



PERCEPTION OF WOMEN ENTREPRENEURS ON CHALLENGES

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ABSTRACT

The participation of women in the market economy as entrepreneurship has seen radical acceleration. Their contribution to the economic development has been increased multifold. The sixth Economic Census conducted by MOSPI in 2015 indicated that of the total entrepreneurship, women constitute 13.7.6 percent and they provide employment to 13.45 million persons. The sixth Economic Census conducted by MOSPI in 2015 indicated that of the total entrepreneurship, women constitute 13.7.6 percent and they provide employment to 13.45 million persons. Women have been successful in breaking their confinement within the limits of their homes by entering into varied kinds of professionals and services women entrepreneurs have proved to be on par with their men counterparts in business acumen and are emerging as smart and dynamic entrepreneurs. However, they work under severe constraints. It is pertinent to understand the various challenges they face like social, cultural, religious challenges. But it is even more essential to comprehend the same from a feminist perspective so as to enable them to overcome it. The aim of this paper is to investigate the feminist perspective of business, its success and challenges. It will increase the understandings of women's perceptions on the challenges which will help in policy decisions.

KEYWORDS: human resource, women entrepreneurship, Empowering women, Jobseekers

INTRODUCTION

One of the most important untapped source of economic development and human resource development is women entrepreneurship. It has also been recognized globally particularly after the 2008 depression that women entrepreneurs not only provide jobs but they adopt and apply different strategies to organization, management and approach business problems. They have also been successful in exploiting entrepreneurial opportunities successfully. Studies have provided evidence that female run business perform relatively well in comparison with male run business (Chaganthi and Parasuraman, 1996). However, they still represent a small minority. The topic of women in entrepreneurship has been largely neglected

both in the society in general and in the social sciences (Brush and Hisrich 1999, Holmquist and Sundin, 2002). There has been an abysmally low participation rates. Their participation is limited to certain sectors only like primary sector, retail, education etc. According to Global Entrepreneurship Monitor (GEM) research women's entrepreneurial activities has been the key contributor to economic growth of in a number of countries especially in emerging markets (Allien 2007 and Bosma 2008). Self-employment of women becomes a basic necessity to not augments their participation in the labour market but it builds their capacity and enhances their empowerment levels.

There are about eight million women entrepreneurs in India. The sixth Economic Census conducted by MOSPI in 2015 indicates that of the total entrepreneurship, women constitute 13.7.6 percent and they provide employment to 13.45 million persons. Interestingly the survey results showed that Tamil Nadu tops the list with the largest share of women entrepreneurs (13.51%). Thus, it is not only about women emerging as entrepreneurs but it involves larger issue of women's position in the society. They are faced with numerous problems associated with the society, culture family etc. Yet, quite a few women have been successful in breaking the glass ceiling and their confinement of their homes. Women entrepreneurs have proved to be on par with their men counterparts in business acumen and are emerging as smart and dynamic entrepreneurs. There are many reasons for women to enter into entrepreneurial ventures in a predominantly society. Entrepreneurship among women is an important avenue through which women can overcome their subordination within the family and the family and the society as a whole. Therefore, development of entrepreneurship among women has received special attention of the policy makers. The Planning Commission as well as the Indian government recognizes the need for women to be part of the mainstream of economic development. According to World Bank, investing more in women entrepreneurship rather in men leads to greater development of a nation. Empowering women in entrepreneurship leads to break the inequalities and reduces the poverty. Entrepreneurship plays an important role in developing society of a fast-developing country like India. Now-a- days it has been realized that enterprising women have cast entrepreneurial talents which could be harnessed so as to convert them from the position of "Jobseekers" to Job providers".

But the Indian women entrepreneurs are facing some major constraints. They are mostly in business where there is low entry barrier, low profit margins and low risk levels. Most women run business are undercapitalized. Thus, female owned business is mostly crowded into retailing and service sectors. At present women participation, may be found in different types of industries traditional as well as non-traditional. Some of them are agriculture, horticulture, sericulture, dairying and animal husbandry, fisheries, home-based industries, handicrafts, beedi industry, agarbati making, tailoring and garment Industry, doll making, fancy items, bee keeping, jewellery, beauty parlour, printing, textiles, electronics, chemicals, food processing, nursery and baby crèche centres, stationary, book binding etc.

