

Introduction

CHAPTER I

INTRODUCTION

1.1 Statement of the Problem

Entrepreneurship is the seed-bed of our Indian economy. Both men and women entrepreneurs serve as fulcrum in supporting the growth and development of our nation. Women entrepreneurs are rising in numbers in recent years and have joined the main stream in contributing to our nation building. They are trying to come out of their glass-ceiling and prove their mettle in managing the business. They play a prominent role in balancing their family and business work life. In the course of managing their business, they need to juggle with a variety of tasks, balance their emotions and lead themselves in marching towards victory in the business. The process of understanding one's emotions and managing to cope up with the emotions of others is termed as emotional intelligence. It is important for an individual, more so for the women entrepreneurs to balance the family life-work situations and manage their business, as it influences their involvement and fulfilment in their business work performance. The extent of the individual's dedication, commitment and energy is studied through work engagement. Subjective well-being measures the individual's happiness and satisfaction in their work performance.

Focus is given in this research study to explore the impact of emotional intelligence of women entrepreneurs in small and medium enterprises of Coimbatore city on their work engagement and subjective well-being, which is reflective in their business performance. Numerous studies have been undertaken to study emotional intelligence and work engagement among different people, but not many are available on subjective well-being, a psychological concept, that impacts the overall happiness and satisfaction of an individual, more so, the women entrepreneurs.

Emotional intelligence is a set of innate factors that helps an individual to understand one's emotions and manage others too (Goleman, 1998), measured through a set of eighteen emotional competencies. Emotional competencies are learned capabilities manifested in an individual, based on emotional intelligence, that results in outstanding performance at work and it can be developed (Spencer, 2001; Boyatzis *et al.*, 2002).

Goleman (1995) observed that business success was ensured due to emotional intelligence and not cognitive intelligence. Emotional intelligence was defined as an ability (Salovey *et al*, 1990; Caruso *et al.*, 2002), as a competency (Goleman, 1995), as an emotional literacy (Cooper *et al.*, 1997), as an emotional quotient (Cooper, 1997), as personal intelligence (Gardner, 1983), as social intelligence (Thorndike, 1930) and as inter-personal intelligence (Gardner *et al*, 1989). Bradberry *et al.*, (2009), Founder of Talent Smart, US- an Organization offering training on emotional intelligence studied that the success of an individual is dependent upon the intelligent quotient (Mental intelligence), the emotional quotient (Emotional intelligence) and the personality of a person.



Figure 1.1 Importance of Emotional Intelligence as quoted by Bradberry *et al.*, (2009)

Intelligence is the ability of an individual to learn and develop, emotional intelligence is the ability of a person to understand his emotions and others, while personality is the combination of characteristics or qualities, that forms an individual's character and brings a difference in the behaviour of the people. While mental intelligence and personality of a person are important for a person to succeed, it is also to be noted that emotional intelligence is also equally important for the tremendous success of a person and can be developed through practice.

It is understood from several research studies that business organizations today are realizing the importance of emotional intelligence skills and identifying it as an important component for success in the business (Zeidner *et al.*, 2004). This study points out that emotional intelligence is now seen as being of critical importance in business fields. As a result of turbulent, dynamic and competitive business environment, globalization of business, technological innovations, increasing working women population, increasing diversified workforce, promising business opportunities, developed infrastructure and growing entrepreneurship, the business organizations are tremendously working on the promotion of emotional intelligence in their concerns to develop their organizational effectiveness (Nilashi *et al.*, 2011).

Empirical research concurs that those workforce, who have poor work emotional intelligence apparently fail to show performance in their intellectual and technical performance (Abraham, 2004 and Cartwright *et al.*, 2008). Several research studies find that it has an impact on job satisfaction (Sy *et al.*, 2006 & Brunetto *et al.*, 2012), technology learning (Al-Faouri, 2011), leadership styles (George, 2000), innovation (Al-shaikh *et al.*, 2007), occupational stress (Kumar, 2014), organizational citizenship behavior (Irshad, 2014), employee engagement (Sarangi *et al.*, 2015), performance management (Boyatzis, 1982; Leban *et al.*, 2004; Rosete *et al.*, 2005; Petrides *et al.*, 2006 & Mahato *et al.*, 2015).

The enhancement of Emotional intelligence skills can provide significant value to organizations as they seek way to help their people develop their leadership competencies (Berman *et al.*, 2008) It helps in better decision making, promotes inter personal relations and encourages to work well in teams (Bliss, 2000). Emotional intelligence training will help to develop and maintain personal relationships as well as professional relationships at workplace. Conflicts are bound to occur in any situation and stress will built up affecting performance. Emotional intelligence training will help to deal with stressful situations, manage conflicts and take rational decisions (Suliman *et al.*, 2007). This is in tune with the findings of Barlow (1985) and Marrow *et al.*, (1997), who suggested that people can improve their emotional competence with sustained efforts and systematic training.

Several studies have been conducted on employee engagement but not on work engagement. Work engagement is defined as harnessing of organization's members to their work roles by employing and expressing themselves physically, cognitively and emotionally during performance efforts (Kahn, 1990). It is persistent, positive state of fulfilment, characterized by vigour, dedication and absorption (Schaufeli *et al.*, 2002). Work engagement also means 'passion for work' (Truss, 2009; Abraham, 2012), the enthusiasm someone feels towards their work (Guy *et al.*, 2013), the willingness to go extra mile (Bakker *et al.*, 2013) and invest not only hands and head, but also the heart (Ashforth *et al.*, 1995).

Research evidences suggest that engaged employees are instrumental for outcomes at individual and at organizational level (Kahn, 1992), innovation (Agarwal *et al.*, 2011), loyalty (Biswas *et al.*, 2013), increased productivity (Saks, 2006; Abraham, 2012 & Lewis *et al.*, 2013), customer orientation (Chalofsky, 2010), increased commitment (Shuck, 2010), job satisfaction (Chughtai *et al.*, 2011), work performance (Xanthopoulou *et al.*, 2009) and increased profitability (Greenberg, 2015).

In today's scenario, the need of the hour to develop our economy is to build up the skill sets of women entrepreneurs and encourage them to take up innovative business ventures. Start-up culture has permeated among educated men and women, resulting in mushrooming growth of techpreneurs, edupreneurs, bio-entrepreneurs, social entrepreneurs, intrapreneurs, agripreneurs, netpreneurs and so on. This study on emotional intelligence, work engagement and subjective well-being together among women entrepreneurs has not been attempted in the earlier research studies and therefore this study attempts to study the same among the women entrepreneurs of SME sector in Coimbatore city.

The research study on emotional intelligence will highlight the psychological mind-set, attitude and behavior of women entrepreneurs, contributing to the body of knowledge in Psychology. The study on work engagement and subjective well-being will focus on the involvement, commitment, and happiness of women entrepreneurs in their work and will explicitly relate to organizational behavior. Several studies have been conducted to study emotional intelligence, work engagement and subjective well-being individually on different outcomes, but not much studies are available to study the

interaction of the three variables. Hence, in the context of significant impetus given to the development of women entrepreneurs, attempt is made in this research study to explore the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs of SME sector in Coimbatore city.

1.2 Rationale for the study

Coimbatore is one of the entrepreneurship hub for the development of Micro, Small and Medium Enterprise (MSME) sector in our Country. It is one of the industrially developed and highly vibrant district in Tamil Nadu, known for textiles, agro-based business, pump sets, grinders, jewelry and other manufacturing industries dealing with varied engineering goods. They are spread out in almost all business sectors from pin to plane industry. It has groomed many successful women entrepreneurs in its soil. In recent days, Coimbatore has witnessed plethora of changes in entrepreneurship. Majority of the business ventures from the Old Age to New Age entrepreneurship has been successfully managed by women entrepreneurs. Old age entrepreneurship is concerned with the traditional and orthodox business ventures, managed by the successive generations. New age entrepreneurship refers to technical oriented business initiatives, started by first generation entrepreneurs without any earlier business experience.

Several of the Old Age entrepreneurship ventures in Coimbatore have been successfully managed by women entrepreneurs like Padmashri Rajshree Pathy of Rajshree Sugars, Mrs. Vanitha Mohan of Pricol, Mrs. Uttara Sam of LRT group of Companies, Mrs. J. Mohana sundari of Sharp Electrodes, Mrs. Suguna from Suguna group of companies, Mrs. Nandini Rangasamy of Chandra group of companies and so on. Notable contributions have also come from women entrepreneurs involved in small business ventures dealing from household goods to electronic items.

One such entrepreneur in New Age entrepreneurship is Ms. Hemalatha Annamalai, who founded Ampere Electric in 2007 with seed money of Rs 50 million, which, over a period, has resulted in equity investment from external investors. Coming from a non-manufacturing background, doing this was one of the biggest challenge for her. Ampere Electric is one of the few names which have carved a niche for themselves as innovative technology creators in the nascent Indian electric vehicle industry.

