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Challenges of Women Entrepreneurs

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INTRODUCTION

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 level 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 (Chaudhari, 2005).

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.

OBJECTIVES

A study on "Challenges of Women Entrepreneurs in Coimbatore District", was taken up with the following objectives: To

1. trace the socio-economic background of women entrepreneurs
2. analyse the constraints of women entrepreneurs
3. explore the constraints encountered by women entrepreneurs
4. suggest measures for entrepreneurial development.

METHODOLOGY

Coimbatore Corporation was selected as the study area where women entrepreneurs were considerably more in number. A sample of 500 women entrepreneurs were randomly selected. The data were collected through personal interview method using an interview schedule which was specially constructed for the study. A checklist was also used to find out constraints faced by the women entrepreneurs.

The weighted score of one and zero were assigned for the positive and negative responses respectively. The sum of total score for each statement was calculated and mean score was found as follows:

$$\text{Mean score for each constraint} = \frac{\text{Total Score}}{\text{Number of Entrepreneurs}}$$

Thus the overall mean score was calculated for each subhead in order to analyse the constraints of women entrepreneurs.

RESULTS

The results pertaining to the study are discussed under the following headings:

1. Profile of Women Entrepreneur.
2. Constraints Faced by Women Entrepreneur.

Profile of Women Entrepreneurs

Majority (51.2 per cent) of the respondents belonged to the age group of 31–45 years. At this age, the children of these women might have grown up and the women could possibly think of giving time to entrepreneurial activities, apart from the household chores. Regarding the educational status, 58 per cent of the entrepreneurs were educated upto school level. Also 77.6 per cent were married and 82 per cent of the respondents belonged to the nuclear family. Majority (92.2 per cent) of the entrepreneurs were Hindus and 68.2 per cent belonged to backward community. Regarding the employment status of the head of the family, 47 per cent of them were self-employed and hence it can be clearly inferred that the entrepreneurs took up the activity as a family occupation. The annual family income of 50.6 per cent of the respondents ranged between ₹ 20,000–30,000.

Constraints Faced by Women Entrepreneurs

Constraints faced by the women entrepreneurs are discussed under the following headings:

1. Self-sphere system constraints
2. Socio-psycho sphere system constraints
3. Resource system constraints
4. Support system constraints = $\frac{\text{Total Score}}{\text{Number of Entrepreneurs}}$

1. *Self-sphere System Constraints:* Self-sphere system constraints is related to personal constraints and educational constraints. Excessive tensions and challenges was the most common personal constraint experienced by the respondents and it scored the highest rank. Lack of leisure time, excessive burden of work and responsibilities were the other major personal constraints faced by them.

Lack of knowledge about the loan schemes, procedures of financial institutions, agencies and institutions working for entrepreneurs and lack of knowledge about the competitors are the most serious educational constraints experienced by the entrepreneurs.

2. *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. Lack of time to do the household activity, lack of time to look after children/husband and conflicts due to dual responsibilities are the three major constraints faced by women entrepreneurs.
3. *Resource System Constraints*: Resource system constraints faced by the women entrepreneurs are grouped into five categories namely perception of opportunity and inception period constraints, marketing, labour and raw material, technological and financial constraints.

Perception of Opportunity and Inception Period: Perception of opportunity and inception period constraints of the women entrepreneurs are presented in Table 1.

Table 1: Perception of Opportunity and Inception Period Constraints of Women Entrepreneurs

| S. No. | Constraints | Mean Score (n:500)* | Rank |
|--------|---|---------------------|------|
| 1. | Arrangement of finance | 0.617 | I |
| 2. | Difficulties in obtaining and availing the subsidies and other facilities | 0.193 | II |
| 3. | Power supply | 0.192 | III |
| 4. | Inadequate infrastructure | 0.182 | IV |
| 5. | Lack of information and experience in the field | 0.181 | V |
| 6. | Laying sheds | 0.176 | VI |
| 7. | Obtaining licence | 0.151 | VII |
| 8. | Location of site | 0.148 | VIII |
| 9. | Labour problems | 0.113 | IX |
| 10. | Selection and installation of proper plant and machinery | 0.104 | X |
| 11. | Town planning approval and pollution control permission | 0.104 | X |
| 12. | Recruitment of personnel | 0.075 | XI |
| | Overall mean score | 0.186 | |

* Multiple response.

Under perception of opportunity and inception period, arrangement of finance is the major constraint faced by the women entrepreneurs. Under marketing constraints, difficulty in getting money from buyer after credit sales is the major constraint. Seasonal price variation and high wage rate were the two major constraints faced by the entrepreneurs under labour and raw material constraints. Under technological constraints, non-availability of modern technologies and availability of technologies/machineries and equipment at distant places were the major constraints faced by them. Limited work capital was the major financial constraint of the entrepreneurs.

4. *Support System Constraints*: Majority of the entrepreneurs expressed that lack of communication and co-ordination between different agencies dealing with small-scale industries unit, bribing the agencies providing subsidies/loans/incentives, inadequate incentives provided by the government and lack of promotional activities were the major constraints faced by them.

OVERALL MEAN SCORE AND RANK ORDER OF VARIOUS SYSTEM CONSTRAINTS

An attempt is also made to find out the most important system constraints by calculating the overall mean score and rank order for each and every system constraint.

Table 2 gives the overall mean score and rank order of various system constraints.

Table 2: Overall Mean Score and Rank Order of Various System Constraints on the Women Entrepreneurs

| S. No. | Constraints | Mean Score (n:500)* | Rank |
|--------|----------------------------|------------------------|------|
| 1. | Resource system | 1.342 | I |
| 2. | Self-sphere system | 0.888 | II |
| 3. | Support system | 0.340 | III |
| 4. | Socio-psycho sphere system | 0.231 | IV |

* Multiple response.

The table shows that the majority of women entrepreneurs have suffered due to resource system constraints since it has got a maximum mean score of 1.342 and hence it occupies the first rank order. Socio-psycho sphere system constraint has the least mean score of 0.231 and hence the fourth rank order.

The governmental and non-governmental agencies should have in mind about the various constraints faced by the entrepreneurs when they plan the remedial measures.

RECOMMENDATIONS

The recommendations and suggestions emerged out of this study are presented below:

- 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.
- Free training facilities should be given to all women entrepreneurs. A subsidy should be given on the products manufactured by women entrepreneurs.
- Special cells should be operated by NGOs to co-ordinate with the financial institutions to facilitate funds for the women entrepreneurs.
- The universities and research institutes should develop women-specific technologies and disseminate through extension centres to the women entrepreneurs to make their efforts.

Women entrepreneurship in India still has a long way to go. As women form a considerable segment of the Indian population, their energies can be better employed and utilized in the interest

of the nation's economy. More women should be encouraged to take up entrepreneurship, through special concessions and financial support. A proper psychological climate should be created for women to enter the business world in a large measure, by widening their awareness and providing the necessary encouragement. It is hightime that women's energies are tapped and used for the economic advancement of the nation as a whole.

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