



## PRIORITIZING MANAGERIAL SKILLS BASED ON KATZ'S THEORY OF WOMEN ENTREPRENEURS

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### **ABSTRACT**

*Entrepreneurship is a platform where women get the freedom to think independently and make their own decision. Entrepreneurship helps women to get empowered by providing them freedom and opportunities. It helps them to become capable, confident and independent so that they can make a positive contribution towards the development of the society. Today's, women have started showing interest to become economically independent. They are willing to take risk and work hard to meet their goal. Skill refers to the ability of a person to convert knowledge into action. An entrepreneur must have the ability to make business decisions and lead workers within a company. She should have the ability to encourage the workers and to understand their problems. An entrepreneur should have the analytical skill to set the goal of the business and forecast the future of the business. An entrepreneur should have the conceptual skill, technical skill and human skill to deal with ideas, things and people. An attempt has been made in this paper to study the managerial skills of women entrepreneurs and to highlight the motivational factors that encouraged women to become an entrepreneur. For the purpose of the study data has been collected from the women entrepreneurs of Goalpara Town, Assam.*

**Keywords:** Entrepreneurship, Managerial Skill, Women, Women Entrepreneur.

### **1. Introduction**

In recent years, women have started their own businesses in unprecedented numbers (Buttner, 1993). For many women, entrepreneurship has been hailed as a welcoming platform with great opportunity (Parker, 2010). Women entrepreneurs are influenced by both push and pull

factors. Pull factors includes personal satisfaction, achievement, challenging or rejecting gender stereotypes, a gap in the market, etc. Push factors includes dissatisfaction with the labor market, need for greater income, unemployment, desire for a better life, financial incentive and motivation from government/schemes for assistance, attraction of high profit margins, etc. International Labor Organization (ILO) define entrepreneurs as the people who have ability to see and evaluate business opportunities; together with the necessary resources to take advantage of them, and to intimate appropriate action to ensure success (Manjunath & Nagendra, 2008). The Government of India has defined “women entrepreneurs as an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise for women”. Today, women started showing interest to become economically independent. They have come up with different innovative ideas to fulfill their creative urge. Gradually, women entrepreneurs are being considered as the better half of the society (Dangi and Ritika, 2014) and as an important catalyst for economic development. They not only contribute to the development of society, but also play a role of job creator.

According to Katz, Skill implies an ability which can be developed, not necessarily inborn, and which is manifested in performance, not merely in potential. Managers perform a range of complex and multidimensional activities and different kind of skills are needed to perform these activities. Robert Katz identified three types of managerial skills that are essential for successful management: technical skills, human skills and conceptual skills. (Ghuman, K., K Aswathappa)

- a. Technical Skills – These skills relate to an individual’s specific area of expertise. Technical skill is the ability to apply specialized knowledge and expertise to work-related techniques and procedures (Kaul, V.K. 2012). Technical skills are mainly important in lower organizational level, but it’s become less important as manager move up the hierarchy.
- b. Human Skills – These skills relate to an ability of an individual to effectively interact with others. Human skill involves the ability to work, understand and motivate other people. (Kaul, V.K. 2012) A manager with human skill allows subordinates to express themselves openly and encourage participation in the organization. Managers with good human skills to communicate and lead others effectively. Human skills are important at all levels of management, since management involves working with other people (Manjunath & Nagendra, 2008).

- c. **Conceptual Skills** – These are skills to think and to conceptualize about the abstract and complex situations. These skills related to an ability of an individual to take a big picture of the entire organization and the relationships among its parts. Conceptual skill involves the ability to organize and combine the organization's interests and activities. (Kaul, V.K., 2012). These skills allow a manager to create a vision and strategic plan for an organization. These skills are particularly important to top level management.

## **2. Objectives**

- To study the concept of women entrepreneur.
- To identify the motivational factors that encouraged woman to become an entrepreneur.
- To prioritize Katz's managerial skills theory based on attitude of women entrepreneurs.

## **3. Methodology**

The statistical population (women entrepreneurs) comprises of 46 women entrepreneurs of Goalpara Town, Assam, India. For the purpose of the study primary data were collected from the women entrepreneurs and the Secondary data were collected from different published sources such Books, journals and Internet etc.

