



## Innovative Strategies Adopted in Business of Differently Abled Entrepreneurs in Southern Districts of Tamilnadu -Factor Analysis

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### ABSTRACT

Business strategy is vital for any company seeking to grow its business in strategic manner. It should take into account a number of factors such as market, competitors make the comfort environment in a business and the company's structure and to analyses the strength and weakness. Additionally, it must be adaptable to change. Therefore, developing a corporate strategy demands excellent strategic thinking and business analytical abilities, as well as an in-depth knowledge of key departments like advertising, revenue generation, and distribution. Diversely abled entrepreneurs (DAE) are people with the capacity to engage in economic activity through the economic kind of production, entrepreneurial activity, and the capacity to integrate into both the inside and outside of the company. This essay discusses the entrepreneurial inventive tactics used in the businesses of Tamilnadu's DAE Southern regions. Four factors—embankment strategy, strategy for marketing, production strategy, and team strategy were analyzed by factor analysis. This study, which is based on entrepreneurship studies, seeks to highlight the unique approach that business owners must establish in order to launch and run innovative ventures.

**Keywords:** *Entrepreneurship, Innovative strategy, Financial Technology Services, Marketing Strategy, Embankment Strategy.*

### Introduction

A person or group of people, within or external to the organisational structure, can create something new through entrepreneurship, from the development of ideas through the establishment of a business. DAE are seen as having the ability to cope with a person's surroundings, opportunities, and resources. People with disabilities effectively compete against regular businesspeople. Beyond risk aversion and the shame of failure, which have a significant impact on the public's perception of entrepreneurship, entrepreneurship and the formation of a culture of business ownership go hand in hand. To argue that entrepreneurial characteristics are essential for determining and execution of a company concept is to understate the difficulty of the idea implementation process. It's crucial to keep in mind though that entrepreneurial traits may also be developed. Since innovation is a specific entrepreneur strategy used to identify new business opportunities or a distinct product or service, it is an area of study that may be used to teaching throughout the very first years of school. Any entrepreneur or would-be entrepreneur has to develop the abilities of risk mitigation, seeking out fresh creative inspiration, using cutting-edge technologies, and learning from the market. In this sense, the numerous sorts of tactics frequently described in literature form the foundation of entrepreneurship. The focus of the study is on entrepreneurship abilities, and the framework for developing those skills is well suited for their use in the corporate world. Soft skills are the interpersonal abilities required for the application of hard skills, and organisational knowledge frequently means that soft competencies are a person's combination of abilities that are needed to achieve success in business. Examples of soft skills include proper planning of the actions, good communication, and client negotiation. Last but not least, factor analysis was performed in this article to categorise variables that may aggregate the competences indicated in the theory.

### Review of Literature

1. **E. Saranya Devi and S. Rajamohan (2019)<sup>4</sup>** stated about the National Handicapped Finance and Development Corporation (NHFD) was discussed by their article. The Ministry of Social Justice and Empowerment designated it as one of its top concerns. The organisation provides assistance to those with disabilities by giving loans, scholarships, handholding support, training and development programmes, and other services. The writers explicitly state the government-sanctioned programmes and policies, as well as the number of recipients who got loans throughout each reporting year.
2. **Kitching, (2014)<sup>3</sup>** Government support, aid, and involvement play a significant part in the success of handicapped entrepreneurs. It is exceedingly difficult to succeed without this help, support from non-governmental organisations, philanthropic organisations, and other support from family members.

3. **Jones and Latreille, (2011)<sup>2</sup>** have looked at how cultural and community-oriented business practises contribute to the greater dominance of social consciousness and market-oriented awareness. These obstacles must be overcome by these specialists using a psychological perspective and a constructive approach. They may distinguish themselves as great businesspeople in society via their devotion, emphasis on the client, and attention to detail.
4. **Kirkwood, (2009)<sup>1</sup>** stated that DAE professionals require a successful role model in their lives. Following these successful individuals and having those professional abilities are key to success. It results in a gradual but noticeable change in how they approach problem-solving and think about entrepreneurship.

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### Objective of the Study:

To study the innovative strategies of the DAE in the business.

