment the 150 entrepreneurs based on the five factors derived from Factor Analysis.

Table 3: Final Cluster Centers

	CLUSTERS		
MOTIVATION FACTOR	1	2	3
Employment	2.19(III)	2.57(I)	2.55(II)
Societal	2.59(III)	4.20(I)	3.71(II)
External	2.79(II)	2.38(III)	3.19(I)
Monetary	2.25(II)	1.89(III)	2.92(I)
Self Actualization	3.92(I)	3.67(III)	3.84(II)

Results of the Final Cluster Centres have been portrayed in Table 3 which suggests that three clusters have been formed. The first cluster has highest mean for "Self-Actualisation", while the second has high mean for "Societal factor" and the third cluster has highest mean for "External Factor". Hence, the three clusters have been respectively labelled as "self actualization segment", "societal segment" and "influential segment".

Table 4 displays results of ANOVA used to verify whether the three clusters formed differ significantly in their mean values.

Table 4: ANOVA for Clusters

	CLUSTER		ERROR		F	SIG.
MOTIVATION FACTOR	Mean Square	df	Mean Square	df		
Employment	1.398	2	0.226	147	6.187	0.003
Societal	22.937	2	0.187	147	122.906	0.000
External	10.417	2	0.125	147	83.354	0.000
Monetary	16.665	2	0.155	147	107.308	0.000
Self Actualization	0.774	2	0.046	147	16.864	0.000

It can be inferred from Table 4 that significance value in respect of all the factors is less than 0.01, proving that the three clusters differ in mean values.

Cluster Composition

Distribution of the respondents among the three clusters is portrayed in Table 5.

Table 5: Cluster Composition

CLUSTER	1	24	16%
	2	69	46%
	3	57	38%
Valid		150	100%

Table 5 depicts that a little under one-sixth of disabled entrepreneurs (16%) constitute the "Self Actualisation Segment", while less than half of them (46%) constitute the "Societal Segment", and more than one-third of them (38%) constitute the "Influential Segment".

Testing Suitability of Segmentation

Reliability of cluster classification and its stability across the samples has been verified using Discriminant Analysis and the results have been portrayed in Table 6.

Table 6: Wilk's Lambda

TEST OF FUNCTION	WILKS' LAMBDA	Chi-square	df	SIG.
1 through 2	0.093	343.629	10	0.000
2	0.416	127.058	4	0.000

Volume : 4 | Issue : 4 | Special Apr Issue 2014 | ISSN - 2249-555X

It can be inferred from Table 6 that Wilks' lambda ranges from 0.09 to 0.4. The small values of Wilks' lambda indicate that there is a strong group differences among mean values of five factors. The significance value is 0.000, proving existence of significant group differences.

Table 7: Eigen Values

FUNCTION	EIGEN VALUE	% OF VARIANCE	CUMULATIVE %	CANONICAL CORRELATION
1	3.453[a]	71.1	71.1	0.881
2	1.402[a]	28.9	100.0	0.764

It can be inferred from Table 6 that two discriminant functions can be formed when there are three clusters. The Eigen value is high for both the functions which means that there is a good variability between two functions. The co-efficient of canonical correlation is very high for both the functions, indicating existence of high relation between two functions and the five factors.

Table 8: Structure Matrix

	FUNCTION	
MOTIVATIONAL FACTOR	1	2
Monetary	0.570*	0.492
External	0.533*	0.329
Self Actualization	0.250*	-0.098
Societal	-0.514	0.736*
Employment	-0.070	0.219*

The above structure matrix reveals that the strongest correlations for Monetary, Self Actualization and External occur with function 1. The variable Societal and Employment have strong correlation with function 2. Hence, two significant discriminant functions of Z1=0.570* Monetary + 0.533* External + 0.250 * Self Actualisation and Z2 = 0.736* Societal +0.219 * Employment have been formed.

Fig 1: Canonical Discriminant Functions

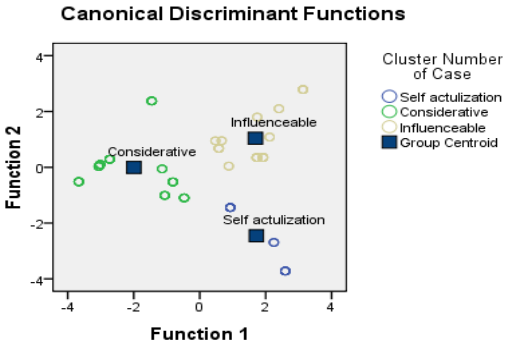


Figure 1 clearly depicts that each of the three groups form distinctive clusters. The self actualization cluster is having function I and low level of function II. The influential cluster is having high level societal factors (function II) and monetary factors (function I).

Characteristics of the Three Clusters of Disabled Entrepreneurs

The characteristics of each of the three clusters have been analysed in the light of their demographic features using Correspondence Analysis and the results have been portrayed in the following figures.