## **4. Review of literature**

An entrepreneur is motivated to set up an enterprise or take up economic activity for various reasons. T. Shenbhaga Vaidivu and Devipriya, V. (2013) conduct a survey of 50 women entrepreneurs of Tirupur District and present the motivational factor to set up an enterprise. Had time/to keep busy, hobby/ Special interest, Money, Needed the money/Help family, Family/ Spouse had business, Control over time flexibility, Challenge/try something on one's own -- were found the motivation factors to started a business. Meyer and Landsberg (2015) identify the factors that motivate females to start their own business in South Africa. Females, from three different groups (2013, 2014 and 2015), who were enrolled in a short learning program specifically designed for women in early start-up stage or intending to start a business, were asked what motivated them to start a business. The results indicated that, from all three groups, the majority of the women wanted to start a business to be independent and have freedom and to add towards a social goal. Vincent Charles and Tatiana Gherman (2013),

suggest that personal growth (includes fulfilled the need of expanding knowledge, achieve personal satisfaction, to become a better person apart from already being a mother), social mission, (includes able to interact, give advice and help others) and interpersonal relationships (includes opportunity to meet new people, make new friends and learn from them) represent the most important factors influencing Peruvian women's entrepreneurial choice. The women entrepreneurs consider the financial motivation is important but not primary motivation factor. Krishnamoorthy and Balasubramani (2014) survey 147 women entrepreneurs and identified that Ambition, Skills and Knowledge, Family Support, Market Opportunities, Independence, Government Subsidy and satisfaction are the important entrepreneurial motivational factors. Jamali (2009) illustrates opportunities of female entrepreneurship in developing countries integrating micro- and macro-level perspectives. In micro-level factors, the women entrepreneurs identified opportunities for their new business ventures through various mechanisms, including work experience in the same field or personal aspiration, jointly start a new business with their husbands, relevant educational qualifications and industry experience, seeking challenge, flexibility, and better incomes, labor market discrimination and frustration with gender pay discrepancies and glass ceiling barriers, need for a double income to sustain the family, pursuit of challenge, creativity, financial independence. In macro level factors, the women entrepreneur mentioned about Legal environment (such as government procedures, labor market legislation) Normative environment and Economic environment.

Agbim (2013) in a study *The Relative Contribution of Management Skills to Entrepreneurial Success: A Survey of Small and Medium Enterprises (SMEs) in the Trade Sector* examine the relative contribution of management skills to entrepreneurial success. The study reveals that the increasing entrepreneurial success was associated with skills for planning and budgeting for a marketing strategy that provides attractive range of products, skills to act quickly on detecting changes in the environment, skills for assessing sales problems as a way of maintaining good customer relations, skills to focus on product quality so as to capture a sizeable market share, and management expertise skills to attract and keep competent employees. Odhiambo (2013) in a study *Factors influencing performance of youth owned micro, small and medium enterprises (msme) in kenya* portrayed the importance of the 3 managerial skills to the influence on business performance. Results from the study revealed that human relation skills are considered the most critical followed by conceptual skills then technical skills. However, managerial skills were realized to be the most significant variable followed by networking, then entrepreneurial training and lastly leadership skills employed.

## 5. Analysis and interpretation

### 5.1 Motivational factor of the respondents

The second objective is to evaluate the motivational factor that encouraged woman to become an entrepreneur. To fulfill the second objective data has been collected from the women entrepreneurs to know the motivational factor that encouraged woman to become an entrepreneur. Women Entrepreneurs might have more than one reason for starting a business but for this study, participants were asked to choose their main reason.

Table 5.1 Summary of Women Entrepreneurs motivated to start a Business

I decided to start my own business because	In percentage
I want to generate employment	4
My husband/family members motivate me	11
I want to help my family financially	20
I want to be independent and have freedom	13
I have interest and want to use my talents (develop my hobby)	37
I want to be able to practice my knowledge and skills.	15
TOTAL	100

According to the women entrepreneurs both push and pull factors are the motives for pursuing entrepreneurship. Table 5.1 shows that majority of the respondents (37%) have an interest or develop their hobby to start a business. According to one of the interviewees, *“I have chosen the field entrepreneurship because of my interest. Actually I want to develop my hobby”*. Helping family financially becomes another motive for the women entrepreneurs. A view expressed by a woman entrepreneur, *“After my husband dead, we are having financial crises and we did not find any other option than starting this business. The initial funding came from our family savings; but that was not enough, we take a bank loan to meet the requirements.”* One of the women entrepreneurs state that, *“With my husband’s earning we cannot fulfill all our expectations. I want to help him and my family and for that I started this business.”* Again one of the interviewees put her view like *“In reality, I want to help my family financially and therefore I have started a business. Today I feel happy by contributing an additional income to our family earnings.”* 15% of women entrepreneurs talk about practicing their knowledge and skills. One of the interviewees stated that *“I have the skills in the field of business. I have undergone training and it’s the time to apply my knowledge and succeed”*. According to the 13% of the respondent’s freedom or to become independent is a motive to choose entrepreneurship as a career. One of the women entrepreneurs state that *“I*