It has been recognized that there is tremendous potential in empowering women and transforming the society. Many organizations / institutions and association promote and develop women entrepreneurship by providing financial assistance at concessional rates of interest and also organize industrial fairs and exhibitions. Entrepreneurship Development Programme (EDPs) for women creates entrepreneurial awareness among them. Besides organizing short-term EDPs for women, continues training in all management areas should be given to them. Therefore, In India, the Micro, Small & Medium Enterprises development organisations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems.

This research paper focuses on the perceptions of women entrepreneurs regarding their performance and the barriers faced.

OBJECTIVES OF THE STUDY

The present study has been carried out with the following objectives;

1. To study the socio-economic background of the women entrepreneurs in Madurai District.
2. To understand the perception of women entrepreneurs about the problems faced by them

SAMPLING DESIGN

The study was based on primary data and samples were selected by adopting random sampling technique. The present study is confined women entrepreneurs who are running they presently own enterprises in Madurai district. The list of women entrepreneurs registered with District Industries Centre (DIC) was obtained. There were 800 women registered with DIC. The samples were selected using the systematic sampling method. The sample was chosen as every 5th respondent in the total population. The sample interval is $800/120 = 7$. The first interval is 7, then the subsequent samples are 7, 14, 21, 28, 35, and so on. The sample size is 120. This study period is from Jan 2016 to September 2016.

TOOLS OF ANALYSIS

In order to facilitate analysis, the collected information was arranged in the form of tables. The tools applied are Percentage Analysis, Weighted Average Rank Method and Chi-Square Test.

RESULTS AND DISCUSSION

To understand the circumstances in which the respondents are in, the general characteristics of the sample was first studied.

Age is an important criterion particularly for women, as overcoming and raising up to challenges in a culture where women are still expected to don the traditional role requires some seniority and experience. It would give them better space for social interaction and mobility.

Table -1 Age of the Respondents

Category	No. of Respondents	Percentage
Below - 30	24	20
30 - 40	46	38
40 -50	38	31
50 and above	12	10
Total	120	100

Source: primary data

It can be inferred from table 1 that middle-aged women are more in number as compared to older women and women below 30 years. Although women have to take up multiple responsibilities, middle aged women have more time available as they do not have to spend much

time on child care services. They then aspire to use their time productively and contribute to the family.

Education is an important tool which enables and enhances human capabilities. It smoothens the decision-making process.

Table -2 Education level

Category	No. of Respondents	Percentage
Illiterate	4	3
Primary	10	9
Secondary	22	18
Hr. secondary	48	40
Graduate	36	30
Total	120	100

Source: Primary data

It would not be wrong to state that education builds capacity and increases the standard of living thereby leading to human development. The table reveals that education has helped women in taking up self-employment. Although four of them are illiterate and 10 have completed only primary education, 30 percent are graduates and 40 percent have completed their schooling. That is 70 percent are reasonable well educated in the Indian context.

MOTIVATING FACTORS FOR UNDERTAKING ENTREPRENEURIAL ACTIVITIES

Having seen their education levels, the next question was what motivates women to take up business activities. Literature on entrepreneurial women suggests that many women see themselves as feminists who undertake unconventional roles when they start business (Brush, 1992, Akkeb & Trynabm 1993 and Moore & Buttner 1997). In the cultural setting women's identity is with her family and in many ways, their role as care givers becomes significant.

Table 3 Motivating factors for Starting the Enterprise

S. No	Reasons	Total Score	Mean Score	Rank	No. of Respondents
1	Improve social/family status	1726	13	1 st	133
2	Lack of other employment opportunities	1611	11	2 nd	142
3	Economic independence	2358	10	3 rd	245
4	Family encouragement	210	8	4 th	28
5	Profit making aspirations	583	6	5 th	98
6	To continue the family business	478	5	6 th	95
7	Friends' encouragement	122	3	7 th	48
8	Financial need	308	2	8 th	144
9	To pass time	64	1	9 th	46
10	Other reasons	16	0.66	10 th	24

Source: Calculated from primary data

The outcome of the pilot study identified ten factors. The respondents were asked to rank the factors. Weighted ranks were applied to identify the most important motivating factors for taking up entrepreneurial activities. It was not surprising that the women ranked to improve the family status as the first rank. The commitment to family wellbeing is well reflected. Lack of opportunities and economic independence have taken the 2nd and 3rd ranks respectively. These two reasons do overlap as they seem to have had the urge to take up

some productive activities. Obviously, all factors are push factors mainly for familial reasons. None seem to have had the inner urge to do something different. Having brought up in the confinement of their homes, their sense and reason only in family and not self. Personal identity and creativity gets meshed in patriarchal set up.

