



## A Study on Women Entrepreneurship - A Case Study in Machilipatnam Town

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### KEYWORDS :

Women stand for progress. They hold up half of the sky. They are nation builders. They account for one half of population. They contribute to the economy in one form or another. They work in farms, they weave, they make handicrafts, they sell food, they gather wood and more importantly they perform many household tasks like cooking, fetching water, caring and rearing of children etc. But much of them work neither documented nor accounted for official statistics because majority of women are doing fulltime job in the house itself. That is as home maker. The remaining percentage of women even though they are working outside, out of them nearly 90 percent of employment is in the unorganized sector.

Women represent half the resources and half the potential in all the societies. Efforts to promote greater equality between women and men can also contribute to the over-all development of human society. Women are as qualified as men to succeed as entrepreneurs, but they suffer two distinct disadvantages. First, there is the initial lack of confidence in their own abilities. Years of accepting a subordinate status and segregation have left women lacking in confidence to venture into new initiatives. Second, there is society's lack of confidence in women's ability. This is manifested in the family's reluctance to finance a woman's venture, in a banker's reluctance to take risk on projects set up by women, and in a general unwillingness to accept women as decision-makers or to stand as guarantors for loans. It is clear that special efforts are needed to promote and support women's entrepreneurship.

The traditional set up is changing. The transformation of social fabric of the Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the lifestyle of Indian women. In the census report of Workforce participation rate by sex, the women workforce participation has increased from 14.2 percent in 1971 to 25.7 percent in 2001 due to the increased literacy rate. From the studies, it is evident that women participation in workforce has been more in rural areas as against the urban areas. The rural women are involved more in Micro, Small and Medium scale (MSME) sector and also in agriculture sector, dairy industry, floriculture, sericulture, handloom industry, food processing industries etc.

The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. The number of women entrepreneurs has grown over a period of time, especially in the 1990s. Women entrepreneurs need to be lauded for their increased utilization of modern technology, increased investments, finding a niche in the export market, creating a sizeable employment for others and setting the trend for other women entrepreneurs in the organized sector. It is estimated that women entrepreneurs presently comprise about 10 percent of total number of entrepreneurs in India, and this is growing. With the corporate sector is eager to associate and work with women owned businesses, a host of banks and non-governmental organizations are keen to help them. It is time for women, with zeal and creativity, to start their own business.

So the present study is about the women entrepreneurship with special emphasis on the challenges faced by these people in the region of Machilipatnam which consists of both rural and urban women entrepreneurs.

### The objectives of the study:

1. To study and analyze the challenges faced by women entrepreneurs in general and in particular the women entrepreneurs present in and around Machilipatnam town.
2. To analyze the demographic profile of selected women entrepreneurs in Machilipatnam region.
3. To analyze their preferences relating to business activities performed by these entrepreneurs in Machilipatnam region.
4. To know about their perceptions relating to business activities in Machilipatnam region.

The sample selected for this study is 50 women entrepreneurs who are present in and around Machilipatnam town. Data was collected through primary and secondary sources. Secondary data was collected from books, journals, Magazines, reports, past records, websites etc. Primary data was collected through questionnaire. A structured questionnaire was prepared and administered to 50 entrepreneurs staying in and around Machilipatnam town. Random sampling method was chosen to administer the questionnaire to respondents. Data was tabulated, analyzed and interpreted by using simple methods like percentages, mean, median, mode, cross tabulation etc.

**Challenges faced by women entrepreneurs in India:** Problems may be varied and they differ from enterprise to enterprise, place to place and from time to time. Some of these problems may be common but some are more specific and related to the line of activity or the enterprise. Women entrepreneurs have to face so many challenges and problems due to internal environment and some due to external environment. According to various studies the challenges can be categorized as follows:

**External problems and challenges:** The women in various sectors of economic and commercial activities like manufacturing, trading and service sectors face so many problems.

