



Challenges Encountered By Women Entrepreneurs In Small And Medium-Sized Enterprises (Smes) Confined To Puducherry And Chennai Region

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ABSTRACT

21st century is the century of telecom, IT and financial institutions. Women's expertise in all these industries has made them emerge as a force to reckon with. Many of these industries are headed and guided by women as pioneers and mavericks. They have ventured to build enterprises, to discover their relevance and meaning of life in themselves. The present rate of 30% success of Entrepreneurship Development Programme (EDP) training was likely to go up to 45% with growing experience and improved techniques of training and follow up. Currently, only 39% of Indian women are formally employed, compared to 81% of Indian men and 71% of Chinese women. The principle purpose of this study is to identify the major problems faced by women entrepreneurs in Small and medium-sized enterprises (SME) in Puducherry and Chennai region and also to find the impact of these problems on the working efficiency of these women entrepreneurs. The data collected from 40 women entrepreneurs in SMEs and was subjected to quantitative analysis Mean and Percentage/frequency to find the major problematic factors and One-way Anova test was done to test the level of significance among constructs. Results of the analysis Indicate that women entrepreneurs in SMEs in these region generally face three types of problems like entrepreneurial/business problems, social/personal problems and technical problems .Dr. Guru Gujral from British Council India said that, 50% of India's population is under the age of 25, and 65% is under 35, so supporting the emergence of a new generation of young women social entrepreneurs is an important investment in the future and that they will inspire other women for years to come and support more sustainable and inclusive growth. All these three types of problems have negative relation with the working efficiency of women entrepreneurs. Global research agrees that social enterprise has a higher proportion of female leaders than traditional commercial enterprises. Three Indian women -- ICICI Bank Deputy Managing Director Chanda Kochhar, HSBC India CEO Naina Lal Kidwai and Biocon head Kiran Mazumdar-Shaw, have been named among the world's 50 most powerful businesswomen by the Fortune magazine. The global recognition for the country's three businesswomen comes close on the heels of Indra Nooyi, the India-born head of global soft drink giant PepsiCo, being named as the most powerful business women in the US by the same magazine. Practical Implication in this study might help the government regulators in addressing the problems of women entrepreneurs in these regions to take actions to towards developing their performance and to encourage more number of women entrepreneurs in India.

KEYWORDS

Entrepreneurial/business problems Social/personal problems Technical problems.

1.INTRODUCTION

The small and medium scale enterprises in India is said to play a prominent role, in the development of the country. When a business enterprise is initiated, developed and implemented by a woman then it is termed to be women entrepreneurship. Government of India has defined women entrepreneurs based on women engagement in equity and employment of a business enterprise. Recent studies says that the village and Micro Small and Medium Scale Enterprises (MSME) contribute for about 45% of the total industrial production, 30% of the country's exports and estimated employment opportunities for about ninety six million people in over twenty six million units throughout the country. The Micro, Small and Medium scale enterprises can be divided into two major segmentations namely manufacturing sector and Service sector according to Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 (India).The Former sector produces a mixture of industrial products such as food products, beverage, tobacco products, cotton goods and wool, silk, synthetic products, jute and jute products, wood and wood products, furniture and fixtures, paper products etc and the later includes a lot of service industries. In accordance with the report generated by Government of India (GOI), Women Entrepreneurs constitute ten percent from the total number of entrepreneurs in the country. Women across India are showing an interest to be economically independent. Women are coming forth to the business arena with ideas to start micro, small and medium enterprises. In recent times women are passionate about being economically independent and thus it resulted in the

emergence in more number of female entrepreneurs in the country. Many political and economic changes are seen to take place in the country whereby women entrepreneurs are said to play a pivotal role by participating in the global expedition in order to attain a sustained economic growth and development and social progress. In this 21st century of telecom, IT and financial institutions procured and managed by women entrepreneurs are said to be in high pedestals.