The company's products range includes e-cycles, e-scooters, e-trolleys (for carrying load) and special-purpose vehicles for waste management and to cater to differently abled persons. Heads turned towards Coimbatore when Ratan Tata, Chairman Emeritus, Tata Sons, invested an undisclosed sum in Ampere Electric, the electrical vehicle start-up from Coimbatore. Ampere will be predominantly utilising these investments towards its indigenisation efforts. The startup is aimed to indigenise the four key components needed to make an electric vehicle, namely, battery, motor, charger and controller.



Source: 'The Hindu' dated eighth of July, 2015

Figure 1.2 Ms. Hemalatha Annamalai, Founder, Ampere Vehicles

Another successful new age women entrepreneur is Mrs. Shri Vyshnavi Annush. Hailing from one of the oldest business families in South India, and married into the prestigious KG group, Coimbatore, Shri Vyshnavi Annush, started her online-curated fashion accessories portal "Pookaari", in Coimbatore, which has blossomed into one of the most exciting start-ups, showcasing accessories from different Indian designers based on monthly trends. In the changing business environment, it has become pertinent to study the reasons for the success of these women entrepreneurs in Coimbatore.

Like wise, there are several women entrepreneurs in Coimbatore, who have started small and grown in a larger magnitude. Several of them has been involved in all kinds of business ranging from electronics to household items. Emotional intelligence is

one psychological factor, which helps these women folks to balance their family and challenging business assignments in their entrepreneurial ventures.

The role of MSME in promoting the growth of women entrepreneurs in micro, small and medium enterprises is praise worthy. This research is focused on studying the women entrepreneurs in small and medium enterprises only. As the concept of micro entrepreneurship differs in all aspects with regard to small and medium enterprises, in terms of the scale of the business, business opportunity identified, micro-credit support and level of risks undertaken, this study is focused on women entrepreneurs in small and medium sector only. The next part of the section deals in detail with the role of MSME in supporting women entrepreneurship.

1.3 Micro, Small and Medium Enterprises- Development Organization (MSME- DO)

Micro, Small and Medium Enterprises (MSME) are the bedrock of development in any economy and it plays a pivotal role in fostering entrepreneurship in our economy (Goswami *et al.*, 2015). It is a nursery of entrepreneurship, driven by individual creativity and innovation. The Micro, Small and Medium Enterprises – Development Organization (MSME-DO) [earlier known as Small Industries Service Institute-SISI], headed by the Special Secretary and Development Commissioner (MSME), being an apex body for formulating and overseeing implementation of the policies for the development of MSME in the country, is playing a very positive and constructive role for strengthening this vital sector. It is actively committed to develop women entrepreneurs in MSME sector in rural and backward areas (Annual report of MSME 2012-2013).

The Annual Report of MSME 2013-2014 reveals that this sector contributes eight per cent of the country's Gross Domestic Product (GDP), 45 per cent of the manufactured output and 40 per cent of its exports. It offers the highest rate of employment potential to 60 million people and manufacture over 6000 products in most of the industry. The labour to capital ratio in MSME's and the overall growth in the MSME sector is much higher than in the large industries. The geographic distribution of the MSME is more even. Thus, MSME's are important for national objectives of growth with equity and inclusion and supports in ancillarisation to large industrial units.

MSME-DO plays a key role in a planned development of MSME sector with its low investment, high potential opportunity for employment generation, diversification of industrial base and spread of various industries to rural and semi-rural areas (Kansal *et al.*, 2009). MSME's are source of economic growth, job creation and poverty reduction in developing countries. They are the means through which accelerated economic growth and rapid industrialization are achieved (Sauser, 2005; Birch, 1987; Stanworth *et al.*, 1991). Promoting the MSME sector in developing countries will create more employment opportunities, give more equitable distribution of income and will ensure increased productivity with better technology (Steel *et al.*, 1991). MSME's not only just encourage women entrepreneurs to enter into business ventures but at the same time provide them a healthy learning and training opportunities for their emotional and social development as well (Bruni *et al.*, 2004).

After the Liberalization and Globalization of our Indian economy, MSME sector is surmounted with tough challenges like intense global competition, obsolete technology, lack of skilled work force, diversified markets, nascent stage of infrastructural development and so on. MSME has recognized the need for providing support to small scale enterprises in all possible ways and therefore, has extended its service and support through offering credit, marketing, technology, infrastructure, skill based training, lab facilities and so on. Hence, it acts as a catalyst to support the development of small scale industrial sector.

Definition of Micro, Small and Medium Enterprises

According to the Annual report of MSME-DO, 2013-2014, MSME Sector consists of any enterprise, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership or undertaking or any other legal entity, by whatever name called, engaged in production of goods pertaining to any industry specified in the first schedule of Industry Development and Regulation Act, 1951 and other enterprises engaged in production and rendering services, subject to limiting factor of investment in plant and machinery and equipment respectively as noted below in Table 1.1.

In accordance with the provision of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified in two Classes:

(a) Manufacturing Enterprises

The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and regulation) Act, 1951) or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use. The manufacturing enterprise is defined in terms of investment in plant and machinery.

(b) Service Enterprises

The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment. The limit for investment in plant and machinery / equipment for manufacturing / service enterprises is given in the Table 1.1.

Table 1.1 Investment limit for Micro, Small and Medium Scale Enterprises

	MANUFACTURING SECTOR
Enterprises	Investment in plant and machinery
Micro enterprises	Does not exceed twenty five lakh rupees
Small enterprises	More than twenty five lakh rupees but does not exceed five crore rupees
Medium enterprises	More than five crore rupees but does not exceed ten crore rupees
	SERVICE SECTOR
Enterprises	Investment in equipment
Micro enterprises	Does not exceed ten lakh rupees
Small enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium enterprises	More than two crore rupees but does not exceed five crore rupees

Source: MSME Annual Report 2013-2014

1.4 District Industries Centre (DIC)

The 'District Industries Centre' (DIC) was started by the central government in 1978 with the objective of providing a focal point for promoting small, tiny, cottage and village industries in a particular area and to make available to them all necessary services and facilities at one place. District Industries Centre are functioning in all the 30 districts of the state. It is headed by the General Manager, supported by functional managers and technical officers. The General Manager assists the entrepreneurs with necessary support system for initiating new business ventures and helps in creating a better eco system for developing the enterprise.

The important objectives of District Industries Centre are:

- i. to accelerate the overall efforts for industrialization of the district.
- ii. to support rural industrialization and development of rural industries and handicrafts.
- iii. to help in the attainment of economic equality in various regions of the district.
- iv. to providing the benefit of the government schemes to the new entrepreneurs and
- v. to ensure centralization of procedures required to start a new industrial unit and minimization of the efforts and time required to obtain various permissions, licenses, registrations, subsidies etc.

The functions of District Industries Centre (DIC) are listed below:

- i. It acts as the focal point of the industrialization of the district.
- ii. Prepares the industrial profile of the district with respect to industrial units in the large, medium, small as well as co-operative sectors.
- iv. Provides opportunity guidance to entrepreneurs.
- v. Compilation of information about local sources of raw materials and their availability.
- vi. Manpower assessment with respect to skilled, semi-skilled workers.
- Vii. Assessment of availability of infrastructure facilities like quality testing, research and development, transport, prototype development, warehouse etc.
- viii. Organizes entrepreneurship development training programs.

- ix. Provides information about various government schemes, subsidies, grants and assistance available from the other corporations set up for promotion of industries.
- x. Gives SSI registration.
- xi. Prepares techno-economic feasibility report.
- xii. Advices the entrepreneurs on investments.
- xiii. Acts as a link between the entrepreneurs and the lead bank of the district.
- xiv. Implements government sponsored schemes for educated unemployed people like PMRY scheme, Jawahar Rojgar Yojana, etc.
- xv. Helps entrepreneurs in obtaining licenses from the electricity board, water supply board etc. and supports in getting 'No Objection Certificates' for entrepreneurs.
- xvi. Assist the entrepreneur to procure imported machinery and raw materials.
- xvii. Organizes marketing outlets in liaison with other government agencies.

Hence, the role played by DIC in extending hand-holding support and guidance to women entrepreneurs has encouraged women folks to venture into business. The next section will deal in length to introduce women entrepreneurship and trace their journey of development, discuss their development in global and Indian context, highlight their motivational and support factors along with the barriers they face in managing their business.

1.5 Women Entrepreneurs

“To awake the people in the country, it is the women who should be awakened first. Once she is on the move, the family moves... the nation moves. Therefore, you can tell the condition of a nation by looking at the status of the women” said Pandit Jawaharlal Nehru.