- 1) Non-Availability of raw material: This is the biggest problem of the manufacturing sectors related to garment industry, aromatic oil manufacturers, beauty product manufacturers, food processing sector and bakeries where women face lots of problems due to delay or non availability of raw materials.
- 2) Financial constraints: Women have limited access to external sources of funds. Commercial banks are reluctant to lend loans to women entrepreneurs who are basically housewives with less exposure to business and risk. The negative attitude of banks is a negative factor.
- 3) Acquiring plot/shop: It is the problem generally faced by the service sector. In the service sector, it is associated with location. There are problems like high rent in prime location, delay in obtaining permissions from urban department to get shed allotment and also problems in getting a plot nearer home.
- 4) Discouraging experiences: There are so many experiences where sometimes women face the problems while customers bargain for unnecessary reasons, some customers behave rudely. There is always a fear of threat from male customers that makes women discourage to continue the business.

**Internal problems and challenges:** Generally women are hard workers but because of poor management the women owned enterprises are unable to reach the success. Studies have stated that wom-

en at small business do not managed professionally.

- 1) **Recruitment and training of personnel:** For women entrepreneurs, recruitment of trained and skilled people is a big problem and even if they get skilled persons it is difficult to provide training to them. Training personnel takes lot of time. It must be a continual activity.
- 2) **Financial problems with customers:** Generally when the goods are sold on the credit basis it is very difficult for women entrepreneurs to retain the money from the customers. Also, when the goods are sold on installment basis, it is difficult to manage the collections from the customers.
- 3) **Low level of management skills:** Women entrepreneurs have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business. Here, generally intermediaries take major part of the surplus or profits. Sometimes they have to depend on the family members to run the organization.

#### Family and society related challenges and problems:

The biggest problem of women entrepreneurs is related to family and the society. Some of the common problems they face are:

- 1) **Male dominated society:**  
Equal treatment to men and women is absent at the family level. The male superiority ego complex creates a barrier in the way to success. This situation is found sometimes even between husband & wife and usually under such circumstances a women feels pressurized by male dominating ego.
- 2) **Dual commitment:**  
Women are performing a dual role where they are having commitments towards family as well as office. This creates a role conflict which increases stress in women. This leads to less time dedicated to work.
- 3) **Social attitude:**  
Social attitudes are equally responsible for keeping women away from training and skill in rural areas, overbearing presence of elders restrict the young girls from venturing out and very strict boundaries are drawn around their mobility.
- 4) **Lack of education:**  
Education amongst women has been poor in India. In fact, female literacy rate is very low. A woman is discouraged to learn more than the male members of the family. Due to lack of education she is unaware about the technological and marketing technologies.
- 5) **Psychological problems:**  
Many women have low self esteem. They lack confidence, ability to tackle the problems and desire to take the risk.
- 6) **Restricted mobility:**  
One's own business often demands greater mobility by way of meeting suppliers and customers. Women by nature are less mobile. Hence, they are deprived of the benefits of high efficiency. Their actual physical condition and related cultural factors and safety provisions are responsible for their low mobility.
- 7) **Male-female competition:**  
Though women entrepreneurs render prompt service, due to lack of organizational skills compared to male entrepreneurs, they have to face constraints from competition. The confidence to travel is less found in women compared to male entrepreneurs.
- 8) **Challenges of Globalization:**  
The economic reforms undertaken since 1991, posed new challenges to women entrepreneurs who are forced to compete with the multinational companies. The new challenges are related to technology, quality, and marketing.

#### Data Analysis

**Table-1**

##### Classification of respondents basing on age

S. No.	Age	No. of respondents	Percentage
1	20-30	04	08
2	31-40	25	50
3	41-50	20	40

4	51-60	01	02
5	Above 60	00	00
Total		50	100

From table-1, it is observed that, out of the total respondents 50 per cent of respondents are in the age group of 31-40 years.

**Table-2**

##### Classification of respondents basing on educational qualification

S. No.	Educational Qualification	No. of respondents	Percentage
1	Illiterate	01	02
2	Up to 10 <sup>th</sup>	10	20
2	Inter	00	00
3	Degree	36	72
4	P.G.	03	06
Total		50	100

From table-2, it is observed that, out of the total respondents 72 per cent of the respondents are graduates.

**Table-3**

##### Classification of respondents basing on marital status

S. No.	Marital status	No. of respondents	Percentage
1	Married	48	96
2	Unmarried	01	02
2	Widowed	01	02
Total		50	100

From table-3, it is observed that, out of the total respondents 96 per cent of the respondents are married.

