



A Study on Women Entrepreneurs Constraints & Challenges

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ABSTRACT

India is a land of more than 100 crores population. It is considered as a nation with rich human resource. The core strength of India is its human power, which is in bound strength. Out of 1 billion population women are almost half of it. If India wants to achieve the vision 2020 given by Dr.A.P.J.Abdul kalam, former president of India, and if it wants to be a super power and a nation to reckon with on the global map it needs to create equal opportunities to its largest strength human resource. No country can dream of becoming developed nation where half of its population is deprived of opportunity. No country can think of becoming an economic super power, where half of its population is idle and not contributing anything to the growth of a nation. We as a nation have to provide an opportunity for the overall development of the society.

KEYWORDS

Entrepreneurship, Women Entrepreneurship, Challenges, Development

Introduction

Before the 20th century, women operated businesses as a way of supplementing income. In many cases, they were trying to avoid poverty or replacing the income from the loss of a spouse. At the time, the ventures that these women undertook were not thought of as entrepreneurial. Many of them usually had to bow to their domestic responsibilities. The term entrepreneur is used to describe individuals who have ideas for products services that they turn into a working business. In earlier times, this term was reserved for men.

During the mid 18th century, it was popular for women to own certain businesses like brothels, alehouses, taverns, and retail shops, among others. Most of these businesses were not perceived with good reputations because it was considered shameful for women to be in these positions. Society frowned upon women involved in such businesses because they detracted from the women's supposed gentle and frail nature. During the 18th and 19th centuries, more women came out from under the oppression of society's limits and began to emerge into the public eye. Despite the frowns of society, women like Rebecca Lukens flourished. In 1825, Lukens took her family business of Ironworks and turned it into a profit-generating steel business.

During the Great Depression some of the opportunities afforded to women took a backseat and society seemed to reverse its views, reverting to more traditional roles. This seemed to affect women working in business. The 1980s and 1990s were a time of reaping the benefits from the hard work of women who worked tirelessly for their rightful place in the workforce as employees and entrepreneurs. Martha Stewart and Vera Bradley were among the 25 percent women who owned businesses. The public was also becoming more receptive and encouraging to these women entrepreneurs, acknowledging the valuable contribution they were making to the economy. The National Association of Women Business Owners helped to push Congress to pass **The Women's Business Ownership Act in 1988**, which would end discrimination in lending and also get rid of laws that required married women to acquire their husband's signature for all loans. In addition, the Act also gave women-owned businesses a chance to compete for government contracts.

Review Of Literature

Ettle et al (2010) in their study focused to explore how fe-

male entrepreneurs acquire business related knowledge. The preliminary analysis of the results showed that female entrepreneur perceives knowledge gaps as they progress in their business. Mostly, critical events (such as hopeless professional or personal situations) open a window of opportunity for them to start their business. The macro level environment in this case had greater influence in terms of gender related issues as German society still restrict women to enjoin entrepreneurship. The result of the study finally indicate that sectoral environment also triggers learning as female entrepreneurs have to leave their traditional female behaviour in male dominate sector.

Carwile (2009) in this study focused to a qualitative enquiry carried out in depth interviews with women entrepreneurs to explore their experiences during the first four years of their business ownership. Self-directed learning theory served as a theoretical framework. Carwile found that women entrepreneurs engage in variety of self directed activities, including trial and error experimentation with variety of motivations for learning ranging from personal to business requirements.

Langowitz et al (2007), in his study examined entrepreneurial propensity of individuals in 17 countries, found that women viewed themselves and the entrepreneurial environment less favorably than men. They concluded that perceptions about opportunities, knowing other entrepreneurs, and having self-confidence are important characteristics of entrepreneurs, whether male or female.

Encouragement of Women Entrepreneurs

In 1993, "Take Our Daughters To Work Day" was popularized to support career exploration for girls, later expanded to Take Our Daughters and Sons to Work Day. "Investing in women is not only the right thing to do but also the smart thing to do." Research shows that there are many support groups for women in business, female entrepreneurs and women just looking for business advice. Women in different areas want to show the support that in some cases, they never had.

