

Influence of Entrepreneur Age on Managing Business Problems in Entrepreneurship

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Abstract

Entrepreneur coordinates all resources including capital, labour, technology and process to form and carry out a business. Entrepreneurs are the real generator of employment and make considerable revenue to the economy. Individuals in all segments are showing keen interest on entrepreneurship, they largely involved in various manufacturing industries. It consists of various products manufactured to meet requirements of the nation. In addition to that existence of low cost technology helps them to engage in food processing industries. This study endeavoured to measure the opportunities and challenges of entrepreneurs engaged in manufacturing activities. This study is conducted with 100 samples in Madurai district of Tamil Nadu. The study employed simple random sampling to select sample and data is collected by means of personal and face-to-face interview. Results showed that funding support from government, technical support, and easy finance availability are the most important opportunities both in long-term and short-term. Findings showed that there is no significant influence on age of entrepreneur on managing entrepreneurship challenges. Findings also confirmed that there is no significant influence on age of entrepreneur on managing business problems.

Key words: Entrepreneurs, Age of the Entrepreneurs, Opportunities, Challenges, Business Problems, Manufacturing Industry.

1. Introduction

Entrepreneurs are the key segment in the economy to provide employment, revenue and output to the nation. Entrepreneurship widely depends on personal motivations, experience, socio-cultural association, pertinent skills and attitudes, qualifications, access to

credit, industrial premises, national infrastructure, macroeconomic environment and stable government. Entrepreneur is a business tycoon who not only visualizes and organizes projects, but also takes risks frequently. The entrepreneur helps to provide employment opportunities to people especially those located in struggling regions. The intensity and motivation of the business depend on the degree of demonstrated sovereignty, the level of leadership and innovation they have demonstrated, the degree of responsibility they assume and the inspiration they provide. Being an entrepreneur is more than just opening a business or two, it is necessary to have the attitude and strength to succeed in business. All successful entrepreneurs have a parallel thinking and possess many personal qualities that make them succeed in business. Socio-economic variable especially age has prominent role in transforming entrepreneurship.

Entrepreneurship should be motivated properly to increase gross domestic product of the nation. Entrepreneurs attain benefit from the services and support provided by the government organizations, voluntary organizations and social system. Financial resources should be provided to strengthen their entrepreneurial spirit. Government organizations should provide training, technological advice and other programs, with or without funding support. In addition to this, volunteer organizations and other voluntary social development organizations are developing the capacity of young entrepreneurs in food processing and other sectors. Significantly, the government is showing such concern by supporting manufacturing based industries. It has a strategic importance for each national economy due to a wide range of reasons. Significant growth in manufacturing and service sectors is contributing for the better living conditions and lifestyle of total population whereas agriculture and allied sectors are still in back foot in providing the better living conditions in India.

2. Problem Statement

Entrepreneurs bring together men, money, equipment, machinery and methods to perform all business functions. Entrepreneurs with an executive point of view are often well placed to achieve something; they anticipate two major misunderstandings that lead to major problems. Entrepreneurs are the key person for managing everything in management and operations. Without entrepreneur, no economical enterprise is possible, therefore it is required to manufacture or market the finished products. The machine and the method are the other two entries in the operation of the enterprise. Efficient management of all inputs and resources can make beautiful benefits for entrepreneurs. After learning new things in all aspects of the business and developing during different stages of execution and business knowledge, it is possible to achieve the crucial goal of obtaining eye-catching gains. Entrepreneurs who all become leaders in a short-term perspective because; if they accept the challenge and the responsibility to ensure that others under their protection succeed and flourish.

3. Literature Review

Madhu(2018) revealed that entrepreneurial qualities are important to factor to conquer the various problems associated with the managing business. Gaur (2017) revealed that entrepreneurship has been promoted through the effective contribution of work and use of right technology. Indian government provides financial support, which is particularly designed for entrepreneurs (Uma & Ramesh, 2018). Amit(2018) entrepreneurship requires high level of innovation in all spheres of business. It mainly deals with addressing the existing problem and innovates towards change in the manufacturing process. While conducting a business, entrepreneur face more challenges of learning how to operate the business efficiently (Prabhakaran, 2014). Muthu&Ranga (2018) revealed that entrepreneurs are performing the micro scale of operation particularly in the trades and services of tailoring, beauty clinic, fancy stores, petty shops, food based products, readymade garments, etc. Banks should provide credit at reasonable interest without insisting on collateral security in the form of physical assets. Rathna&Kannan (2018) revealed the problems of entrepreneurs such as economic independence, establishing their own creative idea, establishing their own identity, achievement of excellence, building confidence, developing risk-taking ability, motivation and equal status in society.

