

CHALLENGES OF WOMEN ENTREPRENEUR

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Entrepreneurship amongst women is a recent phenomenon. When an enterprise is established and controlled by a woman, it not only boosts economic growth, but also has many desirable outcomes. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today, women entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. Moreover, women entrepreneurs have to face more problems than men entrepreneurs. In most of the cases, women do not have access to productive resources. Their risk taking ability is limited. They have to devote time to the family and maintain a balance between their family responsibilities and business. Hence, they need to be twice as persistent and assertive as men to make their presence felt in a predominantly male business world.

This study was undertaken with an objective to find out the problems of women entrepreneurs of Ahmednagar city. 50 women entrepreneurs from different sectors have been selected. For this the stratified random sampling method was used, a structured questionnaire was developed to collect the data. Researchers have personally interviewed the respondents to collect valid and legitimate information.

Introduction

The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factor prevailing in the society. In the advanced countries of the world, there is a phenomenal increase in the number of self-employed women after World War. In the United States, women own 25% of all business, even though their sales on an average are less than two-fifths of those of other small businesses. In Canada, one-third of small businesses are owned by women and in France it is one-fifth. In the UK, since 1980, the number of self - employed women has increased three times as fast as the number of self – employed men.

Women entrepreneurs have been making a significant impact in all segments of the economy in Canada, Great Britain, Germany , Australia and the U.S.

Indian women have come a long way and are becoming increasingly visible and successful in all spheres. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society, their contribution to the national economy speaks volumes of their success. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today, women entrepreneurs represent a group of

women who have broken away from the beaten track and are exploring new avenues of economic participation.

The Indian women have proved their footage in the male dominated business arena. Women have innate flair for entrepreneurship. They are endured with intuition that helps them make right choices even in a situation where experience and logic fails. They are the natural net-workers and relationship builders, forging powerful bonds and nurturing relationship with clients and employees alike. In nutshell, they are as competent as their male counterparts . Women entrepreneur should explore the prospects of starting a new enterprise; undertake risks, introduction of new innovations, coordinate administration & control of business & providing effective leadership in all aspects of business.

Review literature

The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Accordingly, a woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to a woman.

According to shilpe Adhikari , “Women entrepreneur are those women who think of a business enterprise, initiate it organize and combine the factors of production, operate the enterprise, undertake risk and handle economic uncertainties involved in running a business enterprise.”

OECD (Organization for economic co-operation and development) in Turkey (2004) has carried out a research on Women entrepreneurship : Issues and policies. In this study an “Austrian Economic model” was developed to understand how women’s entrepreneurship differs from men’s entrepreneurship.

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. (Friday 11th, September 2009, P D Dwivedi)

Prof. Dileep Kumar in his study of Problems of Women Entrepreneurs in India, found out that independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women. The large majority of them are still unaffected by change and development activities have benefited only a small section of women i.e. the urban middle class women. The large majority of them are still unaffected by change and development.

Mallika Das,(Department of Business Administration, Mount St. Vincent University, Halifax, Nova Scotia) , studied the profiles of women entrepreneurs who own and manage small to medium sized enterprises in two states in southern India- Tamil Nadu and Kerala. It examined the problems these women faced during the setting up and continued operation of their businesses, and the work-family conflicts that these women faced.. She sited that the initial problems faced by these women seem similar to those faced by women in western countries. However, Indian woman entrepreneurs faced lower levels of work-family conflicts and seem to differ in their reasons for starting and succeeding in business.

Prior researches show that not only women have lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries than men tend to do. The industries chosen by women are often perceived as being less important to economic development and growth than high technology and manufacturing.

Aditi Thorat, COO, EdelGive Foundation (2009) points out, “The role and contribution of grassroots women entrepreneurs is tremendous, but they often don’t get enough visibility and recognition. We need to recognize the value of women’s work in both urban and rural settings.” Also, women entrepreneurs at the grass-root level need support in form of education and training; access to mentoring, business plans and understanding markets and other such enabling services. “It’s not an easy path for them. They face several challenges like access to finance, social barriers, lack of institutions both public and private that support them and of course the inherent risk element involved in setting up business,”

Research Methodology

Research Problem

Women entrepreneurship needs to be studied separately for two main reasons. The first reason is that women’s entrepreneurship has been recognized during the last decade as an untapped source of economic growth.

The second reason is that the topic of women in entrepreneurship has been largely neglected both in society in general and in social science.

Research Objective

1. To portray a profile of women entrepreneurs;
2. To study the reasons for being in business i. e. motivational factors;
3. To study the attitude of family and society towards women entrepreneurs; and
4. To study the problems faced by women entrepreneurs.

Hypothesis

Ho All the problems (like society, finance, Psychology & business) are equally occurred

H1 All these problems are not equally occurred

Data Collection Method:

Type of data: Primary data has been used for the research.

Sources of data:

Primary data: Primary data was collected directly from women entrepreneurs in Ahmednagar city using a questionnaire. The study is undertaken in Ahmednagar , a Tier III city.

Scope of Research : The research is limited to Ahmednagar city only and women entrepreneurs from service industries were selected.

Research Instrument: Questionnaire (Open and close ended)

Sampling unit –women entrepreneurs (in Ahmednagar city)

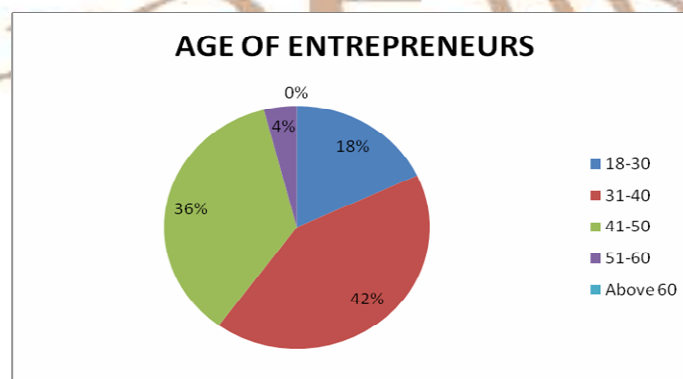
Research tool – Use of single proportion test & percentage.

Sampling method – Convenience Sampling method .

Sample size – 50 women entrepreneurs.

Analysis & Interpretation**Table No. 1**

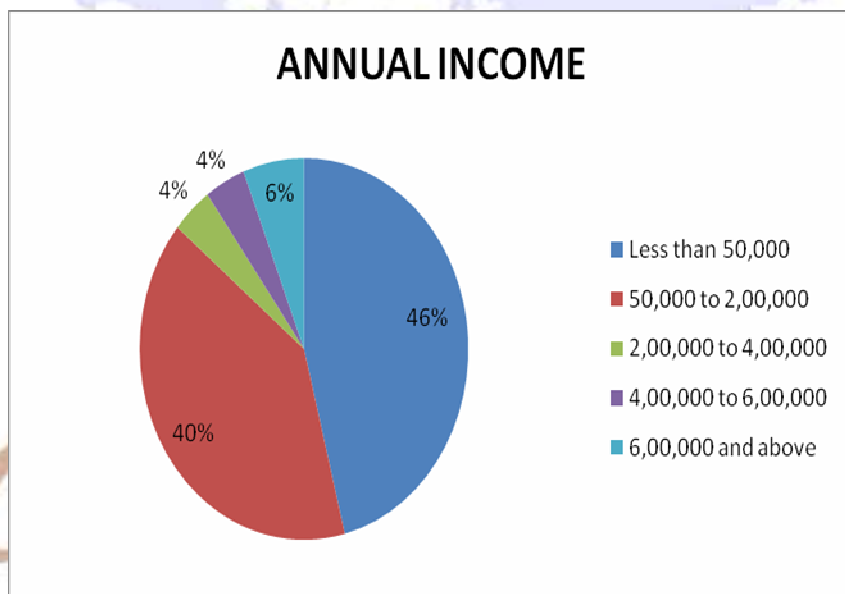
2) Age			
Sr.no.	Parameter	Frequency	Percentage
1	18-30	9	18
2	31-40	21	42
3	41-50	18	36
4	51-60	2	4
5	Above 60	0	0
Total		50	100

**Interpretation**

- 42% of the women entrepreneurs are of age between 31- 40 and 36% are of age between 41- 50.
- Only 18% women entrepreneurs are of young age i.e. age group of 18-30 and 4% are old age women entrepreneurs.