Another main interest of this study was to find out whether the respondents have ventured out into non-traditional businesses or were tied to typically traditional work.

Table -4 Nature of Business

Category	No. of Respondents	Percentage
Retail Trading	34	29
Manufacturing	28	23
Service	46	38
Combination	10	8
Others	2	2
Total	120	100

Source: Primary Data

It is not surprising that most of them were involved in Service sector. 34 of them were in the retail business. It was their family business and they were part of it. It was found that 28 of them were in manufacturing. On enquiry, it was found that they were forced to run the

business as they had lost their husband or it was their parents' business. Also, the manufacturing business did not need high levels of knowledge, skills, technological expertise. They revealed that manufacturing was not their forte. Economic pressures from the family has forced them into this activity.

Table No.5 Size of Business

Category	No. of Respondents	Percentage
Below 1 lakh	42	35
1 -5 lakhs	46	38
6 - 10 lakhs	23	19
Above 10 lakhs	9	8
Total	120	100

Source: Primary Data

Most of the businesses were very small enterprises. Evidently in a patriarchal society diverting funds for women to run business independently is not an accepted proposition. Only nine women had business that was fairly large. Almost 70 percent had business that was below five lakhs. Most of the business are run on an informal basis. It implies that such business require low capital, skills and ease of entry and exit. As Indian society is traditional and conservative, capital expenditure and investment for women other than marriage is not the

accepted norm. Thus, women have to find alternate source of finance to run the business. The government has a number of special schemes exclusively for women other than gender neutral schemes under the Ministry of Women and Child Development and Ministry of Small Medium Enterprises. Yet, women entrepreneurs do not enjoy the same opportunities as men due to the deep rooted socio-cultural taboos and values. Hence, access to wealth and capital is limited to women.

Table No:6 Source of Finance

Category	No. of Respondents	Percentage
Spouse income	32	27
Personal Savings	27	22
Loan from Banks/Government Schemes	48	40
Parents family	13	11
Total	120	100

Source: Primary Data

The main source of finance happened to be from bank or/and government schemes. Women too have been able to make some savings which they have used to run the business. Financial support from the spouse has also been an important source. In some cases, parents' family

too have contributed. This was for women who were unmarried and were under the care of their parents. It could be inferred that initial and working capital is indeed a major problem for women.

Table No:7 Monthly Income

Category	No. of Respondents	Percentage
Below 5,000	36	30
5,000 – 10,000	42	35
10,000 – 15,000	28	23
15,000 – 20,000	14	12
Total	120	100

Source: Primary Data

As the investment is very low, the profits too could be expected to be low. It was found that 30 percent received an income of Rs 5000. 35 percent were able to get a range between Rs 5000 to 10,000. The highest amount was Rs. 20,000. The business type is also low risk business. Hence,

it also gives low returns. Surprisingly, the respondents were quite satisfied and did not aspire for expansion and diversification.

It was interesting to find out how the was profit utilised.

Table No:8 Utilisation of Profit

Category	No. of Respondents	Percentage
Spends for family	56	47
Personal Savings	38	32
Reinvestment in Business	26	21
Total	120	100

Source: Primary data

Most of the respondents utilised the income earned from their business diverted for transaction expenditure of their family. Only 21 percent of them ploughed back the profit into the business. Rest of them either saved or spent it. This indicates not only their lack

of adequate knowledge in running a business but the social perception of their role in the society and family. They definitely need support in terms of training, management of finances, marketing etc. But most important they need personality development training.

Table:9 Problems of women entrepreneurs in Madurai district (Weighted Ranking Method)