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### Research Methodology:

The present study is descriptive in nature and the study is based on primary data.

#### *Population Identification and Strategies of Sampling:*

There are 38 districts in Tamil Nadu. The researcher has chosen the southern districts of Tamil Nadu which consists of nine districts. The total population of DAE was derived from DDRC. It was seen that there were 3775 DAE from the selected nine southern districts. Out of the population of 3775 DAE from the nine districts, 428 samples have been selected using the proportionate random sampling method.

The following formula is used to determine the sample size in each district in proportion to the total DAEs.

$$S = (n / N) * s$$

Where,

S= Sample size,

n= population of within district,

N= Total population size,

s= Identified sample size,

Table 1.1 shows the details of the population and sample size drawn from each district.

**Table 1.1 Details of Population and sample size drawn**

S. No	Name of the District	Total Population size considered for the study	Calculation of Sample Size for each districts	Sample Size
1	Thirunelveli	530	=530*(530/3775)	74
2	Madurai	504	=504*(504/3775)	67
3	Dindugal	415	=415*(415/3775)	45
4	Virudhunagar	452	=452*(452/3775)	54
5	Thoothukodi	413	=413*(413/3775)	45
6	Ramanathapuram	298	=298*(298/3775)	23
7	Sivagangai	407	=407*(407/3775)	44
8	Theni	354	=354*(354/3775)	33
9	Kanniyakumari	402	=402*(402/3775)	43
	Total	3775		428

Source: Secondary data collected from DDRC report (2019-21)

The sample size of 428 was collected using the convenient sampling method.

### *Pilot study and Pre-test*

The researcher carried out a pilot study to design the questionnaire. The researcher used the Cronbach Alpha test to conduct the pre-test following the pilot study in order to determine the accuracy of the schedule of interviews. Table 1.2 lists the dependability ratings for the replies that were gathered during the interview schedule.

**Table 1.2 Reliability Statistics**

SI No.	Variables	No. of Respondents	No. of Items	Cronbach's Alpha Value
1	Strategy adoption in business	70	12	0.762

**Source:** Primary data

This table demonstrates that the Cronbach alpha value (0.762) is higher than 0.7, indicating that there is a moderately high degree of variation among all the items.

### **Adoption of Business Strategy in Southern Districts of Tamilnadu**

Currently, entrepreneurship may be included into a strategy to boost the economy. It may be carried out as a demanding task by creating new enterprises that are effective in the market and in a hard economic environment, either domestically inside organisations or outside. The concept of entrepreneurship and its effects on DAE's business development are examined in this article.

Families, peer groups, and societal stigma all exclude persons with disabilities. They are autonomous by nature. According to this survey, over seventy per cent of these DAEs were unemployed prior to launching their new business. Disabled entrepreneurs possess entrepreneurial abilities to develop their business endeavours, including innovative development skills, effective communication skills, the ability to properly prepare an action plan to carry out their business, and embankment development skills that help to maintain their personality in the business world. The degree of agreement amongst the entrepreneurs with varied abilities on a five-point scale that ranges from extremely poor to effective demonstrates their talents.

### **Innovative development skills among differently abled entrepreneurs – Factor Analysis**

Twelve items about the diverse abilities of entrepreneurs with disabilities have been determined by the researcher. To categorise the factors influencing these 12 skills in this district's handicapped self-employed, the researcher performed factor analysis. A multivariate approach called factor analysis can assist condense a large number of qualities into a small group. The most frequent variation is extracted via factor analysis and added to the overall score of all the variables.

### **Kaiser-Meyer-Olkin (KMO) and Bartlett's test**

To assess sampling adequacy, the Kaiser-Meyer-Olkin and Bartlett's test is used. Twelve different factors have been used to examine the entrepreneurship development abilities in Tamilnadu's southern districts. The Bartlett approach was used to calculate the correlation matrix and evaluate the statistical significance level associated with the variables. If the value of the sample adequacy index falls between 0.5 and 1.0, factor analysis can be used. The factor analysis cannot be used if the results are less than 0.5. The results of the two tests, the Bartlett's test of sphericity and the KMO measure of sample adequacy, are shown in Table 1.3 along with the chi-square value, degrees of freedom, and probability value.

