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## A Tale of Women Entrepreneurs: Problems and Prospects

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### ABSTRACT

*The paper assessed the constraints faced by women entrepreneurs in Sangli district of Maharashtra State, India. This was necessitated by need to ensure that women play an important role in the generation of employment and wealth creation. Both primary and secondary sources of data were utilized for the study. The primary sources of data were collected using structured questionnaires. The sample consisted of 120 women entrepreneurs in Sangli district of Maharashtra State, India. Respondents were selected from women entrepreneurs in agriculture, vocational training, manufacturing, trading and services. The questionnaires were administered using descriptive and inferential statistics to achieve the objectives of the study.*

*The findings revealed that there are many constraints affecting women entrepreneurs which aptly explain why they cannot contribute meaningfully to entrepreneurship development.*

*The study concluded that the constraints facing women entrepreneurs should be addressed in order for them to contribute significantly to the economic growth of Maharashtra State and India as a whole.*

**Keywords:** Constraints, Economic Growth, Gross National Product, Unemployment, Poverty Reduction, Women Entrepreneurs.

### INTRODUCTION OF THE STUDY

Women entrepreneurs are vital to the economy development, poverty and unemployment reduction of nation. They have roles to play in the social economy, and political life of any nation.

Women entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined a woman entrepreneurship 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 women". In India, women constitute around 48 percent of the population but their participation in the economic activities is only 34 percent

Women are at the heart of economic development and economic growth as they control most or the non-monetary economy (subsistence agriculture, bearing children, domestic labour and so on) and play an important role in the monetary economy as well as (trading, wage, labour employment among others).

UNESCO (2002) stated that women form high percentage of the population and they have come a long way in businesses, politics, education, sport and other professions. However, women entrepreneurs suffer a lot of constraints and inhibitions which militate against them in India as whole. The traditional roles of housewives are gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income. When proper exposure, education and knowledge are imparted to them, Indian women will prove themselves to be highly potential productive force for the development of the nation.

Hence, this study is aimed to find out the constraints of women entrepreneurs in Sangli district of Maharashtra State, India.

## STATEMENT OF THE PROBLEM

Women entrepreneurs in Sangli district have great entrepreneurship potentials given the right incentives and support which will surely aid national growth and development with the necessary “enablement” and government commitment, the women entrepreneurs can contribute inestimably to the development of our economy.

The women entrepreneurs have been relegated to the background for too long. Moreover, Indian based women entrepreneurs especially in rural area face problems attributable to socio-cultural factors, for example, social condition in some parts inhibit women from starting their own business because they often lack the skills, training, incentive and support system that can expedite their pursuit.

It is against this backdrop that this study sets out to assess the constraints of women entrepreneurs in Sangli district of Maharashtra State, India.

## OBJECTIVES OF THE STUDY

1. To discuss the development of Women Entrepreneurs
2. To examine the factors influencing on women entrepreneurship development.
3. To draw conclusion and offer suggestions.

## SIGNIFICANCE OF THE STUDY

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded 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. HDI report 2015 shows that women contribute 52% of global work to men’s 48%. Even though they carry out major share of total work they face disadvantage both in paid and unpaid work. According to gender development index India stands at 130 rank.

## METHODOLOGY

A total of 120 questionnaires were distributed to women entrepreneurs at in Sangli district of Maharashtra State, India. Data were analysed using descriptive statistics. All hands were on deck to ensure that the accurate number distributed to respondents were collected accordingly.

## DATA ANALYSIS AND INTERPRETATION

**Table 1: Profile of Women Entrepreneurs in Sangli district of Maharashtra State, India.**

Characteristics	Frequency N= 120	Percentage N = 120
<b>Age</b>		
10 - 20	4	3.33
21 - 30	38	31.67
31 - 40	44	36.67
41 - 50	24	20
50 and above	10	8.33
<b>Education Qualifications</b>		
Primary School Holders	22	18.33
Secondary School Holders	50	41.67
Graduate	30	25
Post Graduate	18	15
<b>Previous Experience</b>		
Unskilled	78	65
Unemployed	26	21.67
Skilled	16	13.33

Source: Field Survey, (2015)

Table 1 above showed that the majority respondents were from the ages between 31 – 40 (44), senior secondary school holders (50) and unskilled entrepreneurs (78) while the least respondents were from the ages between 10 – 20 (4), post graduates (18) and skilled entrepreneurs (16) category.

