

CHALLENGES AND OPPORTUNITIES OF WOMEN ENTREPRENEURSHIP IN SMALL SCALE SECTOR

DR. P. ANBUOLI,

ASSISTANT PROFESSOR, DEPARTMENT OF BUSINESS ADMINISTRATION,
MANNAR THIRUMALAI NAICKER COLLEGE, PASUMALAI, MADURAI- 625004.

E-MAIL: anbuolimtnc@gmail.com

Abstract

Women entrepreneur is considered as a person who accepts a challenging role to quench her personality needs and to become economically independent by making suitable adjustments in both family and social life. The emergence of women entrepreneurs and women-owned firms are highly suitable for the development of family unit and economy. The purpose of this study is to examine the challenges and opportunities of women entrepreneurship. The research design consists of descriptive research whereby different aspects with regards to women entrepreneurs have been investigated. This study examined the demographic profile of women entrepreneurs, women entrepreneurs' awareness on various prospects, various opportunities favouring small scale women entrepreneurs, and various challenges influencing small scale sector women entrepreneurs. This study utilized 100 samples and data for the study have been collected through questionnaire. The statistical tools like simple percentage, chi-square, cronbach alpha, factor analysis and multiple regression analysis has been used in this study. It is concluded that small scale sector women entrepreneurs have moderate opportunities and high challenges in their business.

1. INTRODUCTION

Women-owned businesses play an important role in the growth of business activity around the world. There are conditions for the social takeoff of women in a low-growth country at an accelerated pace to achieve a higher level of self-sustained economic growth. Women entrepreneurs can be defined as women or the group of women who take the initiative to start a business and manage it without problems. In many societies, women do not enjoy the same opportunities as men. In the economies in transition, progress has been made in opening doors to education and women's health. But the political and economic opportunities for women have been limited. In fact, the participation of women in economic activity and in the production of goods and services is much greater than what official statistics could reveal, since it occurs to a large extent in the informal sector and the informal economy. Society continues to suffer from a variety of misconceptions, fears and suspicions about women in business. The close family has no confidence in the future entrepreneur. And then, outside the home, customers, suppliers, workers, bankers, all question the ability of women to survive in a difficult business environment. Today's women are freeing themselves from traditional, gender-specific roles, and entering the world of business. Women entrepreneurs have become a powerful force in today's business world. Not only are they able to balance their maternity and business tasks, but they also participate in almost every type of business.

2. STATEMENT OF PROBLEM

Women development is an important catalyst for rapid economic growth as they make up half of the country's population. The participation of women entrepreneurs in economic activities is necessary not only from the point of view of human resources, but also to improve the status of women in society. But the proportion of women entrepreneurs is very low compared to men. They face many challenges from different angles, such as financial, social and personal. In this research, we see the problems that women entrepreneurs face. How they overcome that problems and who support to them. What type assistant given by government, society's support to encourage them, and family morally uplift to their entrepreneurial development. The economic situation of women is now recognized as an indicator of the stage of development of a society and it is therefore imperative that the government develop policies to develop entrepreneurship among women. To increase women's business activities, several government programs are designed to support the growth and development of these businesses. Five-year plans, development programs can develop women entrepreneurs successfully. Government, NGOs, society and family members have established access to finance, adequate training programs, promotional meetings, advertising and publicity, market access, building self-confidence and management skills.

3. LITERATURE REVIEW

Laxmi and Hyderabad (2014) revealed that the women entrepreneurs are having awareness and they have availed the benefits of the Government programmes. Institutions should also lay more emphasis in providing quality improvement through the adoption of latest technology and utilization of modern human resource management practices in imparting necessary training to sample women entrepreneurs. Santhi & Nagananthini n (2014) focused the role and involvement of Government agencies and financial institutions in the development of women entrepreneurship. Muthu & Ranga (2018) revealed that women entrepreneurs are doing the micro scale of operation particularly in the trades and services of tailoring, beauty clinic, fancy stores, petty shops, food based products, readymade garments, etc. Banks should provide credit at reasonable interest without insisting on collateral security in the form of physical assets.