4. Research Objectives

The present study has been commenced with the following objectives:

1. To measure the socio-economic profile of entrepreneurs engaged in manufacturing businesses.
2. To assess the various opportunities available for the entrepreneurs engaged in manufacturing activities.
3. To investigate the influence of age on managing entrepreneurship challenges in manufacturing activities.
4. To analyze age on managing problems in business to the entrepreneurs engaged in manufacturing activities.

5. Methodology

This study has been conducted with the motive to assess the opportunities and challenges of entrepreneurs engaged in manufacturing of goods. It is conducted with the strength of simple random sampling. The data for the study has been collected from the entrepreneur who has minimum experience of one year in manufacturing of products. The manufacturing firm preferred for the study should employ not less than 5 employees and employment of substantial investment. The study employed descriptive research and used both primary and secondary data. This study consists of 100 samples, which are identified in Madurai district to collect data. Data collection has been done through distributing well-structured and non-disguised questionnaire and it is pretested with 20 entrepreneurs and modifications carried out as per their feedback. The questionnaire includes four parts; first part consists of demographic profile, second parts deals with the opportunities to the entrepreneurs and third part deals with influence of age on managing entrepreneurship challenges and final part deals age on managing problems in business to the entrepreneurs. This study used the following statistical tools such as, percentage analysis, mean score, and one-way ANOVA.

6. Results and Discussions

6.1. Analysis of Socio-Economic Profile

The socio-economic profile of entrepreneur is analyzed and its results are presented in table-1.

Table – 1: Analysis of Socio-Economic Profile

Category	Variables	Number	Percentage
Age	Less than 30 years	21	21%
	30 – 45 years	33	33%
	46 – 55 years	24	24%
	More than 55 years	22	22%
Educational Qualification	Illiterate	22	22%
	Up to HSC	38	38%
	UG	22	22%
	PG	18	18%
Experience	1 – 5 years	36	36%
	5 – 10 years	33	33%
	More than 10 years	31	31%
Annual Sales	Less than 5 Lakhs	34	34%
	5 – 10 Lakhs	31	31%
	11 -15 Lakhs	22	22%
	More than 15 Lakhs	13	13%
Employees Working	5 - 10 employees	42	42%
	11 - 15 employees	25	25%
	16- 20 employees	19	19%
	More than 20 employees	14	14%
Area of Operation	Rural	23	23%
	Semi-urban	38	38%
	Urban	39	39%

Source: Primary data

Table-1 reveals that age consists of 21% of entrepreneurs are in less than the 30 years of age, 33% of entrepreneurs are in the age group of 30 - 45 years, 24% of them in 46-55 years and 22% of entrepreneurs are in the age group of more than 55 years. Educational qualification reveals that 22% entrepreneurs are illiterate, 38% are in up to HSC standard, 22% are UG degree holders and 18% are PG degree holders. Experience discloses that 36% are having experience of 1 – 5 years, 33% are experienced in 5 – 10 years and rest 31% are having experience of more than 10 years. Annual sales reveal that 34% are in less than Rs.5Lakhs, 31% are in Rs.5-10 Lakhs, 22% are in Rs.10-15 Lakhs and rest 13% are in more than Rs.15 Lakhs. Employees working in the firm shows that 42% are employed 5 – 10 employees, 25% are employed 11 – 15 employees, 19% are employed 16 – 20 employees in their firm and remaining 14% of entrepreneurs are employed more than 20 employees. Area of operation reveals that 23% of entrepreneurs are operating their business in rural areas, 38% are operating their business in semi-urban areas and 39% of entrepreneurs are operating their business in urban destinations.

6.2. Opportunities for Entrepreneurs

There are different type of opportunities are exist to support and develop the entrepreneurs. Therefore, different opportunities support for the development of entrepreneurs engaged in manufacturing industry is analysed. This study initiate to measure the prevailing the opportunities for entrepreneurs in short-term and long-term standpoint. Short-term is connected with the period of less than 3 years, whereas long-run focus connected with the period of more than 3 years. Mean scores of the variables establishing opportunities on short-term and long-term has been explained with the help of t-test. Its results are presented in table-2.

