



A STUDY ON THE FACTORS INFLUENCING WOMEN ENTREPRENEURIAL LEADERSHIP STYLES IN MSMEs

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ABSTRACT

Women entrepreneurial leaders empowering themselves by developing their own entrepreneurial potentials by handling different situation in the business environment. They are playing the dynamic role to lead their enterprise effectively with their different approach in satisfying the needs of the enterprise and their employees. The purpose of the present study was to analyze the factors of women entrepreneurial leadership behavior which influencing their leadership styles in MSMEs. Women entrepreneurial leadership behavior influences their leadership styles and it indicates the women entrepreneurial potentials in achieving their employee relation and entrepreneurial task for the economic development of the nation.

KEYWORDS: Women leader, Leadership skills, Women entrepreneurial leadership behavior, Entrepreneurial potentials, Leadership styles.

1. INTRODUCTION

Women entrepreneurial leader is a person, who is a self-starter by breaking all the gender discrimination in the entrepreneurship career. She likes to face the business challenge with the leadership skills to exploit the opportunity and achieve successes by taking risk through their leadership approach. She has to structure the roles of their employees to attain the organizational goal and to maintain the employer employee relationship with mutual trust and respect to express their ideas and feelings towards their job.

The leadership styles states to the behavior pattern of a women entrepreneur who attempts to influence others for their entrepreneurial success, they act as an organizer, decision maker, and as an effective leader in the competitive environment. Women entrepreneurial leadership style is based on their personality, social, physical, or intellectual traits. These characteristics differentiate women business leaders' ability to influence their employees to achieve the organizational goals. The dimension of leadership behaviour is based on the individual way of thinking the information logically or creatively, this may differ on the basis of the situation. The business leadership styles either it may be autocratic by taking decisions himself without consulting the employees, democratic by making decisions in consultation with her employees, laissez-faire by giving complete freedom to her employees to establish their policies and situational leadership style to the demand of different situations in MSMEs. She use to solves the problems and put their hard work to get the business recognition, certainly through their leadership styles by leading the employees towards the accomplishment of task made the women to climb up to the place of women entrepreneurial leader as a role model.



2. REVIEW OF LITERATURE

The women entrepreneurship and their economic activity is a

challenging and ongoing process, the impact of the countries entrepreneurial development based on the women participation rate in the business, is differing from one country to another, the motivation level of women business leaders is varying on the basics of their cultural practices to balance their work and their life. To run their business effectively and independently they need the supportive entrepreneurship program to overcome the gender issues on having leadership at higher level and it also necessitate all the countries must be committed to the economic presence of female participation in entrepreneurship (Seenivasan, R., 2014).The fifty eight percent of Indian adults consider entrepreneurship as a desirable career choice and around sixty six percent think that the entrepreneurs receive a high level of status and respect. Indian women have registration of their business activity was low and they have average opportunity perceptions and fear of failure. It leads to only few women running their business to the regional average that is less than half and capability perceptions are one-third lower than the average. Their participation in the business and service sector is low, as in the international sales, with job expectations just below average and it shows Indian women entrepreneurs are more innovative than twice the average(Global Entrepreneurship Monitor., 2014).The women entrepreneur need supportive business environment in registration, availability of capital for business growth, research and development of their product, they want market is free from monopolies and corruption. The gender access to fundamental resources of education, internet, bank account and SME training programs for their development .The law must empower the women to enjoy the equal rights by engaging in decision-making positions and to be a professional by engaging in start-ups with college education and skills at an equal rate to men to exploit the business opportunity towards their business expansion (Global Women Entrepreneur Leaders Scorecards (2015).

The intersectional relationship between entrepreneurship and leadership considering the entrepreneurial environment on the bases of the industry nature that the women entrepreneurial leader engaging and it determine their own individual entrepreneurial leadership behavioral role which differs from one another (Roomi, M. A., & Harrison, P., 2011).The role of the women entrepreneurs in the development of nation examines their innovative leadership style which shows democratic in nature by building mutual trust and respect between the employees to bring high performance. They behave as a role model by following ethical and moral standards to maintain interpersonal relationship and to empower their employee by developing the skill and to encourage them to participate in the managerial decision. They also found that in some situation women leader use masculine and feminine attributes based on their organization and task to be achieved. The innovative leadership behaviour develops business idea, plans and strategies for going merger, acquisition and rebranding to expand the market of their product (Hin, C. W., et al.2012).

3.OBJECTIVES OF THE STUDY

- To find out the factors which influence the women entrepreneurial leadership behavior towards their leadership styles.