Table No.2

2) Annual Income			
Sr.no.	Parameter	Frequency	Percentage
1	Less than 50,000	23	46
2	50,000 to 2,00,000	20	40
3	2,00,000 to 4,00,000	2	4
4	4,00,000 to 6,00,000	2	4
5	6,00,000 and above	3	6
Total		50	100

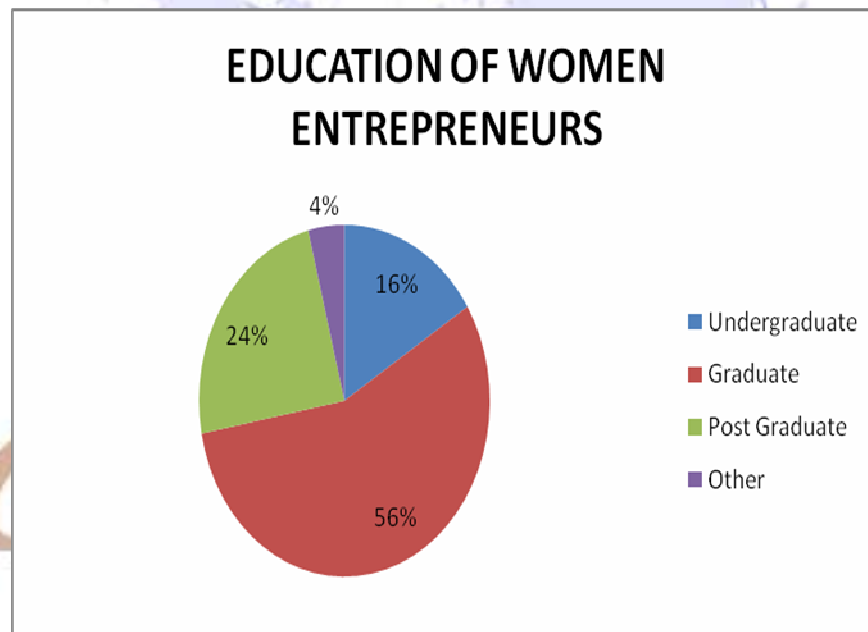


Interpretation

- Almost half (46%) of the women entrepreneurs annual income is less than 50000 and 40% women entrepreneurs annual income is between 50000 to 200000.
- Only 4 to 6 % women entrepreneurs come under high income group.

Table No. 3

3) Education			
Sr.no.	Parameter	Frequency	Percentage
1	Undergraduate	8	16
2	Graduate	28	56
3	Post Graduate	12	24
4	Other	2	4
Total		50	100

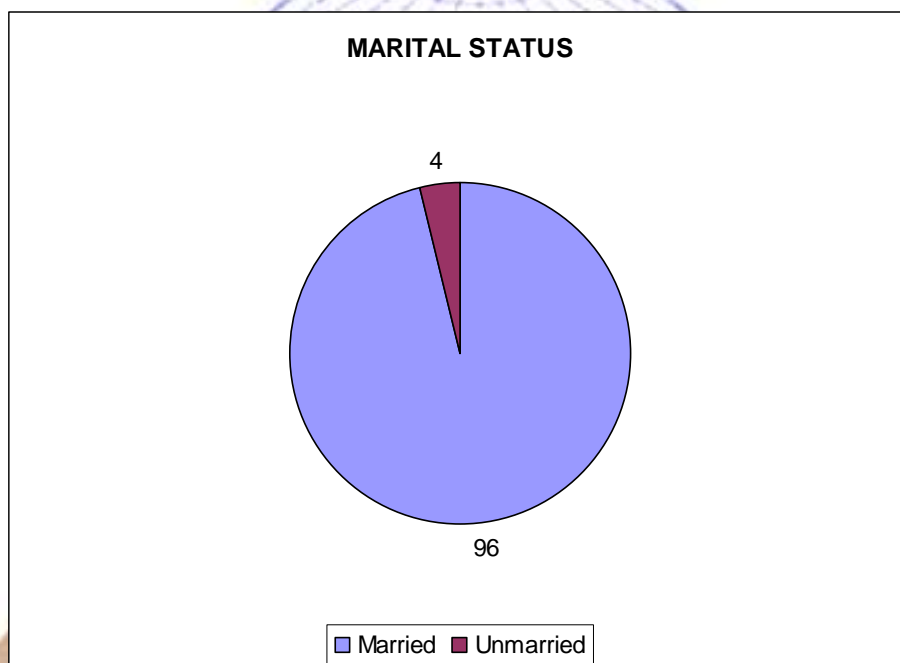


Interpretation

- As far as education is concerned 56% of the women entrepreneurs are graduates and 24% are post graduate.
- Only 16% of the women entrepreneurs are undergraduates.

Table No. 4

1) Marital Status			
Sr.no.	Parameter	Freq.	%
1	Married	46	92
2	Unmarried	4	8
	Total	50	100

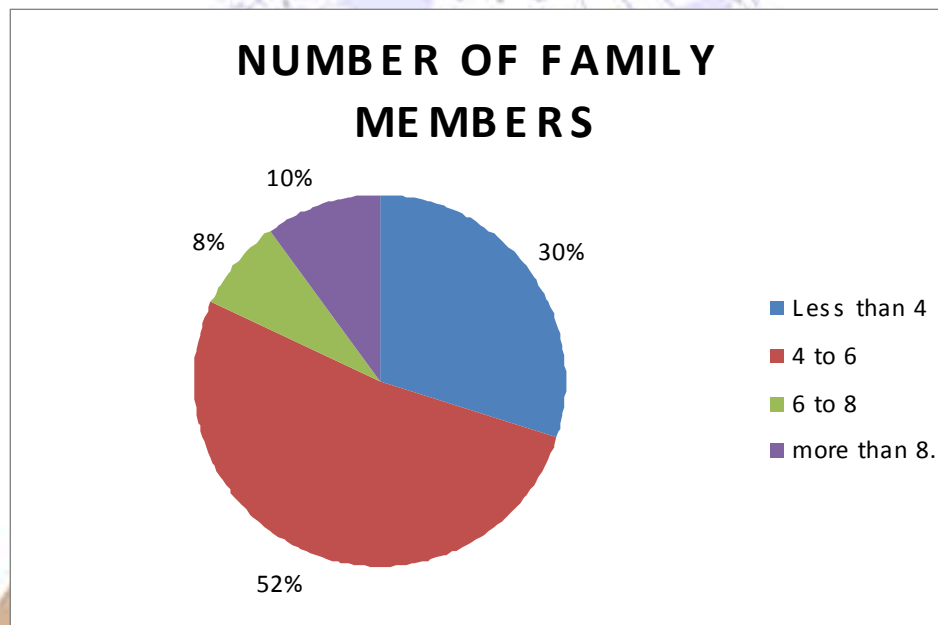


Interpretation

- 96% of the women entrepreneurs are married where as only 4% women entrepreneurs are unmarried.

