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## Challenges of Women Entrepreneurs in Service Trade and Manufacturing Sectors of Coimbatore District

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### Abstract

*In India, women constitute 48 per cent of the total population. They constitute 84 per cent of the rural unemployed sector and 77 per cent of the total unemployed sector. Women in India are characterized by low levels of education, income, employment and entrepreneurship. In the total women population of India, about 28 per cent are working women and the percentage of self-employed women constitutes 57 per cent of the total self-employed people. (Balu, 2008). Participation of women in income generating activities is also necessary due to the economic pressure the families are facing to improve the quality of life. Entrepreneurship may be regarded as a powerful tool for economic development of a predominantly agricultural country like India (Jaswal, 2006). With regard to social and cultural difficulties, even qualified women do not enter into employment due to changing business environment. The emergence of women entrepreneurs would promote growth in industrial development, bring out socio-economic reforms, ensure better family living conditions and ultimately increase the status of women in the society (Chudhari, 2005).*

**Keywords:** Women Entrepreneurship; Women Entrepreneurs; Coimbatore

### Objectives

- to trace the socio-economic background of women entrepreneurs
- to analyse the constrains of women entrepreneurs in service, trade and manufacturing sectors.
- to explore the constraints encountered by the women entrepreneurs
- to suggest measures for the entrepreneurial development

### Methodology

In the present study, five talukas namely Avinashi, Coimbatore North, Coimbatore South, Mettupalayam and Tirupur were selected as the study area where women entrepreneurs were considerably more in number. A sample of 450 women entrepreneurs, 150 from each of the three categories of micro enterprises namely service, trade and manufacturing were randomly selected. The major source of data collection was through personal interview, using an interview schedule, specially constructed for the study. A checklist was used to find out the problems encountered by the women entrepreneurs in Service Trade and Manufacturing sectors.

### Profile of Women Entrepreneurs

Out of 450 women entrepreneurs, 83 percent were young (15 to 45 years). A majority of the women entrepreneurs undertook entrepreneurship at the age of 31 – 45 years. About 31 per cent of the women entrepreneurs were educated up to secondary level. With regard to marital status, 78 percent of the women were married. A majority (80 per cent) were from nuclear family structure. Among the women, 92 per cent were Hindus and 64 per cent were from the Backward Community. Regarding the employment status of the head of the families, 43 percent were self employed. It was interesting to note that 50 per cent, 36 per cent and 41 per cent of the women running service, trade and manufacturing sectors respectively earned an annual family income above Rs.50,000.

### Constraints Faced by Women Entrepreneurs in Service Trade and Manufacturing Sectors

Feedback received from women entrepreneurs regarding constraints faced by them are discussed under the following heads:

- Self sphere System Constraints
- Socio psycho Sphere System Constraints
- Resource System Constraints
- Support System Constraints

#### Self Sphere System Constraints

Self sphere system of a woman entrepreneur comprises of her personal characteristics, qualities and capabilities which are not identical with other entrepreneurs. Self sphere system constraints encountered by the women entrepreneurs have been categorized into two broad frameworks:

- Personal Constraints
- Educational Constraints.

The personal constraints experienced by women entrepreneurs are presented in Table I.

Table 1: Personal Constraints

Constraints	Percentage of respondents							
	Service (n:150)	Rank	Trade (n:150)	Rank	Manufacture (n:150)	Rank	Total (n:450)	Rank
Lack of leisure time	46	I	45	I	57	I	50	I
Excessive tensions and challenges	43	II	37	II	50	II	44	II
Excessive burden of work and responsibility	37	III	37	II	33	III	36	III
Lack of taking ability	27	IV	37	II	16	VI	27	IV
Weakness in handling technical, financial managerial activities	15	VII	18	IV	29	IV	21	V
Confusion of the relative merits and demerits of different enterprises	20	V	11	VI	26	V	19	VI
Operational problems	18	VI	21	III	13	VII	17	VII
Lack of systematic planning and working	9	IX	17	V	11	IX	12	VIII
Lack of proper training	10	VIII	10	VII	12	VIII	10	IX
Lack of recognition and appreciation in	7	X	7	VIII	5	X	6	X
	30		39		32		34	
	24		27		22		25	

Significance level: 1 per cent level.

With regard to the personal constraints faced by the women entrepreneurs, the first rank was attributed to lack of leisure time, in all sectors. This may be attributed to the reason that leisure time and recreation is a basic desire of every human being, which is also very essential for optimum output at work. Thus lack of this aspect is being pictured as the predominant constraint. Similarly excessive tension and challenges stood at the second rank which might have shot up as a result of their work demands. It was convincing to note that lack of recognition and appreciation in the family got the minimum score. This shows that their job was quite appreciated and was a welcome feature in the family.

Table I indicates that the personal constraints score is higher in trade sector and lower in service sector. ANOVA technique was applied to find out significant differences between service, trade and manufacturing in the average score on constraints. There is a significant difference at one per cent level between the service, trade and manufacturing sectors.

With regard to the educational constraints, lack of awareness and knowledge about the agencies and institutions working for entrepreneurs scored first rank, as per the response of the three sectors. The calculated 'F' value shows that there is a significant difference at one per cent level between the service, trade and manufacturing sectors.

### **Socio Psycho Sphere System Constraints**

Socio-psycho sphere system is conceptualized as a specific set of social conditions and particular psychological characteristic of women entrepreneurs. With regard to the socio psycho sphere system constraints, the responses of the respondents of the two sectors attributed first rank to lack of sufficient time to do the household activity and to attend family functions. This may be attributed to the reason that they were either more concerned with the success of their business or they were forced to work for a target. Second rank was attributed to the constraint that they were facing an inadequacy of time to look after their children and husband. This may be because their work was over demanding, which led to fatigue and tiredness giving them inadequate time to care for their family. It was interesting to note that lack of encouragement, recognition and appreciation from family and society was attributed to the lower rank which meant that they were given enough recognition for their effort.