From good old days, business had always been dominated by men. But, in the last few years, the term 'women entrepreneurship' has grown to denote the number of women, who have ventured into business around the globe (Bernard *et al.*, 2013; Tambunan, 2009; Cuervo *et al.*, 2007; Mattis, 2004). Women empowerment has gained significant momentum in recent years, spear headed by political thinkers, social activists and civil reformers. Women entrepreneurship has empowered the women folks to achieve self-sufficiency and autonomy.

The contribution of women towards managing business ventures has triggered the economic growth, leading to social transformation and sustainable development in the economy. Small scale enterprises serve as an important means of income for women in developing countries. They provide employment, income to alleviate poverty, helps to raise the status of women and supports to drive the wheel of the nation. (Charantimath, 2012). The rising interest in women entrepreneurship is also of importance to developing nations (Zahra, 2013; Parvin *et al.*, 2012; Gungaphul, 2010; Ahl, 2006, Shepherd *et al.*, 2000). Women are now very active both mentally and physically in terms of business ventures (Singh, 2012) and are taking keen interest in recent years in self-business (Kaushik, 2013).

The International Labour Organisation (ILO) estimates that women entrepreneurs now account for a quarter to a third of all business in the formal economy worldwide (Nxopo, 2014). This is supported by the study carried out by Vinesh (2014), which says that entrepreneurship, which has been a male-dominated phenomenon, has turned into most memorable and inspirational for women. They have shifted from traditional business to modern business operations like making fabricated walls, e-vehicles, motor pumps and so on.

Definition for Women entrepreneur

Medha (1987) defines a women entrepreneur as a person who is an enterprising individual with an eye for opportunities and an uncanny vision, commercial acumen, tremendous perseverance and above all a person who is willing to take risk with the unknown because of the adventure spirit she possesses. Women entrepreneur may be defined as those women, who initiate the business enterprise, organize the factors of production to produce the product or offer services, undertake risk and manage the business to earn profits. Singh (1992) has defined a women entrepreneur as a confident, innovative and creative woman capable of achieving economic independence individually or in collaboration and generates employment opportunities for others through initiating, establishing and running an enterprise by keeping pace with her personal, family and social life.

Government of India (2006) has defined women entrepreneur as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise to women. It has

defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Women entrepreneurs are those women who initiate a business alone, by corporation or through inheritance, organize the business accepting its financial risks and social, moral, psychological and financial responsibilities and create or develop new products with creativity and innovation to overcome the competitors in the market (Lavoie, 1992).

According to Kanka (2009), women entrepreneurs are those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise. Goyal (2011) defines woman entrepreneurship as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to a woman. Women entrepreneur is one who initiates the business initiative out of a vision to develop oneself, family and the society, through taking risks, innovating and managing resources efficiently.

Traditionally, entrepreneurship has been a male-dominated initiative, but today's path-breaking and inspirational entrepreneurs are women entrepreneurs. The important traits of a woman entrepreneur are- visionary mind, ambitious thought, confident mind, open-ness and willingness to learn, cost consciousness, value-oriented, capable to balance work-life, pro-social attitude and resourcefulness.

Harrison (2001) has listed the following five functions of a women entrepreneur. They are

1. Initiating the new business enterprise
2. Risk bearing
3. Innovation in business
4. Co-ordination and
5. Supervision.

Developing women entrepreneurship can result in economic empowerment, improved standard of living, self-confidence and sense of achievement among women, increased social interaction, property rights, socio-economic opportunity, political

representation, social equality, personal rights, family development, market development, community development and at last the nation development (Vijay *et al.*, 2015)

Women owned business firms occupy a significant part of our economy today in India. Mallika Srinivasan of TAFE, Kiran Mazumdar of Biocon, Simone Tata of Lakme, Anu Aga of Thermax Engineering, Priya Paul of Appeejay Park chain of boutique hotels, Jyothi Naik of Lijjat Pappad, Chanda Kocchar of ICICI Bank, Naina Lal Kidwai of HDFC Bank, Akhila Srinivasan of Shriram Investments, Santhi Doraisamy of Sakthi Masala, Padmashri Rajshree Pathy from Rajshree Sugars, J.Mohanasundari from Sharp Electrodes, Preetha Reddy from Apollo group of hospitals and so on are few successful women entrepreneurs, who have carved a niche for themselves through staging a remarkable performance in their field of business.

1.5.1 Development of women entrepreneurs



Figure 1.3 Women entrepreneur developing in manufacturing sector with the assistance from DIC

“Global markets and women are not often used in the same sentence, but increasingly, statistics show that women have economic clout-most visibly as entrepreneurs and most powerfully as consumers” quoted Irene Natividad, 1998 Summit Director, The Fifth Global Summit of Women and Chair Women, US National Commission on working women. Those days are gone where women were confined

within the walls of the house and their innate potential and inherent strengths were ignored. Today, women are greatly participating in all spheres of activities in all fields of the economy. Several national and international organizations around the world have tremendously started supporting the development of women entrepreneurship in the country.

The United Nations declared the decade 1975-85 as the “Decade for Women”. The World Conference of the United Nations Decade for Women held at Copenhagen in Denmark on 30th June, 1980, also adopted a program aimed at granting full independence and equal opportunities for women in business related activities. United Nations has declared the second decade of 21st century (2010-2020) to belong to the women leadership in all spheres of society be it political, governmental, educational, economical and successful entrepreneurship.

The first National Conference of Women entrepreneurs held at New Delhi in November 1981 emphasized the need for developing women entrepreneurs for the overall development of the nation. It initiated to give priority to the women entrepreneurs and extend exclusive benefits by the way of allotment of sheds in industrial estates, sanction of power, ease in licensing and so on.

The Government of India has been supporting women entrepreneurship through the Five Year Plans also. It has introduced appreciable measures in developing women entrepreneurship in the Seventh Five Year Plan onwards. It includes treating women as specific target groups in all development programs, devising and diversifying vocational training facilities for women to suit their varied needs and skills, to promote appropriate technologies to improve their efficiency and production, to provide assistance for marketing their products and to involve women in decision-making process.

The commitment in the Eighth and Ninth five year plan was to equip women folks with necessary skills in the modern upcoming trades which could keep them gainfully engaged besides making them economically independent and self-reliant. It also envisaged access to credit through setting up of a ‘Development Bank’ for women entrepreneurs in small and tiny sectors.

Efforts were taken in the tenth and eleventh five year plan to strengthen the role of MSME and DIC to support in training the women towards initiating business ventures

through Women Entrepreneurship Development Programs (WEDP). The Twelfth five year plan (2012-2017) focused on motivating women entrepreneurs to create start up enterprises and extend support to women entrepreneurs from rural areas in tiny and small sector through TREAD (Trade Related Entrepreneurship Assistance and Development). Apart from the Governmental efforts to support women entrepreneurship through the five year plans, it is also evident that several International Conference on women entrepreneurship focus on the development and increasing role of women in business arena.

The second international conference of women entrepreneurs organized by National Alliance of Young Entrepreneurs (NAYE) held in New Delhi in the year 1989 also adopted some declarations involving women's participation in business. The Federation of Indian Women Entrepreneurs (FIWE) has come in to existence following the decisions taken at the International Conference of Women Entrepreneurs held in December 1993 at Hyderabad (India). It was accordingly announced that NAYE Women's wing will henceforth be known as Federation of Indian Women Entrepreneurs (FIWE) and will have no chapters. The spotlight on growth of women entrepreneurs can be noticed worldwide. Development of Indian women entrepreneurs are in line with the global development of women entrepreneurs.

The twelfth Global Conference for Women Entrepreneurs conducted during September-2012 by Federation of Indian Women entrepreneurs (FIWE) in collaboration with International Federation of Women Entrepreneurs (IFWE), has identified the biggest impediments, common to women entrepreneurs all over, today as poor business networking, non-availability of easy credit and timely-cum- affordable finances, poor networking of forward and backward linkages, lack of value addition of products, lack of improvisation of skills and knowledge through viable resource persons and so on. The association found out that the most common challenge today with women entrepreneurs is the exposure and encouragement they receive from their own society.

It has reported that in SAARC countries, the women's involvement in business was only of the order of less than seven per cent. Sample survey conducted on 250 centers run by women entrepreneurs in India has shown that married women were able to perform better than unmarried and the success in business was achieved by women

around the age of 34 years. There was thus a need for motivating them, providing them the adequate training, installing in them the confidence, creating awareness among them to enable them to make strides in the business arena.

A launch-pad was needed to effectively throw the women as entrepreneurs for fulfilling their role in the economic subjective well-being of the developing countries and providing a network for exchange of techno managerial information between the developing nations on one hand and between the developing and developed nations on the other. It was in this context that the International Federation of Women Entrepreneurs (IFWE) and its country chapters like Federation of Indian women entrepreneurs (FIWE) came into being to help women entrepreneurs become the pace setters in the quest for developing economic independence in the country.