Constraints Faced By Women Entrepreneur

Lack of confidence:

In general, women lack their confidence in their strength and confidence. The family members and the society reluctant to stand beside their entrepreneurial growth. To a certain extent, this situation is changing among Indian women and yet to

face a tremendous change to increase rate of growth in entrepreneurship.

Socio cultural barriers:

Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.

Market oriented risk:

Stiff competition in the market and lack of mobility of women make the dependents of women entrepreneurs on middle man indispensable. Many business women find it difficult to capture the market and make their products popular. They are not fully aware of the changing market conditions and hence can effectively utilize the services of media and internet.

Motivational factors:

Self motivation can be realized through a mind set for a successful business, attitude to take up risk and behavior towards the business. Society by shouldering the social responsibilities. Other factors are family support, government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units.

Knowledge in business administration:

Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business networks.

Awareness about the financial assistance:

Various institution in the financial sector extend their maximum support in their form of incentives, loans, schemes, etc. Even then every women entrepreneur may not be aware of all the assistance provided by the institutions. So the sincere efforts taken towards women entrepreneur may not reach the entrepreneurs in rural and backward areas.

Obstacles Specific to Starting New Firms External finance and sex discrimination.

In general, women have lower personal financial assets than men. This means that for a given opportunity and equally capable individual, women must secure additional resources compared to men in order to exploit the opportunity because they control less capital. A question that has developed into its own sub-field in women's entrepreneurship literature, is whether women have a harder time getting finance than men for the same business opportunity. One possible issue in raising outside capital is that 96% of senior venture capitalists are men and may not be as understanding of female-centric businesses.

Obstacles specific to managing small firms.

Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs). Thus, governments across the world, as well as various developmental organizations, are actively undertaking the promotion of women entrepreneurs through various schemes, incentives and promotional measures. Women entrepreneurs in the four southern states and Maharashtra account for over 50% of all women-led small-scale industrial units in India.

Obstacles specific to growing firms.

A specific problem of women entrepreneurs seems to be their inability to achieve growth, especially sales growth. Another issue is finance and, as stated previously, the entrepreneurial process is somewhat dependent on initial conditions. In other words, as women often have a difficult time to assemble external resources, they start as less ambitious firms that can be financed to a greater degree by their own available resources. This also has consequences for the future growth of the firm. Basically, firms with more resources at start-up have a higher

probability to grow than firms with fewer resources. Resources include; societal position, human resources and financial resources. This initial endowment in the firm is of great importance for firm survival and especially for firm growth.

International Implications

A recent international study found that women from low to middle income countries (such as Russia and the Philippines) are more likely to enter early stage entrepreneurship when compared to those of higher income countries (such as Belgium, Sweden and Australia). A significant factor that may play a role in this disparity can be attributed to the fact that women from low income countries often seek an additional means of income to support themselves and their families. Overall, 40 to 50 percent of all small businesses are owned by women in developing countries.

Present Challenges

Even though female entrepreneurship and the formation of women business networks is steadily rising, there are a number of challenges and obstacles that female entrepreneurs face. One major challenge that many women entrepreneurs face is the traditional gender-roles society may still have on women. Entrepreneurship is still considered as a male-dominated field, and it may be difficult to surpass these conventional views. Other than dealing with the dominant stereotype, women entrepreneurs are facing several obstacles related to their businesses.

Conclusion

Women entrepreneurs have become a strong driving force in today's corporate world. Not only are they able to equalize their duties of both motherhood and entrepreneurship but they also comprise of almost half of all businesses owned today. Many women entrepreneurs have an average age of 40-60 years old because they have had previous careers in other areas. Their primary goal is not monetary reward but rather personal satisfaction and community involvement. Many of them are educated and assemble into groups in order to pool business ideas and resources together. Women entrepreneurs also have more access to business capital and seed funding than ever before. Yet despite the many opportunities, many prospective women entrepreneurs are intimidated to move forward. Overall, there are many promising forthcoming predictions for women business owners. They will continue to form female business networks, transition towards information technology, and rely strongly on e-commerce as their form of trade.

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