

FINANCIAL PERFORMANCES OF WOMEN ENTREPRENEURS IN AMWAY BUSINESS- A STUDY WITH REFERENCE TO TAMIL NADU

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Abstract:

Amway India is a wholly owned subsidiary of Amway Corporation with headquarters located in Ada, Michigan, USA. Amway Corporation is one of the largest Direct Selling Companies in the world with presence in over 100 countries and territories. In India, two third of the Amway Entrepreneurs are women. In this study an attempt is made to analysis the financial performances of Women Amway Entrepreneurs in Tamil Nadu. The scope of the study is analyses the financial performances of Women Entrepreneurs of Amway Business in terms of marital status, grade level and Personal Point Value. The primary data will be collected from Women Entrepreneurs of Amway Business through the well-structured interview scheduled and the secondary data will be collected from the books, articles, journals, magazines and websites. The selections of required number of samples are 120. The sample respondents are Women Amway Entrepreneurs in Tamil Nadu. The researcher will apply different statistical tools such as t-test and ANOVA for the financial performances of Women Amway Entrepreneurs in Amway Business.

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I. INTRODUCTION

According to National Sample Survey, only 14% of businesses are run by women entrepreneurs in India. In which most of the companies are boot strapped and small scale. Taking a global report, today nearly 126 million women have their own business and whereas in India 8 million women run their own. The days are gone when women were considered not equal to all in this world. Now a days the fact that women are as best as men on all parameters of Hard work, Intelligence, Maintaining home and career, & Leadership qualities.

In 2018, a study Amway Global Entrepreneurship Report (AGER) conducted by 50,000 men and women, it is intended to foster conversations about making entrepreneurship more accessible. Part of the report measures the Amway Entrepreneurial Spirit Index (AESI), based on three factors: entrepreneurial desire, confidence and perceived social stability.

Among the three categories, women in the United States expressed the least confidence in the third: being able to sustain a business even in the face of social pressure. Forty-four percent of women expressed confidence in that area compared to 49 percent of men. The women folks have always had an inherent appeal for direct selling business due to the nature of the business. Women join the business with part time vision in mind but over a period of time, as business grows, it is seen that primary bread winner of the family also gets involved to build a business at full time. The most run businesses through direct marketing are cosmetics, food, health, education, kitchen, financial products, spices, stationery, sanitary napkins, garments, agricultural additives, aphrodisiacs, weight loss supplements, home care etc.

Established in 1995, Amway India commenced commercial operations in May 1998 and has emerged as

the largest Direct Selling FMCG Company. Amway's first manufacturing facility in India is located at Nilakottai in the Dindigul district of Tamil Nadu. This is Amway's third manufacturing plant located outside of USA. The other plants are located in China and Vietnam. Amway has spent in India, more than 30% of the USD 335 million allocated for global expansion. In this dynamic world, women entrepreneurs are an important part of the global quest for sustained economic development and social progress. In India, the women have played a key role in the society. So, the present study mainly focuses on the "Financial performances of Women Entrepreneurs in Amway Business- A study with reference to Tamil Nadu".

II. SCOPE OF THE STUDY

The study is restricted to financial the performances of Women Entrepreneurs in Amway Business. An attempt is also made to trace the origin and history of Amway. The study analyses the performance of the women entrepreneurs in terms of marital status, grade levels and Personal Point Value. This study also covers various factors influencing the financial performances of Women Amway Entrepreneurs in Tamil Nadu.

III. OBJECTIVES OF THE STUDY

- To study about the economic conditions of Women Amway Entrepreneurs in Tamil Nadu.
- To analyze the financial performances of Women Amway Entrepreneurs in Tamil Nadu.
- To know about the Personal Point Value (PPV) and performances of Women Amway Entrepreneurs in Tamil Nadu.

IV. LIMITATIONS OF THE STUDY

- There are a large number of Women Amway Business Entrepreneurs in India, but the researcher limit to study 120 Women Entrepreneurs of Amway Business in Tamil Nadu.
- Due to time and cost constraints this study limits to collect the opinions and views of 120 sample respondents of Women Entrepreneurs in Amway Business from Tamil Nadu only. So the findings and suggestions of the study may not be suitable to all the respondents.
- This study covers only the people in Tamil Nadu and the findings may not be applicable to other states and other cities.

V. HYPOTHESES

- There is no significant difference in financial performances of Women Amway Entrepreneurs belonging different marital status in Tamil Nadu.
- There is no significant difference in financial performances of Women Amway Entrepreneurs belonging different Amway grade levels in Tamil Nadu.
- There is no significant difference in financial performances of Women Amway Entrepreneurs belonging different Personal Point Value in Tamil Nadu.

VI. METHODOLOGY OF THE STUDY

The present study is an empirical study based on the survey method. Primary data were collected through interview schedule from 120 respondents of Women Amway Entrepreneurs. The secondary data has been collected from the books, journals, articles, newspapers and internet.

TOOLS USED

ANOVA and t-test were worked out to study the performances of Women Amway Entrepreneurs in Tamil Nadu. The collected data were codified and the same feed with computer and analyzed through SPSS software.