Federation of Indian Women Entrepreneurs (FIWE)

It is an apex body of associations of women entrepreneurs situated all over the country. At present it has strength of 29 member associations spread across the length and breadth of the country, having combined strength of more than 15000 women entrepreneurs/professionals. FIWE is India's Premier Institution focused towards Women Empowerment dedicated towards Entrepreneurship Development. FIWE is dedicated to nurture entrepreneurial bend of mind and open avenues for self-employment among women by providing an opportunity to develop their own creativity and capacity for development and growth.

FIWE is built around the idea of ethical, non-profitable and sustainable growth amongst women entrepreneurs. It helps women to grow to next level of competence and growth. FIWE tries to fill the gap of information networking, awareness among women entrepreneurs and helps them to understand the current business environment and their unique services and opportunities, through workshops, seminar and awareness program etc.

International Federation of Women Entrepreneurs (IFWE)

It came in to existence at the same meeting held in Hyderabad in December 1993 by the members of seven countries - Ghana, Indonesia, Pakistan, Australia, Malaysia, Myanmar and India. The creation of an international forum for promotion and

development of self-employment and entrepreneurship amongst women has been high on the agenda of the World Assembly of Small and Medium Enterprises ever since it was created at the General Conference held in New Delhi in November-1980.

The main objective of IFWE is to foster entrepreneurial skills among the women who want to be entrepreneurs regardless of their class, caste, nationality and race. IFWE is dedicated to create a pool of young women entrepreneurs, who are able to translate their potential in to work /Business with a view to create an entrepreneurial bend of mind and avenues for self-employment. The organization is devoted to the Economic Empowerment of Women, particularly the SME segment, by helping them to become successful entrepreneurs and become a part of the mainstream industry.

1.5.2 Women entrepreneurship in Global context

The growing economic power and influence of women-owned businesses are changing the shape of the global economy,” remarked Sakiko Fukuda- Parr, Director of the UN Development Program’s Human Development Report. The global impact of women entrepreneurs is just beginning to gain intensity. Worldwide, the number of female business owners continues to increase steadily. As a result, women entrepreneurs are significantly affecting the global economy (Evans, 2014 & Jahanshahi *et al.*, 2015).

Female Entrepreneurship Index

Global Entrepreneurship and Development Institute (GEDI) based at Washington conducted a survey in 2015 among 77 countries to study the success rate of women entrepreneurs in the respective country. It has analyzed the female entrepreneurship index and found that India ranked 70th position among 77 countries around the world. They defined women entrepreneurs as those who own and operate business that are innovative, market expanding and export oriented. In the year 2014, this institute covered only 30 countries and India was held at 26th rank and was placed in the bottom five. The main reason that the study identifies for the country’s poor ranking are the lack of Labor force parity and access to first –tier finance to women entrepreneurs. They find even initial debt funding required for day-to-day operations very difficult to raise. India’s neighbour have fared worse, with Bangladesh at 75th rank and Pakistan occupying the lowest rank at 77. The United States of America, Australia and the United Kingdom have been named the top three countries for high-potential female entrepreneurs.

The main success factor is the availability of women oriented venture capital funds in USA. Institutions like Wells Fargo in the USA provides customized offerings to women entrepreneurs such as collateral free loans up to \$100,000 (Rs.63 lakh). Golden Seeds, a US based Venture Capitalist invest exclusively in women led enterprises. Out of the 77 countries surveyed, 47 countries including India has scored less than 50 points out of 100 on various parameters. This indicates that significant changes are required to reduce barriers for female entrepreneurs. However, it reported that the socio-economic scenario in India is gradually changing for the better and a comparison with last year's gender rating substantiates this position. There has been a demand from women entrepreneurship forum to make it mandatory that 20% of procurement by government departments and 5% by Public Sector Undertakings should be routed from women entrepreneurs.

Ainsley Lloyd, researcher at GEDI, Washington, and co-author of the 2015 research report, said India had actually improved by 4 ranks. According to her, the biggest improvements had been an increase in the percentage of women entrepreneurs who were using new technology and introducing innovative products. In addition, there has been an increase in the percentage of women entrepreneurs, who are growth oriented, which means that they plan to add more than 10 new employees and achieve 50% growth in five years. The researcher opines that the entrepreneurial eco-system needs to be strengthened in terms of increasing access to bank accounts, financial training programs and improving gender diversity across sectors. In the initial business stages, most women are forced to rely on personal funding for meeting even the working capital requirements.

A report released by International Finance Corporation in 2014 said that there was a finance gap of Rs.6.37 lakh crore (Rs.6.37 trillion) when it came to meeting requirements of women entrepreneurs in the MSME (Micro, Small and Medium Enterprises) sector. Lack of collateral security and a misogynist mind set are the main stumbling blocks, which women entrepreneurs face in accessing loans. The country lacks also large scale women oriented venture capital funds and collateral free loans for women entrepreneurs.

Financial training and mentoring programs may help women entrepreneurs get the advantage when it comes to writing business plans and seeking funds from banks and venture capitalists. IIM Bangalore, IIM Udaipur and IIM Indore has offered programs to

promote women entrepreneurs in India. Organization like WE-Connect International, which help connect certified women entrepreneurs with multinational corporate members is also expanding its coverage in India. At present, it has 16 MNC members including Accenture, Cisco, Dell, IBM, Intel, Microsoft, Marriott and Hilton Hotels, to support women entrepreneurs from technical and non-technical sector in placing orders to procure their products.

Table 1.2 Status of Women Entrepreneurship across the World

S.No	Country	Percentage
1	India	31.6
2	USA	45
3	UK	43
4	Canada	42
5	Indonesia	40
6	France	38
7	Sri Lanka	35
8	Brazil	35

Source - *World Bank Report 2010 – 11*

In India, the status of women entrepreneurship has been increasing continuously. In 1970-71, the percentage of women participation in business was 14.2 per cent, which increased to 31.6 per cent in 2010-11. But it is still less in comparison to other countries like USA (45 per cent), UK (43 per cent), Canada (42 per cent), Indonesia (40 per cent), France (38 per cent), Sri Lanka (35 per cent) and Brazil (35 per cent).

Women in advanced market economies own more than 25% of all businesses. In **Russia** - women own 64% of firms employing 10 people or more. In **Germany** - women have created one-third of the new businesses since 1990 representing more than one million jobs. There are a total of 1.03 million women-owned businesses in Germany. (Kay *et al.*, 2003). In **France** - women head one in four firms.

In **Swaziland** - Women account for about 70% of micro, small, and medium Enterprises. In **Sweden** - Women start 28% of genuinely new firms and employ on average 0.6 full time employees compared 1.7 for men. (ITPS, 2002). In **UK** - A large proportion of female entrepreneurial activity takes place in businesses that are co-owned equally by men and women (Carter *et al.*, 2006). In **USA** - women own 38% of all businesses (8 million firms), employ 27.5 million people (or 1 in 5 workers), and generate \$3.6 trillion in annual sales.

1.5.3 Women entrepreneurship in India

In India, women have made a delayed entry into business initiatives due to orthodox thinking and conservative attitude. Women entrepreneurship is gaining importance in the wake of economic liberalization and globalization policy. Indian government has introduced drastic efforts to educate and train women to initiate and run business ventures through National Skill Development Programme. Though the increasing participation of women into business has changed the demographic characteristics of entrepreneurship, still women entrepreneurs face rampant barriers and problems in managing their business (Shikare, 2015).

Table 1.3 Female and Male Entrepreneurs in India: Recent Trends

Female entrepreneurs in				Count in thousands					
% of all entrepreneurs									
	2000	2005-06	2010	2000		2005-2006		2010	
				Male	Female	Male	Female	Male	Female
Entrepreneurs with workers									
Manufacturing	6	6	5	1,743	113	2,136	148	2,542	142
Trade	4	N/A	3	1,774	76	N/A	N/A	2,728	81
Services	6	8	6	1,402	95	1,885	158	2,762	188
Entrepreneurs without workers									
Manufacturing	29	43	46	8,637	3,448	8,275	6,129	7,591	6,542
Trade	6	N/A	10	14,210	945	N/A	N/A	15,693	1,770
Services	6	9	8	8,623	598	11,702	1,153	13,874	1,282

Source: Various National Sample Survey (NSS) rounds

Female entrepreneurs with workers or workforce engaged, are most active in services, followed by manufacturing and trade. A more detailed sectoral breakdown shows that there are large differences between men's and women's activities. Apart from retail trade, which is the most important sector for both females and males (Table 1.4), nearly half of female entrepreneurs with workers operate in traditionally female sectors. These are wearing apparel, education, health, and other personal services (beauty treatment, hairdressing, cleaning of textile, household maintenance etc.). In contrast, male entrepreneurs with workers are dispersed in more diverse activities.

