



WOMEN ENTREPRENEURSHIP: CHALLENGES FACED BY WOMEN ENTREPRENEUR IN SEMI URBAN AREAS

M.Samira * Dr SathyaNarayanan **

*Research Scholar AMET University, Chennai

**Assistant Professor MEASI Institute of Management, Chennai

Abstract

An entrepreneur is one who has a important role in the economic development of a country. An entrepreneur is a person who has the ingenuity, skill and enthusiasm to set up a business or an enterprise now days women are becoming socially empowered through starting their own business. Women are crucial to the economic growth of the country. In this paper we will analyze the problems faced by new women entrepreneurs in semi urban and rural areas. The paper is based on secondary data and observation by the authors on the face-to-face interaction with women entrepreneurs. In todays scenario many women are leaving jobs to taken up entrepreneurship to balance a in career and family. The demographic characteristics of business and economic development are changing due to women entrepreneurs. Although many women are entering business they face problems and hurdles and one of the may hurdle is technology know how. The paper focuses on problems, hurdles and challenges faced by women entrepreneurs and how to solve them. This paper is based secondary data and observation by the authors and the face-to-face interaction with women entrepreneurs. Some suggestions have been provided to deal with these problems. Also with the increase in the number of women getting educated, there is considerable awareness among women to be self-employed and gradually the role of women is changing in the society.

Key words Demographic, Entrepreneur.

Introduction

Entrepreneurship creates jobs and also provides self employment to the people who started it this in turn leads to reduction in people moving from semi urban and rural areas seeking employment opportunities. Now days women are very much interested in starting business which will make them independent, improve their standard of living, increase the family's income and above all increase their confidence levels. The Government of India is defined as "An enterprise owned and governed by women having a minimum economic interest of 51% of the investment and giving at least 51% employment created for women in their enterprise" called women entrepreneurs. Amidst heavy applause Our PM Narendra Modi Introduced ' Start Up India" a plan to accelerate the entrepreneurship in India. Although India has raised in list of most favorable places for doing business with ease. But many improvements are needed for promoting women entrepreneurs. Government Of India announced a Act which made each of 1.25 lakh bank branches to fund at least one Dalit or Adivasi entrepreneur and at least one woman entrepreneur. Much has to be done at the local level to promote entrepreneurship among women.

Objective of the Study

- To find the issues and challenges faced by semi urban women Entrepreneurs in India.
- To find the factors that influence semi urban women to become entrepreneurs.
- To examine the steps taken by the government to promote women entrepreneurs.
- To offer suggestions to reduce the issues and challenges faced by women entrepreneurs.

Literature review

Jamali (2009) examines the reciprocation of constraints and opportunities affecting female entrepreneurship in developing countries. The paper adopts an integrative research design with multiple levels and an interpretive research methodology, focusing on in-depth interviews with ten women entrepreneurs to explore their perceptions and interpretations of constraints and opportunities facing female entrepreneurship. The findings presented in his paper clearly illustrate the relevance of micro- and macro-level factors in entrepreneurship research and the usefulness of integrating multiple lens and units of analysis to capture the complexity of the women entrepreneurship experience in any particular context.

Senthilkumar, Vasantha and Varadharajan, 2012 [5]: Male Dominated society and women are not treated as one and the same partners both inside and outside four walls of the house. A study on women entrepreneurship development is managed and it is found that the Indian women enjoy unfavorable status, literacy rate of the women is low in the society, low work participation rate and our old tradition and limitations arresting to women within four walls of their houses also make their situations for the unfavorable. These factors combine to serve as non-conductive condition for the development of women



entrepreneurship in the country. The entrepreneurship development program of rural women is expectedly low in India. This shows that very limited percentages of women are involved in the total self-employed persons in India.

Pharm, and Sritharan, (2013) [3]: The problem faced by women entrepreneurs in rural areas was being measured and initiates that majority of the women entrepreneurs were rated as absence of strong leadership. Their leadership quality was not good as required for being a successful entrepreneur. There are many women entrepreneurs who face the problem related to finance. Second rank was financial insufficiency. The third rank was absence of systematic development, No awareness about Government scheme, No repayment of loan by the participants, Lack of education and other problems. Singh, 2008, identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un- acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. The study advocates for ensuring synergy among women related ministry, economic ministry & social & welfare development ministry of the Government of India.

Tambunan, (2009), made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining overwhelming importance; more than 95% of all firms in all sectors on average per country. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study revealed that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes.

Kalpna P. Nandanwar (2011), mentioned that Lack of financial resources, Lack of knowledge such as marketing, sales, account maintenance, Un-stable legislation regulating business activities for example registration, accounting, Less support from financial Institutions, particularly in obtaining micro credit, Lack of central controlling authority are some of the problems of entrepreneurs in rural areas. There is large number of opportunities available for the rural entrepreneurs what is needed at core area of rural development is pull together a unique package of resources to exploit an opportunities. Dreams, determination, willingness to take the risk are some of the main feature of the entrepreneurs.