**Table 1.3- Innovative entrepreneurship development skills - KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.76
Bartlett's Test of Sphericity	Approx. Chi-Square	255.654
	Df	55
	Sig.	.000

**Source: Primary Data**

According to Table 1.3, the Kaiser-Meyer-Olkin value is 0.76, indicating that the variance degree between the variables is quite high. As a result, it is determined that factor analysis might be used.

### **Principal Component Analysis**

The element of the diverse abilities employed for the development of their company operations has been grouped using the principal component analysis. It aids in data reduction. Furthermore, the amount of variance in the particular item has become a common element and is known as communalities.

**Table 1.4 Principal component analysis**

<b>Communalities</b>		
	Initial	Extraction
Entrepreneurial Development Skills		
Money Transaction through Bank without intermediator	1.000	.835
Using Bank Loan with Subsidy	1.000	.670
Using Mobile Banking	1.000	.541
Regular contact with Bank officials	1.000	.840
Prompt Repayment of the Loan	1.000	.657
Prompt Delivery and Supply	1.000	.751
Effective Communication and Negotiation Skills	1.000	.933
Advertisement and Discount prizes	1.000	.786
Low margin, More Sales and Profit	1.000	.548
Best Quality of Production	1.000	.731
Team management	1.000	.868
Preparing Action Plan	1.000	.657
Extraction Method: Principal Component Analysis.		

Data Source: Primary Source

This table represented as the value of the community is one according to the principal component analysis. Skill variables are placed in compound column. The extraction column poses the value of communalities. The variables which have the value of less than 0.5 indicate that the variables are not fit for the factor solution and if it is possible it may be dropped from the analysis. This table shows the variance of 12 variables ranging from 0.541 to 0.868. Hence it could be concluded that all these 12 variables are capable of segmenting themselves based on the predominant value and with respect to different set of skills adopted by the DAEs in southern districts of Tamilnadu.

#### **Total Variance Explained:**

Using the principle component Analysis approach, a rule of thumb is used to choose the number of components for which the 'Eigen value larger than unity is taken. The created component matrix is then orthogonally rotated using the varimax rotation algorithm, which is the conventional rotation approach.

**Table 1.5 Total Variance Explained**

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.681	39.011	39.011	4.669	38.909	38.909
2	2.908	24.234	63.245	2.822	23.518	62.427
3	1.905	15.873	79.118	1.880	15.667	78.094
4	1.449	12.073	91.191	1.572	13.098	91.191
5	.433	3.606	94.797			

6	.157	1.309	96.106			
7	.151	1.259	97.365			
8	.108	.902	98.267			
9	.064	.530	98.797			
10	.058	.486	99.283			
11	.052	.433	99.717			
12	.034	.283	100.000			

Extraction Method: Principal Component Analysis.

**Source:** Primary data deprived from SPSS Package.

This table shows that 12 variables are reduced into five predominant factors with the individual variances of 38.909,62.427,78.094,91.191 cumulative variable of the 12 variance is 91.191 percent. It is more than the benchmark of the variant which is 50 percent moreover it confirms that the factor segment is meaningful.

**Rotated component Matrix:** The total percentage of the rotation's sum of squares for all services and facilities is 91.191. As a result, factorization is more suited to the inventive strategy. This table displays the values of the rotational component matrix for the DAE's entrepreneurial innovative strategy in Tamilnadu's southern districts.

**Table 1.5 Entrepreneurial innovative strategy of differently abled entrepreneurs in southern districts of Tamilnadu - Rotated Component Matrix**

Rotated Matrix <sup>a</sup>				
	Component			
	1	2	3	4
Money Transaction through Bank without intermediary	.997			
Using Bank Loan with Subsidy	.994			
Using Mobile Banking	.991			
Regular contact with Bank officials	.988			
Prompt Repayment of the Loan	.982			
Prompt Delivery and Supply		.984		
Effective Communication and Negotiation Skills		.977		
Advertisement and Discount prizes		.959		
Low margin, More Sales and Profit			.997	
Best Quality of Production			.999	
Team management				.998
Preparing Action Plan				.995
Extraction Method:	Principal	Component	Analysis.	
Rotation Method:	Promax with Kaiser Normalization. <sup>a</sup>			
a. Rotation converged in 4 iterations.				