was always longing to be independent, to run my own business, and to take control of my career.” A similar view was expressed by another woman entrepreneur that “I want to be independent and want to take own decision by myself. I did not like to work under boss; I want to be my own boss”. Encouragement from husband/family members (11%) motivates women entrepreneurs to set up a business. One of the interviewees stated that, “Today what I am is because of my family. They encourage me to take entrepreneurship as a career. They help me out in every step when I needed.” It has been seen in Table 5.1 that 4% of the women entrepreneurs mention about employment generation as their motives. One of the interviewees said that “If you ask me the first priority of starting this business then I would like to mention about the employment generation. Many of unemployed women worked under me and they are doing very well. Beside of making the products we trained them and also encouraged them to set up their own business. Today I am satisfied by seeing that few of them have started their own business.”

## 5.2 Prioritize Katz’s managerial skills theory based on attitude of women entrepreneurs.

The third objective is to prioritize Katz’s managerial skills theory based on attitude of women entrepreneurs.

### 5.2.1 Conceptual Skills

Here ‘1’ being most important conceptual skill and ‘5’ less important conceptual skill.

Conceptual Skills	Prioritizing
Ability to predict	1
Ability to plan and work with ideas	2
Ability to think creatively	3
Ability to make strategic and long term goals	4
Problem solving and decision making skill	5

Table 5.2.1 Prioritizes conceptual skills theory based on attitudes of women entrepreneurs

Conceptual group criteria suggest that ability to predict, ability to plan and work with ideas, are the most important factors and finally problem solving and decision-making skill are the least important criteria.

### 5.2.2 Human Skills

Here ‘1’ being most important human skill and ‘5’ less important human skill.

Human skills	Prioritizing
Ability to coordinate and lead	1

Ability to communicate effectively	2
Ability to motivate and encourage participation	3
Ability to Foster creativity and inspire team	4
Resolve conflict	5

Table 5.2.2 Prioritizes Human skills theory based on attitudes of women entrepreneurs

Human group criteria suggest that Ability to coordinate and lead, ability to communicate effectively are the most important factors and finally resolve conflict is the least important criteria.

### 5.2.3 Technical Skills

Here '1' being most important technical skill and '5' less important technical skill.

Technical skills	Prioritizing
Specialized knowledge	1
Analytical ability	2
Ability to use appropriate tools and techniques	3
Ability to implement knowledge	4
Employee vocational training and on the job training	5

Table 5.2.3 Prioritizes technical skills theory based on attitudes of women entrepreneurs

Technical group suggest that specialized knowledge and Analytical ability are the most important factors and finally employee vocational training and on the job training is the least important criteria.

Based on the above said analysis, stating the least important skill doesn't mean that these skills are not reliable or valuable, but in fact it means that the women entrepreneurs do not prefer these skills to other skills.

## 6. Findings

### 6.1 Findings with respect to second objective

Majority of women entrepreneurs have interest to start up a business. Moreover to involve in the income generation processes motivates many of them to become an entrepreneur. According to them, knowledge and skill is another important motivating factor. Women entrepreneurs want to become independent and get full encouragement and active support from their husband and family members. Only few of women entrepreneurs informed that employment generation is an important motivational factor for them.

## *6.2 Findings with respect to third objective*

Research findings show that specialized knowledge, analytical ability, ability to use appropriate tools and techniques, ability to implement knowledge, employee vocational training and on the job training has priority in technical level. In human skills the priority was referred to ability to coordinate and lead, ability to communicate effectively, ability to motivate and encourage participation, ability to foster creativity and inspire team, resolve conflict. On the other hand, ability to predict, ability to plan and work with ideas, ability to think creatively, ability to make strategic and long term goals, problem solving and decision-making skill has priority in conceptual level respectively.

## **7. Conclusion**

The role of women entrepreneur in economic development is being recognized and steps are being taken to promote women entrepreneurship. It can be said that in North east India the participation of women in the field of entrepreneurship is increasing at a considerable rate. The women entrepreneurs of Assam are started showing interest in taking up entrepreneurial as a carrier for improving their economic status and also fulfilling their creative urge.

Management skills have been identified as one of the key factors for entrepreneurial success. (Agbim, K.C., 2013) The Ranking of triple management skills of women entrepreneurs shows that conceptual, human and technical skills are respectively ranked according to their attitude. According to women entrepreneurs' entrepreneurial success is most associated with triple management skills which are- ability to predict, Ability to coordinate and lead, specialized knowledge followed by ability to communicate effectively, ability to plan and work with ideas, analytical ability.

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