SAMPLING DESIGN

In the study, the researcher has followed Random Sampling technique used for selection of 120 respondents.

PERIOD OF STUDY

As indicated in the methodology, the data collection processing and analysis of data were carried out for one year July 2018 to August 2019.

MARITAL STATUS AND FINANCIAL PERFORMANCES OF WOMEN AMWAY ENTREPRENEURS

Finance is a crucial resource for venture creation. It is very important that women entrepreneurs have adequate knowledge and information of the various financial institutions which are rendering financial incentives and many other help for the women entrepreneurs in the region. A women entrepreneur in Tamil Nadu lacks financial skills as they did not understand hidden costs and anticipate appropriate cash requirement. They have to depend on own saving as the lending practices of banks and government agencies are believed to be restrictive

and unfriendly to women. Normally banks are blamed for not financing women.

Amway Business belonging different marital status such as married and unmarried have been involved in financial performances of Women Amway Entrepreneurs at different levels. Financial Performances of Women Amway Entrepreneurs at different marital status are tested by the researcher through t-test. For the purpose a null hypothesis has been framed as “there is no significant difference in the financial performances of Women Amway Entrepreneurs belonging different marital status in Tamil Nadu. The results found with the help of t-test have been tabulated in the following table no.1.

Table No.1 (t-test)

Performances (One year)	Marital status	d.f	t	P
Sales turnover	Married	118	1.374	0.172
	Unmarried			
Profit	Married	118	1.678	0.096
	Unmarried			
Earnings	Married	118	0.839	0.403
	Unmarried			
Business expenses	Married	118	0.092	0.927
	Unmarried			
Quantity of purchase	Married	118	0.507	0.613
	Unmarried			
Value of purchase	Married	118	0.942	0.348
	Unmarried			
Personal assets	Married	118	-	0.991
	Unmarried		0.012	
Personal liabilities	Married	118	1.014	0.313
	Unmarried			

Source: Primary Data

Table no.1 shows that ‘t’ value for sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different marital status in Tamil Nadu is 1.374, 1.678, 0.839, 0.092, 0.507, 0.942, 0.012 and 1.014 which is significant at 5% with ‘P’ value of 0.172, 0.096, 0.403, 0.927, 0.613, 0.348, 0.991 and 0.313. Since, the ‘P’ value is greater than 0.05 null hypothesis is accepted. Therefore, it can be concluded that there is no significant difference in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different marital status of Women Amway Entrepreneurs in Tamil Nadu. It is concluded that marital status is not a

significant variable in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities of Women Amway Entrepreneurs in Tamil Nadu.

GRADE LEVELS AND FINANCIAL PERFORMANCES OF WOMEN AMWAY ENTREPRENEURS

Amway Business belonging different grade levels such as 6% level, 9% level, 12% level, 15% level, 18% level and 21% level have been involved in the financial performances of Women Amway Entrepreneurs at different levels. Financial performances of Women Amway Entrepreneurs at different grade levels are tested by the researcher through ANOVA. For that purpose a null hypothesis has been framed as “there is no significant difference in the financial performances of Women Amway Entrepreneurs belonging different grade levels in Tamil Nadu”. The results found with the help of ANOVA have been tabulated in the following table no.2.

TABLE No.2 (ANOVA)

Performances (One year)	Grade levels	d.f	F	P
Sales turnover	6% level			
	9% level	3		
	12% level	116	0.831	0.530
	15% level	119		
	18% level			
Profit	21% level			
	6% level			
	9% level	3		
	12% level	116	0.925	0.467
	15% level	119		
Earnings	18% level			
	21% level			
	6% level			
	9% level	3		
	12% level	116	0.196	0.963
Business expenses	15% level	119		
	18% level			
	21% level			
	6% level			
	9% level	3		
	12% level	116	0.485	0.787
	15% level	119		
	18% level			
	21% level			
	6% level			

Quantity of purchase	9% level	3	0.849	0.518
	12% level	116		
	15% level	119		
	18% level			
	21% level			
Value of purchase	6% level		0.638	0.671
	9% level	3		
	12% level	116		
	15% level	119		
	18% level			
Personal assets	21% level		0.850	0.517
	6% level			
	9% level	3		
	12% level	116		
	15% level	119		
Personal liabilities	18% level		2.164	0.063
	21% level			
	6% level			
	9% level	3		
	12% level	116		
	15% level	119		
	18% level			
	21% level			

Source: Primary Data

Table no.2 shows that the 'F' value for sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different grade levels in Tamil Nadu is 0.831, 0.925, 0.196, 0.485, 0.849, 0.638, 0.850 and 2.164 which is significant at 5% with 'P' value of 0.530, 0.467, 0.963, 0.787, 0.518, 0.671, 0.517 and 0.063. Since, the 'P' value is greater than 0.05 null hypothesis is accepted. Therefore, it can be concluded that there is no significant difference in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different grade levels of Women Amway Entrepreneurs in Tamil Nadu. It is concluded that grade level is not a significant variable in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities of Women Amway Entrepreneurs in Tamil Nadu.

