

A Study on Women Entrepreneurs and Their Entrepreneurial Problems and Relationship Between Socio-Economic Constraints in Becoming Women Entrepreneurs.

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ABSTRACT

In this dynamic world, women entrepreneurs are a significant part of the global expedition for sustained economic development and social progress. Due to the growing industrialization, urbanization, social legislation and along with the spread of higher education and awareness, the emergence of Women owned businesses are highly increasing in the economies of almost all countries. In former days, for Women there were 3 Ks-Kitchen, Kids, Knitting, then came 3 Ps- Powder, Pap pad, Pickles and now at present there are 4 Es- Electricity, Electronics, Energy, Engineering. Indian Women had undergone a long way and are becoming a force to reckon with in the business world and are not only involved in business for survival but to satisfy their inner urge of creativity and to prove their capabilities.

Entrepreneurship has gained currency across the sphere and female entrepreneurship has become an important module. India is one of the fastest emerging economies and the importance of entrepreneurship is realized across the scope. “Women Entrepreneurship” means an act of business ownership and business creation that empowers women economically increases their economic strength as well as position in society. Women-entrepreneurs have been making a considerable impact in all most all the segments of the economy. Strong desire to do something positive is a high-quality of a women entrepreneur who contributes to the position values of family and social life.

Key Words:

Women entrepreneurs, industrialization, urbanization, social legislation, Women Entrepreneurship.

Introduction

In this dynamic world, women entrepreneurs are a significant part of the global expedition for sustained economic development and social progress. Due to the growing industrialization, urbanization, social legislation and along with the spread of higher education and awareness, the emergence of Women owned businesses are highly increasing in the economies of almost all countries. In former days, for Women there were 3 Ks-Kitchen, Kids, Knitting, then came 3 Ps- Powder, Pap pad, Pickles and now at present there are 4 Es-

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Statement of the Problem

Today’s Women are taking more and more professional and technical degrees to cope up with market and need and are flourishing as the signers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. It is perhaps for these reasons that Government Bodies, NGOs, Researchers and International Agencies have started showing interest in the issues related to entrepreneurship among Women in India. Women Entrepreneur’s explore the prospects of starting a new enterprise; undertake risks, introduction of new innovations, coordinate administration and control of business and providing effective leadership in all aspects of business and have proved their footage in male dominated business arena. Even though the Government organizes Women by various associations, they are not ready to undertake the business. Thus, the study aims to undertake the Profile, entrepreneurial problems and relationship between socio-economic constraints in becoming Women Entrepreneurs.

Objectives of the study

- To study the Profile of Women Entrepreneurs
- To study the problems faced by Women Entrepreneurs and their Socio-economic constraints in becoming Women Entrepreneurs

Research Methodology

i) Area of the Study

The area of the study refers to Coimbatore City, the third largest city of the state. Coimbatore is one of the most industrialized cities in Tamil Nadu, known as the textile capital of South India or the Manchester of the South India. The city has large amount of educational and health care institutions to serve the people.

ii) Sources of Data

The study has used primary and secondary data that are collected from 175 entrepreneurs in Coimbatore city and from District Industries Centre, Coimbatore. The Interview schedule has been prepared in such a way that the respondents were able to give their opinions freely and frankly.

iii) Sample Design

For the purpose of the study, convenient sampling technique has been administered in the study among the entrepreneurs.

iv) Statistical Tools Applied

- Percentage analysis
- Analysis of variance

Limitations of the study

The research is geographically restricted to Coimbatore city only. The data have been collected from 175 Women Entrepreneurs Only.

Review of Literature

Review of literature is the study of the prevalent materials related to the topic of the research. This helps the researcher to get a clear idea about the particular field. Following are some of the literature that are reviewed and enlisted.

Veland Ramadani et al (2013)⁶⁴, in their study focused about the women entrepreneurs in macedonia, conditions for female entrepreneurship, perspectives for development and an array of problems that women entrepreneurs are facing. The study in order to gain a better picture of current motive problem and perspectives Macedonian women in entrepreneurship, a survey was conducted during the period of December 2011-March 2012, to complement secondary sources. The study states that respondents are asked about motives for starting a business, the size of the business they run, revenues their family status management problems and necessary capabilities as perceived by them. The study finally concluded by revealing that Global Entrepreneurship monitor (GEM) reports are used to compare the indicators of entrepreneurial activity between Republic of Macedonia and other countries in the Region.