Table No. 5

2) No. of Members in the family.			
Sr.no.	Parameter	Freq.	%
1	Less than 4	15	30
2	4 to 6	26	52
3	6 to 8	4	8
4	more than 8.	5	10
Total		50	100

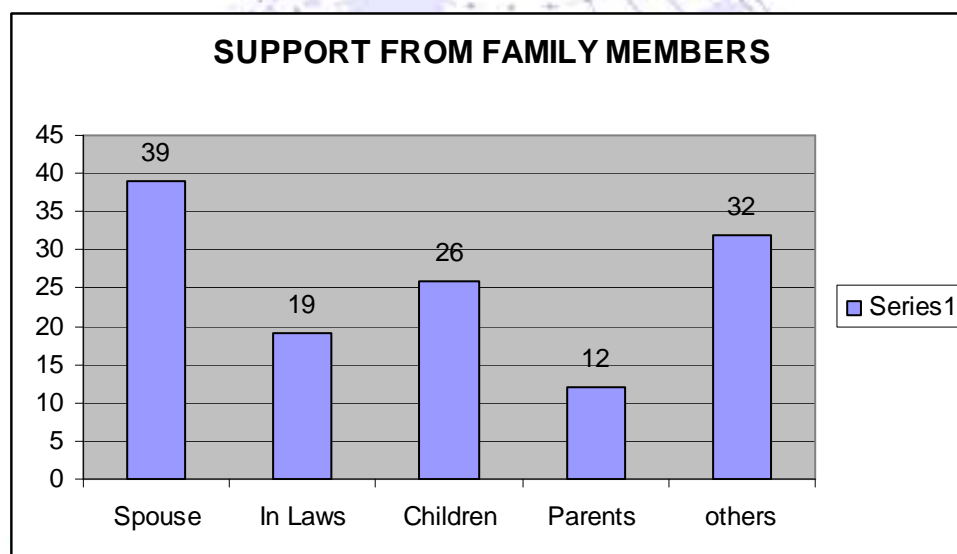


Interpretation

- Almost 70% of the women entrepreneurs are living in joint family. There are 30% of the women entrepreneurs who have less than four family members.

Table No. 6

Sr.no.	Parameter	Freq.	Percentage
1	Spouse	39	39%
2	In Laws	19	19%
3	Children	26	26%
4	Parents	12	12%
5	others	32	32%

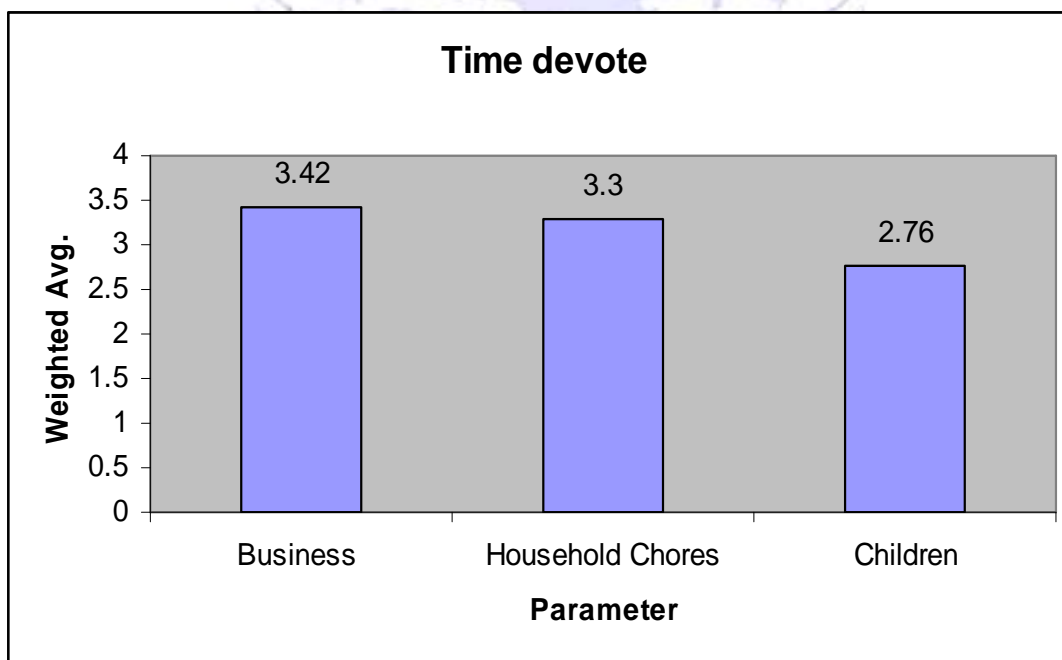


Interpretation

- 39% of the women entrepreneurs find the support from their spouse. 26% get the support from children and 19% & 12% get support from their in laws and parents.
- 32% of the women entrepreneurs get support from the other members i.e from friends & acquaints.

Table No. 7

4. Time devote				
Sr.no.	Hours (Weight)	Parameter Freq.		
		Business	Household Chores	Children
1	Neutral (1)	8	14	18
2	Less than 4 (2)	6	4	5
3	4 to 6 (3)	6	2	7
4	6 to 8 (4)	17	13	11
5	More than 8(5)	13	17	9
Weighted Avg.		3.42	3.3	2.76

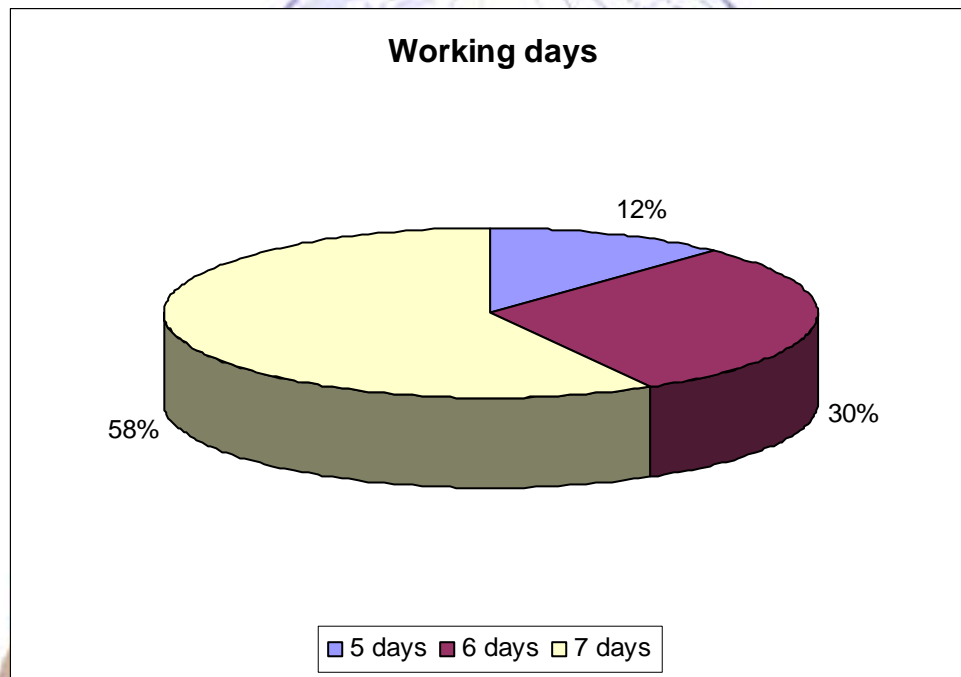


Interpretation

- Most of the women entrepreneurs spend 4 to 6 hours for household chores. & they spend more than 6 hours for business.
- They can able to spend less than 4 hours with their children.