#### 1. Embankment strategy:

This table represents the factor classification out of five factor, the second factor consists of seven variables namely Money Transaction through Bank(.997), Using Bank Loan with subsidy(.994), Using Mobile Banking(.991),regular contact with bank officials(.988), prompt repayment of the loan(.982) and all these factors termed as "embankment strategy based techniques to disabled entrepreneurs.

#### 2. Marketing strategy:

This table represents the factor classification out of three factors, the first factor consists of four variables namely prompt delivery and supply(.984), effective communication and negotiation skills, advertisement and discount prizes(.959) and all these factors termed as “marketing skills of DAE.

### 3. Production strategy:

This table represents the factor classification out of two factors, the second factor one constitutes one variables such as low margin,more sales and profit(0.997), best quality of production(.999). These factors termed as production skills based techniques to disabled entrepreneurs.

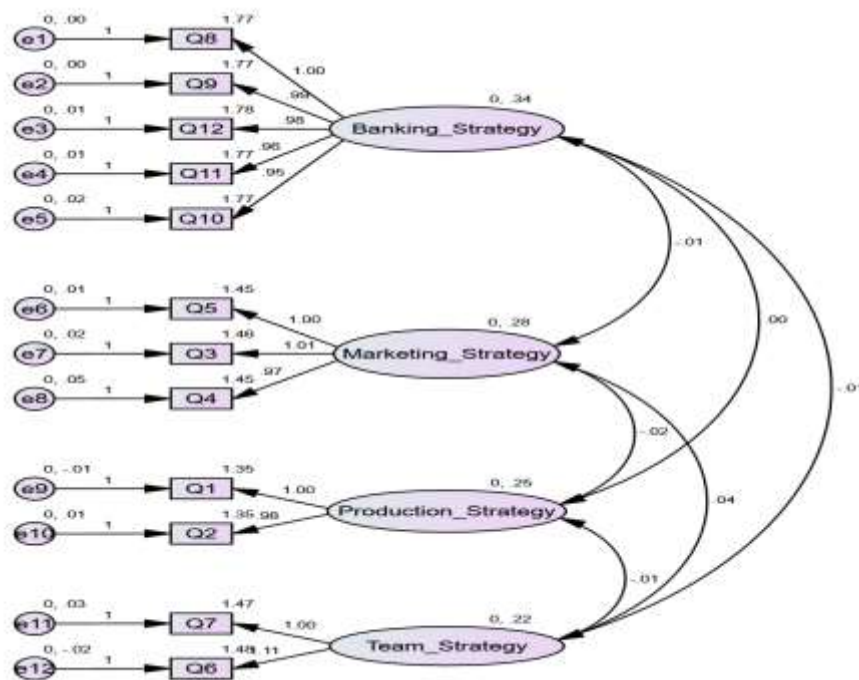
### 4. Team Strategy:

It is determined that fourteen items that have been recognized by the researcher as the disabled self-employers in Southern districts of Tamilnadu. In this way, it could be seen that each factor is correlated with the common factors and it has been proved through the factor analysis. This analysis brought out five factors namely marketing skills, embankment skills, planning skills, communication skills and financial technology skills.

### Confirmatory Factor Model(CFA) for Entrepreneurial Innovative Strategy

The model is represented by the four latent constructs namely embankment strategy, marketing strategy, production strategy and team strategy. The 12 observed variables serve as indicators of the four constructs. The following figure represents the CFA for ‘Entrepreneurial Innovative Skills’.

#### Confirmatory Factor Model for Entrepreneurial Innovative Strategy



This figure shows the CFA for ‘Entrepreneurial Innovative Strategy’ with the factor loadings of 12 observed variables and correlation among the four constructs namely embankment strategy, marketing strategy, production strategy and team strategy. The correlations among the four constructs are less than 0.6 and thus discriminant validity for all the four constructs is achieved.

### Reliability and Validity of CFA Models

The next step is the assessment of validity and reliability for each construct. Composite reliability(CR), average variance extracted(AVE) are calculated for all the constructs for Cronbach alpha SPSS is used.

