



## STUDY ABOUT THE CHALLENGES FACED BY WOMEN ENTREPRENEURS WITH SPECIAL REFERENCE TO THRISSUR DISTRICT

### Social Science

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### ABSTRACT

Entrepreneurial women face challenges inherent to their multifaceted livelihoods. These challenges are exacerbated when their entrepreneurial efforts are related to farming due to the complexity of the agricultural industry. Our literature review unearthed several challenges that tend to affect the success of women entrepreneurs in general, as well as another mix of challenges affecting female farmers. One of the biggest hurdles women entrepreneurs face in comparison with their male counterparts arise out of their lower access to financial resources to start (Carter and Rosa 1998) and grow their businesses. A related challenge women entrepreneurs report is a difficulty in accessing business networks which limits their access to information and training opportunities, establish strategic partnerships and enter new markets. When working in farming, such challenge is more pronounced due to the difficulty in accessing adequate tools and technology to increase their production (Doss 2001; Ragasa 2012) and to transport their products to markets.

### KEYWORDS

Women Entrepreneurs, Challenges, Threats, Restrictions

### INTRODUCTION

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. An entrepreneur is a person who starts an enterprise. He searches for change and responds to it. A number of definitions have been given of an entrepreneur- The economists view him as a fourth factor of production along with land labour and capital. In under developed economies the need of entrepreneurship is been recognized as the major factor of growth in an economy. As the number of entrepreneurs increasing in an economy the growth rate is high, reduction of employment and it also helps in the economic growth of the country. Entrepreneurship serves as a catalyst of economic development of the country. It is one of the largest sections for capital accumulation. In fact economic growth is the result of the efforts taken by the entrepreneurs. Similarly entrepreneurs can dictate the economic growth by their actions and decisions. Now many have begun to realize that for achieving the goal of economic development, it is necessary to promote entrepreneurship both qualitatively and quantitatively in the country. Only active and enthusiastic entrepreneurs fully explore the potentialities of the country's available resources – labour, technology and capital.

Government of India has defined women entrepreneur is “ an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women”.

Women entrepreneurship is the process in which women initiate a business, gather all resources, undertake risks, face challenges, provides employment to others and manages the business independently. Approximately 1/3<sup>rd</sup> of the entrepreneurs in the world are women entrepreneurs.

### REVIEW OF LITERATURE

**Ghosh, Gupta and Dhar (1998)** studied the women and entrepreneurship in India, in a research project undertaken by The Centre for Management Development in Trivandrum titled Management Skills for Rural Enterprises: A Field Investigation. The project involved motivating, training and assisting men and women towards developing independent business ventures. This study focused on the experiences of women who started micro-enterprises. Based on the quantitative analysis of the data obtained from questions administered to 73 women who invested in small scale industries, an attempt was made to develop a profile of women entrepreneurs and draw out some implications. According to the results of the study, societal and cultural values impinge on women entrepreneurs outside their homes, making it difficult for them to operate in male dominated spheres. As women, they are obliged to make their work and home environments fit to run smoothly and pleasantly.

**Nath (2000)** examined the effect of social, organizational and personal partialities on the development of professional women in India. The data was collected from Indian women entrepreneurs with the help of structured questionnaire and in depth interview. It was found that the

environment in India is conducive for women managers to reach the top. However, better culture and environment has to be developed for women entrepreneurs in India.

**Thomas (2000)** analyzed the performance and the complementary strengths of women entrepreneurs' dual role as homemakers and entrepreneurs in Ernakulam district in Kerala state. An analytical survey followed by case studies of twelve women entrepreneurs from Ernakulam district in Kerala state was done. Entrepreneurial competencies of these women were identified and finally a SWOT analysis was done. The study found that women entrepreneurs were facing the problems of policy-practice gaps, lack of professionalism, conservative attitudes, and time constraints, hesitancy to improve entrepreneurial knowledge, obedient nature and low risk bearing capacity. However, a better entrepreneurial environment, supportive family, access to infrastructure and entrepreneurial qualities strengthened women entrepreneurs.

**Dhameja (2002)** studied the opportunities, performance and problems experienced by women entrepreneurs with reference to India and found that the role of women has changed over the years and they are successful in various decision making roles like advisors, publishers, exporters, producers, artists and so on.

**Embran (2003)** studied the women entrepreneurship in Kerala and found that women entrepreneurs face plethora of problems not only in launching their units but also in running them with financial problems like shortage of working capital.