Table 1.4 Sectoral breakdown of Female and Male Entrepreneurs with Workers in 2011

Female entrepreneurs			Male entrepreneurs	
Rank	Sector	in % of the total	Sector	in % of the total
1	Retail trade, except of motor vehicles and motorcycles	17	Retail trade, except of motor vehicles and motorcycles	22
2	Manufacture of wearing apparel	14	Wholesale trade, except of motor vehicles and motorcycles	7
3	Education	12	Food and beverage service activities	7
4	Other personal service activities	11	Land transport and transport via pipelines	7
5	Human health activities	9	Manufacture of wearing apparel	5
6	Manufacture of textiles	6	Manufacture of food products	5
7	Food and beverage service activities	6	Wholesale and retail trade and repair of motor vehicles and motorcycles	5
8	Manufacture of food products	4	Manufacture of textiles	4
9	Wholesale trade, except of motor vehicles and motorcycles	3	Manufacture of fabricated metal products, except machinery and equipment	3
10	Manufacture of wood and products of wood and cork, except furniture	2	Education	3
Total top ten sectors		83	Total top ten sectors	69

Source: National Sample Survey (NSS) 67th, 2010-2011

It is observed from the table 1.4 that Indian women entrepreneurs establish themselves in retail trade owning outlets (17 per cent), followed by manufacturing of apparels (14 per cent), starting firms related to educational services (12 per cent), other personalized service activities like beauty parlours (11 per cent), human health activities (9 per cent) and business related to food and beverage service activities (6 per cent).

It is observed from the table 1.5 that Tamil Nadu has the maximum number of units registered in MSME sector during the year 2013, out of which 2930 women entrepreneurs has registered under DIC. It is approximately equal to 30.36 per cent, which is lower than that found in Uttar Pradesh (39.84 per cent), Gujarat (39.72 per cent), Kerala (38.91), Punjab (33.77 per cent) and Maharashtra (32.12). Though the total number of registered units in Tamil Nadu are high, the number of units started by women entrepreneurs are low, when compared to other states (Priti *et al.*, 2015).

Table 1.5 Number of units registered and number of Women Entrepreneurs in various States of India

States	Number of units Registered	Number of women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujarat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	0842	28.38
Bihar	7344	1123	15.04
Other States	14576	4185	28.71
Total	64796	19971	32.82

Source: Centre for Monitoring Indian Economy (CMIE) Report 2013

Women entrepreneurship encouraging self-employment, is most active in the Southern and Eastern parts of the country (Figure 1.4a). Figure 1.4b reveals that women entrepreneurs engaging work force in their business is found to be high in Kerala, followed by Tamil Nadu and Karnataka. The regional concentration of entrepreneurs suggest, that cultural factors can play a role in determining female entrepreneurship in India (Sorsa, 2015).

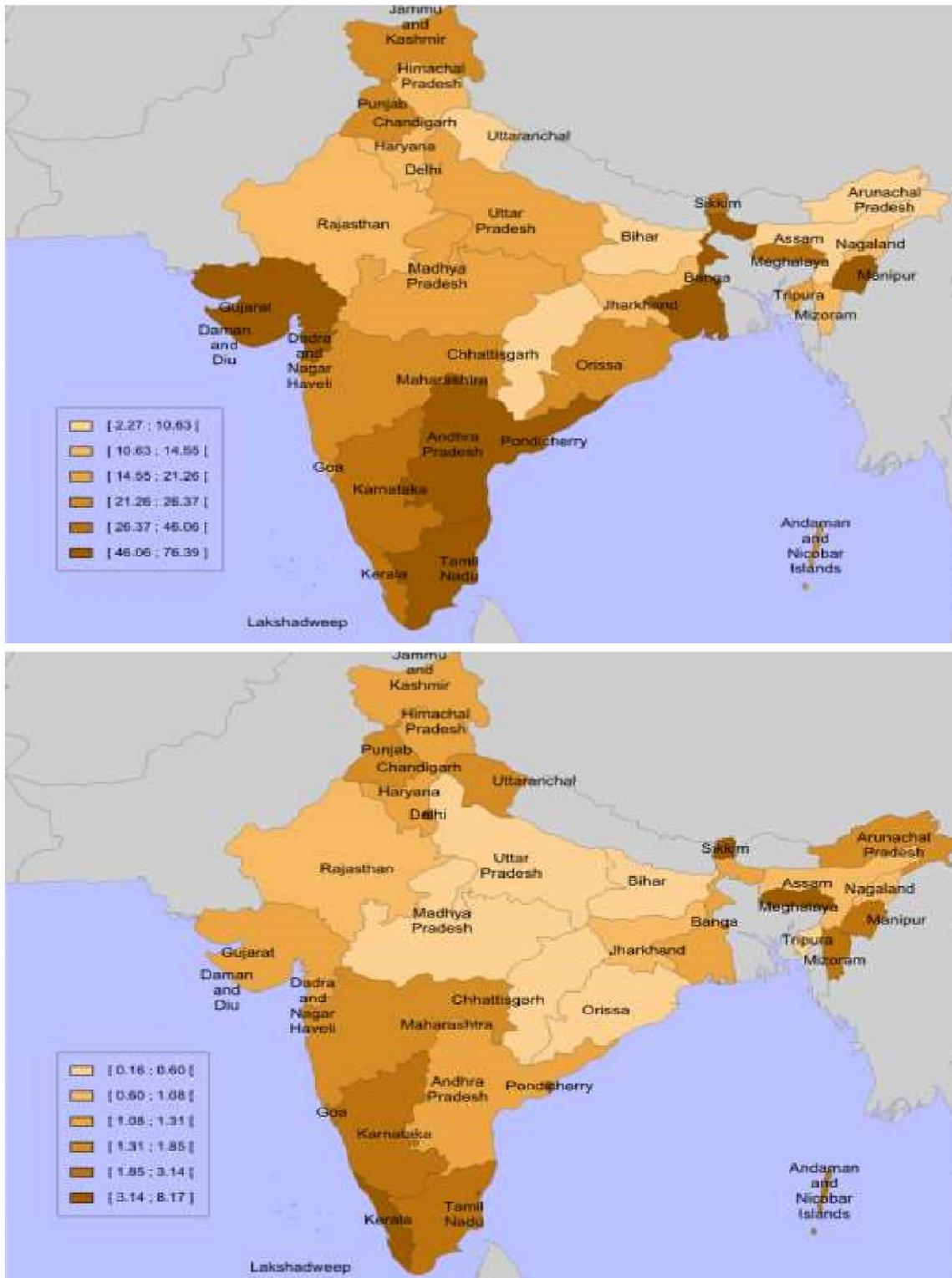


Figure 1.4 a. Distribution of Self-employed Women Entrepreneurs and b. Women Entrepreneurs employing Workers in various States of India

1.5.4 Motivational and Support factors for Women Entrepreneurs

Women entrepreneurs have enormous potential to bring prosperity in the world and therefore encouraging women entrepreneurship is very important (McConnell, 2007). These women entrepreneurs are generally classified into self-entrepreneurs, inheritance entrepreneurs, and partner entrepreneurs (Starr *et al.*, 1996).

There are multitude of factors that encourage women to venture into business initiatives (Deepa *et al.*, 2015). The glass-ceilings are shattered and women are seen to venture in all kinds of activities in small and medium scale of business. Women Entrepreneurs play a significant role in managing business ventures today. They accept risky assignments, take up challenging tasks and make crucial decisions in handling their business affairs. They are capable of managing their work place and family roles. They overcome all obstacles and barriers and try to climb the ladder of success in their business world.

Women Entrepreneurs have entered successfully with the support of Government of India, into those business ventures from traditional 3Ps like Pickles, Powder and Pappad to Modern 4 E's namely Engineering, Electronics, Electricity and Energy. Women Entrepreneurs manufacturing solar cookers in Gujarat, owning small foundries in Maharashtra or manufacturing capacitors in Orissa have proved beyond doubt that given the opportunities, they can excel than their male counterpart. With growing awareness about women entrepreneurship and spread of education among women over the period, women entrepreneurship has gained a new momentum (Cooper, 1981; Brockhaus *et al.*, 1979; Choudhary, 2000; Marlow, 2002; Moore, 2003; Nguyen, 2005; Budhwar *et al.*, 2005; Van der Sluis *et al.* 2005).

Self-determination, expectation of social status and recognition, need for self-esteem, burning desire to excel, sound education and result oriented business training undergone, influence of successful role models in the business, strong networking contacts, their rich work experience, freedom to take independent decisions, etc., has served as strong motivators to support women in practicing entrepreneurship. The role of government in training the women folks through entrepreneurial development programs has yielded tremendous impact in encouraging women to start business ventures (Rizvi *et al.*, 2009).