The CR value range from 0.76 to 0.92, represent the internal consistence among the sets of construct indicators, AVE reflects the overall amount of variance in the indicators accounted by the latent constructs. The AVE values range from 0.51 to 0.73, suggesting that the indicators are representative of the latent constructs. CR, AVE and Cronbach alpha value surpass the threshold value is almost greater than 0.6 respectively. Therefore it is concluded that the indicators for all the constructs are sufficient in term of measurement model specification.

### Findings and Suggestion:

The following suggestions are based by the findings of the study for disabled entrepreneurial development activities.

1. **Business strategy:** By employing effective communication skills, sales skills, a deep focus, and a high ability to learn, an entrepreneur can actually learn a business strategy on the fly. When structuring and growing a business, however, it's important that the structure and growth strategy is based on sound business sense and skills. Now a days, the normal entrepreneurs is highly competing with differently abled entrepreneurs in business market. Almost these people came out from all the struggles. Commonly speech impairment people may not communicate properly and hearing difficulties people are struggle to hear and listen from their client. These can using the latest technology of translator will to communicate their business purpose and hearing aid technology will helps to overcome their struggles. 40 percent of differently abled people becoming successful entrepreneurs in their business field. These people are successfully deal with their clients. They are good in execute their business strategy for invest less money and getting moderate outcomes from their business, preparing business and action plan, give advertise their product or services in local channel. It helps them to increase their profits. Some people were not having the business skills to execute the business successfully. Market prejudices happening in real life. The normal people cannot buy their product and services because of their disability. In real time people should give first priority to buy their goods and services as well as they respect in social behavior in environment.
2. **Financial literacy:** It is a necessity for entrepreneurial advancement. Entrepreneurs are regularly involved in making decisions regarding acquisition, allocation and utilization of financial resources to run their business. All entrepreneurs need adequate financing to launch and subsequently grow their businesses. Access to loans or credit lines is a key factor in the process of expansion for small enterprises. The differently abled entrepreneurs are accessing the loan from District Industries center (DIC), National Handicapped Finance Development Corporation (NHFDC), private and public bank sectors. In this study clearly understand that differently abled entrepreneurs are well knowledgeable. They are getting loan from different institution with attractive subsidy from government. They are clearly aware about the banking knowledge. They do not need the intermediaries to fill the formalities for loan, other transactions, direct communication to the bankers. And few differently abled entrepreneurs are lack this skill because of illiteracy. Those people are also doing business and at least earning money for their survival, getting loan from government, communicate with bank using intermediaries.

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### Financial technology service awareness level:

The term financial technology can apply to any innovation where individuals transact business, from the invention of money to double-entry bookkeeping. Since the advent of mobile and internet revolution, financial technology has grown explosively, and fintech, which originally referred to computer technology applied to the back office of banks or trading firms, now encompasses a broad variety of technological interventions into personal and commercial finance. Today financial technology is shaping the bank sector in every human behavior. It plays essential role in their human life, because each and every people are needed money, they are always depending the banking transaction. For the differently abled entrepreneurs are using the mobile banking apps their business activities. It also helps them to reduce direct communication to banking officials. The illiterate people can also using this facilities for daily transaction. They are using this facilities even they purchase vegetables, fruit with a basic need amount in google pay, phonepay, net banking and so on. It is easy to access, highly securable to transact money through this application.

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### Conclusion:

Many of these differently abled people have their willingness to take challenges in business activities. Their major strategy for entrepreneurial practices such as planning strategy, management skills, marketing strategy, financial literacy, leader vision, communication skills will help them to mold their business, facing market competition and so on. They are growing in business environment compare with the normal people. They are highly good in self-confidence level so they are overcoming the existing obstacles. And still some people are struggling, but at the same time they are very hardworking and persistent in their tasks earning for their livelihood. They are taking risk and challenges willingly. The government also needs to extend their helping hand to them by providing loan. The government is giving a plenty of support but it is not enough. NHFDC is one of the boon, blessing and gift for the disabled community. The government need to offering loan, providing economic and emotional support, scholarship as well as providing EDP for them. Government should increase their support and raise their voice providing required and necessary support for these differently abled people.

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