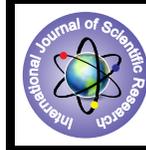


## Factors Determining Textile Entrepreneurs Performance in Erode District



### MANAGEMENT

**KEYWORDS :** Entrepreneur, Textile Entrepreneurs, Motivating factors.

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### ABSTRACT

*The success of entrepreneurship depends upon several factors connected with the business in which the entrepreneur wishes to start. Business start-up needs several set of motivations to succeed. Textile business attracts many entrepreneurs both in rural and urban destinations, which requires modest investment to start. There are several factors responsible to determine the performance of textile business. In this direction the present study is started with the objectives of knowing their demographic profile, factors determining performance, motivating factors and reason to become entrepreneur. This study is conducted with 100 samples using simple random sampling technique. This study is concluded that entrepreneurs have been motivated by several factors and numerous factors are actively determining the performance of textile entrepreneurs.*

### 1. INTRODUCTION

An entrepreneur does perform all the functions essential right from the origin of an idea up to the establishment of an enterprise. These can be listed in the following sequential manner, such as idea generation and scanning of the best suitable plan, determination of the business objectives, product investigation and market research, determination of form of organization, completion of promotional formalities, raising required funds, procuring machine and material, recruitment of men and undertaking the business operations. There are different factors that contribute to the growth of entrepreneur are different in nature and they are not countable. Starting business venture in textile sector needs numerous qualities and enough background to succeed over the business. Therefore, there is a need for counting the factual aspects, social and cultural variables such as family background, rapport with leading personalities, industrialists, political affiliation, investment climate, individual capacities, personal skills etc., in order to take textile entrepreneurship. In order to perform the textile business, the entrepreneur should focus on psychological, sociological and economic perspectives.

### 2. STATEMENT OF PROBLEM

In the initial stages of business performance, the entrepreneurs tend to have less initiatives and drive. As development proceeds, they become more innovative and enthusiastic. In order to develop and boost business performance, the business plan which the entrepreneur trying to create and the market which they want to build and goals to achieve, are guaranteed to change and therefore entrepreneur must be flexible and prepared to undergo those changes. It is very much needed to develop skills, ability and empowerment to increase business performance. The present study has been an endeavor to highlight the factors determining textile entrepreneurs' performance. This study stresses on the demographic differences and background characteristics of the entrepreneurs, factors determining, factors motivating entrepreneurs and reason to become an entrepreneur in textile sector. The performance of textile units largely relied on several factors, hence in this standpoint, this study has been carried out to evaluate the factors determining textile business performance.

### 3. REVIEW OF LITERATURE

Entrepreneurship has failed to establish a unique conceptual frame (Meyer & Thaler, 2002). More than explaining and predicting the empirical phenomena it has become a broad label, as shown in research works (Shane & Venkatara-

man, 2000). Entrepreneurship is multidimensional concept and its definition depends largely on the focus of research undertaken (Verheul et al. 2001). According to Wiklund (2009), the term entrepreneur applies to a person who owns an enterprise or venture, and assumes significant accountability for the inherent risks and outcome. It is an ambitious leader who combines land, labor and capital to create and market new goods or services.

### 4. OBJECTIVES OF THE STUDY

This study is started with the following objectives, these are:

1. To study the demographic profile of textile entrepreneurs involved in textile business.
2. To investigate the factors determining textile entrepreneurs performance in textile business.
3. To examine the factors motivating textile entrepreneurs to undertake textile business.
4. To check the reason to become entrepreneurs and enter into textile business.

### 5. RESEARCH METHODOLOGY

A sample of hundred textile entrepreneurs operating their textile firm with a record of at least one year are randomly selected across the different place of Erode district. This district consists of various textile units like, dyeing, weaving, spinning, processing, knitting, garments and so on. The textile unit preferred for the study is, it should employ more skilled and un-skilled employees and is known for employment of substantial capital. With a view to maintain homogeneity and consistency among the different segments of textile unit, the sample is roughly selected. The sample selection and data collection is completed with the detailed questionnaire presented with the respondents to collect the required data. Primary data has been collected for this present study. The primary data is collected from hundred sample respondents, by adopting simple random sampling method. The questionnaire employed for the survey is a structured and non-disguised and consisted of four sections. The first section intended to collect the demographic background; the second seeks factors determining textile entrepreneur performance, third parts deals with the motivating factors to undertake textile business and fourth part deals with reason to become entrepreneur. This sample survey takes a period of three months from Jan 2016 to March 2016. The data collected from the textile entrepreneurs has been analyzed with suitable statistical techniques like percentage analysis, factor analysis, Garrett ranking analysis and t-test.

6. RESULTS AND DISCUSSIONS

6.1. Analysis of Demographic Profile

Demographic profile of entrepreneurs and its frequency is presented in table-1. It reveals the results of respondent's profile.

Table – 1: Analysis of Demographic Profile

Characteristics	Distribution	Frequency	Percentage
Gender	Male	77	77%
	Female	23	23%
Age	18 - 25 Years	24	24%
	26 - 40 Years	27	27%
	41 - 55 Years	35	35%
	56 & Above	14	14%
Monthly Income	Less than 20,000	15	15%
	20,001 - 50,000	50	50%
	50,001 – 1,00,000	22	22%
	1,00,001 & above	13	13%
Educational Qualification	Up to HSC	48	48%
	UG	26	26%
	PG	14	14%
	Professional	12	12%
Experience	1 – 3 years	28	28%
	4 – 6 years	28	28%
	7 – 10 years	25	25%
	Above 10 years	19	19%
Type of Firm	Sole Proprietor	55	55%
	Partnership	32	32%
	Company	13	13%

(Source: Primary Data)

6.2. Factors Determining Textile Entrepreneurs Performance

The following rotated component matrix administered to check the factors determining textile entrepreneur's performance.