Table – 2: Mean Score and T-statistics

S. No	Variables	Mean Score		T-Test
		Long-Term	Short-Term	
1.	Funding assistance from government	4.19	4.26	1.662
2.	High prospects in marketing	3.29	3.36	1.943
3.	Government technical support	4.07	4.06	1.385
4.	Easy finance availability	3.76	4.07	2.845
5.	Innovation in machinery	3.45	3.46	1.842
6.	Employee training and development	3.98	3.94	2.163
7.	Financial institutions support	3.67	3.42	1.923
8.	Low interest on finance	4.02	3.95	2.752
9.	Easy raw material procurement	3.61	3.99	1.578
10.	Availability of continuous labour	3.23	3.18	2.562

Source: Primary Data

Table-2 discloses the different type of opportunities prevailing to support the entrepreneurs. It shows that funding assistance from government (4.19), government technical support (4.07), low interest on finance (4.02), and employee training and development (3.98) are the most important opportunities in the long-run to the entrepreneurs. However, other variables support at moderate level to entrepreneurs in long-run. Likewise, funding assistance from government (4.26), government technical support (4.06), easy finance availability (4.07), easy raw material procurement (3.99), low interest on finance (3.95), and employee training and development (3.94) are the most important opportunities in the short-term to entrepreneurs. The calculated t-test values are significant at 5% level. However, other variables bring moderate opportunity to entrepreneurs in short-term. It can be concluded that government funding support, government technical support, and easy finance availability are the most important opportunities in both long-term and short-term.

6.3. Age on Managing Entrepreneurship Challenges

Influence of entrepreneurs' age in managing the various challenges in entrepreneurship has been analyzed by using one-way ANOVA with the following null hypothesis. The null hypothesis states that (H_0) there is no significant influence on age of entrepreneur on managing entrepreneurship challenges. Its results are presented in table-3.

Table-3: Age on Managing Entrepreneurship Challenges

Challenges	Age	N	Mean	SD	F-value
High cost incurred on production	Less than 30 years	21	3.22	1.23	3.785 (p < .05) Not significant
	30 – 45 years	33	2.98	0.68	
	46 – 55 years	24	3.01	1.18	
	More than 55 years	22	3.32	1.03	
More effort and cost involved in marketing	Less than 30 years	21	3.17	1.13	4.288 (p < .05) Not significant
	30 – 45 years	33	3.02	1.30	
	46 – 55 years	24	2.65	0.98	
	More than 55 years	22	2.89	1.15	
Lack of demand and stiff competition	Less than 30 years	21	2.96	1.25	5.123 (p < .05) Not significant
	30 – 45 years	33	3.24	1.20	
	46 – 55 years	24	3.36	1.24	
	More than 55 years	22	2.57	1.52	
Technology problems	Less than 30 years	21	2.45	0.62	4.757 (p < .05) Not significant
	30 – 45 years	33	2.76	1.21	
	46 – 55 years	24	3.03	1.36	
	More than 55 years	22	2.88	0.95	
Lack of financial and personnel support	Less than 30 years	21	2.69	0.84	3.793 (p < .05) Not significant
	30 – 45 years	33	3.16	1.18	
	46 – 55 years	24	3.35	1.03	
	More than 55 years	22	2.83	1.23	

Source: Primary data

Table-3 shows the results of influence of entrepreneurs' age in managing the various challenges in entrepreneurship. The entrepreneurs falling in the age group of more than 55 years have scored higher mean value (3.32) and age group of 30-45 years have low mean value (2.98). It reveals that entrepreneurs in high age group face more problems in terms of cost incurred on production. The calculated F-value for high cost incurred on production is 3.785 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing cost incurred on production. More effort and cost involved in marketing shows that the entrepreneurs falling in the age group of less than 30 years have scored higher mean value (3.17) and age group of 46-55 years have low mean value (2.65). It reveals that entrepreneurs in low age group face more problems in terms of more effort and cost involved in marketing. The calculated F-value for effort and cost involved in marketing is 4.288 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing more effort and cost involved in marketing.

Lack of demand and stiff competition shows that the entrepreneurs falling in the age group of 46-55 years have scored higher mean value (3.36) and age group of more than 55 years have low mean value (2.57). It reveals that entrepreneurs in high age group face more problems in terms of lack of demand and stiff competition. The calculated F-value for lack of demand and stiff competition is 5.123 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing lack of demand and stiff competition. Technology problems shows that the entrepreneurs falling in the age group of 46-55 years have scored higher mean value (3.03) and age group of less than years have low mean value (2.45). It reveals that entrepreneurs in high age group face more problems in terms of technology problems. The calculated F-value

for technology problems is 4.757 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing technology problems. Lack of financial and personnel support shows that the entrepreneurs falling in the age group of 46- 55 years have scored higher mean value (3.35) and age group of less than 30 years have low mean value (2.69). It reveals that entrepreneurs in high age group face more problems in terms of lack of financial and personnel support. The calculated F-value for lack of financial and personnel support is 3.793 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing lack of financial and personnel support.

