



## ORIGINAL RESEARCH PAPER

Management

### ANALYSIS OF CHALLENGES FACED BY A WOMEN SOCIAL ENTREPRENEURS DURING THE SETTING UP STAGE AND OPERATIONAL STAGE WITH SPECIFIC REFERENCE TO AKSHAYA CENTRES IN KERALA.

KEY WORDS:

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#### ABSTRACT

Development of women and social inclusion has been a topic of interest for decades. Successive governments have been making several attempts to address this adequately and enabling progress. Several women have embarked on venturing into not business oriented enterprises but also social enterprises, in a way indicating the ability to contribute to economic development at large. However, any business venture has its share of challenges at the time of setting up – initial stages and while operating as an ongoing entity. This paper analyses the challenges faced by women social entrepreneurs engaged in providing common services as part of Akshaya Centres in Kerala. An ANOVA analysis is performed keeping the age as a variable and how these challenges impact the women social entrepreneur during the initial and operation stage. The paper concludes with findings and suggestions.

#### 1. INTRODUCTION:

The standard definition for entrepreneurship reads as 'the process of starting a business, typically a small company offering an innovative product, process or service' (Yetisen AK et al, 2015). There is another class of entrepreneurs who are attracted to entrepreneurship not only on economic aspects but also on social context. These classes of entrepreneurs not only create economic value but also serve the society by giving attention to some pressing problems of the society by way of giving solutions for the same through innovation of product or service. The paper is about one such class of entrepreneurs that support providing government services to citizens.

A study on women entrepreneurs in Asian developing countries, by T Tambunan(2009) points out that women choose to be entrepreneurs due to the urge for being independent, to be recognized by the society and to make use of their spare time. The study further indicates factors like poverty, unemployment, drive women to become entrepreneurs. Kumar P.S.A et al<sup>1</sup> (2015) indicate in their paper that under the National e-Governance Plan (NeGP) a large number of initiatives have been undertaken by various State Governments and Central Ministries to propagate e-Governance. Akshaya is one of the early community based ICT initiatives by Kerala IT Mission.

Akshaya centers are kiosks set up by the state government to provide government services to the citizens at an easily accessible location. These centres were also to provide e-literacy for the citizens and provide training on information and communication technologies (ICT) at some locations. This program was rolled out as a public private partnership (PPP) by the government involving the participation of private entrepreneurs. Thus eligible villagers were given opportunity to become entrepreneurs who would set up the Akshaya Centres and provide government and a host of services to the citizens. These entrepreneurs would earn a commission on the services provided thus making a livelihood while the government supports the citizens by providing the services at most localities. The major stakeholders in the ecosystem include Kerala IT Mission, Akshaya Centers, Village level entrepreneur, local self-government institutions and district functionaries, as depicted in Figure 1.

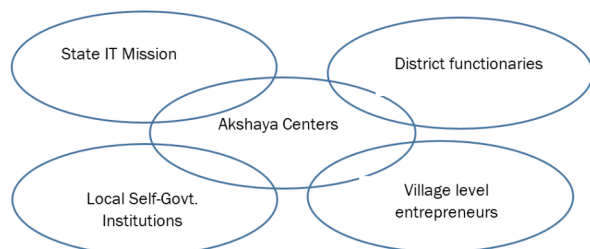


FIGURE 1. Key stakeholders in the Akshaya eco-system.

#### 2. OBJECTIVES:

The objectives of this analysis are

- To identify and rank the challenges faced by Akshaya women entrepreneurs at the initial stage of setting up the venture.
- To identify and rank the challenges faced by Akshaya women entrepreneurs at the operational stage of the venture.
- To ascertain if age of the social entrepreneur plays a role in the challenges faced by the women entrepreneur during the initial and operation stage of the venture.
- To arrive at possible actions for addressing these challenges.

#### 3. METHODOLOGY:

The study was carried out in the State of Kerala among the 14 districts. The target sample population is all women entrepreneurs owning and running Akshaya centers. At the time of this study (second half of 2014- first half of 2016), 44% of the Akshaya centers were run by women, amounting to 1042 centers. A questionnaire based survey was conducted to gather the data. The respondents were chosen based on random sampling. It was possible to get 355 responses from the target sample. The response to the questionnaire was collected, tabulated and analysed. The findings relevant to this analysis are presented in this paper.

