

# An Empirical Study on Challenges & Problems Faced by Women Entrepreneurs in India

<sup>1</sup>SUDHAMSETTI NAVEEN, <sup>2</sup>PRASADARAO YENUGULA,

<sup>1</sup>Assistant Professor, <sup>2</sup>Assistant Professor,

<sup>1</sup>MBA Department, <sup>2</sup>MBA Department,

Universal College of Engineering & Technology, Guntur, India

Email - naveensudhamsetti@gmail.com

**Abstract:** Women entrepreneurship was an ignored wing during the past but in present era, Women entrepreneurs are playing vital role for the growth of Indian economy. According to the survey of NSSO (National Sample Survey Organization) 14 percent of business units are being run by women entrepreneurs. It means only 8 million business establishments are having female boss out of 58 million. 79 percent of people are self financed out of 8 million. The main aim of this paper is to find out the various challenges and problems faced by women entrepreneurs and status of women entrepreneurs in India. To satisfy the aim of this paper, 100 women entrepreneurs were selected by using random sampling technique. Data analysis has been done with percentage analysis and chi-square test. Some of the suggestions were given to women entrepreneurs to become successful business women and to encourage their spirit.

**Key words:** Entrepreneurship development, Skill training, self-esteem, self-determination, Recognition, Financial assistance

## 1. INTRODUCTION:

Entrepreneurship is considered as one of the most important factors contributing to the development of society. India has been ranked among the worst performing countries in the area of women entrepreneurship in gender-focused global entrepreneurship survey, released in July 2013 by PC maker Dell and Washington based consulting firm Global Entrepreneurship and Development Institute (GEDI). Of the 17 countries surveyed India ranks 16th, just above Uganda. Countries like Turkey, Morocco and Egypt have outperformed India. Status of higher education in women in India came out to be lower than most countries in the world. At present, women's entrepreneurial role is limited in the large scale industries and technology based businesses. But even in small scale industries, the women's participation is very low. As per the third all-India census of Small Scale Industries, only 10.11% of the micro and small enterprises were owned by women, and only 9.46% of them were managed by women. While the number of women operating their own business is increasing globally, women continue to face huge obstacles that stunt the growth of their businesses, such as lack of capital, strict social constraints, and limited time and skill.

## 2. Challenges faced by women entrepreneurs

**Conflicts between Work and Domestic Commitments-** Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" (Starcher, 1996)

**Gender gaps in education-** While women are making major strides in educational attainment at primary and secondary levels, they often lack the combination of education, vocational and technical skills, and work experience needed to support the development of highly productive businesses.

**Lack of finance** - Access to finance is one of the most common challenges that entrepreneurs face and this is especially true for women who are further Women Entrepreneurship in India 1145 impeded by lack of personal identification, lack of property in their own name and the need for their husband's countersignature on many documents.

**Legal constraints in family law-** The institutional and legal environment is critical to the growth of female-owned enterprises. Laws regulating the private sphere specifically those regarding marriage, inheritance and land can hinder women's access to assets that can be used as collateral when securing a loan.

**Heavy household responsibilities** leave a demand on women especially those in rural areas who have more children. They are required to perform their traditional role as housewives and therefore, they have fewer hours of free time than men, both during the weekend and on weekdays..

An ILO report on women entrepreneurship identifies the following problems faced by women entrepreneurs.

**Lack of family support-** Sometimes the family may make the women feel guilty of neglecting household duties in her pursuit of business obligations. Cultural traditions may hold back a woman from venturing into her own business.

**Lack of capital-**traditional sources of finance like banks are reluctant to lend to women entrepreneurs especially if they do not have any male or family backing. This is especially true of lower income females. Women do not have adequate finance or legal knowledge to start an enterprise.

**Lack of confidence and faith-**lack of role models undermines the self confidence of women entrepreneurs. The activity of selling is considered abhorrent to the female gender.

**Lack of right public/ private institutions-** Most public and private incentives are misused and do not reach the woman unless she is backed by a man. Also many trade associations like ministries, chambers of commerce do not cater to women expecting women’s organizations to do the necessary thing.

**3. OBJECTIVES:**

The primary aim of this paper is to know the status of women entrepreneurs in India. the other objectives are like

- To find out major reason become a women entrepreneur
- To find out major challenges face by women entrepreneurs
- To know about satisfaction regarding government schemes for women entrepreneurs
- To know about various problems faced by women entrepreneurs
- To know about work life balance

**4. RESEARCH METHODOLOGY:**

The research methodology explains the systematic way of finding the objectives. It provides the clear path to accomplish and achieve clear solutions. The following are the stages through which research has passed to obtain the conclusion

**4.1 COLLECTION OF DATA:**

For the purpose of study following sources of data are used.