Table No. 8

5.Working days			
Sr.no.	Parameter	Freq.	%
1	5 days	6	12
2	6 days	15	30
3	7 days	29	58

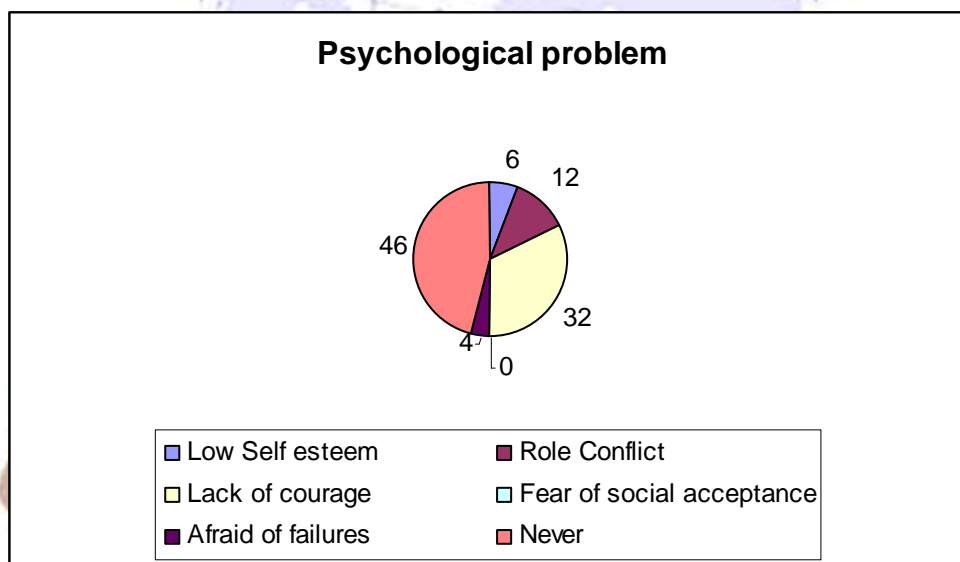


Interpretation

- 58% of the women entrepreneurs work through out the week. 30% women entrepreneurs work for 6 days in week and only 12% women entrepreneurs work for 5 days per week.

Table No. 9

1.Psychological problem			
Sr.no.	Parameter	Freq.	%
1	Low Self esteem	3	6
2	Role Conflict	6	12
3	Lack of courage	16	32
4	Fear of social acceptance	0	0
5	Afraid of failures	2	4
6	Never	23	46
Total		50	100

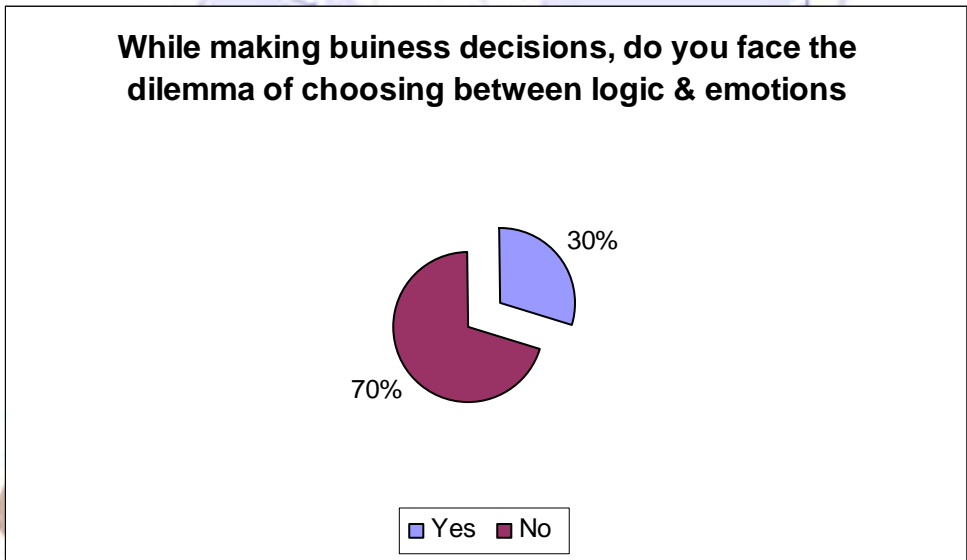


Interpretation

- 46% of the women entrepreneurs have never faced any kind of psychological problem where as 32% women entrepreneurs have lack of courage.
- Remaining 22% of the women entrepreneurs have faced problems like low self esteem, role conflict and afraid of failures.

Table No. 10

2. While making business decisions, do you face the dilemma of choosing between logic & emotions			
Sr.no.	Parameter	Freq.	%
1	Yes	13	26
2	No	33	66
3	Never	4	8
Total		50	100

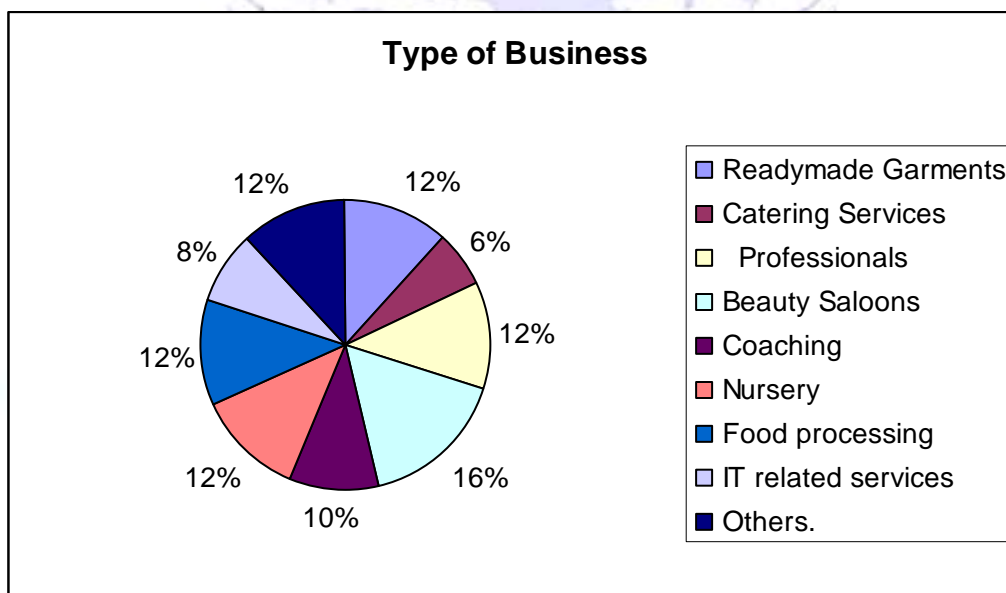


Interpretation

- While making business decisions large number (70%) of the women entrepreneurs have not faced the situation of dilemma. But there are 30% women entrepreneurs who have faced this situation.

Table No. 11

Type of Business			
Sr.no.	Parameter	Freq.	%
1	Readymade Garments	6	12
2	Catering Services	3	6
3	Professionals	6	12
4	Beauty Saloons	8	16
5	Coaching	5	10
6	Nursery	6	12
7	Food processing	6	12
8	IT related services	4	8
9	Others.	6	12
10	Total	50	100

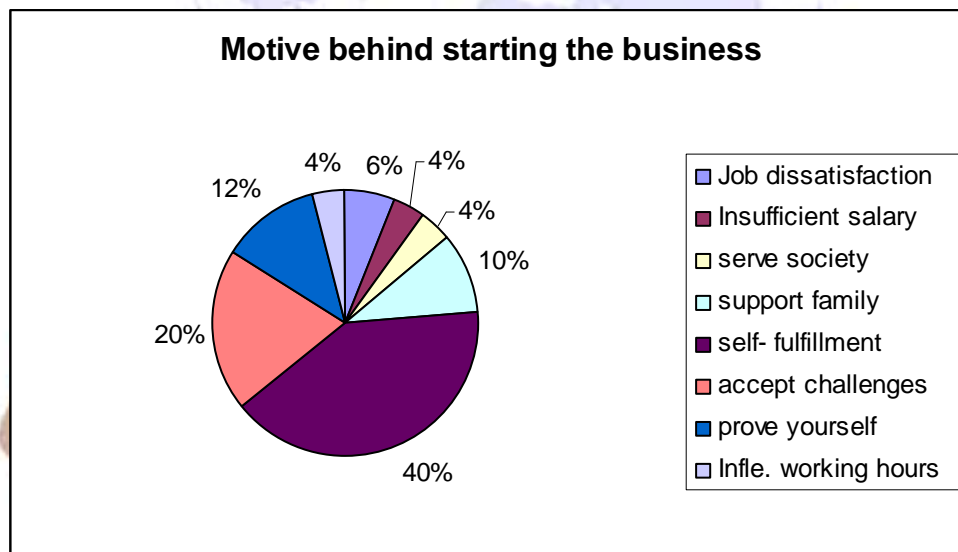


Interpretation

- 16% of the women entrepreneurs are having their own beauty saloons.
- 12% of the women entrepreneurs are in the business of readymade garments, nursery, food processing. 12% women entrepreneurs are professionals and in IT related services.
- Very less percentage of women entrepreneurs are in the field of manufacturing.