4. RESEARCH METHODOLOGY

In this study the primary data has been collected from the women entrepreneurial leaders in MSMEs, who are involved in the entrepreneurial activity by leading the employee's minimum four and above in the district. We framed the well-structured Questionnaires and collected the response with the help of known sources. For this purpose the structured questionnaire was developed. To avoid the misinterpretation, the 89 respondents was selected for the pilot study, after the pilot study, the necessary modification was made and reconstruct the questionnaire for the final research. There are 17 research statements were used to find out the factors influencing the women entrepreneurial leadership behavior towards their leadership styles. Likert five point scale was used to how far they are agreeing to the statement (Strongly Agree-5 to Strongly Disagree-1). The convenience sampling design has been adopted. The total 637 responses were collected for the final research. Factor analysis was used to reduce the dimensions of the variable. The data has been collected during the period from 2016 - 2017. In order to find

out the influence of women entrepreneurial leadership behavior towards their leadership styles the factor analysis was used by taking 17 women entrepreneurial leadership styles variable by validated the instrument reliability statistics was used on this 17 variables by using SPSS version 23. The cluster analysis was used to group the women entrepreneurs' leadership behavior in to leadership styles.

5. RESULT OF THE RESEARCH

Table No.1 Characteristics of Respondents

Age	Frequency	Percent
Up to 21- 30 years	94	14.8
31-40 years	261	41.0
41-50 years	128	20.1
Above 50 years	154	24.2
Total	637	100
Educational Qualification	Frequency	Percent
Less than 10 th Standard	67	10
10 th Standard	136	21
Up to +2	195	31
Under Graduation	108	17
Post-Graduation	131	21
Total	637	100
Marital Status	Frequency	Percent
Married	512	80.4
Un Married	32	5.0
Divorce	25	3.9
Widow	68	10.7
Total	637	100
Family Size	Frequency	Percent
Small (below 5)	481	75.5
Medium (5 – 10)	130	20.4
Large (above 10)	26	4.1
Total	637	100

Source:Primary data

The table no.1 shows the characteristic of the women entrepreneurs. The total number of respondents were 637, out of which the Majority 261(41 %) were belong to 31 years to 40 years, followed by 154 (24%) were in the age group of above 50 years, 128 (20%) were in the age group of 41 years to 50 years and only 94(14.8%) were belong to 21 years to 30 years. With this regard their educational qualification of respondents, 67(10%) were less than 10th standard, 136 (21%) were 10th standard, 195(31%) were up to +2, 108(17%) were Under Graduates, 131(21%) were Post-Graduates. Marital Status of the respondents shows Majority 512(80.4%) of them were Married, 68(10.7%) were Widow, 25(3.9%) were divorce, and 32(5%) of them were unmarried. Majority 481(75.5%) of the respondents belong to small family size, 130(20.4%) were Medium family size, 26(4.1%) were belong to large family.

6. DATA ANALYSIS AND DISCUSSION

Factor analysis of women entrepreneurial leadership behavior towards their leadership style

Factor analysis is a multivariate technique useful to reduce enormous number of variables into major factors. The varimax rotation in principle component analysis method is exploited to reduce certain

number of variables in to the relevant factors in the study. In this analysis, the total variance explained by the variables and their respective rotation matrix is displayed. The application of data reduction process through factor analysis, the principle Component Method, derived the following results.

Table No. 2 Rotated component matrix of women entrepreneurs leadership styles

Particulars	Components				
	Monitoring and Developing	Co-ordinating	Motivating	Trust Building	Problem Solving.
Guiding the employees without making pressure or giving punishments	0.877				
Employee prefer little input from me to solve major problem	0.872				
Helping the employees by giving training in their work	0.814				
Employees need to be supervised closely	0.744				
Giving freedom to the employees to do their work on their own style	-0.665				
Finding Employees Problems in their work	0.649				
Delegating the responsibility in the uncertain situation of women entrepreneurs' absence in the process of accomplishment of target		0.755			
Employees performing their work well in the absent of the women entrepreneur		0.608			
Assessing the Capacity of the employee in assigning the task in uncertainty		0.604			
Employees want encouragement and Communication of Changes in their work			0.585		
Employees feel insecure and having doubt in their work, need to pass direction and motivation			0.550		
Motivating the employee by giving reward or punishment on the bases of their performance			0.535		
Employees are competent in achieving their task				0.809	
Employees are free to give suggestion in solving business problems				-0.478	
Employees are lazy, so the women entrepreneur must pass the orders and commands to stimulate them				-0.466	
Giving Order and Clarifying the doubts and Problems of the employee					-0.762
Leaving the employee freely by not Creating problems and confusions					0.542

Source: Computer data

The table 2 shows the rotated component matrix of 17 variables of benefits through women entrepreneurial leadership behaviour in employee relation and task orientation was classified in to five

major factors. The first factor variable consists of, guiding the work group, Participation of entrepreneurs in solving the work-related problem, developing employee's orientation training, supervising the work, Personal development of employee's excellence by giving freedom on their work, finding the work-related problems of employee, passing order to stimulate the employee towards the task. So, this factor of behaviour was called as Monitoring and Developing.