Many of the women entrepreneurs turn to business to substantiate their family income and meet the needs of their family. They enjoy the freedom to take own decisions and remain independent without expecting much from their spouses. Self-confidence, need for self-identity and the courage to face new challenges drive women to venture into business. Lack of promotional opportunities because of male domination in the corporate firms has forced many women to choose entrepreneurship. Economic independence and the willingness to spend money to fulfil the needs of their children also motivated them to start their own business units (Kolstad *et al.*, 2013; Sharif, 2014).

In India, growing industrialization and urbanization and innovations in the information technology (IT) sector have played a strategic role in changing the career patterns and professional roles of women. The government has also stipulated the need for special entrepreneurial training programs for women to enable them to start their own ventures. Some of the agencies involved in this effort are the Federation of Ladies Organization (FLO), the Technology Development Board (TDB) of Department of Science and Technology, the Entrepreneurship Development Institute of India (EDII) and the Federation of Indian Chambers of Commerce and Industry (FICCI).

In order to encourage women entrepreneurship in India, selected financial institutions like Commercial banks have also established special cells to train and assist women entrepreneurs in identifying the right business opportunity and extending guidance in seeking the credit support. (Mathew *et al.*, 2011).

1.5.5 Barriers to Women Entrepreneurs

Women Entrepreneurs have an equal role in building an enterprising India. They are an important part of the Indian entrepreneurial system and there is a need to create and enable an equitable business environment for them. They will have to rise up against all challenges and steer-up their business path towards victory. Though, women entrepreneurs are bestowed with all potential, their family centric attitude deters them from expanding their business (Marlow *et al.*, 2014). This study points out that the following are the common impediments that prevent them to come out of their glass-ceiling and are detrimental to their growth and success.

1. Networking skills

Women entrepreneurs find it difficult to grow and compete in the male-dominated society. They are taken for granted by the work-force in the business organization. They find it difficult to interact with other people involved in business and have poor networking skills.

2. Family and peer support

There is lack of encouragement from family and society in providing supporting environment for the growth of women entrepreneurs.

3. Managing work-life balance

Women entrepreneurs find it difficult to strike a chord in their work-family life balance. They give more importance to family and relatives. Family responsibility and obligation gives them little energy and time for business. They get stressed with the work pressure and entangle themselves in different role-conflicts, which make it difficult for them to take effective decisions in their business.

4. Shortage of finance and working capital

As the women entrepreneurs do not have any tangible property in their name, they find it difficult to secure external funding from financial institutions and other sources. Financial Institutions do not have confidence on them as they believe that women entrepreneurs may quit their business at any time. As a result, they depend on their own family savings and borrowings from friends and relatives.

5. Lack of managerial skills

Any successful women entrepreneur needs to take risk, organize resources in an efficient manner and be innovative in their business. Most of them have low level of managerial skills. They have poor technical knowledge, planning, decision-making, communicating, delegating and negotiating skills.

6. Low risk-bearing ability

As most of the women entrepreneurs are interested to have a protected life, they shun taking risks in their business operations. They have a high sense of fear in their minds while taking any major decision in their business.

7. Lack of technical education:

Many women entrepreneurs fail to upgrade the latest technological developments, which in turn makes them less innovative in their business.

8. Lack of information

Women entrepreneurs lack interest in updating the information which leads them to have poor marketing knowledge about their business. They always need the support of intermediaries to market their products.

9. Availability of raw materials

Women entrepreneurs find it difficult to source cheaper raw materials and other inputs. They are always at the mercy of middlemen, who either deny discounts or charge exorbitantly for their services rendered.

10. Low level of mobility

Women entrepreneurs have limited freedom to move and travel to far-off places for promoting their business. They have a tough time dealing with bureaucracy, tax-obligations, legal problems and sexual harassment.

11. Low achievement motivation

In general, women entrepreneurs prefer to do business within safe-limits. They show no interest to expand their business as they remain content in their growth and do not want to take additional risks in expanding business further.

12. Lack of role-model, mentors and peer support

Women entrepreneurs do not get motivation from other successful entrepreneurs. They lack guidance and mentoring support to take up a successful business enterprise.

Women entrepreneurs should come out of glass-ceiling syndrome to prove them as successful entrepreneurs. Efforts should be taken to support them in providing finance, extending mentoring support, building their talent and business skills and upgrading their technical knowledge, so as to enable them to contribute significantly for the economic development of our Country.

This exploratory study dealing with the interplay of the triad - emotional intelligence, work engagement and subjective well-being among women entrepreneurs of SME sector in Coimbatore city, has highlighted the journey of women entrepreneurs till today in the previous section and is next focused to introduce the concept of 'Emotional intelligence'.

1.6 Emotional intelligence

"Anyone can become angry-that is easy. But to be angry at the right person, to the right degree, at the right time, for the right purpose, and in the right way- that is not easy", quoted the Greek Philosopher, Aristotle in the Nicomachean Ethics twenty three hundred years ago. The Greek philosopher had a pretty good idea on emotional intelligence when the field had not been evolved yet. He believed that personal relationships can be enhanced by managing one's emotions.

History of Emotional Intelligence

Initially, Thorndike (1930) described the concept of "social intelligence" as the ability to get along with other people. Wechsler (1940) then suggested that affective components of intelligence may be essential for success in the life of an individual. Humanistic psychologists such as Maslow (1950) described how people can build emotional strength. Followed by him, Gardner (1975) published 'The Shattered Mind', which introduced the concept of multiple intelligence. Payne (1985) introduced the term emotional intelligence in his doctoral dissertation entitled "A study of emotion: developing emotional intelligence; self-integration; relating to fear, pain and desire (theory, structure of reality, problem-solving, contraction/expansion, and tuning in/coming out/letting go)."

In an article published in Mensa Magazine, Beasley (1987) used the term "emotional quotient." Psychologists Salovey *et al.*, (1990) published their landmark article, "Emotional Intelligence," in the journal, "Imagination, Cognition, and Personality". The concept of emotional intelligence was popularized after the publication of psychologist and New York Times science writer, Goleman (1995) through his book "Emotional Intelligence: Why It Can Matter More Than IQ". Bar-On (1997), Freedman *et al.*, (1998), Mayer *et al.*, (2000) and Schacter (2009) defined the term 'emotional intelligence' in multiple dimensions.

Definition

Salovey *et al.* (1990) defined emotional intelligence as " the subset of social intelligence that involves the ability to monitor one's own and others feelings and emotions". They opined that emotional intelligence is the ability to identify and manage one's emotions in positive and constructive ways. In 1997, Salovey *et al.*, redefined emotional intelligence as, 'awareness of own and others emotion, emotional facilitation, emotional understanding, management of own and others emotions. They meant that it is perceiving, using, understanding and managing emotions.

The popular Book of Cooper *et al.*, (1997) "Executive EQ", outlined a model of emotional intelligence that relates specific skills and tendencies to the following four cornerstones: emotional literacy, which includes knowledge of one's own emotions and how they function; emotional fitness, which includes emotional hardiness and flexibility; emotional depth, which involves emotional intensity and potential for growth and "emotional alchemy", which includes the ability to use emotion to spark creativity.

Salovey *et al.*, (1997) proposed a model that identified four different factors of emotional intelligence: the perception of emotion, the ability reason using emotions, the ability to understand emotion and the ability to manage emotions.

1. Perceiving emotions: The first step in understanding emotions is to perceive them accurately. In many cases, this might involve understanding nonverbal signals such as body language and facial expressions.
2. Reasoning with emotions: The next step involves using emotions to promote thinking and cognitive activity. Emotions help prioritize what we pay attention and react to; we respond emotionally to things that garner our attention.
3. Understanding emotions: The emotions that we perceive can carry a wide variety of meanings. If someone is expressing angry emotions, the observer must interpret the cause of their anger and what it might mean.
4. Managing emotions: The ability to manage emotions effectively is a crucial part of emotional intelligence. Regulating emotions, responding appropriately and responding to the emotions of others are all important aspect of emotional management.

According to Salovey, the four branches of their model are, "arranged from more basic psychological processes to higher, more psychologically integrated processes. For example, the lowest level branch concerns the (relatively) simple abilities of perceiving and expressing emotion. In contrast, the highest level branch concerns the conscious, reflective regulation of emotion" (1997).

Finally, it was Goleman (1996), a Psychologist, who was instrumental in bringing popularity to the concept of Emotional Intelligence (EI). Goleman defines it as "emotional awareness and emotional management skills, which provide the ability to balance emotion and reason so as to maximize long-term happiness". It involves recognizing feelings and those of others, managing one's emotions and responding to others emotions. It is the capacity to know oneself and to quickly know others based on their expressions, feelings, behavior and verbal statements. EI can be described as being able to effectively work and get along with others. It has been said that Intelligent Quotient (IQ) contributes about 10% to a person's success in life and Emotional intelligence about 65% to one's personal and professional accomplishments. He classified emotional intelligence into two competencies namely personal competence and social competence.