Table No. 12

2. Motive behind starting the business			
Sr.no.	Parameter	Freq.	%
1	Job dissatisfaction	3	6
2	Insufficient salary	2	4
3	serve society	2	4
4	support family	5	10
5	self- fulfillment	20	40
6	accept challenges	10	20
7	prove yourself	6	12
8	Infle. working hours	2	4
	Total	50	100

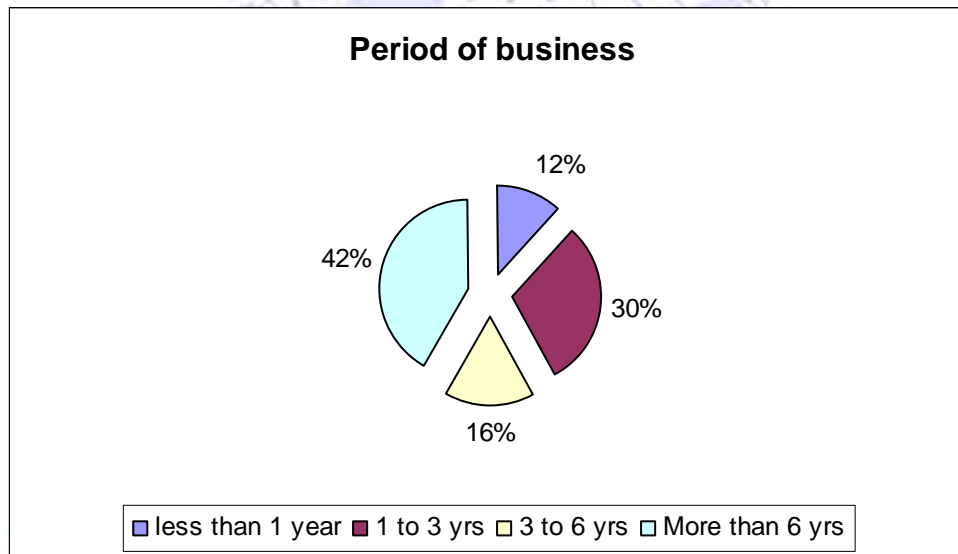


Interpretation

- 40% of the women entrepreneurs’ motive behind starting the business is self-fulfillment and 20% of the women entrepreneurs have started business for accepting challenges.
- Others have started their own business for many other reasons like to support the family, to prove themselves, to serve society etc.

Table No. 13

3.Period of business			
Sr.no.	Parameter	Freq.	%
1	less than 1 year	6	12
2	1 to 3 yrs	15	30
3	3 to 6 yrs	8	16
4	More than 6 yrs	21	42

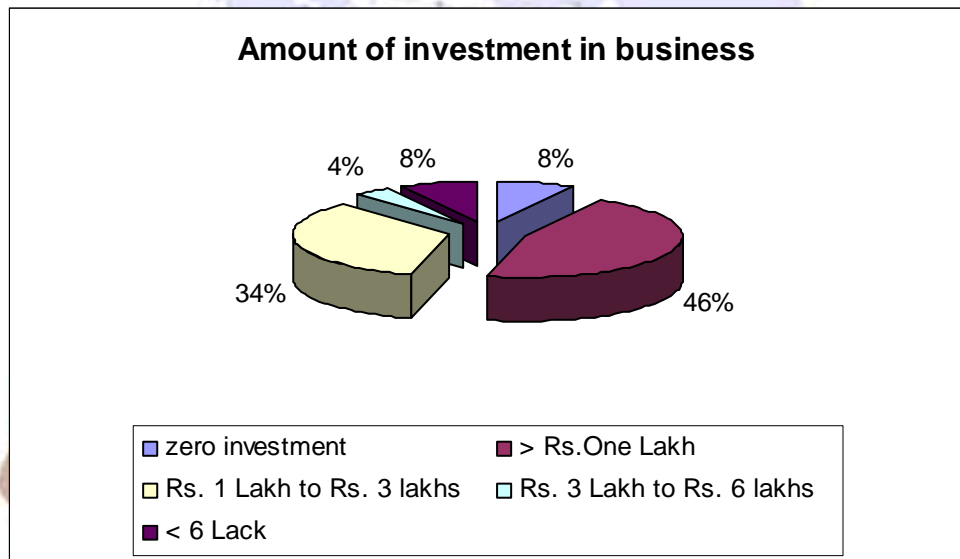


Interpretation

- 42% of the women entrepreneurs are in the business from more than 6 years, 16% are from 3-6 years, and 30% are in the business from 1 to 3 years.
- Only 12% women entrepreneurs are new in the business.

Table No. 14

4. Amount of investment in business			
Sr.no.	Parameter	Freq.	%
0	zero investment	4	8
1	> Rs.One Lakh	23	46
2	Rs. 1 Lakh to Rs. 3 lakhs	17	34
3	Rs. 3 Lakh to Rs. 6 lakhs	2	4
4	< 6 Lack	4	8

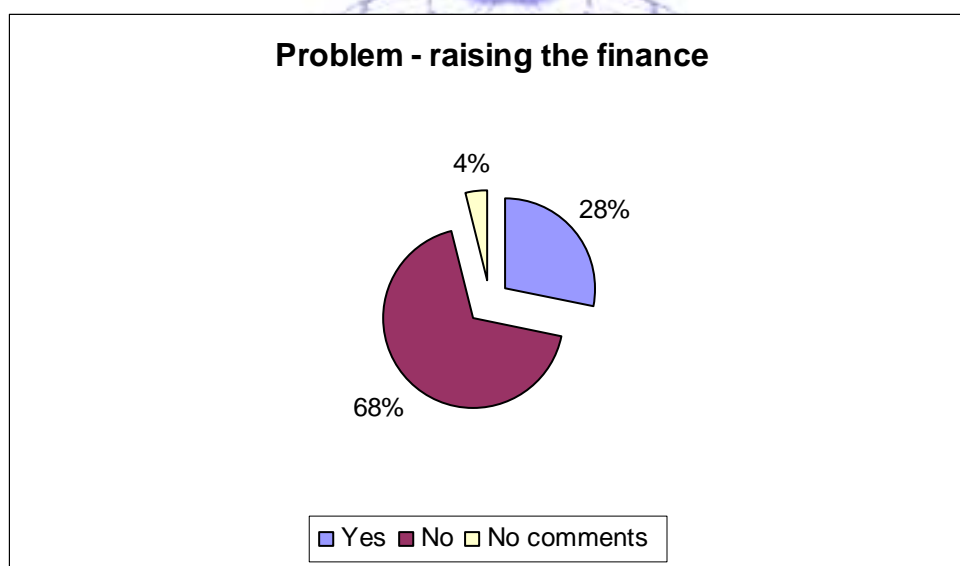


Interpretation

- 40% of the women have invested more than Rs. 1,00,000 where as 34% women have invested Rs. 1 lakh to 3 lakh in the business.
- Only 8% of the women entrepreneurs have invested more than Rs. 6 lakh in the business.