The sample population is classified into different age groups and the data was analysed using one way ANOVA to establish any correlation in the challenges faced by them during the initial and operational stage of the venture.

#### 4. Analysis of response:

##### 4.1.Challenges faced by Akshaya Women Entrepreneurs

A set of questions were included in the questionnaire to gather inputs on the nature of problems faced by the Akshaya women entrepreneurs during the initial setting up phase. It is known that the kind of problems that occur at the initial stages are different from those during operational stage. Thus they require specific ways of dealing.

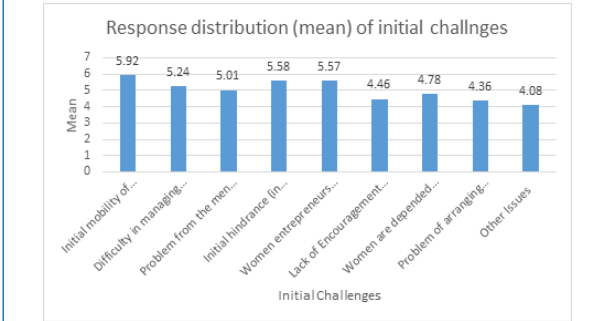
##### 4.2. Nature of problems faced during the initial stage of business venture:

In this section of the study data was gathered to analyse the nature of problems faced by the women entrepreneurs' in starting and functioning of Akshaya Center. The list below is used to capture the responses from the sample population.

- Initial mobility of women – due to various reasons
- Difficulty in managing both the kiosks and the household chores
- Problem from the men community regarding setting up of kiosks (male chauvinism)
- Initial hindrance (in terms of permission granted by the family members)

- Women entrepreneurs seldom run their kiosks during night hours, affecting the profitability
- Lack of Encouragement by family members
- Women are depended on men to run Kiosks
- Problem of arranging credit from banks for opening up their kiosks
- Other Issues

A simple statistical analysis of the mean distribution of the data collected is depicted in Figure 2.



Source: Primary data.

**FIGURE 2.** Mean distribution of initial challenges faced by Akshaya women entrepreneurs.

From the Figure 2, it has been observed that, most of the women social entrepreneurs have stated that the initial mobility of women was suspected and it was a major barrier in running the business venture, it is ranked in first place with the mean score of 5.92. Followed by the respondents who have said that they were affected by problems like initial hindrance (in terms of permission granted by the family members), timing inconveniences and difficulty in managing both the Akshaya Center and the household chores at the time of starting the business. These factors are ranked in second, third and fourth pace with the mean score of 5.58, 5.57 and 5.24 respectively.

Further it has been found that the respondents have faced problems like male chauvinism, lack of freedom or men dependency and lack of encouragement by family members. These variables are ranked in fifth, sixth and seventh position with the mean score of 5.01, 4.78 and 4.46. Subsequently it has been seen that the sample entrepreneurs were affected by financial crisis and other problems like lack of proper knowledge, inadequacy of employees etc. These factors are ranked in eighth and ninth place with an average score of 4.36 and 4.08, respectively.

4.3.Nature of problems faced during the operational stage of business venture:

Akshaya Centers are set up, they need to be functioning smoothly. This is not only to make it viable for business venture but also for the user community namely the citizens in the locality. A lot of factors that go into making this functioning. However, there will be challenges for the operations and the list below is used to gather inputs from the respondents.

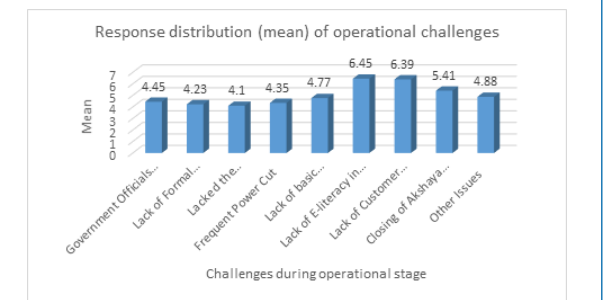
- Government Officials Lack Knowledge about Women Entrepreneurs Problems especially while Planning Training Programmes
- Lack of Formal Training
- Lacked the information about the State Government's IT policy
- Frequent Power Cut

**TABLE 1.** Result of ANOVA test: Age of women entrepreneurs and the challenges faced in initial stages of the venture.

Variables	Below 20 years		21-30 years		31-40 years		41-50 years		Above -51 years		F Value	P Value
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD		
Initial mobility of women was suspected	1.020	0.000	3.876	2.237	3.994	2.425	4.580	2.416	<b>4.909</b>	2.625	2.602	<b>.036</b>

- Lack of basic amenities instead of IT
- Lack of E-literacy in Tribal Villages Hinder in Capacity building i.e., Expansion of Business
- Lack of Customer Support (People Prefer Private Institutes Over Akshaya Centers)
- Closing of Akshaya Center due to Low Profit Margins
- Other Issues

The responses gather was analysed and the mean distribution is depicted in Figure 3.