The Second factor is named as coordinating because, it explains the variables of, delegating the responsibility, analyzing performance of the employee, assessing the capacity of the employee in assigning the task. The third factor consists of the variables, encouraging and communicating the changes, creating skilled employees, motivating their performance are named as motivation. The fourth factor consists of the variables of, competency of the employees, employees' participation in business problems, Low commitment of the employees, were building trust are called as Trust Building. The fifth factor is named as Problem Solving, it consists the variables of clarifying the doubts and problems, not creating the confusions and disturbance at the work. Hence the factors of benefits through women entrepreneurial leadership styles were explored as follows.

Monitoring and Developing

The women entrepreneurial Leader supervise the activities of the employees to find the information concerning about the work difficulties of their employees and create the facilities and guiding the employees towards the achievement of task. They extend their support by not giving pressure and providing training to develop their employee's skills and stimulate the employees towards the achievement of organizational goal. The work of the employee was supervised (0.744), Directions are giving by the women entrepreneurs through guiding the employees towards the target (0.877). Women entrepreneurs are themselves engaging and knowing the problems in the work and solving the problems (0.872). They analyses the individual problem in work (0.649). To overcome the employee's problem they are giving training on the work (0.814). They have to follow the command of the entrepreneurs, so it shows (-0.665), the excellence of employee's talent and ideas is not encouraged through their supervision in the entrepreneurial process.

Coordinating

In the organization process the women entrepreneurial leaders, integrate their employees' activity by guide, coordinate and control all the efforts of the employees, by delegating the responsibility, analyzing the performance of the employee, assessing the capacity of the employee in assigning the task. They use to give proper direction to their employee to avoid delay and it help them to achieve the task quickly and effectively. The coordination and maintaining of harmony of action in driving the cooperative efforts from the employee in achieving the goal effectively even in uncertainties is possible for them. In this study the women entrepreneurs coordinate the activity of the employee, before assigning the task they assess the employee's capacity (0.604). They delegate the responsibility of accomplishment of target even in the absence of the entrepreneurs (0.755). The study shows employee performs well under their coordination (0.608).

Motivating

The women entrepreneurs want the benefit of productivity by motivating the employees towards the direction of employee's behaviour in achieving the task and make the employee to feel happy about their satisfactory performance by getting recognition from their entrepreneurs for their hard work. These things emphasis the leadership activities, which energies the individual action of their employees in attainment of entrepreneurial goal. Encouraging and communicating the changes, creating skilled employees, motivating their performance in the accomplishment of the task. They are fixing the benefits, to bring the employees abilities for achievement of organizational effectiveness. The study examines the approach of the women entrepreneurs in encouragement and communication of the changes in their work (0.585). The employees feel insecure and having doubt in the work, they need the employees to pass

direction and motivation to become a skilled employee (0.550). The motivating behaviour was reflected by giving rewards or punishment on the bases of their performance (0.535). The motivating behaviour was low among the women entrepreneurial leader in MSMES in Tiuvallur district.

Trust Building

The women entrepreneurs must have the behaviour to inspire the employee through their words and action to bring the value to their relationship. The women entrepreneur knows the value of trust and how it is difficult to build in day to day process of entrepreneurship between the employer and the employee. Once the work was recognized after the evaluation of the entrepreneur, they build the trust and encourage the employee's participation in the management issues and it putting the benefit of employee's commitment towards the attainment of task. The variables of competency of the employees (0.809) shows that the women entrepreneurs recognize the skills of their employees and they recruit only the multi-talented person one can do all the job effectively in MSMEs. The employee participation in the business problem (-0.478). shows that the employees are not freely giving the suggestion in solving the business problems, the women entrepreneurs collect the necessary information and opinion from their employee and she is the final decision maker in finding the solution to the problem, Low commitment of the employees (-0.466) reveals that the employees are not lazy and no need to stimulate. The positive perception about the commitment and competency were building trust in women entrepreneurial leadership but she is the final decision-making authority in solving the problem.

Problem Solving

The role of the leader is to forecast the problems, before it starts its action. The management principles and policies must be clear and favorable to the work environment. The unexpected work load creates stress and brings conflict in the organization. The proper delegation of roles and responsibility bring healthy employer and employee relationship to face organizational change in the uncertain organizational situation. The variables of clarifying the doubts and problems (-0.762) indicates only the skilled employees are placed in the process of activity, so they are not wasting their time in clarifying the doubts and problems. The women entrepreneur not creating the confusions and disturbance at the work (0.542) represent the monitoring activity and not leaving the employee freely without their control.