Fig 3: Age

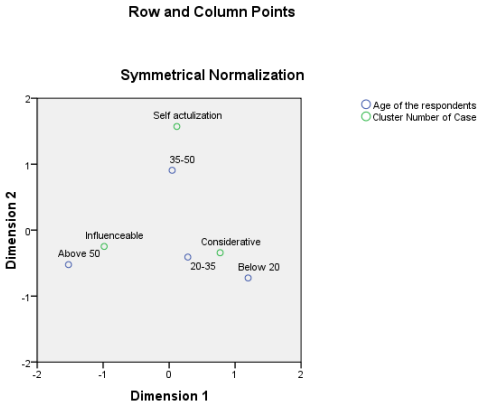


Fig 4: Education

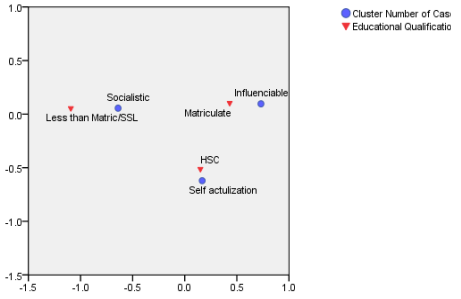


Fig 4: Nature of Business

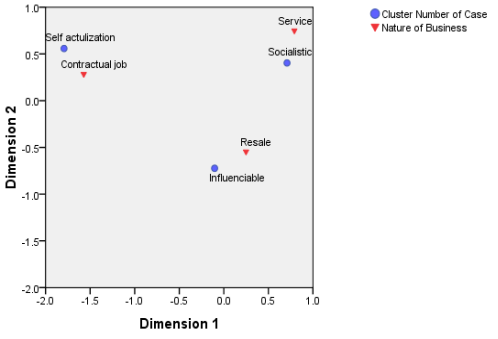
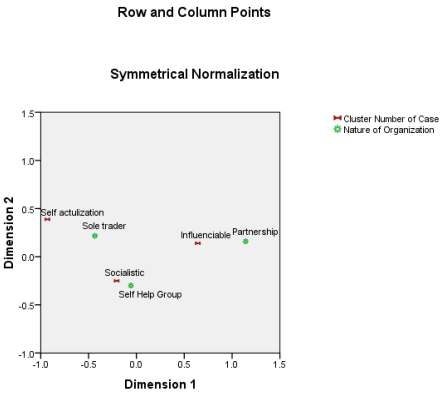


Fig 5: Business Organisation



Volume : 4 | Issue : 4 | Special Apr Issue 2014 | ISSN - 2249-555X

It can be observed from Figures 2-5 that those entrepreneurs aged above 50 years, those with Matric qualifications, those engaged in Resale business and those using the partnership form of organisation are associated with Influential Segment of disabled entrepreneurs, while the young entrepreneurs, those educated below Matric, those engaged in service business and those using the SHG form of organisation are associated with the Societal segment and middle aged entrepreneurs, those possessing education qualifications of HSE and Degree,those engaged in contractual job and those using the Sole Proprietorship form of organisation are associated with the Self Actualisation Segment.

INFERENCES AND SUGGESTIONS

It can be inferred from this study that majority of the disabled entrepreneurs have selected entrepreneurship as their career out of compulsion rather than conviction. Problems in finding a paid employment and complexities associated with serving an employer has driven the PWDs to start their own business venture. Hence, it becomes essential for the government to undertake motivational programmes at the special schools for disabled as well as in integrated schools, instigating PWDs to start business ventures and lead a decent and independent life. Financial and marketing support programmes have to be implemented effectively by the government to install confidence among the PWDs about successfully running their own business ventures.

CONCLUSION

The most important problem confronting the world today is unemployment. Gap between Job seekers and job availability is widening and unemployment among youth is galloping at an alarming rate. Furthermore, gap between people with huge and meagre earnings is also widening, resulting in massive disparities in distribution of income. Plight of PWDs is miserable. Pathetic condition is that PWDs are not considered 'real' people. This miserable condition of PWDs has been aptly picturised by Rachel Hurst (1999), who observes, 'There is no country in the world where disabled people's rights are not violated. Their needs and their voices ignored, segregated in institutions, denied education, employment and family life, viewed as pariahs or mendicinants, in some cases murdered with impunity (mercy killing)". The fact that 67% of American PWDs are unemployed while unemployment rate in US is mere 10%; 40% of US PWDs are living below poverty line while average poverty prevalence is 18%. These add testimony to the fact that plight of PWDs is miserable even in developed nations. This discussion suggests that immense potentialities of PWDs remains untapped and this cannot be eradicated unless the prevalent of prejudices that PWDs cannot discharge their employment obligations independently is overcome. Until this materialises, higher percentage of PWDs shall be self employed when compared with those without disabilities. History reveals that given the right opportunities and environment, PWDs can achieve scintillating results.

REFERENCE

1. Ajay Lakhanpal (1990). "Entrepreneurial Development-An Institutional Approach". Commonwealth Publishers, New Delhi. | 2. Canadian Centre on Disability Studies (ccds) Bulletin. "New Opportunities for Disabled Entrepreneurs". Available at www.disabilitystudies.ca. | 3. Cynthia E. Griffin (2000). "Self-employment pushed as option for the disabled". published in Entrepreneur Magazine , December 2000, Available at www.thedisabledentrepreneur.com. | 4. Dan (2009). "What Drives Us To Be Entrepreneurs?" and "Introducing The Disabled Entrepreneur!". Available at www.thedisabledentrepreneur.com. | 5. Kate Hilpern (2007) "Disabled entrepreneurs: What support is on offer?".retrieved from www.independent.co.uk. | 6. Monika Prakash and NimitChowdhary (2007) "Study of Entrepreneurial Motivations in India". The ICFIA Journal of Entrepreneurship Development, Vol. IV,No. 3, sep. 2007, pp. 73-80. | 7. NaheedNawazeshRoni (2009). "Disabled Entrepreneurship: A viable route of opportunity for the disabled?". Available at www.ribm.mmu.ac.uk. |