The socio-psycho sphere system constraints score is higher in trade sector and lower in the manufacturing sector. The calculated 'F' value indicates that there is a significant difference at one per cent level between the service, trade and manufacturing sectors.

### **Resource system constraints**

Resource system constraints faced by the women entrepreneurs are grouped into five categories:

- Perception of Opportunity and Inception Period Constraints
- Marketing Constraints
- Labour and Raw Materials Constraints
- Technological Constraints
- Financial Constraints.

In the perception of opportunity and inception period constraints the women entrepreneurs were facing problems in arranging finance as this which scored first rank. The 'F' value analysis shows that there is a significant difference at one per cent level between the service, trade and manufacturing sectors.

The following Table II shows the various marketing constraints faced by the women entrepreneurs.

Regarding the marketing constraints faced by the women entrepreneurs, first rank was attributed to the aspect of the difficulty they faced in delayed settlement of money from the buyer after credit

Table 2: Marketing Constrains

Constraints	Percentage of respondents							
	Service (n:150)	Rank	Trade (n:150)	Rank	Manufacture (n:150)	Rank	Total (n:450)	Rank
Delayed settlement of money from buyer after credit sales	36	I	35	I	49	I	36	I
Slackness in demand	27	II	29	III	39	III	32	II
Delayed disposal of products	12	V	32	II	46	II	30	III
Competition from established large entrepreneurs	23	III	15	IV	34	IV	28	IV
Lack of marketing experience	15	IV	12	VI	27	V	18	V
Lack of adequate communication facilities	7	VI	13	V	15	VI	12	VI
Lack of transport facilities	6	VII	9	VII	7	VII	8	VII
Mean Score	31		36		39		35	
Standard Deviation	28		29		29		29	

'F' value - 3.079\*\*

\*\* Significant at 1 per cent level.

sales. This may be due to the reason that they were lacking in maintaining cordial relations and also lagging behind in utilizing sound business techniques. Slackness in demand was attributed to second rank which might be due to their lacking in advertising and adopting other propaganda for effective marketing. It was good to note that lack of transport facilities scored the lowest rank showing that they had very minimum problems in concern with transport for marketing their products.

The above table depicts that the mean score marketing constraints is higher in the manufacturing sector and lower in service sector. The calculated 'F' value indicates that there is a significant difference at one per cent level between the service, trade and manufacturing sectors.

The labour and raw material constraints of the women entrepreneurs, seasonal and price variation affected them the most, scoring first rank. The mean score is higher in the trade sector. The calculated 'F' value indicated that there is no significant difference between the service, trade and manufacturing sectors.

With regard to the technological constraints faced by the women entrepreneurs, lack of knowledge about modern technologies was attributed to first rank. The mean score of the technological constraints is high in the trade sector. The calculated 'F' value shows that there significant difference at the five per cent level between the service, trade and manufacturing sectors.

Regarding the financial constraints the limited working capital recorded first rank which meant that the availability and mobilization of funds was the major constraint faced by the women entrepreneurs of all sectors.

### Support System Constraints

The institutional and organisational measures initiated by the Government are designed to create a support system for developing entrepreneurship in all sections of society. Lack of communication and coordination between different agencies dealing with micro units was attributed to first rank. Inadequate incentives provided by the government was given the second rank which meant that they were lacking in the allowances provided to them. The support system constraints score is higher in trade sector and lower in the manufacturing sector. The calculated 'F' value indicated that there is a significant difference at one per cent level between the three groups.

### Overall Mean and Rank Order of Various Constraints

An attempt was also made to find out the most important system constraints by calculating the overall mean and rank order for each and every system constraint. Table II gives the overall mean and the rank order of various system constraints.

**Table 3: Overall Mean and Rank Order of Constraints**

Constraints	Mean score (N : 450)				Rank	'F' value
	Service (n:150)	Trade (n:150)	Manufacture (n:150)	Total (n:450)		
Self-sphere system	34.1781	44.6017	40.7756	39.8518	I	6.315**
Support system	34.3852	47.1966	30.2108	37.2642	II	12.691**
Resource system	29.6989	39.9821	34.5774	34.7530	III	10.469**
Socio-psycho sphere system	24.2432	32.2267	23.4343	26.6347	IV	6.315**

\*\* Significant at 1 per cent level.

The table shows that the majority of women entrepreneurs has suffered due to self-sphere system constraints since it has got a maximum mean score of 39.8518 and hence it occupies the first order. Socio-psycho sphere system constraint has the least mean score of 26.6347 and hence the fourth rank order. The governmental and non-governmental agencies should have in mind the various constraints faced by the entrepreneurs when they plan the remedial measures. The calculated 'F' value indicates that there is a significant difference at one per cent level between the three groups of all constraints.

### Recommendations

- Central and State Governments should assist women entrepreneurs to participate in the International Trade Fairs, Exhibitions and Conferences.
- The institutions and organizations concerned with the entrepreneurship development should set up guidance cells for women entrepreneurs for removing the constraints, simplifying the flow of information and creating access to credit, skill development and support services.
- Trade Associations can provide expert guidance to women entrepreneurs in matters pertaining to Labour Laws, Factories Act and other statutory provisions and further offer integrated passages in training, availing raw materials, credit support and marketing avenues.
- Associations of Women Entrepreneurs should assume responsibility of creating a greater awareness among young women, throughout the country. This programme can be linked up with programmes of education.
- Free training facilities should be given to all women entrepreneurs. A subsidy should be given on the products manufactured by women entrepreneurs.

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