### PROBLEMS FACED BY WOMEN ENTREPRENEURS

There are some umpteen problems faced by women at various stages beginning from their initial commencement of enterprise, in running their enterprise. Their various problems are as follows:

1. Lack focus on Career Obligations Indian women do not focus on their career obligations in the same manner as they do on their family and personal life. Despite having excellent entrepreneurial abilities, they do not focus on their career obligations. Their lack of focus towards their career creates a problem in promoting women entrepreneurship.
2. Economic Instability of women The economic stability of Indian women is in a very poor state as they lack proper education that is crucial for becoming self-dependent. Women in rural areas can't take any entrepreneurial.
3. Lack of Risk taking ability Our educational system is very primitive and creating awareness about woman's capacities and their hidden powers to handle economic activities. Most of the women are not performing entrepreneurial activities because they are not having the proper capacities and risk making ability.
4. Arrangement of Finance & Raw Material Arrangement of finance is a major problem that is faced by women entrepreneurs. Their access to external sources of finance is very limited because of their poor economic condition in the society. As such, they find it difficult to be an entrepreneur as they lack the risk taking ability

- because of poor financial assistance. Another problem faced by them is shortage of raw-material and difficulty faced by the women entrepreneur in arranging good quality raw material at competitive prices.
5. Cut-throat Competition Women entrepreneurs have to face tough competition not only from industry but also from their male counterparts. Surviving this cut-throat competition and achieving the aim of producing quality product at competitive price is not an easy task for the women entrepreneurs.
  6. Low levels of literacy amongst women Illiteracy is the root cause of socioeconomic biasedness that prevails in the society and that doesn't let women achieve economic independency. Due to lack of Knowledge of latest technology and proper education, it becomes difficult for women to set up their own enterprises.
  7. Problems in getting financial assistance by banks & Financial Institutions Banks and financial institutions help finance small and medium size firm operators to get financial assistance. But these banks and financial institutions don't readily provide credit to women entrepreneurs because they doubt the credit worthiness of women entrepreneurs. The irony is that according to a report by the United Nations Industrial Development Organization (UNIDO), woman's loan repayment rates are higher than men's but still financial institutes doubt their loan repayment abilities.
  8. Marketing Problems Women entrepreneurs face problems in marketing of their products as this area is mainly dominated by males and women fail to make a mark in this area. Women entrepreneur also find it difficult to capture the market and make their products popular and they often take the help of middlemen in marketing their products who often charge high commission from them.
  9. Less support towards family In business women have to devote long hours and as a result, they find it difficult to meet the demands of their family members and society as well. As such they become incapable in attending to domestic work, attending to the needs of their children which lead to conflict in their personal lives and they find it difficult to work as an women entrepreneur.
  10. High cost of production: High cost of production adversely affects the development of women entrepreneurs. The high cost of factors of production & the raw material makes it difficult for the women entrepreneur to operate in the industry. Government assistance in the form of grant and subsidies to some extent enables them to tide over the difficult situations. Other than the high cost of production, women entrepreneurs also face the problems of labor, human resources, infrastructure, legal formalities, overload of work, mistrust etc that are associate with every business enterprise.
  11. Lack of self-confidence and self-esteem amongst women: - A strong mental outlook and an optimistic attitude amongst women are required amongst women to be an entrepreneur. But it has been noticed that women lack these qualities required in setting up their own enterprises. Thus, not having the required confidence that is needed by today's women to move ahead creates resistance in their being a good entrepreneur.

**OBJECTIVES:**

1. To analyse the demographic variables of women entrepreneurs.
2. To analyse the problems faced by the women entrepreneurs

**RESEARCH METHODOLOGY:**

This study following descriptive nature. Questionnaire is used as primary data collection tool. The information from Journals, reports, books and websites related to women entrepreneurs are considered as the secondary data. Women entrepreneurs in Thrissur District are the sample unit for this study. Sample size for this study is 100 women entrepreneurs in Thrissur district. Percentage analysis, Co-efficient of correlation and t-test were used for this study.

**DATA ANALYSIS AND INTERPRETATION**

**• DEMOGRAPHIC VARIABLES OF WOMEN ENTREPRENEURS**

Socio-Demographic –Economic Profile Table 1

Characteristics	Respondents	Percentage (%)
Age 16-25	18	18
• 26-35	28	28
• 36 and above	54	54
Education- Illiterate	18	18
Below SSLC		
SSLC		

Intermediate	50	50
Degree	13	13
P G and above	7	7
	12	12
	0	0
Marital status- unmarried	8	8
Married	76	76
Widow	10	10
Divorcee	6	6
No. of children- None	18	18
1	12	12
2	37	37
3	20	20
4	7	7
5 and above	6	6
Income- below 2500	51	51
2501-5000	38	38
Above 5001	11	11

Educational status does not influence women in seeking entrepreneurship (Rani, 1992). This trend may leads to less realization of the need for appropriate pre-entrepreneurial interventions. Majority (76%) of the women entrepreneurs were married and only low per cent of them were unmarried (8%), widows (10%) and divorces/separated (6%). Married were experiencing freedom and receiving support directly and/ or indirectly to start and manage their enterprises. Further parents were expressing that economic independence through entrepreneurship is a barrier in fixing their marriage alliances. Single women households experiencing several problems like low/no support from both family as well as financial agencies.