**Table-4**

##### Classification of respondents basing on the number of children they have

S. No.	No. of children	No. of respondents	Percentage
1	No children	05	10
2	Single child	04	08
3	Two or more children	41	82
Total		50	100

From table-4, it is observed that, out of the total respondents 82 per cent of the respondents have two or more children.

**Table-5**

##### Classification of respondents basing on the nature of business they are doing

S. No.	No. of children	No. of respondents	Percentage
1	Textiles	21	42
2	Services	22	44
3	Trading	05	10
4	Others	02	04
Total		50	100

From table-5, it is observed that, out of the total respondents 44 per cent of the respondents are doing service business.

**Table-6**  
**Classification of respondents basing on the duration of business**

S. No.	Duration	No. of respondents	Percentage
1	0-5 years	10	20
2	5-10 years	29	58
3	10-15 years	05	10
4	More than 15 years	06	12
Total		50	100

From table-6, it is observed that, out of the total respondents 58 per cent of the respondents have 5-10 years business experience.

**Table-7**  
**Classification of respondents basing on the extent of satisfaction**

S. No.	Extent of satisfaction	No. of respondents	Percentage
1	Highly satisfied	13	26
2	Moderately Satisfied	34	68
3	Indifferent	02	04
4	Dissatisfied	01	02
5	Highly dissatisfied	00	00
Total		50	100

From table-7, it is observed that, out of the total respondents 68 per cent of the respondents are moderately satisfies with the business what they are doing.

**Table-8**  
**Classification of respondents basing on the amount of investment**

S. No.	Amount of investment	No. of respondents	Percentage
1	Less than Rs 1,00,000	25	50
2	Rs 1,00,000- Rs 2,00,000	21	42
3	Rs 2,00,000-Rs 3,00,000	03	06
4	Above Rs 3,00,000	01	02
Total		50	100

From table-8, it is observed that, out of the total respondents 42 per cent of the respondents invested between one to two lakh rupees in the business.

**Table-9 Classification of respondents basing on the source of investment**

S. No.	Source of investment	No. of respondents	Percentage
1	Relatives	02	04
2	Friends	00	00
3	Banks & Govt. institutions	28	56
4	Own investment	19	38
5	Creditors	01	02
Total		50	100

From table-9, it is observed that, out of the total respondents 56 per cent of the respondents have taken loans from banks and financial institutions to do the business.

**Findings of the Study:**From the study, it was evident that significant number of the women entrepreneurs is in the age group of 31-40 years. Majority of them are graduates. Maximum number of women entrepreneurs is married. Women with two or more children are more likely to be entrepreneurs. Many women entrepreneurs belong to low income group. Many women become entrepreneurs because of economic necessity. Many of the respondents prefer service business. Many of have 5-10 year's business experience. Many of them have moderate satisfaction with the business what they are doing. Many of the respondents invested between one to two lakh rupees in the business. Many of the respondents have taken loans from banks and financial institutions to do the business. All of the respondents want to continue the business and none of the respondents want to quit the business. By and large much number of respondents feels that they are moderately strong in idea generation. Out of the total respondents nearly half of feel that they are very strong in dealing with the people. Out of the total respondents more than half of the respondents feel that they are moderately strong in market development process. Out of the total respondents significant number of respondents feels that they are moderately strong in ability to meet market needs. Out of the total respondents nearly half of the respondents feel that there is some difficulty in finding distribution channels. Out of the total respondents, only nearly half of the respondents generally take experts' advice. Out of the total respondents who take advice from experts, majority of the respondents take advice for the development of new product.

Women are hardworking and self-confident. Women entrepreneurs are security-oriented than growth oriented. They prefer stable income and least risk. Though the trend is changing still there are so many organizations owned by women but run by men. In the field of technology, women have made a conscious decision to set up technology based industries. Gender discrimination is encountered at every stage of business development.

**Conclusion:** The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. The number of women entrepreneurs has grown over a period of time. The women entrepreneurs depend on modern technology, increased investment and export market. It is necessary to formulate appropriate strategies for stimulating, supporting and sustaining the efforts of women entrepreneurs.

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