

Research Article

Women Entrepreneurs In India- Major External Challenges- An Empirical Investigation From A South Indian Context

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ABSTRACT

In recent years, women have been showing keen interest in taking self-oriented jobs and professions by enhancing their growing interpersonal skills, industrial exposure, family support, and financial assistance. Unequal access to education restricts them from acquiring the functional levels of literacy required to learn the skills. This paper is an attempt to analyze the reasons which prompt women to start a business and the major challenging external factors which women entrepreneurs face in the Indian context. The study was conducted through online mode and required responses were received from women entrepreneurs across the country. The major findings were social acceptance towards the working women, marketing and promotional issues of their products and services, problems related to resource procurement, funding issues, and challenges arising out of Indian Patriarchal social order. The study is concluded with stating that a business arena is still a tough place for women in India. Despite the hardships faced by women, risk-taking mentality and family support help them to find new ways to beat the odds placed against them. The analysis revealed that one of the most important factors of their success is their own will power and vision that makes it possible for them to overcome the social and professional challenges.

Keywords: Women entrepreneurs, Industrial Exposure, Professional skills, financial assistance

INTRODUCTION

Women entrepreneurs play a significant role in the economic growth of a country. "Entrepreneurship development", particularly of women, is one of the crucial issues of contemporary development agenda in many of the developing countries. Entrepreneurship development and empowerment are complementary in nature. Women entrepreneurs (WEs) have fabulous potential in empowering and transforming society through females partaking in the labor market (Apergis and Pekka-Economou, 2010). A woman involved in various entrepreneurial activities has helped them in their personal and socio-economic developments. It is noticeable that Goal No 3 of the Millennium Development Goal (MDG) of the United Nations, has proposed to promote gender equality and empower women with respect to education, employment, and political empowerment. In India half of the population constitutes women hence rapid economic development of the country depends on women's empowerment. Hence there is a dire need of empowering women for the economic development of the country. Entrepreneurship by women plays a pivotal role in achieving women's empowerment. Essential efforts need to be initiated by the government and other agencies nationally and

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internationally, to strengthen women entrepreneurs. With the concerted efforts of Government and Non-Government organizations (NGOs), rural women come forward to set up micro and small enterprises such as dairy raising, poultry rearing, handicrafts, daily hawker, etc. New generation entrepreneurs who come up with online business models and out-of-the-box ideas play a crucial role in the service sector too. It is well recognized that the involvement of women in micro-enterprises depends on personal, socio-cultural, and economic factors stemmed from the society. The gender inequity that often prevails in most of the societies has a negative influence on women entrepreneurship development. This article aims to determine the factors influencing women entrepreneurship development and major obstacles faced by them in the process.

REVIEW OF LITERATURE

A good number of studies are carried out around the world focusing on microenterprise development and women entrepreneurship. Women entrepreneurs play a momentous role in economic progress via employment generation and business diversity (Verheul, Van Stel & Thurik, 2004). Jalbert (2000) explained that entrepreneurship begins from an individual's creative mindset into long-term business goals and ownership, risk-taking mentality, inspired to generate employment, and secured economic life. Women entrepreneurs in the Indian scenario reveal how they are contesting in their family, and their social and cultural pressures to overcome the status quo in the society they live in. Jalbert (2000) observed that women entrepreneurs possess certain unique characteristics that uplift their thoughts, generate out of the box ideas and styles of doing things in an unusual way. According to Mallon and Cohen, 2001 one of the reasons for women to choose self-employment is their aversion to abide by a lack of appreciation in their day-to-day life.

Push and pull factors play a crucial role in the growth of women folks as women entrepreneurs. A sense of independent decision-making on their life and career is one of the major motivational factors behind this urge (Anjali Singh, 2014.). Such a situation leads to pulling factors of women entrepreneurship. At the same time inflexible-tedious working hours, low pay scale, stressful work environment, lack of control, and lack of promotional prospects are some of the factors that can push women into entrepreneurship (Heilman & Chen, 2003). According to Lovely Parvin et al, 2012 the main motivations for women entrepreneurs to start a business are the need for a change, self-satisfaction, and confidence in the product or service which are offered by them. Aminah (1998), in a study of selected successful women in Malaysia revealed that changing attitudes of parents and husbands towards a more positive trend were perceived to be related to the higher educational attainment of women, which in turn could influence women's participation in setting up their own business enterprises. Flexible timings and autonomy are two factors that play a significant role among parental women because self-employment has the advantage of combining work with child care needs (Bradley and Boles, 2003). Providing strong support for women entrepreneurs will maximize their full potential, thus contributing to the country and the global economy. Without harnessing the talents, human capital, and economic potential of women, the goal of poverty reduction and sustainable development cannot be achieved (Asian Development bank 2012). On the other hand, inadequate cash flows, marketing deficits, lack of training & development, and stringent government regulations create obstacles to women entrepreneurship development. This article concentrates on major motivating factors and obstacles faced by women entrepreneurs in the south Indian context.