PERSONAL POINT VALUE AND FINANCIAL PERFORMANCES OF WOMEN AMWAY ENTREPRENEURS

Amway Business belonging to different Personal Point Value (PPV) such as below 300 PPV, 300 PPV-600 PPV, 600 PPV-900 PPV and above 900 PPV has been involved in financial performances of Women Amway

Entrepreneurs at different levels. Financial performances of Women Amway Entrepreneurs at different Personal Point Value are tested by the researcher through ANOVA. For that purpose a null hypothesis has been framed as "there is no significant difference in the financial performances of Women Amway Entrepreneurs belonging different Personal Point Value in Tamil Nadu". The results found with the help of ANOVA have been tabulated in the following table no.3

Table No.3 (ANOVA)

Performances (One year)	PPV	d.f	F	P
Sales turnover	Below 300	3	1.154	0.330
	PPV	116		
	300 PPV-	119		
	600 PPV			
	600 PPV-			
Profit	900 PPV		1.388	0.250
	Above 900			
	PPV			
	Below 300	3		
	PPV	116		
Earnings	300 PPV-	119	0.722	0.541
	600 PPV			
	600 PPV-			
	900 PPV			
	Above 900			
Business expenses	PPV		1.275	0.286
	Below 300	3		
	PPV	116		
	300 PPV-	119		
	600 PPV			
Quantity of purchase	600 PPV-		0.187	0.905
	900 PPV			
	Above 900			
	PPV			
	Below 300	3		
	PPV	116		
	300 PPV-	119		

Value of purchase	600 PPV			
	600 PPV-			
	900 PPV			
	Above 900 PPV			
	Below 300	3		
Personal assets	PPV	116	0.478	0.698
	300 PPV-	119		
	600 PPV			
	600 PPV-			
	900 PPV			
Personal liabilities	Above 900 PPV			
	Below 300	3		
	PPV	116	0.950	0.419
	300 PPV-	119		
	600 PPV			
	600 PPV-			
	900 PPV			
	Above 900 PPV			
	Below 300	3		
	PPV	116	2.142	0.099
	300 PPV-	119		
	600 PPV			
	600 PPV-			
	900 PPV			
	Above 900 PPV			

Source: Primary Data

Table no.3 shows that the 'F' value for sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different grade levels in Tamil Nadu is 1.154, 1.388, 0.722, 1.275, 0.187, 0.478, 0.950 and 2.142 which is significant at 5% with 'P' of 0.330, 0.250, 0.541, 0.286, 0.905, 0.698, 0.419 and 0.099. Since, the 'P' value is greater than 0.05 null hypothesis is accepted. Therefore, it can be concluded that there is no significant difference in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities belonging different PPV of Women Amway Entrepreneurs in Tamil Nadu. It is concluded that Personal Point Value is not a significant variable in sales turnover, profit, earnings, business expenses, quantity of purchase, value of purchase, personal assets and personal liabilities of Women Amway

Entrepreneurs in Tamil Nadu.

VII. SUGGESTIONS OF THE STUDY

Here are some suggestive measures, to solve the problems confronted by them and for running their enterprise smoothly.

- Proper technical education to the women.
- Improvement of identification mechanism of new enterprise.
- Assistance in project formulation.
- Awareness about various credit facilities, financial incentive and subsidies.
- Women enterprises should join hands to form Co-operative society to see that their enterprises run effectively.
- Entrepreneurship Development program should be tailored to varying requirements.
- Women Amway Entrepreneurs recruit more people to join in Amway business for sales that increase their grade levels.
- Women Amway Entrepreneurs are suggested to sell more products in a month, because the Personal Point Value increases and get good commission money also.
- Women Amway Entrepreneurs are also suggested to improve their beautician skills, because promoting the skin care products beautician skill is very very important.
- The researcher suggest to banks, SHG and DIC to provide financial support to Women Entrepreneurs of Amway Business.
- The researcher suggest to Amway Corporation to give proper Business supporting materials and Entrepreneurship training to Women Amway Entrepreneurs.

VIII. CONCLUSION

Financial Performances of Women Amway Entrepreneurs are clearly studied in this research. In olden times Women income is not a matter, but in modern world women income is very important for rich and poor because money makes many things which are provided by Amway Business. In this research, the researcher has observed that the majority of the Women Entrepreneurs are married. Most of the respondents grade level is 9% and Personal Point Value is 300 PPV-900 PPV in this study.

Women entrepreneurship is both about women's position in society and about the role of entrepreneurship in the same society. Women entrepreneurs faced many

obstacles specifically in market their products (including family responsibilities) that have to be overcome in order to give them access to the same opportunities as men. The formal financial institutions have failed to perform their role of supplying institutional credit to the women entrepreneur in our country for undertaking the income generating activities. The SHG- Bank linkage program is a major plank of the strategy for delivering financial services to the poor women entrepreneurs in a sustainable manner.

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