1. Primary Data 2. Secondary Data

**4.1.1 .Primary Data:** The primary data was collected through a well-structured questionnaire with close-ended questions. The primary data are that information which are collected afresh for the first time, and thus happen to be original in character

**4.1.2. Secondary data sources:** The secondary data are those which have already been collected by some other

			Opinion				
			Self Esteem	Recognition	Self Determination	Career Goal	Total
Literacy	Literates	Count	5	17	8	20	50
		% within Literacy	10.0%	34.0%	16.0%	40.0%	100.0%
	Illeterates	Count	4	18	3	25	50
		% within Literacy	8.0%	36.0%	6.0%	50.0%	100.0%
Total		Count	9	35	11	45	100
		% within Literacy	9.0%	35.0%	11.0%	45.0%	100.0%

agency like journals, websites, and magazines’ etc

**SAMPLE SIZE:** 100, **SAMPLING TECHNIQUE:** Non random sampling,

**STATISTICAL TOOLS:** Chi-square test, Percentage analysis

**5. DATA ANALYSIS AND INTERPRETATION:**

1) **H<sub>0</sub>:** There is an association between literacy and opinion regarding Reasons to become a women entrepreneur

**H<sub>1</sub>:** There is no association between literacy and opinion regarding Reasons to become a women entrepreneur

**Table 1.2 Chi-Square Test Results**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.968 <sup>a</sup>	3	.397
Likelihood Ratio	3.055	3	.383

Linear-by-Linear Association	.309	1	.578
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 4.50.

**Analysis**

From the above table 1.2, it is observed that calculated value( $\chi$ )= 2.968<sup>a</sup> tabular value (p)= 0.397 so ( $\chi$ )> (p) therefore alternative hypothesis H<sub>1</sub> is accepted

2) H<sub>0</sub>: There is an association between literacy and opinion regarding Major challenges to women entrepreneur

H<sub>1</sub>: There is no association between literacy and opinion regarding Major challenges to women entrepreneur

**Table 2.1 Cross tabulation of Literacy \* Opinion Crosstabulation**

		Opinion				Total	
		Lack of self confidence	Family & personal problem	Competition from existing market	Financial assistance		
Literacy	Literates	Count	5	12	14	19	50
		% within Literacy	10.0%	24.0%	28.0%	38.0%	100.0%
	Illeterates	Count	4	10	16	20	50
		% within Literacy	8.0%	20.0%	32.0%	40.0%	100.0%
Total		Count	9	22	30	39	100
		% within Literacy	9.0%	22.0%	30.0%	39.0%	100.0%

**Table 2.2 Chi-Square Test Results**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.452 <sup>a</sup>	3	.929
Likelihood Ratio	.452	3	.929
Linear-by-Linear Association	.255	1	.613
N of Valid Cases	100		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 4.50.

**Analysis:** From the above table 2.2, it is observed that calculated value( $\chi$ )= 0.452 tabular value (p)= 0.929 so ( $\chi$ )<(p) therefore alternative hypothesis H<sub>0</sub> is accepted

3) H<sub>0</sub>: There is an association between literacy and satisfying level regarding government schemes to women entrepreneur

H<sub>1</sub>: There is no association between literacy and satisfying level regarding government schemes to women entrepreneur

**Table 3.1 Literacy \* Opinion Crosstabulation**

			Opinion		Total
			satisfied	Dissatisfied	
Literacy	Literates	Count	5	45	50
		% within Literacy	10.0%	90.0%	100.0%
	Illeterates	Count	3	47	50
		% within Literacy	6.0%	94.0%	100.0%

Total	Count	8	92	100
	% within Literacy	8.0%	92.0%	100.0%

**Table 3.2 Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.543 <sup>a</sup>	1	.461	.715	.357
Continuity Correction <sup>b</sup>	.136	1	.712		
Likelihood Ratio	.549	1	.459		
Fisher's Exact Test					
Linear-by-Linear Association	.538	1	.463		
N of Valid Cases	100				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 4.00.

b. Computed only for a 2x2 table

**Analysis** From the above table 3.2, it is observed that calculated value( $\chi$ )=0.543<sup>a</sup> tabular value (p)= 0.461 so ( $\chi$ )> (p) therefore alternative hypothesis H<sub>1</sub> is accepted

4) **H<sub>0</sub>**: There is an association between literacy and opinion regarding work life balance

**H<sub>1</sub>**: There is no association between literacy and opinion regarding work life balance

**Table 1.1 Literacy \* Opinion Crosstabulation**

			Opinion				Total
			poor	Quite good	Good	Excellent	
Literacy	Literates	Count	5	15	25	5	50
		% within Literacy	10.0%	30.0%	50.0%	10.0%	100.0%
	Illeterates	Count	4	21	22	3	50
		% within Literacy	8.0%	42.0%	44.0%	6.0%	100.0%
Total		Count	9	36	47	8	100
		% within Literacy	9.0%	36.0%	47.0%	8.0%	100.0%

**Table 4.2 Chi-Square Test result**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.803 <sup>a</sup>	3	.614
Likelihood Ratio	1.813	3	.612
Linear-by-Linear Association	.606	1	.436
N of Valid Cases	100		

a. 4 cells (50.0%) have expected count less than 5. The minimum expected count is 4.00.