SIGNIFICANCE OF THE STUDY

This study analyses the factors that encourage women into starting their own business, and the entrepreneurial characteristics of such women folks. The information obtained will serve as a

guideline in determining the factors and the characteristics of women entrepreneurs more deliberately and accurately. It also intends to bring out lucid information regarding the challenges and problems faced by women entrepreneurs. These findings will be useful for vibrant women groups who wish to become entrepreneurs. It may also be used as input to influence government policies and procedures when formulating guidelines to support women entrepreneurs.

OBJECTIVES OF THE STUDY

The objectives of this study include;

- (i) To identify main factors which motivate women to start self owned businesses and
- (ii) To understand major obstacles faced by women entrepreneurs in Indian context.

METHODOLOGY OF THE STUDY

RESEARCH DESIGN

An online survey method was employed whereby online questionnaires were distributed to respondents from the states of Kerala, Tamil Nadu, Andhra Pradesh and Karnataka. The respondents were asked to provide responses to items on a five-point Likert scale to measure the strength of their opinion. The research used a quantitative method to gather the information regarding key points.

POPULATION AND SAMPLE

The population of this study includes all women entrepreneurs who set up their own small sized businesses within the states of Kerala Tamil nadu, Andhra Pradesh and Karnataka. The present study used a convenient sample comprising of 35 women entrepreneurs who started their own businesses.

DATA ANALYSIS AND RESULTS

Data collected was statistically analyzed using SPSS 20v and MS Excel. Data from the questionnaires were coded and was investigated and transformed to useful outputs such as frequency tables and descriptive statistics (mean and standard deviation). The term “problems” in this study encompasses hardships and limitations faced by the women entrepreneurs and their motivational factors for new start ups. The results were used to draw conclusions and make recommendations regarding the development of women entrepreneurs.

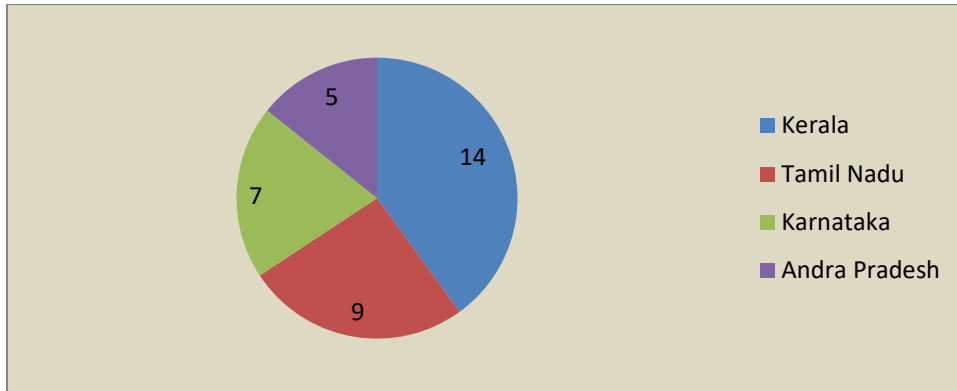
RESULTS AND DISCUSSIONS

SOCIO ECONOMIC CHARACTERISTICS OF RESPONDENTS

Basic information regarding Women entrepreneurs are given below

Figure 1 **STATE OF THE RESPONDENTS**

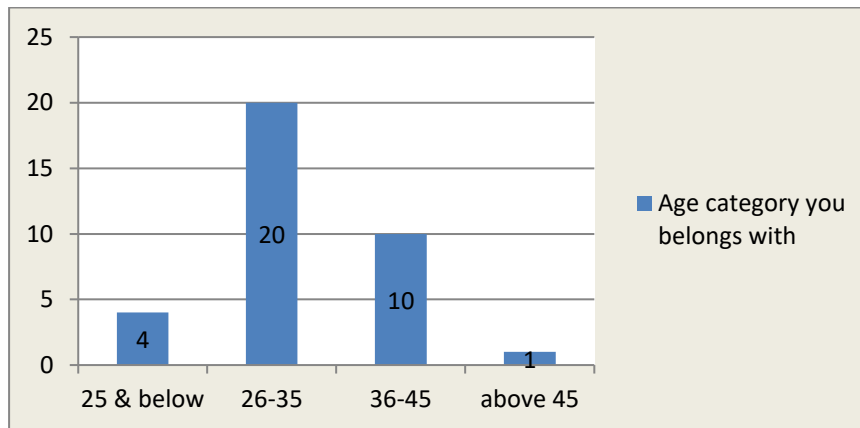
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Source: Primary data, 2020

From the diagram it is clearly understood that out of 35 women entrepreneurs 14 members belong to Kerala, 9 members belong Tamil Nadu, 7 members belong to Karnataka and 5 members belong to Andhra Pradesh.