Scope of Study

The study has been conducted in Salem district, the district has a huge industrial development. The scope of the study has women entrepreneurs in Salem District and the problems faced by women entrepreneurs who are engaged in starting a new enterprise. The study is limited only to the women entrepreneurs of selected groups in Salem.

Research Methodology of the Study

Research design: Primary data are collected from the women entrepreneurs through a well structured questionnaire. As the area of study is limited in Salem district of Tamil Nadu and as the total population of women population is numerable, the researcher has proposed the sampling techniques for the selection of respondents. To identify the right respondents which are also very Essential for the collection of primary data the following process has been adopted scientifically. Finally 60 respondents were selected and included the study from various Taluks of Erode districts who have engaged to in new business start ups.

Sources of data

This study is based on both primary is in the form of questionnaire and secondary source of data. The data collected from books, published reports of RBI, NABARD, DWCR, Census Surveys, SSI Reports, newspapers, literature review is prepared by online available studies and journals.

Issues, Challenge and Problems of Rural Women Entrepreneurship in India

There are a many of trials and problems that semi urban women entrepreneur's faces in their business are family attachments, balancing time between family and work, education and working experience, Problems of raising startup capital, suppliers, and clients are some issues. In order to there are some number of the challenges faced by rural entrepreneurs are as follows



Gender Gap: The present framework of our society makes it very difficult for women to start a business, it is a serious issue that needs to be addressed by educating families about the benefits of women being an entrepreneur, and also bringing awareness about the women entrepreneurship and programs offered by government to support women in their pursuit of entrepreneurship.

Lack of institutional funding: Most of the funding received by startups are confined to urban areas. It is sometimes difficult for women to open a bank account and secure a loan. The legal and regulatory framework makes it very difficult for women to access the capital, for this reason more work has to be done on the micro finance side which should provide capital to these women with a competitive rate of interest and with less legal formalities. While investors are keen to help put startups in urban areas, they should be encouraged to provide funding to semi-urban areas also.

Male dominated society: Many times women are included only for diversity reasons. Big names like Kiran Mazumdar, Chanda Kochhar, Shikha Sharma, Indra Nooyi have time and again proved that women have good acumen to start and lead business organizations. Women have a good edge over men to understand the customer perspective. They give a different perspective and bring fresh ideas and lead the business.

Building support network: Women entrepreneurs often have no mentors or advisors in supporting professional growth. With a majority of the business still owned by men, it is very difficult to find out the right support network.

Fear of failure: Women find it very difficult to cope with the fear of failure, as there is very little support for them. The right amount of motivation and support will help them to overcome the fear and march ahead towards success.

Managing Family and Business: The women in India have reached and achieved many things, which were previously done only by men. Even today women have a major role to play in the family because of the traditional set of values. The women are overburdened with family responsibility and this stress diverts them from giving their best to the business.

Cultural obstacles: In Indian societies, cultures and traditions stand towards women as an obstacle before them to grow and prosper. Castes and religions hinder women entrepreneurs too. In rural areas, they face more social barriers. They are always seen with suspicious eyes.

Awareness regarding New Technology: Women entrepreneurs in semi-urban areas may not have access to the best technical know-how in their line of business and this makes them use old technologies and thus the cost of manufacturing is high.

Education and exposure: Many women operating in semi-urban areas have less education and exposure to various aspects of business and the outside world. Thus the women entrepreneurs remain in the dark, not knowing about the latest technologies, marketing techniques, government support.

Non availability of raw materials- Non-availability of raw materials is one of the main issues faced by many entrepreneurs. Many women-run co-operatives were shut down due to non-availability of raw materials locally. Sourcing them from cities increases the cost of the product. After sourcing the raw materials, storing and warehousing the raw materials is a main part of the problem that needs to be addressed.

Factors motivating women to start business

Table No: 1

| S.No | Factors motivating | Eigen value | Percentage variance | Cumulative percentage variance |
|------|------------------------------------|-------------|---------------------|--------------------------------|
| 1 | Economic independence | 2.888 | 15.649 | 15.649 |
| 2 | Additional income for family | 2.006 | 10.323 | 25.969 |
| 3 | Family background | 1.347 | 9.800 | 35.769 |
| 4 | Passion for doing business | 1.286 | 9.111 | 44.880 |
| 4 | To have a better work life balance | 1.212 | 7.540 | 52.420 |
| 6 | Market potential | 1.342 | 6.769 | 59.189 |