Sl. No	Weight Particulars	10	9	8	7	6	5	4	3	2	1	Total	Rank
		I	II	III	IV	V	VI	VII	VIII	IX	X		
1	Multiple responsibilities	17	13	15	20	3	9	5	5	2	1	650	1
		170	117	120	140	18	45	20	15	4	1		
2	Financial Shortage	16	9	8	13	7	12	10	7	2	6	569	2
		160	81	64	91	42	60	40	21	4	6		
3	Husband's control over finances	10	8	6	7	9	13	5	9	7	16	465	7
		100	72	48	49	54	65	20	27	14	16		
4	Lack of Education	8	11	7	3	5	9	13	12	10	12	451	9
		80	99	56	21	30	45	52	36	20	12		
5	Not aware of Government schemes	13	5	9	10	11	7	7	9	8	11	500	5
		130	45	72	70	66	35	28	27	16	11		
6	Inadequate knowledge of accounting	14	13	12	5	12	5	10	15	9	5	493	6
		40	117	96	35	72	25	40	45	18	5		
7	Lack of proper training	3	7	11	3	9	13	9	13	9	13	427	10
		30	63	88	21	54	65	36	39	18	13		
8	Prejudices against women doing business	13	10	15	7	12	8	6	7	3	9	561	3
		130	90	120	49	72	40	24	21	6	9		
9	Health problems	7	9	9	20	9	9	9	3	5	10	527	4
		70	81	72	140	54	45	36	9	10	10		
10	Other problems	12	7	8	4	9	3	12	9	10	16	455	8
		120	63	64	28	54	15	48	27	20	16		

Source: Primary Data



Women face numerous problems which are in different dimensions and magnitude. The table 1.2 shows that challenges faced by women entrepreneurs. To assess the problems weighted ranking method is applied. It can be seen from the ranking that women are severely disadvantaged by the burden of family. Traditional role like household chores, child care demands a large portion of their time. Access to financial resources was identified as the second important pressing problem. Inadequate capital disabled them from expanding their business. In a patriarchal society where male domination is strong, the control of men not only over finances but also in all decision-making areas limits the space of women to freely work. This was identified as the third challenge. The ranks four, five, six and seven are associated with their education level, skill, knowledge, and experience. Having brought up in a closed setting, women are less exposed and have limited mobility. Social prejudices too have a bearing on these self-employed women. They face such issues when they get in contact with their sellers and buyers. Some also expressed that they have faced sexual harassment. Health issues impacted their work. Other issues included institutional support, corruption etc. It can be inferred that women specific challenges are bear heavily on women entrepreneurs.

Chi-Square Analysis:-

The inferior status of women and the underestimation of women as economic agents have created formidable challenge for women. To find out the perception of entrepreneurs about the influencing factors on their performance Chi-Square test was applied. The hypotheses are

- H_0 : There is no association between age and the performance of women entrepreneurs
- H_0 : There is no association between education and the performance of women entrepreneurs
- H_0 : There is no association between marital status and the performance of women entrepreneurs
- H_0 : There is no association between family income and the performance of women entrepreneurs
- H_0 : There is no association between business type and the performance of women entrepreneurs
- H_0 : There is no association between source of finance and the performance of women entrepreneurs

Table No:10 Results of Chi-Square test

Sl. No	Factors	Chi - Square Value	D F	Table Value	Result
1	Age	17.26	6	16.81	H_0 Accepted**
2	Educational qualification	14.97	4	13.28	H_0 Accepted **
3	Marital Status	12.56	2	5.99	H_0 Accepted *
4	Family income	3.65	6	12.59	H_0 Not accepted#
5	Business type	11.54	4	9.49	H_0 Accepted *
6	Size of the Business	7.23	4	9.49	H_0 Not accepted#
7	Sources of Finance	13.68	6	12.59	H_0 Accepted *

Source: Primary Data

Note: * - Significant at 5% Level, ** - Significant at 1% Level #- Not Accepted

The opinion of the respondents and socio-economic characters' relationship are applied for chi square test. Table 1.3 reveals that the summary of the respondents. The Chi-square analysis reveals that the factors like Age, Education, Marital status and source of finance do not influence the performance of women entrepreneurs. The two important influencing factors according to the respondents were Family income, and size of business. It can indeed be inferred that financial matters are the strong influencing factors in the performance of women. It is the welfare of the family that is the market extended care giving services which motivates women rather than other factors. Thus, it can be seen that women do not perceive their business as a

separate economic unit but rather as an integrated facet of their own lives with their families. There is a need to give them the entrepreneurial skills, financial support etc. but it is extremely essential to bring about institutional transformation through deconstructing the traditional discriminatory role.

CONCLUSION

It is evident from the study that women are ready to face the challenges associated with setting up of business. Women are generally perceived as home makers with little to do with economy or commerce. But this picture is changing. In Modern India, more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises. Women are not into business

for survival but to satisfy their inner urge of creativity and to prove their capabilities. Women education is contributing to a great extent to the social transformation. The future will see more women venturing into areas traditionally dominated by men.

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