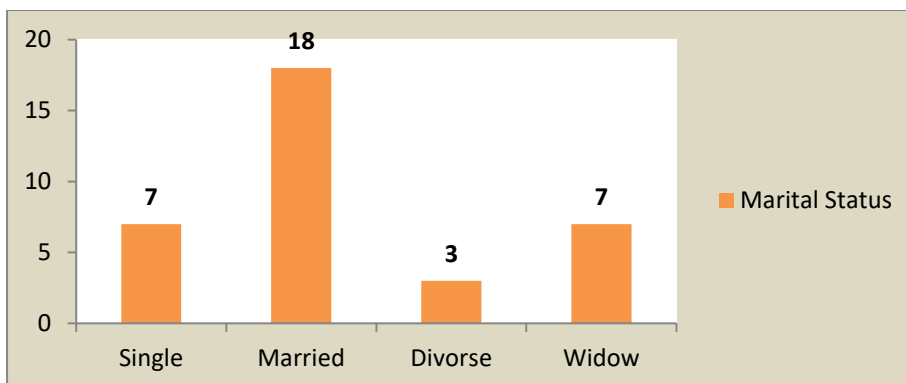
Figure 2. AGE OF THE RESPONDENTS



Source: Primary data, 2020

Most of the respondents belonged to the age category of 26-35.

Figure 3 MARITAL STATUS

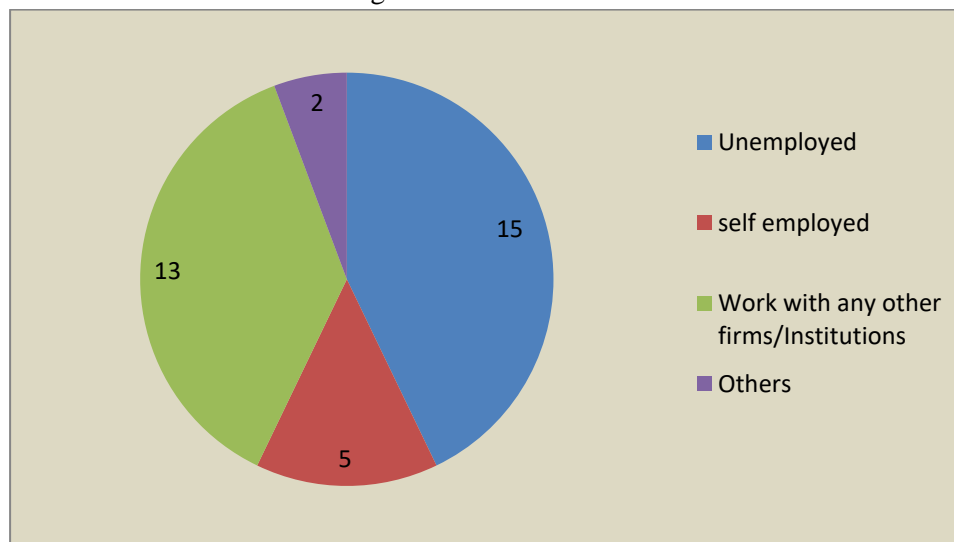


Source: Primary data, 2020

Half of the respondents were married (51%). Single and widow category show equal percentage and few respondents belong to divorced category. It can reasonably be assumed that married women were experiencing freedom and receiving support directly and/ or indirectly to start and manage their enterprises.

OCCUPATIONAL BACK GROUND

Figure 4



Source: Primary data, 2020

Respondents' employment back ground shows that 15 (43%) respondents were previously unemployed, 13 (37%) respondents worked under other employers and only 5 (14%) respondents were self-employed.