Bar-On (1997) defined it as one's way to deal with daily environment challenges. He described it as ' comprising an array of non-cognitive capabilities, competencies and skills, which all influence one's ability to succeed in coping with environmental demands and pressures. He extrapolated the structure of emotional intelligence comprising of

1. Intra-personal: Emotional self-awareness, assertiveness, self-regard, self-actualization and independence.
2. Inter-personal: Empathy, interpersonal relationships and social responsibility.
3. Stress Management: Problem-solving, reality testing and flexibility.
4. Adaptability: Stress tolerance, impulse control.

The Bar-On Emotional Quotient Inventory is a 133-item self-report measure of emotional intelligence, which consists of 15 distinct scales that were developed based on Bar-On's professional experience and his review of the literature. The scales include ones measuring: emotional self-awareness, assertiveness, self-regard, self-actualization,

independence, empathy, interpersonal relationships, social responsibility, problem solving, reality testing, flexibility, stress tolerance, impulse control, happiness and optimism.

Mayer *et al.*, (2000) defined emotional intelligence as “the ability to process emotional information, particularly as it involves the perception, assimilation, understanding, and management of emotion.” Freedman *et al.* (1998) defined emotional intelligence as “a way of recognizing, understanding, and choosing how we think, feel, and act”. He added that it shapes one’s interactions with others and understanding of oneself. It defines how and what one learn; it allows an individual to set priorities and it determines the majority of an individual’s daily actions. He pointed out that researches conducted, suggest that emotional intelligence is responsible for as much as 80% of the "success" in the lives of an individual."

Schacter in the year 2009, described that emotional intelligence is an interpersonal process of improving social skills in which a leader understands followers and is charming, tactful, diplomatic and persuasive with sub-ordinates, superiors, peers, and outsiders in organizations globally.

The Importance of Emotional Intelligence

Years before, Intelligence quotient (IQ) was considered as a deciding factor in achieving success. Being objective-oriented, intelligent quotient may help to accomplish goals and objectives of an individual, but does not influence the crucial factors like building interpersonal relationships, taking rational decisions, handling complexities at work and personal life, managing stress and accepting to change. Emotional intelligence, which is the ability with which one understands his own emotions as well as others, helps to deal with people positively for healthy relationships, efficient performance and achieving success (ARK Sharma, 2013). Emotional competencies helps to have unbiased understanding of one’s emotions, strengths and weakness. It keeps the disruptive emotions and impulses under control. It develops faith in one’s capabilities and translates them into time schedules and actions. It increases the flexibility to change and act on opportunities, thus leading to better quality of work performance and success (Swami Vivekananda).

Gottman (1997) quoted in his book, 'Raising an Emotionally Intelligent Child', that "In the last decade or so, science has discovered a tremendous amount about the role emotions play in our lives. Researchers have found that even more than IQ, your emotional awareness and abilities to handle feelings will determine your success and happiness in all walks of life, including family relationships."

Mc Cown *et al.*, (1999) exclaimed in his book, 'Self-Science: The Emotional Intelligence Curriculum' that "Experiencing one's self in a conscious manner--that is, gaining self-knowledge is an integral part of learning." Salovey *et al.*, (1995) remarked in the book, 'Emotion, Disclosure, and Health', that "People in good moods are better at inductive reasoning and creative problem solving."

Mayer (1999) in the book 'EQ Today' remarked that "An emotion occurs when there are certain biological, certain experiential, and certain cognitive states which all occur simultaneously." Salovey (1997) in the book, 'Emotional Development and Emotional Intelligence: Educational Implications' commented that "People high in emotional intelligence are expected to progress more quickly through the abilities designated and to master more of them." Understanding the importance of emotional intelligence, this study can facilitate to analyse the emotional intelligence of women entrepreneurs and can support in knowing their impact on work engagement (the extent to which they are involved and committed in their work) and subjective well-being (extent of happiness and satisfaction in one's work).

Goleman's factors of emotional intelligence

According to Goleman, Emotional intelligence is composed of five dimensions.

1. Self-awareness : The ability to be aware of what one is feeling
2. Self-management : The ability to manage one's emotions and failure
3. Self-motivation : The ability to persist in the face of setbacks and failures
4. Empathy : The ability to sense how others are feeling
5. Social skills : The ability to handle the emotions of others

Later, he promulgated that Emotional intelligence is made up of four core skills that pair up under two primary competencies: personal competence and social competence. He classified those under two competencies namely

1. Personal Competence

Personal competence comprises of self-awareness and self-management, focusing on nine emotional competencies. It helps to focus more on individual development than on the social interactions. It is concerned with the ability to be aware of one's emotions and accordingly manage one's behavior and tendencies.

2. Social Competence

Social competence comprises of social awareness and social-skills or relationship management, focusing on nine emotional competencies. It involves the ability to understand other people's moods, behavior and motives in order to respond effectively and improve the quality of the relationships.



Figure 1.5 Goleman's Personal and Social competions of Emotional Intelligence

Personal factors of emotional intelligence

I. Self-awareness is concerned with knowing one's internal states, preferences, resources, and intuitions. The Self-awareness cluster contains three competencies namely-

1. Emotional awareness: It is concerned with recognizing one's emotions and their effects.
2. Accurate self-assessment: It involves knowing one's strengths and limits.
3. Self-confidence: It is concerned with possessing a strong sense of one's self-worth and capabilities.

II. Self-management refers to managing one's internal states, impulses, and resources.

The Self-management cluster contains six competencies:

1. Emotional self-control: It is the capability of keeping disruptive emotions and impulses in check.
2. Transparency: It is concerned with maintaining integrity and acting congruently with one's values.
3. Adaptability: It refers to having flexibility in handling change process.
4. Achievement: It means striving to improve or meeting a standard of excellence.
5. Initiative: It points to exhibiting readiness to act on opportunities.
6. Optimism: It is concerned with showing persistence in pursuing goals despite obstacles and setbacks.

Social factors of emotional intelligence

III. Social Awareness refers to how people handle relationships and awareness of others' feelings, needs, and concerns. The Social Awareness cluster contains three competencies:

1. Empathy: It refers to sensing others' feelings and perspectives, and taking an active interest in their concerns.
2. Organizational awareness: It means reading a group's emotional responses and power relationships.
3. Service orientation: It involves anticipating, recognizing, and meeting customers' needs.

IV. Relationship Management It is concerned with the skill or adeptness at inducing desirable responses in others. The Relationship Management cluster contains six competencies:

1. Developing others: It refers to sensing others' development needs and bolstering their abilities.
2. Inspirational leadership: It corresponds to inspiring and guiding individuals and groups.

3. **Change catalyst:** It means initiating or managing change.
4. **Influence:** It denotes wielding effective tactics for persuasion and influencing people.
5. **Conflict management:** It means negotiating and resolving disagreements with people.
6. **Teamwork and collaboration:** It is concerned with working with others toward shared goals, creating group synergy in pursuing collective goals.

Therefore, studying emotional intelligence of women entrepreneurs, through analyzing these factors, can help to understand how it helps them to balance their family and work life and manage their business. The next discussion is centered on work engagement, which is yet another factor which enhances the performance of women entrepreneur ensuring better commitment and involvement in their business.

1.7 Work Engagement

With the growing number of women entrepreneurs in the business arena, it is inquisitive to understand the extent of their commitment in their business work and how they are capable of balancing their family roles too. It can be understood by studying their extent of work engagement. Work Engagement is defined as a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication and absorption (Schaufeli *et al.*, 2004). They argued that work engagement is a description for the relationship one has with work, whereas employee engagement is the relationship one has with the organization. This construct of work engagement has led to the development of the Utrecht work engagement Scale (UWES), which has been used in this study for analyzing work engagement, rating from 1-6 scale.

Vigor refers to an individual's level of energy, how willing they are to invest themselves in their work, having resilience and not easily fatigued, and the ability to deal persistently with difficult situations.

Dedication has similarities to Kahn's (1990) notion of meaningfulness in which an individual feels a sense of significance in their work that they are not only proud of, but also enthusiastic to pursue. A person high in dedication also finds their work challenging and inspiring.

Absorption is characterized by how immersed an individual is in their work. When an individual is absorbed in their work, time seems to pass by quickly and everything outside of work is absent from an individual's thoughts.

Robbins *et al.*, (2009) defines work engagement as individual's involvement, satisfaction and enthusiasm for the work they do. They suggest that engagement may be a concept shared by job satisfaction, organizational commitment, job involvement and intrinsic motivation to do one's job well.