It is observed from Table 1 that the factors Economic independence, additional income for family, family background, passion for doing business, to have better work life balance and market potential were extracted from twelve variables out of



which economic independence has highest value of 2.888 which indicates that this variable is one of the most motivating factor for women to start business. The second factor ‘additional income for family’ accounts for 10,323 per cent variance with the Eigen value of 2.006 indicating that women entrepreneurs started the business enterprise on the basis to generate additional income to support families. The third fourth and fifth factors ‘family background,’ ‘passion for doing business and to have better work life balance account for 9.800 per cent , 9.111 per cent variance and 7.540 per cent variance with the Eigen values of 1.347 ,1.286 and 1.212 respectively. It shows that women entrepreneurs would start an enterprise, if they have enough amount of money and experience. The seventh factors ‘market potential’ account for 6.769 per cent with the Eigen value of 1.342 respectively. Thus, it is clear that these factors are also important in making decision as to starting business enterprises.

Suggestions

Most of the women entrepreneurs are of the opinion that because of lack of mentoring, they are not able to survive in the market. Hence, the government should conduct frequent training programs with regard to new production techniques, sales techniques, etc. This training should be made compulsory for women entrepreneurs. Women entrepreneurs should be offered special financing schemes to help them with capital and working capital requirements. Any kind of repetition regarding labour related laws should be avoided. Government should come with domestic procurement with duty. Special economic zones for women entrepreneur should be set up. Educational set ups should tie up with various government and non-government agencies to assist in entrepreneurship development. Women should be encouraged to promote their products and also visit international, national and local trade fairs. NGOS and other social service organizations with good reach to people should be used to spread awareness about the governments policies and subsidies. The government organizations should help the women entrepreneurs to find quality raw materials at competitive prices. Forums, tv shows, chat rooms and call centers should be established for women to reach the correct organizations for help.

Legal framework and skepticism towards women should be simplified. Assisting women to find investments opportunities. Bank and financial institutions should educate the women entrepreneurs on various finance schemes available for women entrepreneurs. Proper mentoring should be given to women entrepreneurs. In the training session’s women should be encouraged to shed the fear of venturing into start ups. Training programmes to develop professional competencies in managerial, leadership, marketing, financial, production process, profit planning, maintaining books of accounts and other skills. This will encourage women to undertake business. Government should set up agencies, which facilitate women to know about new technology, and also such agencies should help them in marketing their products. Development of Support Systems to reduce women’s family responsibilities. Government Vocational institutes should offer programs to help women to start business, Information regarding this kind of programs should be advertised and participants should be encouraged.

Steps taken by the Government

According to NASSCOM, Startups have grown by 125% from \$2.2 Bn in 2014 to \$4.9 Bn in 2015. Women’s participation has seen a 50% rise since 2014. From Kiran Mazumdar to Richa Kar to Meena Ganesh, women of this country are building good businesses that are geared to serve as engines of growth for the economy. There are about 27 programs by the government to promote start ups and entrepreneurship

Some of these are:

- Integrated Rural Development Programme (IRDP)
- Khadi And Village Industries Commission (KVIC)
- Training of Rural Youth for Self-Employment (TRYSEM)
- Prime Minister’s Rojgar Yojana (PMRY)
- Entrepreneurial Development programme (EDPs)
- Management Development programmes
- Women’s Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women’s Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Mahila Vikas Nidhi



- Micro Credit Scheme
- Rashtriya Mahila Kosh
- SIDBI's Mahila Udyam Nidhi
- Mahila Vikas Nidhi
- SBI's Stree Shakti Scheme
- NGO's Credit Schemes
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- National Banks for Agriculture and Rural Development's Schemes
- Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
- Priyadarshini Project- A programme for Rural Women
- Empowerment and Livelihood in Mid Gangetic Plains'
- NABARD- KFW-SEWA Bank project

Conclusion

The fact is the women are ready to face the challenges and emerge successfully. Women form 50% of the Indian population. It is the responsibility of the government and society to provide enough platforms and motivate them to start business and make the economy a vibrant. With digitalization and technological improvements the rural areas are getting empowered more emphasis is required on educating the entrepreneurs, improving the infrastructure and providing technological assistance to realize the dreams of women entrepreneurs.

References

1. Bhatia Anju (2000) "Women Development and NGOs". Rawat Publication, New Delhi.
2. 2nd OECD conference of Ministers Responsible for Small and Medium-Sized enterprises promoting entrepreneurship and innovative SMEs in a Global Economy (2004) Organisation for Economic co-operation and development, Istanbul, Turkey
3. Lalita .N, (2005) "Micro Finance and Rural Development", Gandhi gram Rural Institute, Gandhi gram, Dindigal, Tamilnadu.
4. Ram Naresh Thakur (2009). "Rural Women Empowerment in India" in Empowerment of Rural Women in India Kanishka Publishers, New Delhi.