2.REVIEW OF LITERATURE

In 21st Century, the changes in the educational status increase in social awareness and urge to attain better standards in the society has brought about a tremendous change in the life style of women. Social and economic development of women is necessary for overall economic development of any society or a country. In Indian societal perspective men are often considered as the prominent head of the family as they contribute to the major share of the family expenses and in present era women shares the financial responsibilities of the family and they aid to the development of their economic status. Women Entrepreneurship is now said to be the buzz word in recent trends. When the characteristics of women entrepreneurs in urban areas are considered (Heggade, 1983; Cornwall and White, 2000; Goetz and Gupta, 1996). In the case of female entrepreneurship in rural areas the male hand is quite higher and hence very less people turn up to support women in entrepreneurial activities, as a result many micro enterprises are under threat or sometimes may even vanish (Leach and Sitaram, 2002). Women's organisation encounters

several challenges in bringing up of social enterprises (Ahmed, 2002). Lazear, 2005 states that women entrepreneurs must have some basic knowledge about large number of business domains. An assured gender bias prevents them. She fails in their andocentric entrepreneurial mentality (Bruni et al., 2004). Socio-economic barriers block them ability to actively take part when the opportunities lie high (Hossain et al., 2009). There is no difference in when the gender capabilities are taken in mind (Nilufer, 2001). The main constraint is that they are de-fende from participating in entrepreneurial activities mainly not due to lack of skills rather but they lack in confidence and support they are aided with (Aldrich et al., 2000;Zewde & Associates, 2002; Robinson, 2001; Orhan and Scott, 2001; Ngozi, 2002).Hossain et al. (2009), states that women suffer from two varied problems their initial lack of confidence in their own abilities and society's lack of confidence in their ability. These two instincts are critical but more social. There exists more complicated and challenges from scratch that women need to address in a masculine society in India. Women social entrepreneurs face 3 fundamental challenges those would be the ability to take financial risk, the ability to pacify organisational risk and the ability to empower as a social aggregate. Addressing financial, organisational and empowerment (FOE) challenges requires strategies recommended for equitable shareholder's engagement. It rests on enterprise creation of Collins and Moore (1964) and Knight's (1921) theory of risk. Maitree is one such example of women entrepreneurship in rural Rajasthan, a real-life experiment with inclusive strategies and sustainable outcomes. Maitree is successful in a state of Rajasthan, which is prone to social stratification, poverty, drought and its adverse effect on women and children (Sivakumar and Kerbart, 2004).

3.STATEMENT OF THE PROBLEM

This study is attempts to fill the gaps by identifying specific factors that are responsible for lubrication in SMEs operated by women entrepreneurs, and to throw light on women specific differentials that affect their performance. In light of this, the study attempts to asses the major characteristics of women entrepreneurs in SMEs their exclusive key economic, social, legal and administrative factors that affect their performance and the support aided to them by the society under the study.

4.OBJECTIVES OF THE STUDY

The main focus is to study the challenges encountered by the women entrepreneurs in Chennai and Puducherry region by considering 3 major problem areas namely entrepreneurial or business, social or personal and technical constraints also to identify the key support structures and aspects of the support environment for enterprise activities.

5.METHODOLOGY

In order to conduct the study data collection method used is convenience sampling technique and the primary data collected from a structured questionnaire given to the respondents. The questionnaire was adapted from survey of women entrepreneurs from survey monkey, Through this questionnaire a cross sectional data is collected from respondents selected for this study Data is entered and analyzed by using statistical package IBM SPSS Statistics version 20. The data collected was subjected to quantitative analysis,Percentage or frequency to find the major problematic factors. To test the reliability of the research questionnaire framework Cronbach's alpha is used and its result is 0.732 which is above the standard value proposed by (Nummally, 1978) of 0.70 this intimates that our structure of questionnaire used in research as an instrument is reliable and we can confidently apply different statistical tests and interpret the results with confidence and for further analysis. In One-way Anova test was performed and significance was assessed between the Age,Level of education Marital Status.One-way Anova was also done to find the level of significance between type of family and social status and also between skill grade in computer usage and technical problems.