Source: Primary data

**FIGURE 3.** Mean distribution of initial challenges faced by Akshaya women entrepreneurs.

The Figure 3 depicts the nature of problems faced by the women entrepreneurs' in the operational stage of business venture.

Majority of the women entrepreneurs have stated that their problem was lack of e-literacy in tribal villages that hinder in capacity building i.e., expansion of business. This variable has been ranked in first place with the mean score of 6.45. This is followed by the women entrepreneurs have said that they faced problems such as lack of customers (people prefer private players over Akshaya centers), closing due to low profit margins and other issues like cost-cutting, network problems etc., at the operational stage of business. These variables are ranked in second, third and fourth place with the mean score of 6.39, 5.41 and 4.88, respectively.

Batch of sample populations have opined that they faced issues such as lack of basic amenities, government official's lack of knowledge about women entrepreneur's problems especially while planning training programs and frequent power cuts that affects the work. These factors are ranked in fifth, sixth and seventh rank with the mean score of 4.77, 4.45 and 4.35 respectively. Further it has been observed that the women entrepreneurs confront issues like lack of formal training and lack of knowledge on the information about the state government's IT policy while running the business venture. These variables are placed in eighth and ninth rank with the mean score of 4.23 and 4.10 respectively.

4.4. Influence of age as a factor in the challenges faced during initial and operational stages.

In order to further ascertain if age as a factor plays a role in the way challenges are faced by the women social entrepreneur the data was analysed using five class intervals of age (namely below 20 years, 20-30, 31-40, 41-50 and above 50 years of age). The results are tabulated in Table 1.

**Hypothesis 1:** There exists an association between age of women entrepreneurs and the nature of challenges faced by them in the initial stages of Akshaya business venture.

Difficulty in managing both the kiosks and the household chores	2.667	0.577	4.825	2.336	<b>4.994</b>	2.432	4.333	2.393	3.818	2.359	1.991	<b>.045</b>
Problem from the men community regarding setting up of kiosks	2.667	1.155	4.835	2.629	5.114	2.442	4.870	2.376	<b>5.636</b>	2.063	1.102	<b>.026</b>
Initial hindrance (in terms of permission granted by the family members)	4.667	1.528	<b>4.722</b>	2.950	4.394	2.955	4.261	3.052	3.182	2.442	0.795	<b>.039</b>
Women entrepreneurs seldom run their kiosks during night hours, affecting the profitability	4.549	2.801	4.402	2.771	<b>5.000</b>	1.000	4.333	2.934	3.364	3.202	0.522	<b>.020</b>
Lack of Encouragement by family members	5.333	1.528	5.392	2.490	5.509	2.404	5.725	2.400	<b>6.273</b>	2.102	0.458	.766
Women are depended on men to run Kiosks	5.131	2.424	5.247	2.622	<b>7.667</b>	1.528	5.290	2.358	5.182	2.442	0.814	<b>.017</b>
Problem of arranging credit from banks for opening up their kiosks	5.383	2.360	5.897	2.307	<b>7.333</b>	0.577	5.768	2.276	6.273	1.737	1.508	<b>.049</b>
Other Issues (like qualification)	<b>8.667</b>	0.577	5.804	2.239	5.931	2.425	5.841	2.380	6.364	2.336	1.194	<b>.013</b>

Source: primary data.

@ 5% level.

Inferences from Table 1: From the survey population it is observed that

- For those below 20 years of age, other issues like education poses a challenge while for those in the 21-30 years, it is the initial hindrance to get permission from family members. For those in the 31-40 years bracket, the challenges come from difficulty in managing the centres, dependence on men for support, and arranging the credit from banks for finances. For those above 51 years, initial mobility, problems from me on

- setting up the centres and lack of encouragement from family. It is observed that the F value for all the variables is less than the table value and thus the hypothesis framed is accepted. Thus it can be said that there exists an association between age of women entrepreneurs and the nature of challenges faced by them in the initial stages of Akshaya business venture.