**Analysis**

From the above table 4.2, it is observed that calculated value( $\chi$ )= 1.803<sup>a</sup> tabular value (p)= 0.614so ( $\chi$ )> (p) therefore alternative hypothesis H<sub>1</sub> is accepted

5) **H<sub>0</sub>**: There is an association between literacy and opinion regarding required skills to overcome problems

**H<sub>1</sub>**: There is no association between literacy and opinion regarding required skills to overcome problems

		Opinion					Total
		Leadership qualities	Communication skills	Authority	Support from family		
Literacy	Literates	Count	10	12	8	20	50
		% within Literacy	20.0%	24.0%	16.0%	40.0%	100.0%
	Illeterates	Count	8	15	9	18	50
		% within Literacy	16.0%	30.0%	18.0%	36.0%	100.0%
Total		Count	18	27	17	38	100
		% within Literacy	18.0%	27.0%	17.0%	38.0%	100.0%

**Table 5.2 Chi-Square Test result**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.720 <sup>a</sup>	3	.869
Likelihood Ratio	.721	3	.868
Linear-by-Linear Association	.008	1	.931
N of Valid Cases	100		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.50.

**Analysis:** From the above table 5.2, it is observed that calculated value( $\chi$ )= 0.720 tabular value (p)= 0.869 so ( $\chi$ )<(p) therefore alternative hypothesis  $H_0$  is accepted

- 6) **H<sub>0</sub>:** There is an association between literacy and opinion regarding problems to women entrepreneur  
**H<sub>1</sub>:** There is no association between literacy and opinion regarding Major problems to women entrepreneur

**Table 6.1 Literacy \* Opinion Crosstabulation**

			Opinion				Total
			Personal problems	social problems	Marketing Problems	Managerial problems	
Literacy	Literates	Count	15	17	8	10	50
		% within Literacy	30.0%	34.0%	16.0%	20.0%	100.0%
	Illeterates	Count	18	15	8	9	50
		% within Literacy	36.0%	30.0%	16.0%	18.0%	100.0%
Total		Count	33	32	16	19	100
		% within Literacy	33.0%	32.0%	16.0%	19.0%	100.0%

**Table 6.2 Chi-Square Test result**

**Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.450 <sup>a</sup>	3	.930
Likelihood Ratio	.451	3	.930
Linear-by-Linear Association	.205	1	.651
N of Valid Cases	100		

### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.450 <sup>a</sup>	3	.930
Likelihood Ratio	.451	3	.930
Linear-by-Linear Association	.205	1	.651
N of Valid Cases	100		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.00.

#### Analysis

From the above table 6.2, it is observed that calculated value( $\chi$ )= 0.450 tabular value (p)= 0.930 so ( $\chi$ ) < (p) therefore alternative hypothesis  $H_0$  is accepted

#### 6. CONCLUSION:

The elimination of obstacles to women entrepreneurship will be possible when there is a change in the mindset of society. So the society has to change their mindset to encourage women entrepreneurship. From this study, I observed that, women entrepreneurs are not satisfied with present schemes of government because those schemes did not meet expectations. Moreover they required support from their family and friends because you are playing major role to encourage them. Many women entrepreneurs are facing financial problems so government should provide strong to meet their financial needs. Government should provide tax free environment to women entrepreneurs to provide moral support for them. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution to the economic growth and development of country.

#### REFERENCES:

1. Shikha Mahajan, (2013) Women Entrepreneurship in India, Global Journal of Management and Business Studies, Volume 3, Number 10, pp. 1143-1148.
2. Saidapur, S et.al, (2012) 'Women candle entrepreneurs in Gulbarga district – A micro analysis', Spectrum: A Journal of Multidisciplinary Research', vol.4, , pp. 7-17
3. Sandra j.wells, Women entrepreneurs, garaland publishing.inc pp 34-36
4. Carianne, m.hunt, Sandra L.Fielden, coaching for women entrepreneurs, Edwar Elgar publishing ,Pp-9-37
5. Pharam jeeth kaur Dhillon, Women Entrepreneurs: Problems & Prospects, Blaze publishers & Distributions, PP-54-69
6. C.R. Kothari, Gaurav garg, Research Methodology ,3<sup>rd</sup> edition, New age international publication, pp-235-247
7. Dipak kumar batacharya, Research Methodology 2<sup>nd</sup> edition, Excel books, pp -148-154
8. Richard A Jhonson, Probability And Statistics for engineers, 8<sup>th</sup> edition, PHI publication, pp-292-299
9. Dr.Shhanaz Bathul ,Probability And Statistics ,2<sup>nd</sup> Edition, Overseas Publishers Pvt. Ltd, New Delhi-110 ,PP-7.42-7.75
10. G.s.s. Bhishmarao, Probability And Statistics for engineers, 3<sup>rd</sup> edition, Scitech publication, pp-3.19-3.22
11. M.Anitha, Industrial Management, 2<sup>nd</sup> edition, Radiant publishing house, pp 3.48-3.51
12. <https://statistics.laerd.com/spss-tutorials/chi-square-test-for-association-using-spss-statistics.php>
13. <https://libguides.library.kent.edu/SPSS/ChiSquare>
14. <http://www.ucdenver.edu/academics/colleges/nursing/Documents/PDF/ChiSquareHowTo.pdf>