Table – 2: Rotated Component Matrix

Labels	Variables	Personal Traits	Finance Factors	Marketing Aspects	Human Resource Support	External Forces
TEP21	Growth in capital	.822	.114	.028	.112	.148
TEP23	Organizing skill	.816	.143	.086	.321	.097
TEP13	Risk taking capacity	.786	.236	.121	.144	.044
TEP24	Growth in profit	.759	.123	.181	.131	.151
TEP07	Market potential	.714	.229	.064	.056	.120
TEP17	Constant price	.639	-.035	.111	.075	.081
TEP05	Prompt supply of finished goods	.117	.811	.019	.125	.043
TEP04	Leadership qualities	.086	.674	.150	.104	.048
TEP12	Maintaining quality in production	.193	.689	-.056	.082	.245
TEP15	Competitive price	.116	.685	.249	.156	-.028
TEP14	Family members support	.214	.645	.067	.142	.058
TEP08	Availability of technology	.264	.546	.088	.067	-.043

TEP11	Financial support from banks	.185	.586	.115	.097	.084
TEP02	Credit facilities to customers	.053	.033	.634	.137	.111
TEP09	Use of subsidized finance	.084	.165	.517	.103	.117
TEP03	Use of better marketing technique	.107	.161	.514	.205	.094
TEP18	Customer support	.105	.048	.577	.099	.112
TEP25	Efficient management	.072	.211	.634	-.021	-.041
TEP06	Fulfillment of achievement stimulus	.183	.083	.108	.757	-.124
TEP16	Society recognition	.274	.113	.144	.761	.086
TEP01	Employees skills	.098	.053	-.096	.654	.293
TEP19	Employee co-operation	.184	.077	.152	.537	.118
TEP10	Continuous power supply	.159	.072	.064	.211	.753
TEP22	Availability of materials	.057	-.062	-.047	.213	.737
TEP20	Government support	.027	-.039	.027	.165	.695
Eigen values		7.341	4.259	1.951	1.345	1.023
% Variance		16.58	11.24	9.72	8.62	7.21
Cumulative % Variance		16.58	27.82	37.54	46.16	53.37
Cronbach's $\alpha$		0.778	0.736	0.748	0.655	0.615

(Source: Primary data)

6.3. Factors Motivating Textile Entrepreneurs

Table – 3: Garrett Ranking Analysis

S. No	Motivational Factors	Mean Score	Total Score	Rank
1.	To enjoy extra profit of risk assumed	27.06	406	2
2.	Previous experience in business	26.13	392	3
3.	Government financial and technical support	23.40	351	5
4.	Completion of textile education	21.53	323	6
5.	Personal ambition of starting business	24.47	367	4
6.	Success stories of role models	27.87	418	1
7.	Better career planning to child	20.80	312	7
8.	Independency in business	20.07	301	8
9.	Succeeding family business	19.20	288	9
10.	Employment purpose	16.33	245	10

(Source: Primary Data) \*Significant at 5% level

6.4. Reason to Become Entrepreneur

Table – 6: One-Sample T-Test

Variables	Test Value = 3				
	T	df	Sig.	Mean difference	95% Confidence Interval of the difference Lower Upper
Earning good profit	21.575	99	.000	.942	.886 1.077
Work to own growth	16.465	99	.000	.905	.798 1.115
Independency	22.575	99	.000	.845	.825 1.151
Social recognition	19.257	99	.000	.778	.645 .815
Self-achievement	20.746	99	.000	.728	.612 .798

Future security	21.146	99	.000	.844	.774	.985
Better income	18.369	99	.000	.814	.723	.915
Financial freedom	17.375	99	.000	.768	.710	.823

(Source: Primary Data)

## 7. FINDINGS & CONCLUSION

In this study the researcher has attempted to provide an insight into the performance of textile entrepreneurs. The study is rewarding exercise to the researcher to gain more knowledge on successful entrepreneurship. This study probes into the various aspects of textile entrepreneurs such as motivation, and reason to start textile business. Factor analysis reveals that twenty five distinguishing factors on factors determining textile entrepreneur's performance and together accounting for cumulative variance of 53.37% explained in the data. **Individually explains, personal traits (16.58%), financial factors (11.24%), marketing aspects (9.72%), human resource support (8.48%) and external forces (7.21%) variance in data.** The reliability alphas for the factors propose good reliability values that is greater than 0.5. **All these factors are involved in determining textile entrepreneur's performance.** It is evident that maximum of the entrepreneurs are influenced by the factors success stories of role models and to enjoy extra profit of risk assumed are the main motivation for the entrepreneurs to start and establish the textile business. Reason to become entrepreneurs is largely based on the reasons like, earning good profit, independency, self-achievement, and future security. This study is concluded that entrepreneurs have been motivated by several factors and numerous factors are actively determining the performance of textile entrepreneurs.

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