6.4. Age on Problems in Managing Business

Influence of entrepreneurs' age in managing the various problems in business has been analyzed by using one-way ANOVA with the following null hypothesis. The null hypothesis states that (H_0) there is no significant influence on age of entrepreneur on managing business problems. Its results are presented in table-4.

Table-4: Age on Problems in Managing Business

Challenges	Age	N	Mean	SD	F-value
Raw material procurement	Less than 30 years	21	3.03	0.98	4.122 (p < .05) Not significant
	30 – 45 years	33	2.75	1.11	
	46 – 55 years	24	2.94	1.23	
	More than 55 years	22	3.12	0.86	
Lack of managerial expertise	Less than 30 years	21	2.94	1.26	4.458 (p < .05) Not significant
	30 – 45 years	33	2.63	1.33	
	46 – 55 years	24	3.11	1.45	
	More than 55 years	22	3.22	1.21	
Lack of government support	Less than 30 years	21	3.01	0.95	5.236 (p < .05) Not significant
	30 – 45 years	33	2.84	0.87	
	46 – 55 years	24	2.91	1.11	
	More than 55 years	22	2.62	1.28	
High tax impact	Less than 30 years	21	2.96	1.34	5.302 (p < .05) Not significant
	30 – 45 years	33	3.14	1.35	
	46 – 55 years	24	2.79	1.20	
	More than 55 years	22	3.02	1.03	
Poor infrastructure	Less than 30 years	21	3.11	1.08	4.257 (p < .05) Not significant
	30 – 45 years	33	2.83	0.95	
	46 – 55 years	24	2.75	0.98	
	More than 55 years	22	2.81	1.22	

Source: Primary data

Table-4 shows the results of influence of entrepreneurs' age in managing the various business problems. The entrepreneurs falling in the age group of more than 55 years have scored higher mean value (3.12) and age group of 30-45 years have low mean value (2.75). It reveals that entrepreneurs in high age group face more problems in terms of managing raw material procurement. The calculated F-value for raw material procurement is 4.122 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing raw material procurement. Lack of managerial expertise reveals that entrepreneurs falling in the age group of more than 55 years have

scored higher mean value (3.12) and age group of 30-45 years have low mean value (2.75). It reveals that entrepreneurs in low age group face more problems in terms of lack of managerial expertise. The calculated F-value for lack of managerial expertise is 4.458 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on lack of managerial expertise.

Lack of government support reveals that the entrepreneurs falling in the age group of less than 30 years have scored higher mean value (3.01) and age group of more than 55 years have low mean value (2.62). It reveals that entrepreneurs in high age group face more problems in terms of lack of government support. The calculated F-value for lack of government support is 5.236 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on managing lack of government support. High tax impact reveals that the entrepreneurs falling in the age group of more than 55 years have scored higher mean value (3.02) and age group of less than years have low mean value (2.79). It reveals that entrepreneurs in high age group face more problems in terms of high tax impact. The calculated F-value for high tax impact is 5.302 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on high tax impact. Poor infrastructure shows that the entrepreneurs falling in the age group of less than 30 years have scored higher mean value (3.11) and age group of 46-55 years have low mean value (2.75). It reveals that entrepreneurs in high age group face more problems due to poor infrastructure. The calculated F-value for poor infrastructure is 3.793 and it is not significant at 5% level and it leads to accept null hypothesis that there is no significant influence on age of entrepreneur on poor infrastructure.

7. Conclusion

Entrepreneurship success is mainly depended on the originality, need for achievement, knowledge and expertise, and willingness to take risk. Socio-economic background in entrepreneurship plays a significant role in developing business. Socio-economic profile shows that age consists 33% of entrepreneurs are in the age group of 30 - 45 years, 38% entrepreneurs are completed education up to HSC, 36% are having experience of 1 – 5 years, 34% are in less than Rs.5 Lakhs, 42% are employed 5 – 10 employees, and 39% of entrepreneurs are operating their business in urban areas. It can be concluded that funding support from government, technical support, and easy finance availability are the most important opportunities both in long-term and short-term. Influence of entrepreneurs' age in managing the various challenges accepts null hypothesis, hence there is no significant influence on age of entrepreneur on managing entrepreneurship challenges. Influence of entrepreneurs' age in managing the various problems in business accepts null hypothesis, hence there is no significant influence on age of entrepreneur on managing business problems.

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