BUSINESS INFORMATION

Table 1 Showing Business Background of the respondents

Sl. No	Business characteristics of Respondents	Respondents (n= 35)	Percentage(in 100)
1	Age of Present Business:		
	Less than 1 year	2	6%
	1 to 3	18	51%
	4 to 5	7	20
	Above 5	8	23%
2	Type of Industry in which business belongs to:		
	Retail	23	66%
	Service	10	28%
	Others	2	6%
3	Nature of Business:		
	Boutique	13	37%
	Online shop	14	40%
	Food products	5	14%
	Career guidance	3	9%
4	Legal status of business:		

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	Sole proprietorship	27	77%
	Partnership	7	20%
	Private company	1	3%
	Others	NIL	
5	Sources of start up funding:		
	Personal savings	4	11%
	Friends and family	8	23%
	Bank loan	21	60%
	From Previous business	2	6%
6	Monthly Turnover:		
	Less than Rs.20,000	2	6%
	Rs.20,000-30,000	4	11%
	Rs.30,000- 50,000	19	54%
	Above Rs.50,000	10	29%

More than half (51%) of the respondents started their enterprise between 1 to 3 years. 23 entrepreneurs (66%) belong to retail sectors, of which online business mode and self designed boutiques were the most preferred areas. 10 (28%) participants stated that they were engaged in service sectors which include food products business and career guidance agencies. 27 (77%) respondents in the study, conduct their business as sole proprietorship concern. 7 (20%) respondents are under partnership category. Only one respondent registered her business as private limited company. 60% of the (21) respondents availed loan from banks and 23% raised fund through friends and family. More than half of the respondents (54%) had annual monthly turnover between Rs.30, 000 and Rs.50, 000. 10 respondents had monthly turnover of more than Rs.50, 000.

MOTIVATIONAL FACTORS

Motivator or drive to make a leap into new business ventures include

Table 2 Descriptive Statistics

	N	Mean	Rank
Need to achieve personal growth	35	4.63	I
difficulties in finding other jobs	35	4.46	II
desire to put knowledge and skills into use	35	4.40	III
for balancing career with family	35	4.40	IV
sound economic payoff	35	4.34	V
autonomy	35	4.29	VI
due to family business	35	4.29	VII
fell of self worth	35	4.23	VIII
For Getting Recognition	35	4.06	IX

The table above depicts the motivating factors which influenced them to start the enterprise in the order of importance. “Need to achieve personal growth and development” is the most popular choice among the respondents with mean value 4.63. “Need for recognition” (mean value 4.06) was considered as the least important influencing factor by the respondents.

OBSTACLES AND CHALLENGES FACED BY WOMEN ENTREPRENEURS

Table 3 Descriptive Statistics

	N	Mean	Rank
Financial constraints	35	4.20	IV
Isolation in taking decisions alone	35	4.09	VI
Staff shortage	35	3.03	VIII
Lack of startup capital	35	4.35	I
Lack of confidence	35	3.69	VII
Lack of skills and training in business techniques	35	4.26	III
overloaded with family responsibilities and problems	35	4.34	II
lack of family support	35	2.23	IX
stringent government policies	35	4.17	V

The table above explains major obstacles and challenges that women faced while starting their enterprises. There were nine challenges/problems proposed to the respondents via the questionnaire. The challenges/problems were later ranked according to their mean scores to gauge the most and the least of the challenges/problems that the respondents face. Among various obstacles, lack of startup capital was identified as the most challenging factor in starting the enterprise by the respondents. This was followed by family responsibilities and other issues like work life balance. Lack of support from family was the least pointed out constraint. This suggests that family act as a pillar or back bone behind the success of every woman entrepreneur.

FINDINGS AND DISCUSSIONS

The question of major problems faced by these women entrepreneurs found some shreds of evidence in the form of issues of development and growth, financial constraint due to high overheads, stringent government policies, and lack of start-up capital, isolation of taking decisions alone, shouldering heavy workloads, and lack of consultation help from experts and training and development issues. Women entrepreneurs who were surveyed recommended most urgent requirements such as effective marketing strategies, financial support via subsidies or interest-free loans, and technological up-gradations. Limited numbers of variables were used in the questionnaire of the present study which results in difficulties in generalization. To make reasonable conclusions, more data is required.

CONCLUSION

The study found that women entrepreneurs are well focused, ready to face obstacles, and at the same time they want to make a positive difference in their communities. Business start-up barriers faced by women are different from that of men. Few instances include the mindset of our family and society, difficulties in obtaining credit, lack of experience and managerial skills, lack of sufficient collateral securities, etc. Women also have to manage the double burden of home and work responsibilities. This becomes an extra challenge for rural women, as they have to cope with the lack of infrastructure as well. Running a business is still a herculean task for women in India. However, despite these hardships, enterprising women continue to find new ways to beat the odds placed against them. For the most part, it is their will power and vision that makes it possible for them to overcome the social and professional challenges.

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