Table No. 15

6.Problem - raising the finance			
Sr.no.	Parameter	Freq.	%
1	Yes	14	28
2	No	34	68
3	No comments	2	4

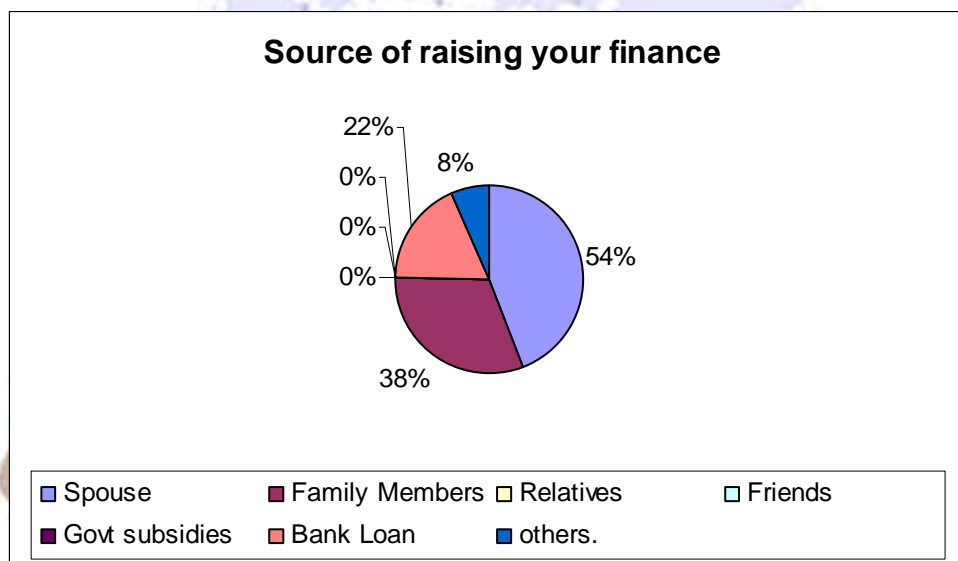


Interpretation

- 68% of the women entrepreneurs have not faced any problem while raising finance where as 28% of the women entrepreneurs have faced a problem while raising finance.

Table No. 16

5.Source of raising your finance			
Sr.no.	Parameter	Freq.	%
1	Spouse	27	54
2	Family Members	19	38
3	Relatives	0	0
4	Friends	0	0
5	Govt subsidies	0	0
6	Bank Loan	11	22
7	others.	4	8

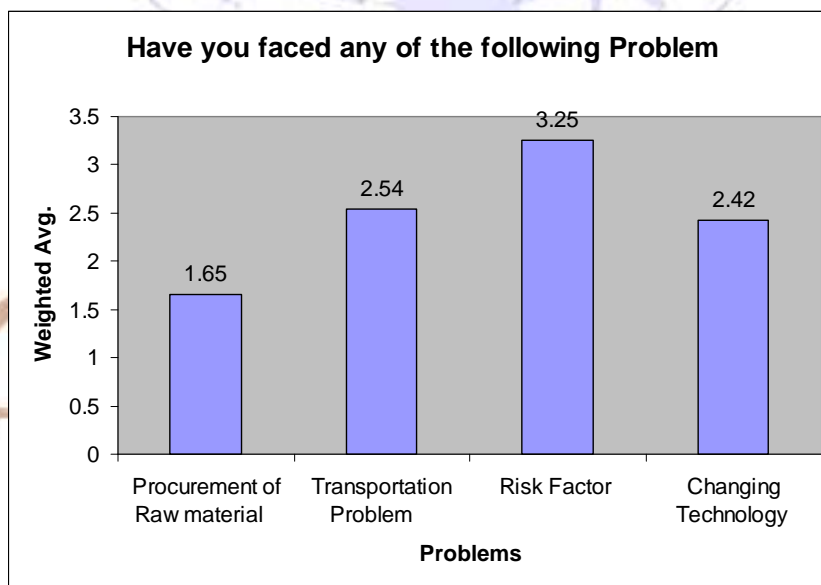


Interpretation

- While raising finance most of the women entrepreneurs have taken the help of their spouse as well as family members.
- Only 11% women entrepreneurs have taken the bank loan and none of the women entrepreneurs have applied for the government subsidies.

Table No. 17

8)Have you faced any of the following problem					
Sr.no.	(Weight)	Parameter Freq.			
		Procurement of Raw material 4	Transportation Problem 3	Risk Factor 2	Changing Technology 1
1	Always (5)	0	5	7	4
2	Sometimes (4)	3	3	11	0
3	Occasionally(3)	0	2	4	8
4	Rarely (2)	2	4	3	2
5	Never. (1)	12	10	7	10
Weighted Avg.		0.56	1.22	2.08	1.16

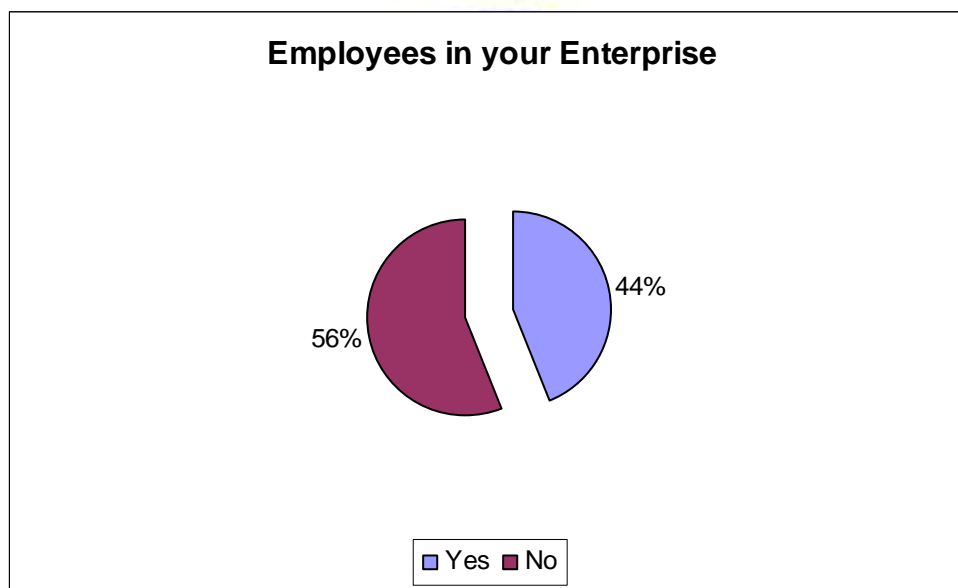


Interpretation

- Problem of risk factor and transportation problem was occasionally faced by the women entrepreneurs with weighted average 3.25 and 2.54 respectively.
- Problem of procurement of raw material(1.65) and changing technology(2.42) was rarely faced by the women entrepreneurs.

Table No. 18

9.Employees in your Enterprise			
Sr.no.	Parameter	Freq.	%
1	Yes	22	44
2	No	28	56

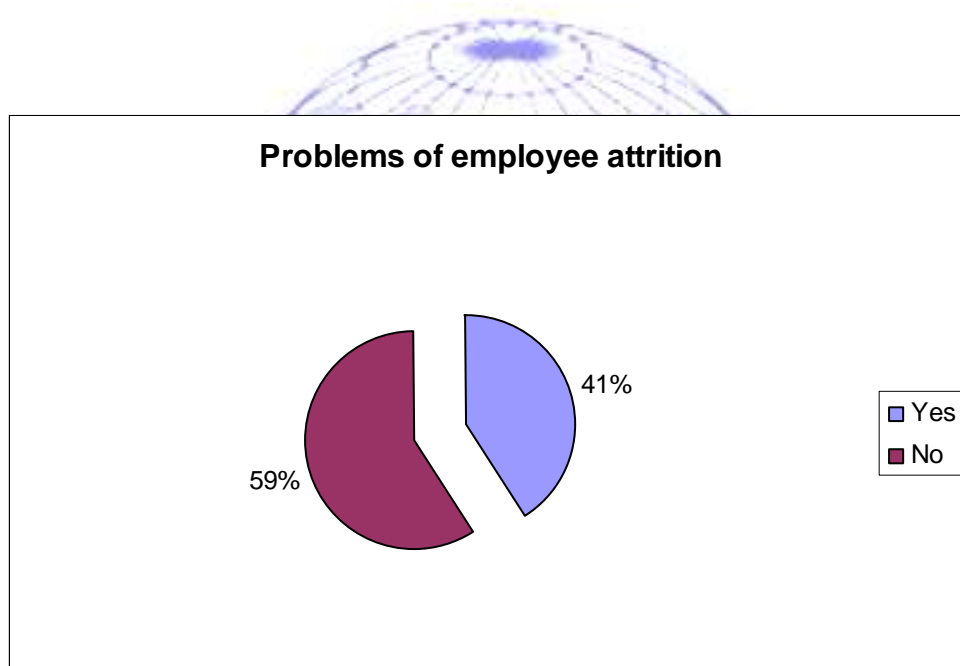


Interpretation

- 56% of the women entrepreneurs are handling their business on their own. And 22% of the women entrepreneurs are working with employees.