**Table 2: Profile of Firms in Sangli district of Maharashtra State, India.**

Characteristics	Frequency	Percentage N=120
<b>Legal Status</b>		
Sole Proprietorship	76	63.33
Partnership and SHG	44	36.67
<b>Firm Sector</b>		
Agriculture	20	16.67
Manufacturing	14	11.67
Trading	28	23.33
Vocational Skills	46	38.33
Services	12	10
<b>Firm Age (Years )</b>		
Up to 2 years	14	11.67
3 – 5	36	30
6 – 8	32	26.67
9 – 11	28	23.33
12 and above	10	8.33
<b>Number of Employees</b>		
Up to 10	30	25
11 - 20	34	28.33
21 - 30	22	18.33
31- 40	8	6.67
41 - 50	12	10
More than 50	14	11.67

Source: Field Survey, (2015)

From the above table, the highest respondents were from partnership and self-help group proprietorship (44), vocational skills (46), firm ages 3 - 5 (18) and number of employees 11 - 20 (17) while the least of respondents were from sole partnership (44), firm ages 12 and above (5) and the number of employees 31- 41.

**Table 3: Sources of Finance of Women in Sangli district of Maharashtra State, India.**

Sources of Finance	Frequency N = 120		Percentage = 120	
	Yes	No	Yes	No
<b>Sources of Working Capital</b>				
Bank loan	42	78	20	80
Own Savings	110	10	91.67	8.33
Borrowing from family and friends	46	74	38.33	61.67
Government incentives	42	78	35	65
Other sources	10	110	8.33	91.67
<b>Sources of Start Up Capital</b>				
Bank Loans	38	82	31.67	68.33
Own Savings	108	12	90	10
Borrowing from families & friends	68	52	56.67	43.33
Government Incentives	24	96	20	80
Other Sources	26	94	21.67	78.33

Source: Field Survey, (2015)

Table 3 above showed that 90% of the women entrepreneurs in the survey relied on their own savings for their initial start-up capital. The other sources of start-up capital used were government incentives representing 20% and borrowing from family and friends 56.67% in table 3 above. The dependence of women entrepreneurs on internal funds can be attributed to non-availability of government incentives or lack of collateral security as shown in table 3.

**Table 4 Constraints of Women Entrepreneurs in Study area**

Constraints	Frequency N = 120		Percentage = 120	
	Yes	No	Yes	No
Political trends	66	54	55	48
Socio-cultural and environmental restrictions	74	46	61.67	38.33
Lack of technological advancement	74	46	61.67	38.33
Lack of policy enforcement	68	52	56.67	43.33
Corruption of government official	82	38	68.33	31.67
Problem with financing	92	28	76.67	23.33
Lack of ability to take calculated risks	74	46	61.67	38.33
Inadequate management experience	96	24	80	20
Bank policy and bureaucracy	82	38	68.33	31.77
Government's attitude towards entrepreneurship	96	24	80	20
Lack of infrastructural facilities	82	38	68.33	31.67
Lack of access to training	76	44	63.33	36.67
Family responsibilities and geographical location	66	54	55	45
Lack of Information	108	12	91.67	8.33
Low level of education	96	24	80	20

**Source: Field Survey, (2015)**

The results of empirical findings show that majority of the respondents attest to the fact that women entrepreneurs face serious constraints which include socio cultural influence, lack of technological advancement, lack of policy for entrepreneurship, corruption, government's attitude towards entrepreneurship, political trends, financial constraints, bank policy and bureaucracy, lack of infrastructural development, low level of education, family responsibility, lack of access to training in their business operation.

### Recommendation

1. Government should make policies that will positively enhance the accessibility of women entrepreneurs to the required funds and help this business support organizations improve their services towards women entrepreneurial development.
2. Government should establish special institutions which provide training and development skills and business opportunities for women.
3. Government should provide institutional policy framework that target women entrepreneurship development; capability building programmes on business for women entrepreneur.
4. The three tiers of government should provide tax relieve to women entrepreneurs in firm of tax at or tax rebate to help lessen multiple tax burden.
5. Government should provide aggressively infrastructural development such as water, electricity, roads, and security to reduce cost of doing business in Maharashtra.
6. Enterprise network should provide advice, counselling and training for women entrepreneurs.

7. Women entrepreneurs should strive to break through socio cultural and development barriers with great determination, perseverance, in breakable, solidarity and genuine desires to conquer the challenges.
8. Government should promote positive images of women and women entrepreneurs, in particular as partners and contributors to economic growth and development.

### **Conclusion**

It is discovered that women entrepreneurs are facing many challenges such as socio-cultural and environmental restrictions, lack of technological advancement problem with financing, lack of ability to take calculated risks, lack of Information, government's attitude towards entrepreneurship, lack of infrastructural facilities, lack of Information, low education among others where more than 60% of the respondents supported the assertion.

The study concluded that problems facing women entrepreneurs should be addressed in order to contribute significantly to the economic growth of India.

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