Rajagopal (2012)⁶², in his study aimed to focus an array of challenges for women entrepreneurs in developing countries that arise from the socio-cultural, economic, legal, political and technological environments within their surroundings. The study revealed that unfavourable conditions in local regulatory normative and cognitive systems place additional questions on women who desire to become entrepreneurs or to expand entrepreneurs or to expand an entrepreneurial business. The arguments to support women entrepreneurship in the content of Mexican socio cultural environment are developed in this paper with a focus to understand better how such barriers affect the entrepreneurial goals. The study thus concluded with the discussions of the life framework, empowerment and identifies socio-cultural factors that affect the entrepreneurial process among women.

Role of Women as an Entrepreneur

The first Prime Minister of India Pandit Jawaharlal Nehru said, “When women move forward, the family moves, the village moves and the nation moves.” The best approach to move i.e. to develop the conditions of women in the country is through empowerment.

For as former President of India Dr. A.P.J. Kalam once said, “Empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation.”

Considering the flow of Women Entrepreneurs in the traditional industries, it is often criticized that the Women Entrepreneurship is engaged only in handloom and handicraft and in the non-traditional term, now their aspect have broaden into new line like hotel industry, Xeroxing, beauty parlor business, incense stick making, candle making etc. In the last decade, there has been a remarkable shift it emphasizes from the traditional industry to non-traditional industry and services. Based on this concept, some important opportunities are being identified, considering the socio-economic, cultural and educational status and motivational level of Women Entrepreneurs, particularly projects with low investment, low technical know-how and assured market are suggested for them such as production of soaps, detergents, ready-made instant food products including pickles, spices, pap pad, manufacturing of woolen goods, beauty parlor business, typing centre, job contracts for packaging of goods and distribution and household provision etc. At present they are:

- **Creative:** It refers to the creative approach or innovative ideas with competitive market. Well planned approach is needed to examine the existing situation and to identify the entrepreneurial opportunities. It further implies that Women Entrepreneurs have alliance with clued-up people and constricting the right organization offering support and service.
- **Quality to working hard:** Innovative Women have further ability to work hard. The creative ideas have to come to a fair play. Hard work is required to build up an enterprise.
- **Determination:** Women Entrepreneurs must have an intention to fulfill their dreams. They have to make a dream transferred into an idea enterprise.
- **Ability and desire to take risk:** The desire to the willingness to take risk and ability to the proficiency in planning making forecast estimates and calculations.
- **Profit earning capacity:** Women have a capability to get maximum return out of the invested capital.

Problems faced by Women Entrepreneurs

The problems faced by woman entrepreneurs are briefly analysed below:

- **Access to Start-up Finance**

Access to start-up finance is the greatest single issue faced by women entrepreneurs. It is observed that women entrepreneurs face greater problems in this regard that small business in general. As family members are not in

favour of supporting their ladies to take up the business in which they have skills, naturally they will be unwilling to support with the finance required for starting a business unit.

- **Working Capital Management**

Another key disturbing factor for women entrepreneur is managing the working capital. Working capital is required for maintaining finished stock to meet the market demand, for production and meeting marketing and other administrative expense. It will be very difficult for women entrepreneurs to avail such loan facilities from financial institutions as they are unable to provide security.

- **Marketing Skills**

Regarding marketing skills, women entrepreneurs have the problem of access to markets as their marketing skills are weak compared to male entrepreneurs. Maintaining existing business and access to fresh business requires strategic marketing skills. This is the most commonly repeated problem faced by women entrepreneurs after finance.

- **Access to Technology**

Co-ordinating factors of production are really a challenge to woman entrepreneurs. Woman entrepreneurs cannot easily co-ordinate the production process particularly with the ever changing technology. Very few women can sustain such production instants. Women who aspire to become entrepreneurs cannot keep pace with technology advancement. This puts down their initiative to become entrepreneurs.

- **Regulatory Requirements**

Regarding administrative and regulatory requirements may face that this is a significantly greater problem for women entrepreneurs than their male counterparts. Micro- enterprises of every type experience these problems. It is because of the disproportionate effect of compliance costs on small companies compared with large firms. In spite of this, women entrepreneurs do not face that it, is a major issue.

- **Management Skills**

Another vital problem encountered by woman entrepreneurs is lack of management skills. In majority of the cases woman entrepreneurs lack management skills. Because they have lower propensity of previous business experience. Besides this, support providers discriminate against women entrepreneurs to a greater extension providing these skills.

- **Lack of Confidence**

Other problems' like society's attitude towards woman entrepreneurs, unequal opportunities between women and women and very important amongst all the 'Lack of Confidence' in women are also haunting entrepreneurs.

Findings, recommendations and conclusion

In this chapter the findings, recommendations and conclusion of the study is presented.