Table No. 19

12.Problems of employee attrition			
Sr.no.	Parameter	Freq.	%
1	Yes	9	41
2	No	13	59

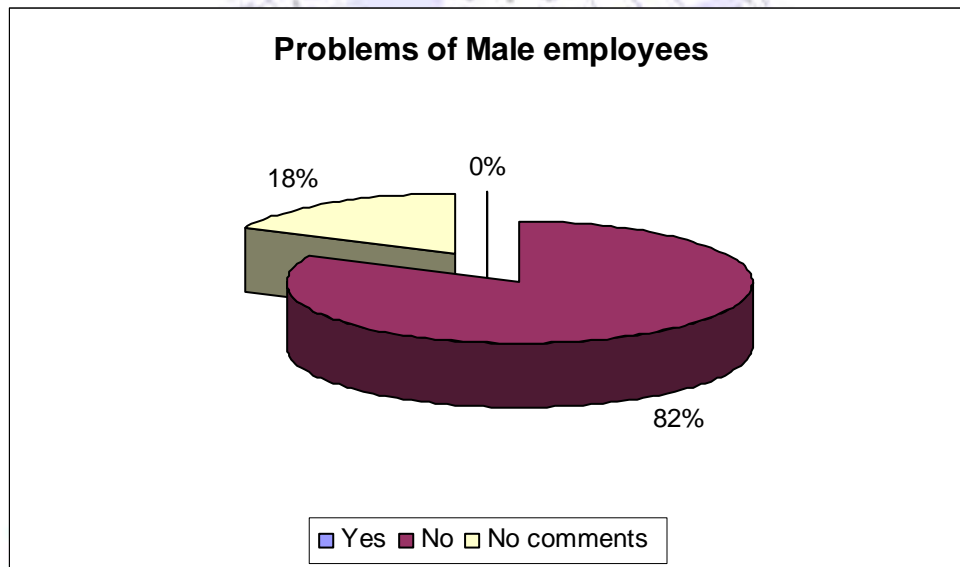


Interpretation

- 59% of the women entrepreneurs have not faced a problem of employee attrition where as 41% women entrepreneurs have a faced a problem of employee attrition.

Table No. 20

13.Problems of Male employees			
Sr.no.	Parameter	Freq.	%
1	Yes	0	0
2	No	18	82
3	No comments	04	18

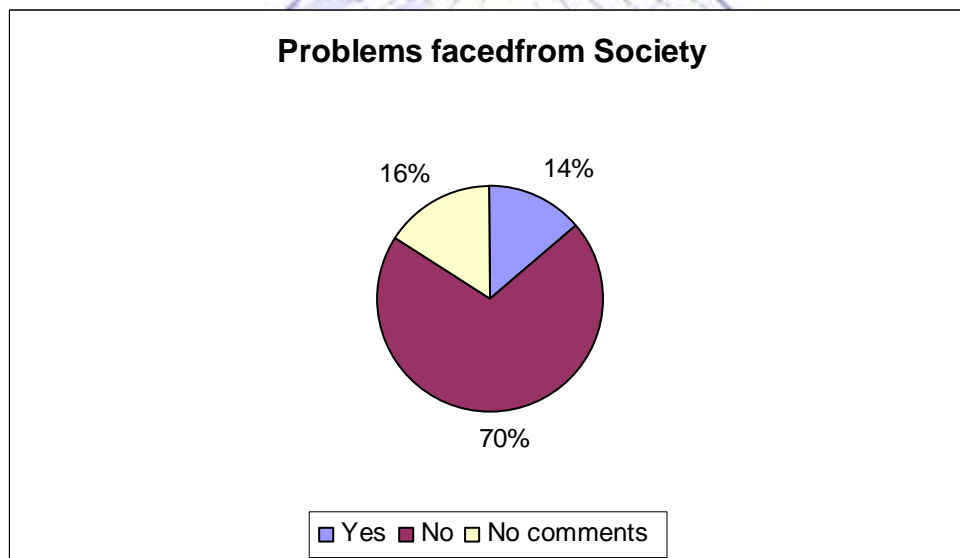


Interpretation

- 82% women entrepreneurs have not faced a problem from male employees where as 18% women entrepreneurs were not ready to talk about their experience regarding male employees.

Table No. 21

15.Problems faced from Society			
Sr.no.	Parameter	Freq.	%
1	Yes	7	14
2	No	35	70
3	No comments	8	16

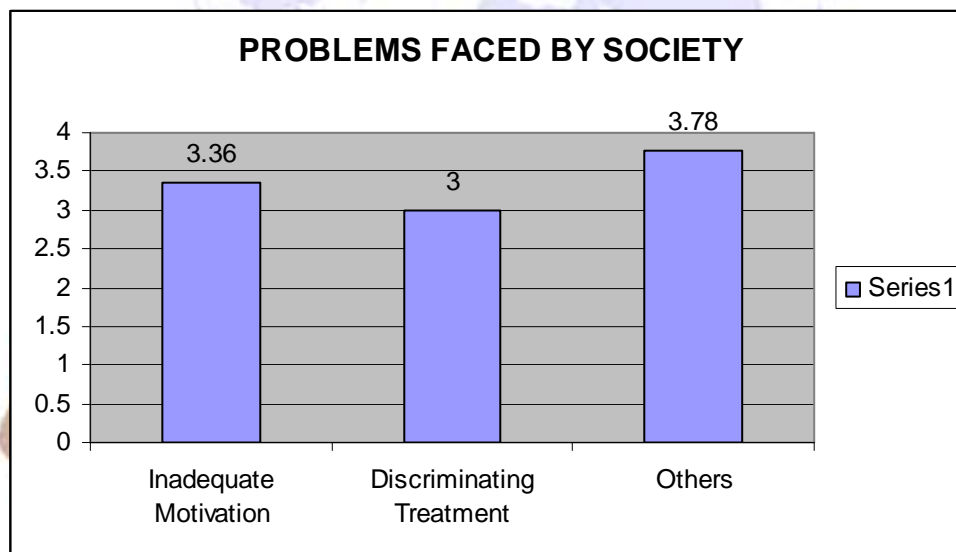


Interpretation

- 70% women entrepreneurs have not faced problems form society. Only 14% women have faced a problem form society.
- 16% women entrepreneurs gave no comments for problem faced by society.