Majority (60%) of the respondents had fewer than two children, which included 18% who had no children, 12% were single parent, and 37% of the women entrepreneurs had two children. Only 40% of women entrepreneurs had more than two children. It is clear from the data that more women with small families enter entrepreneurship compared to those with large families .

Entrepreneurial personality of the women entrepreneurs was assessed using simple questionnaire. The questions on entrepreneurial personality characteristics include initiation, risk taking, sociability, leadership independence etc. The data collected reveals that entrepreneurial personality traits range from low average to high average and thus concluding that women entrepreneurs possessed only average personality profile. Several factors like socio, economic demographic and cultural might be responsible for the existing average entrepreneurial personality profile.

Management styles of women entrepreneurs was also analysed using another questionnaire contained questions on four entrepreneurial management skills i.e., producer, administrator, integrator and entrepreneur. It was observed that they have average production skills and average entrepreneurial skills. This entrepreneurial skill includes preoccupied by external system, by change, by creativity and by new demands.

In-depth analysis of 50 cases revealed that out of 50 cases, 15 cases were effectively managing (EME) their micro-enterprises in terms of profit, personal satisfaction etc., and the remaining are merely surviving in their enterprises. Different management styles were exhibited by these two groups of entrepreneurs. The mere Surviving Entrepreneurs (SE) have average production skills, low administration skills, high average integration skills and average entrepreneur skills. When compared with effectively managing entrepreneurs (EME), both have equal production/service skills, EME have low average administration skills i.e. in setting up internal system, to be able to control, analyse the results, to plan for strategies, to set up norms and expectations, which is low in SE. SE have good integration skills, i.e. people skills, communication skills, negotiation skills, coordination skills compared to EME. But both have average entrepreneurial skills. Appropriate education training in entrepreneurship skills are necessary for women. Management process of 50 women entrepreneurs was studied in respect of their planning, execution and controlling the activities of enterprise using their case study profiles. Most of the women entrepreneurs (56%) belonged to service sector, 20% belonged to production and 24% of women entrepreneurs

belonged to business sectors respectively. This supports the argument that women would tend to initiate business in sectors which are generally accepted as being “appropriate” for women. From among the 18% per cent of women entrepreneurs only 8% had formal experience compared to 10% who received informal experience by assisting/participating/ observing parents/siblings working for the enterprise.

#### • PROBLEM FACED BY WOMEN ENTREPRENEURS

**Table 2 Regression coefficient**

Path	Estimate	CR	P	Variance explained
Lack of financial assistance->Problem faced by women entrepreneurs	0.724	12.857	<0.001	52.4
Immobility ->Problem faced by women entrepreneurs	0.542	8.519	<0.001	29.3
Lack of family support->Problem faced by women entrepreneurs	0.361	5.306	<0.001	13.0
Tight competition ->Problem faced by women entrepreneurs	0.758	13.916	<0.001	57.4
Lack of knowledge ->Problem faced by women entrepreneurs	0.358	5.258	<0.001	12.8
Lack of infrastructural facilities ->Problem faced by women entrepreneurs	0.177	2.511	0.013	3.1
Risks in the business field ->Problem faced by women entrepreneurs	0.362	5.322	<0.001	13.1
Lack of marketing assistance ->Problem faced by women entrepreneurs	0.707	12.368	<0.001	50.0

(source: survey data)

The estimated values of financial assistance, immobility, tight competition, lack of marketing assistance are 0.724, 0.542, 0.758 and 0.707 respectively. These values are greater than p value (0.4). This study reveals that lack of financial assistance, immobility, tight competition in the market and lack of marketing assistance are the main problems faced by the women entrepreneurs.

#### FINDINGS:

More than half portion of women entrepreneurs are above 36 years old. 76% of them are married. Half portion of them are below SSLC. 51% of them get only income below 2500 Rs.

Lack of financial assistance, Immobility, Tight competition in the market and Lack of marketing assistance are the main problems faced by the women entrepreneurs.

Administration skills are found to be low. Integration skills are found to be very good, that is personnel skills, communication skills, negotiation skills, co-ordination skills etc. Integration skills are identified as one's concern to establish, maintain and sustain effective relationships with others. This is found to be important for those whose aim in life requires sacrifices and an avoidance of inter-personal conflicts in order to succeed.

#### CONCLUSION

Women entrepreneurs faced constraints in aspects of financial, marketing, family, health and location problems. Guidelines framed as a solution to these problems can help women entrepreneurs to deal with these problems effectively. What women need for enterprise management is little training, finance, co-operation and encouragement in the sphere of activities, at all levels - home, the society and the government. It is hoped that the suggestions forwarded in the article will help the entrepreneurs in particular and policy-planners in general to look into this problem and develop better schemes, developmental programmes and opportunities to the women folk to enter into more entrepreneurial ventures.

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