Findings

The findings of the study are summarized and presented objective wise.

Objective 1: To study the Profile of Women Entrepreneurs

- * Majority (64%) of the respondents own a sole proprietorship.
- * Most (29.7%) of respondents have their nature of business as service.
- * Majority (60.6%) respondents have their initial investment to start the business as below Rs.3,00,000.
- * Maximum (42.9%) of the respondents are with below below `2,00,000 as their turnover per year
- * Majority (58.3%) of the respondents are with below 5 members as the number of employees working in their organization.
- * Most (29.7%) of the respondents have 2 years to 4 years as experience in their business.

Objective 2: To study the problems faced by women entrepreneurs and their socio-economic constraints in becoming women entrepreneurs

- * Majority (57.7%) of the respondents have stated that they have not faced problems in starting the business.
- * Most (28.4%) of the respondents have mentioned their factor of problem in starting the business as there is no financial support.
- * Majority (54.3%) of the respondents have not faced problems in running the business.
- * Maximum (43.7%) of the respondents have their factor of problem in running the business as lack of knowledge in marketing and finance.
- * Majority (62.9%) of the respondents have often faced problem in marketing area.
- * Most (16.4%) of the respondents have their marketing problem as storage problems.
- * Most (26.3%) of the respondents have taken the step as product differentiation to solve the marketing problems.
- * Most (34.3%) of the respondents have faced problem in getting financial assistance as it has long procedure & formalities.
- * Majority (66.3%) of the respondents have taken help frequently to run the business from their family members.
- * Maximum (37%) of the respondents has strongly agreed towards the level of agreeability towards the socio-economic constraints of women entrepreneurs with regard to combining family life & work life is not possible.

Results from Analysis of Variance

- The turnover per year and number of employees working in the organization have significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to possibility of combining family life and work life.
- The experience in business alone is having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating location of the work place is not safe.

- The nature of business and experience in business are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the external factors don't play a major role in production, like electricity, shortage of raw materials etc.,
- All the organizational factors have insignificant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the male domination in business circle.
- All the organizational factors have insignificant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to availing the bank loan is not easy task.
- All the organizational factors have insignificant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the impossibility to spend time with family and relatives for functions.
- All the organizational factors have insignificant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the scarcity of resources has nothing to do with quality of product.
- The experience in business alone is having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the lack of education and technical knowledge have no relationship.
- The initial investment to start the business, turnover per year and number of employees working in organization are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the lack of proper training affects the performance of the employees.
- The turnover per year and experience in business are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the factor there is no correlation between experience and performance.
- The nature of business and turnover per year are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the lack of self confidence in running the business.
- The number of employees working in organization and experience in business are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the economy ups and downs does not affect the business much.
- The type of organization and turnover per year are having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the unskilled employees are simply wasting the time without doing the productive work.

- All the organizational factors have insignificant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the unreliable employees are misusing the entire organization by cheating the employer.
- The nature of business alone is having the significant influence relating to the level of agreeability towards the socio-economic constraints of women entrepreneurs relating to the cultural & religious issues are not allowing the women to become entrepreneur.

Suggestions

➤ **Simplifying the procedures**

Efforts should be made in the direction of simplification of the procedures, formalities, rules and regulations, etc., required to be fulfilled by the women entrepreneurs in all matter of registration, seeking assistance, subsidies, concessions, relief etc., from different departments and governments sponsored organization involved in providing a variety of services to women entrepreneurs.

➤ **Measures to remove obstacles**

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitudinal changes, training and supportive services

➤ **Psychological problems**

To overcome psychological problems i.e. lack of confidence, low risk taking capacity, counseling should be provided to the existing and emerging women entrepreneurs with the help of NGOs, psychiatrists, technical persons and management experts.

➤ **Overcoming entrepreneurial problems**

The problems of women entrepreneurs could not be solved only by government intervention. Self-help and mutually aided groups must be formulated for overcoming the common entrepreneurial problems.

Conclusion

In India, marriage is the only career for most women in early times. Even professionally, they have largely confined their activities to areas such as teaching, office work, nursing and medicine. The emergence of women on the economic scene as entrepreneurs is a significant development in setting free of women and securing for them a place in the society, which they have all along deserved. The association of women with economic enterprises would provide a healing touch in promoting peace and amity in the trouble ride world of today. For this many NGO's should also come forward to extend their support services in the form of pooling financial resources for helping them and spreading education amongst various category of people of the society to encourage woman's in their families to represent themselves in the entrepreneurship sector and earn a good name, reputation, financial status, and goodwill in the field of industry, trade and commerce.

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