Hypothesis 2: There exists an association between age of women entrepreneurs and the nature of challenges faced by them during the operational stages of Akshaya business venture.

**TABLE 2.** Result of ANOVA test: Age of women entrepreneurs and the challenges faced during the operational stages of the venture.

Variables	Below 20 years		21-30 years		31-40 years		41-50 years		Above -51 years		F Value	P Value
	Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD		
Government Officials Lack Knowledge about Women Entrepreneurs Problems especially while Planning Training Programmes	1.000	0.000	5.650	2.496	5.777	2.503	4.884	2.604	<b>6.636</b>	2.292	4.596	<b>.001</b>
Lack of Formal Training	2.667	1.155	6.000	2.411	6.034	2.510	4.623	2.515	<b>7.727</b>	1.421	7.439	<b>.000</b>
Lacked the information about the State Government's IT policy	3.667	1.155	6.309	2.118	5.891	2.301	5.377	2.352	<b>6.273</b>	1.421	2.581	<b>.037</b>
Frequent Power Cut	4.000	2.000	<b>5.876</b>	2.228	5.634	1.957	5.464	2.465	5.636	2.803	0.829	<b>.007</b>
Lack of basic amenities instead of IT	4.000	1.000	5.258	1.975	5.240	2.090	<b>5.290</b>	1.941	4.727	2.195	0.465	.761
Lack of E-literacy in Tribal Villages Hinder in Capacity building i.e., Expansion of Business	3.870	2.202	3.474	1.871	3.514	2.157	<b>5.667</b>	0.577	2.364	1.502	2.145	<b>.015</b>
Lack of Customer Support (People Prefer Private Institutes Over Akshaya Centers)	4.812	3.045	3.041	2.453	3.446	2.789	<b>7.667</b>	1.155	2.636	1.912	6.578	<b>.000</b>
Closing of Akshaya Center due to Low Profit Margins	5.058	2.895	4.299	2.743	4.520	2.661	<b>7.667</b>	0.577	4.364	2.656	1.792	.130
Other Issues	5.522	2.790	5.093	2.727	4.943	2.636	<b>8.667</b>	0.577	4.636	1.804	2.006	<b>.023</b>

Source: primary data.

@ 5% level.

Inferences from Table 2:

- During operational stage the women entrepreneurs in the age group frequent power cut is the challenge quoted by the women in 21-30 years whereas the lack of basic amenities, lack of e-literacy, lack of customers' support and other issues are cited by the women in 41-50 years age group. The sample population above 51 years expressed that lack of knowledge of women entrepreneurs needs on the part of government officials, lack of formal training and lack of info about State IT policy as their challenges.
- It is observed that the F value for all the variables is less than the table value and thus the hypothesis framed is accepted. Thus it can be said that there exists an association between age of women entrepreneurs and the nature of challenges faced by them during the operational stages of Akshaya business venture.

## 2.Major findings:

From the analysis described above, the following findings are recorded:

- The top three challenges faced at the initial stage of setting up are
  - Initial mobility of women was suspected
  - Initial hindrance (in terms of permission granted by the family members)
  - Women entrepreneurs seldom run their kiosks during night hours, affecting the profitability
- The top three challenges faced at the operational stage are
  - Lack of E-literacy in Tribal Villages Hinder in Capacity building i.e., Expansion of Business.
  - Lack of Customer's Support (People Prefer Private Institutes Over Akshaya Centers).

c. Closing of Akshaya Center due to Low Profit Margins.

3. There is an association between the age of women entrepreneurs and the nature of challenges faced by them during the initial stage and during the operational stage of the venture.

#### **6. Recommendations / suggestions.**

Based on the study and analysis, following suggestions are made to help address the challenges:

- a. Through campaigns and open media sessions, educating the parents and the vital few of the aspiring women entrepreneurs so that these women get the support.
- b. Planning and conducting e-literacy programs across the target villages / areas to create a pool of skilled / trained human resource pool.
- c. Promotional campaigns and attractive schemes to the citizens to make use of Akshaya centres for availing the government services to have the sustainable venture.

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