Table No. 22

16)					
Sr.no.		Parameter Freq.			
		Inadequate Motivation	Discrimination Treatment	Others	
1	Always 5	3	3	4	
2	Sometimes 4	4	2	3	
3	Occasionally 3	0	0	0	
4	Rarely 2	2	0	0	
5	Never. 1	2	4	2	
Weighted Avg.		3.36	3	3.78	

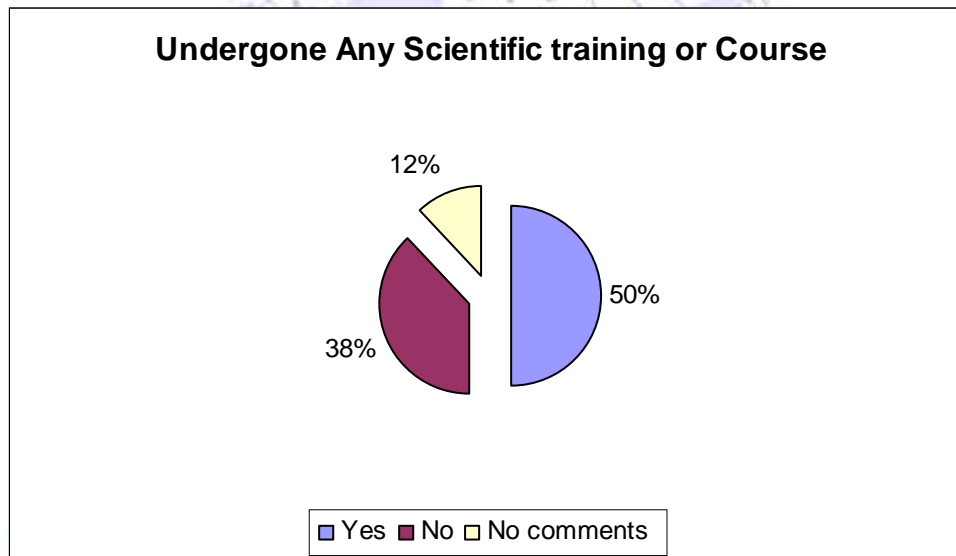


Interpretation

- Most of the women entrepreneurs faced problem of inadequate motivation occasionally. They also get the discriminating treatment occasionally.
- Other problems from the society are sometimes faced by women entrepreneurs

Table No. 24

17.Undergone Any Scientific training or Course			
Sr.no.	Parameter	Freq.	%
1	Yes	25	50
2	No	19	38
3	No comments	6	12

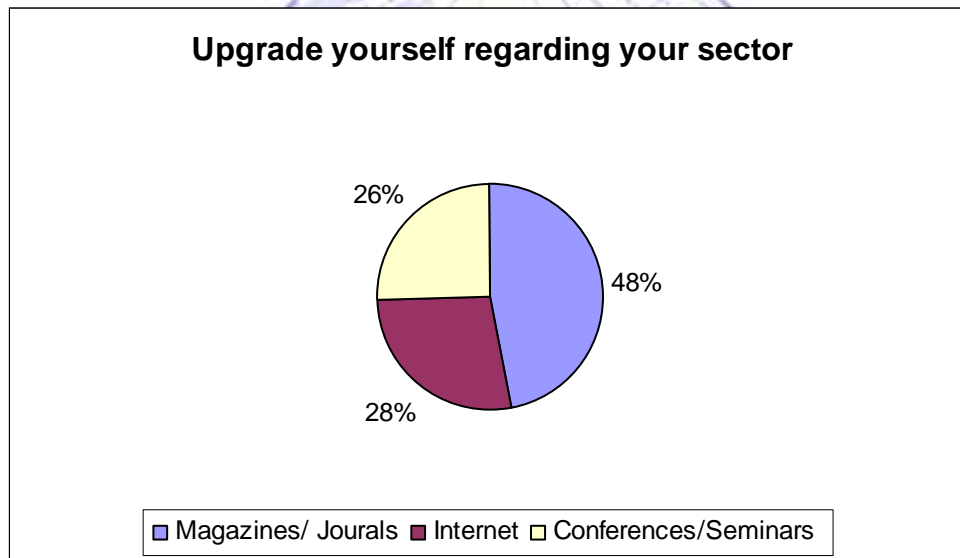


Interpretation

- 50% of the women entrepreneurs have undergone a scientific training whereas 38% of the women have not taken any scientific training or course.

Table No. 25

18.Upgrade yourself regarding your sector			
Sr.no.	Parameter	Freq.	%
1	Magazines/ Jourals	24	48
2	Internet	14	28
3	Conferences/Seminars	13	26

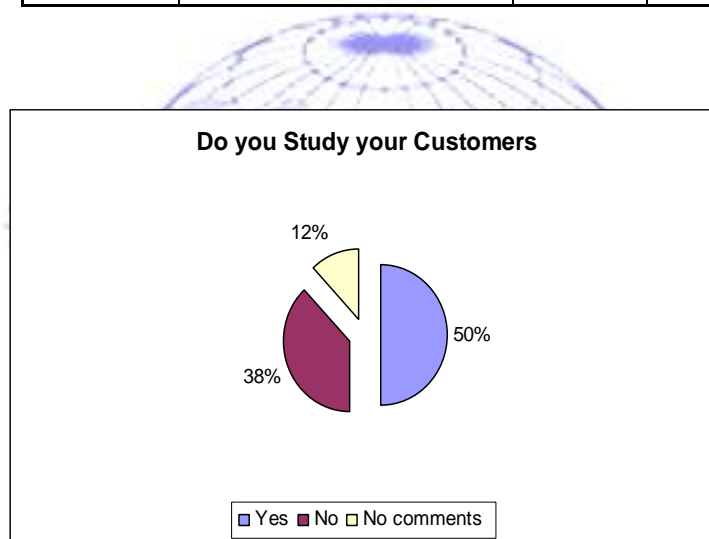


Interpretation

- 48% of the women entrepreneurs update their knowledge from magazines and journals.
- 28% women entrepreneurs use internet to upgrade their knowledge.
- 26% women entrepreneurs attend conferences and seminars to update themselves.

Table No. 26

19.Do you Study your Customers			
Sr.no.	Parameter	Freq.	%
1	Yes	36	72
2	No	2	4
3	No comments	12	24



Interpretation

- 50% of the women entrepreneurs study their customers where as 38% women entrepreneurs do not study their customers.

Hypothesis testing

Observed frequency of various problems

	Observed Frequency	Expected Frequency
Society	15	20.75
Finance	16	20.75
Psychology	27	20.75
Business	25	20.75
Total	83	

Calculated Value χ^2	Degrees of freedom	Table Value at 5% level of significance	Remarks
5.433	3	7.815	All the problems are equally occurred

Findings

Most of the women entrepreneurs are of middle age; very few women entrepreneurs are of young age which needs awareness and proper training to boost the entrepreneurship. More than 80% women entrepreneurs are well qualified where as only 20% women entrepreneurs are undergraduates. Spouse support for women entrepreneurs is considerably good. And to some extent they also get support from their in laws and parents. Most of the women entrepreneurs spend 4 to 6 hours for household chores. & they spend more than 6 hours for business. 58% of the women entrepreneurs work through out the week. 30% women entrepreneurs work for 6 days in week and only 12% women entrepreneurs work for 5 days per week.

46% of the women entrepreneurs have never faced any kind of psychological problem where as 32% women entrepreneurs have lack of courage. While making business decisions large number (70%) of the women entrepreneurs have not faced the situation of dilemma. But there are 30% women entrepreneurs who have faced this situation. 40% of the women entrepreneurs' motive behind starting the business is self-fulfillment and 20% of the women entrepreneurs have started business for accepting challenges. 68% of the women entrepreneurs have not faced any problem while raising finance as they have taken the help of either spouse or family members.

Problems related to business are occasionally faced by the women entrepreneurs. very few women entrepreneurs have faced a problem from male employees. Also few of them have faced problems from the society in terms of discriminating treatment and inadequate motivation.

Conclusion

This study was carried out to find out the problems faced by women entrepreneurs on different levels. i.e. they are facing problems related to business, society, financial problems. They also have to devote equal time for their family as well as business. Study has shown that women entrepreneurs are facing all these problems equally. It is also found that they tend to operate in different sub sectors than men. They are also likely to be concentrated in specific sub sectors which are female dominated. Sectors or sub sectors that are dominated by women entrepreneurs tend to receive little attention from policymakers. In tier III city like Ahmednagar very few women

entrepreneurs are in the business of manufacturing.

It is thus need of an hour to motivate the women entrepreneurs by providing proper training, by formulating appropriate policies. Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

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