Table5.1: Reliability Analysis

Reliability Statistics	
Cronbach's Alpha	N of Items
.732	34

Table5.2: One-way Anova for Age categorized

ANOVA				
		Mean Square	F	Sig.
businessproblems	Between Groups	.047	.524	.669
	Within Groups	.089		
	Total			
socialproblems	Between Groups	.174	.958	.423
	Within Groups	.181		
	Total			
technicalproblem	Between Groups	.183	1.083	.369
	Within Groups	.169		
	Total			

Table5.3:One-way Anova Level Of Education categorized

ANOVA				
		Mean Square	F	Sig.
businessproblems	Between Groups	.006	.068	.976
	Within Groups	.093		
	Total			
socialproblems	Between Groups	.150	.821	.491
	Within Groups	.183		
	Total			
technicalproblem	Between Groups	.035	.193	.901
	Within Groups	.181		
	Total			

Table5.4:One-way Anova Marital Status

ANOVA				
		Mean Square	F	Sig.
businessproblems	Between Groups	.081	.934	.434
	Within Groups	.086		
	Total			
socialproblems	Between Groups	.088	.468	.706
	Within Groups	.188		
	Total			
technicalproblem	Between Groups	.356	2.299	.094
	Within Groups	.155		
	Total			

Mean Analysis was also done to find which of the item in the construct has more impact on the problem studied

6.RESULTS AND DISCUSSIONS

In India women are differentiated through social,economic,political,regional and linguistic backgrounds. Socio-economic status forms the basis for every women's lifestyle and hence to improve the status among the unemployed group of skilled women entrepreneurship must be encouraged in the society. In this research study,the three major problems and its impact on demographic data was found with the level of Significance portrayed and its is found that most of the Women Entrepreneurs lie in the age bracket of 40-49 Years and the major problem faced by them was under the Business or Entrepreneurial constructs and it is also found that many of the entrepreneurs are under Graduate or Higher Secondary level. they also encounter some problems in Entrepreneurial or Business construct. Many of the women entrepreneurs are married and they face many problems under the Social Problems construct. It was inferred that business related problems are mainly due to lack of exposure to market scenario or operational strategies. Though they have the passion to perform, they are not able to analyse the chose the right strategy. Hence, many a times they fail in fulfilling their goals or targets. Secondly though they have a vision, many women fail to instill their thoughts into the minds of the employees as they are

not aware of the method or lack in interpersonal skills. Socially many of the women lack community support. Even though family support do exist they find it difficult in surviving due to non acceptance of women in business field. Technically, women entrepreneurs were not able to identify the source of getting raw materials at low cost firstly. Secondly many of them lacked technical skills and were not able to grasp the latest technology where by they could make the work more effectively. Its felt that ther should be ofren technical training programs for women entrepreneurs, which covers the basic technical know how and in turn they can enhance the level of productivity. Secondly, they should be trained about the current market scenario and strategies to operate. Finally they should trained on banking operations.

7.CONCLUSION

This research study was done mainly to find the challenging factors faced by the women entrepreneurs in a Small and Medium Scale Enterprises(SME) in Chennai and Puducherry region.The researcher had made this study more easy by segmentizing the problem faced under thre major categories namely Entrepreneurial or Business problems which has items such as Bank Loan ,Marketing,Source of Finance, the second one is the Personal or Social problems which deals with Time distribution,Family support,Unfavourable market behaviour and finally the Technical Problems which deals with Non-availability of raw material,un-skilled group members.In the Mean Analysis it is understood that financial accessibility,community or societal problems and technical problems are the three major areas to be focussed when the development of an entrepreneur is kept in mind.Hence in order to increase the Economic Status of a country Women Entrepreneurship must be encouraged and promoted on a large scale.

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