Figure 1.6 Components of Work Engagement

Main drivers of work engagement

Research has identified two key sets of variables that drive work engagement

1. Job resources

Work engagement is found to be positively associated with job resources such as social support from co-workers and from one's superior, performance feedback, coaching, job control, task variety, opportunities for learning and development, and training facilities. These resources are helpful in reducing the impact of job demands on strain, but they are also useful in the achievement of work goals, and they stimulate learning, personal growth and development. One consistent finding is that the motivational potential of job resources is particularly salient in the face of high job demands.

2. Personal resources

Personal resources, such as optimism, self-efficacy and resilience are functional in controlling the environment and exerting impact on it in a successful way. Furthermore, engaged employees have several personal characteristics that differentiate them from less engaged employees. Examples are extraversion, conscientiousness and emotional stability. Psychological capital also seems to be related to work engagement.

Utrecht Work Engagement Scale (UWES)

The UWES is seventeen item survey designed to measure engagement based on vigor, dedication, and absorption (Schaufeli *et al.*, 2004). Each question is based on a seven point scale ranging from “never” to “always every day”. This helps to measure the extent of commitment and involvement dedicated by women entrepreneurs towards their business.

The third variable taken for the study is subjective well-being, which reflects their happiness and healthy attitude towards an individual’s work. It reflects their fulfilment and accomplishment they get from their work.

1.8 Subjective Well-being

In this increasing world of complexities in the business dominated by the male bastion, it is extremely fatigue for the women entrepreneurs to compete equally in the market and remain effective in their business. As male entrepreneurs are involved and committed only towards their business and their spouse takes care of the family affairs, it is possible for them to focus on their business and remain vibrant in it. Unlike them, women entrepreneurs cannot focus on their business alone and neglect their family chores. They have to accept and perform dual responsibilities both at the business place and at home, which is an arduous task, which requires skillful mind management. The study of subjective well-being can help to understand the extent of happiness and satisfaction they get in their dual responsibility.

Well-being, wellbeing, welfare or wellness is a general term for the happiness of an individual or group, for example their social, economic, psychological, spiritual or medical state. It is popular concept in positive psychology that is synonymous with happiness. Kahneman (1999) explained that subjective well-being level is the answer of

how much happy a person is (Kahneman *et al.*, 1999). One of the founders of positive psychology, Seligman (2000) suggested subjective well-being as a five-dimensioned construct in terms of indicating the positive affect, relatedness, relationships, meaning and purpose along with achievement motivation of an individual (Hefferon *et al.*, 2011.).

A high level of well-being means in some sense the individual or group's experience is positive, while low subjective well-being is associated with negative happenings. The study of well-being is divided into objective well-being and subjective well-being.

Objective well-being

The objective aspect of well-being is characterized by defining material well-being and the quality of life: these terms are formed and influenced by such factors as the level and stability of income, the conditions of residence, the opportunity of having education, the quality of the social and natural environment, safety and security, and the opportunity to realize social and civil rights and needs. Objective well-being is concerned with satisfaction of an individual towards possession of material goods and objects.

Subjective well-being

Subjective well-being is based on the idea of, how each person thinks and feels about his or her life is important. It is defines as a person's cognitive and affective evaluation of one's life. It reflects the attitude of an individual towards happiness and life satisfaction in terms of work done, status offered, recognition and fulfillment in their life. Thus, subjective well-being is a broad concept that includes experiencing pleasant emotions, low levels of negative moods and high life satisfaction.

Subjective well-being deals with how and why people are happy in their lives; and it is based on the cognitive and affective evaluations about their perceived state of happiness. (Diener, 1984). Diener *et al.* (1999) defined subjective well-being as a broad category of phenomena that includes people's emotional responses, domain satisfactions, and global judgements of life satisfaction. It consists of two distinctive components: an *affective* part, which refers to both the presence of positive affect (PA) and the absence of negative affect (NA), and a *cognitive* part.

The affective part is a hedonic evaluation guided by emotions and feelings, while the cognitive part is an information-based appraisal of one's life for which people judge the extent to which their life so far measures up to their expectations and resembles their envisioned 'ideal' life. Positive and negative affect, which act independently from each other, constitutes the affective component of subjective well-being; whereas life satisfaction forms the cognitive component (Diener *et al.*, 2002).

According to Susan Kecmanovic, Subjective well-being comprises of a high level of positive effect, a low level of negative effect and a high degree of satisfaction with one's life. The dominance of positive effect is usually called happiness and it constitutes the hedonic stream of subjective well-being. The eudaimonic stream of subjective well-being refers to living well and actualizing one's human potential. In general, subjective well-being refers to happiness part of an individual.

Ryff (1989) and Keyes (2006) expanded the concept of subjective well-being and classified it into three kinds namely emotional subjective well-being, psychological subjective well-being and social subjective well-being. Emotional subjective well-being is characterized by cheerfulness, in good spirits, extremely happy, calm, peaceful and satisfied life. Psychological subjective well-being refers to having positive relations with others and having a purpose in life and autonomy. Social subjective well-being refers to the extent of satisfaction derived from taking care of others, social acceptance and self-actualization. They opined that emotional subjective well-being, psychological subjective well-being and social subjective well-being are included in subjective well-being.

Subjective well-being (SWB) is, thus, the global term to describe how people feel about their lives, and is based on both an emotional reaction and cognitive judgement. The science of 'subjective well-being' suggests that apart from experiencing good feelings, people need:

- a sense of individual vitality
- to undertake activities which are meaningful, engaging, and which make them feel competent and autonomous

- a stock of inner resources to help them cope when things go wrong and be resilient to changes beyond their immediate control.

It is also crucial that people feel a sense of relatedness to other people, so that in addition to the personal, internally focused elements, people's social experiences – the degree to which they have supportive relationships and a sense of connection with others – form a vital aspect of subjective well-being. Subjective well-being is most usefully thought of as the dynamic process that gives people a sense of how their lives are going, through the interaction between their circumstances, activities and psychological resources or 'mental capital'.

Because of this dynamic nature, high levels of subjective well-being enables an individual to respond to difficult circumstances, to innovate and constructively engage with other people and the world around them. As well as representing a highly effective way of bringing about good outcomes in many different areas in the life of a person and there is also a strong case for regarding subjective well-being as an ultimate goal of human endeavor. This research study is focused on studying the subjective well-being of women entrepreneurs. It reflects on how fulfilled they are towards their work and measures their feelings in terms of happiness and satisfaction towards accomplishments in their business.

To sum up, this section has introduced the study with describing the need for the study as exploring the impact of emotional intelligence on work engagement and subjective well-being of women entrepreneurs in Coimbatore city, with relevance to the growing number of women entrepreneurs in recent years. It has presented a myopic view on the activities of MSME and DIC in supporting entrepreneurship.

It has highlighted the development of entrepreneurs in global and Indian context. It has discussed the motivational and support factors along with the barriers for women entrepreneurs in managing their business. Introduction to the variables of the study namely emotional intelligence, work engagement and subjective well-being was discussed in depth, describing in length about their components.

1.9 Organisation of the study

This research study is organised into six chapters. The contents of the six chapters are discussed below:

Chapter One - Introduction

It discusses the need for the study and introduces the role played by MSME-DO, and DIC, Coimbatore in supporting the women entrepreneurs. It traces the development of women entrepreneurship and discusses in length the motivational factors and barriers for women entrepreneurs. It portrays the fundamental aspects and importance of the variables- emotional intelligence, work engagement and subjective well-being. It highlights the statement of the problem, rationale and scope of this study.

Chapter Two – Review of Literature

This section presents the review of earlier studies pertaining to the development of women entrepreneurs, their barriers to run the business and the triad of the study namely the emotional intelligence, work engagement and subjective well-being, that influences the success of women entrepreneurs in managing their business. Hypothesis and a theoretical frame work of the model is proposed.

Chapter Three – Research Methodology

This part begins with the formulation of primary objectives and secondary objectives, based on studying the variables from the review of earlier studies. It helps to understand the methodology in terms of type of research, sampling design, tools used for data collection, instrument development with reliability and validity analysis, pilot study, data collection, tools used for analysis and the hypothesis formulated to test the significance of the study.

Chapter Four – Analysis and Discussion

It organises the study with analysing the data through IBM-SPSS using statistical tools like percentage analysis, mean, standard deviation, chi-square, analysis of variance, correlation, regression, discriminant analysis and structural equation modelling through AMOS. The results are interpreted and discussed in tune with the objectives formulated for the study.

Chapter five – Findings and Suggestions

It helps to summarise the findings of the study in tune with the objectives set and puts forward suitable recommendations to improve the emotional intelligence, work engagement and subjective well-being of women entrepreneurs, that can result in better performance and management of their business.

Chapter six- Conclusion

It reflects upon the implications of the study, the limitations and the scope of the research identified in its conclusion to the study.

Thus, the next chapter is focused on putting forth the reviews of various research carried out in the international and national studies with regard to the triad-emotional intelligence, work engagement and subjective well-being.