Cluster analysis for Women Entrepreneurial Leadership Styles

Cluster analysis is a powerful multivariate statistical tool to classify the women entrepreneurs based on the entrepreneurial leadership attitude to identify the leadership style. The K-mean cluster is used to analysis the five major factors of entrepreneurial leadership styles are considered as segregating variables to identify the women entrepreneurial leadership styles towards the task and employee orientation by using standardized values of the variables.

Table 3 Final Cluster Centers for Women Entrepreneurial Leadership Styles

Women Entrepreneurial Leadership Behaviour	Cluster			
	Situational leadership Style	Autocratic Leadership Style	Laissez-Faire leadership Style	Democratic Leadership Style
Monitoring and Developing	1.59239	-0.36018	-0.36549	-0.44070
Coordinating	1.01983	-0.57019	-0.61941	0.62612
Motivating	0.33483	-0.74420	-0.09002	0.80220
Trust building	0.16322	-0.61237	0.12252	0.51983
Problem Solving	0.09564	0.57475	-0.96828	0.32355

The table 3 represents the monitoring and developing behaviour was showing a positive attitude (1.59239) on the cluster of situational leadership style. It shows that the situation of inadequate labour force in their business make the employees to spend their valuable time and resources to train the unskilled in to skilled employee. The other leaders who are following the autocratic, democratic and laissez – faire leaders approach in MSMEs was to employ only the experienced and professional employees who know the job techniques may reduce the job of monitoring and developing the skills and by giving more training and direction. The uncertain situation needs the leader to monitor the work by giving instruction and developing their efficiency towards the accomplishment of the job.

The role of Coordinating attitude was showing the effect on situational leadership style (1.01983) and democratic leadership style (.62612). The day today, routine nature of job among the skilled employees need less integration behaviour of the entrepreneur in MSMEs. Only in the uncertain situation the leader behaves as a situational leader to coordinate the activity of the employees for the achievement of the target in a particular environment. The democratic leader gives direction and assigns the job with concern of the employee participation in the achievement of entrepreneurial task.

The Motivating behaviour displays its effect on the clusters of democratic leadership style (.80220) and situational leadership style (.33483). It shows the negative attitude towards the autocratic leadership style (-.74420) and laissez - faire leadership style (-.09002). From this information it is inferred that the autocratic and laissez- faire attitude of non-participatory behaviour by not encouraging the attitude of employees' hard work for the accomplishment of task. The normal employee participatory behaviour in democratic leadership style and situational leadership style motivates the efforts of the employee.

The Trust building behaviour needs more employee and employer interaction in the practice of management policies and issues. The democratic leadership style (0.51983) and situational leadership style (.16322) and laissez – faire leadership style (.12252) was influencing the trust building behaviour, but the autocratic leadership style (-0.61237) was exhibits negative behaviour due less interaction in the policy decision making build the gap between the employer employee relation. Hence in the case of democratic, situational and laissez – faire leadership styles show there is a free flow of information in the organizational issues, which makes the employee to understand the situations of leader to respond to the organizational change to achieve the target in the uncertainties by showing the commitment towards the work and loyal to the organization, in this case the employer and employee knows very well that once the trust is lost it is difficult to regain.

The autocratic leadership style (0.57475), democratic leadership style (0.32355) and situational leadership style (0.9564) having effective problem-solving behaviour because she made the enquiry and analyses the problem and make final decision. The women entrepreneur considers the opinion of the employee in their issue, which may vary among the employee group and it further extend the decision-making process in solving the problem. Laissez – faire leader (-0.96828) feel difficult to identify the true cause of problem due less interaction between employer employee relations in the achievement of task. The distribution of the final cluster centers was shown graphically in the figure.

7. CONCLUSION

Women entrepreneurial leadership behavior influences their leadership styles and it indicates the women entrepreneurial potentials in achieving their employee relation and entrepreneurial task for the economic development of the nation. In this regard they are working with limited capital and employees by showing less coordinating behavior and they employed only the skilled and experienced employees in their enterprises, instead of wasting the time and resources for providing training. They are maintaining good interpersonal relationship with their employees in building trust and monitoring their activity. As an entrepreneurial leader, leads the employees in a proper direction by destroying the problem at the initial stage itself. They are actively stimulating their employee by recognizing their hard work by influencing them effectively with their autocratic leadership style. The risk takers are leaders, the women business risk takers are real business leader by motivating their employee by achieving their vision with limited environment

provided to them by attaining the sustainable development through their leadership styles in their business.

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