Vaidivu & Devipriya (2013) revealed the problems of women entrepreneurs in the form of need of money help the family, challenge, and try something on one's own. Balu (2012) analysed the future challenges of women entrepreneurs and also had identified certain special factors which need to be considered for promoting female entrepreneurship. Rathna & Kannan (2018) revealed the problems of women entrepreneurs such as economic independence, establishing their own creative idea, establishing their own identity, achievement of excellence, building confidence, developing risk-taking ability, motivation and equal status in society.

4. OBJECTIVES OF THE STUDY

This study is commenced with the following objectives:

1. To check the demographic profile of women entrepreneurs engaged in small scale sector.
2. To study the women entrepreneur awareness on various prospects available to the small scale business.

3. To examine the various opportunities favouring small scale sector women entrepreneurs.
4. To study the various challenges influencing small scale sector women entrepreneurs.

5. RESEARCH METHODOLOGY

The study is intended to investigate how challenges and opportunities of small scale sector women entrepreneurs in Madurai district of Tamilnadu. Population for this study is women entrepreneurs; target population is small scale sector women entrepreneurs. Data have been collected from sample of 100 at different parts of the district. Data is collected through field survey. Accordingly, a well-structured questionnaire is constructed to collect the data. This is a descriptive study using primary data collected through survey. The instrument is structured with four parts, first part is pertaining to the demographic profile of women entrepreneurs; second part focuses the women entrepreneurs awareness on various prospects; third part covers the various opportunities favouring small scale women entrepreneurs; and fourth part deals with various challenges influencing small scale sector women entrepreneurs. In the survey instrument, the scale 1 to 5 have been developed, where 5 for strongly disagree and 1 stands for strongly agree. Prior to data collection, a pilot test was conducted to ensure comprehensiveness, clarity and reliability of the questionnaire. The pretesting was done among 20 women entrepreneurs randomly, resulting in minor modifications of the wordings of some questions in instrument. The following statistical tools are applied to get the reliable inferences, that is, simple percentage analysis, chi-square test, factor analysis, and multiple linear regression test.

6. RESULTS & DISCUSSIONS

6.1. Analysis of Demographic Profile

Demographic profile of women entrepreneurs are listed in table-1.

Table – 1: Analysis of Demographic Profile

Characteristics	Distribution	Frequency	Percentage
Age	18 - 25 years	12	12%
	26 - 40 years	41	41%
	41 - 55 years	29	29%
	56 years & above	18	18%
Educational Qualification	Uneducated	28	28%
	Up to HSC	37	37%
	UG	23	23%
	PG	12	12%
Monthly Income	Less than Rs.10,000	14	14%
	Rs.10,001 - 25,000	52	52%
	Rs.25,001 - 50,000	20	20%
	Rs.50,001 & above	14	14%
Type of Business	Manufacturing based	29	29%
	Service based	27	27%
	Job-work based	26	26%
	Agriculture based	18	18%
Family Size	Up to 4 members	42	42%

	More than 4 members	58	58%
Type of technology	Labour intensive	26	26%
	Capital intensive	74	74%

(Source: Primary Data)

Table-1 presents the results of demographic profile of women entrepreneurs. Age of the women entrepreneurs consists of 12% are in 18 – 25 years, 41% are in 26 – 40 years, 29% are in 41 – 55 years and 18% are in 56 years and above. Educational qualification shows 28% are uneducated, 37% are completed school education, 23% are completed undergraduate, and 12% are qualified with postgraduate. Monthly income of women entrepreneurs shows that 14% are in less than Rs.10,000, 52% are in Rs.10,001 – 25,000, 20% are in Rs.25,001 – 50,000, and 14% are in Rs.50,001 and above. Type of business of women entrepreneurs includes 29% of them engaged in manufacturing based industries, 27% of them engaged in service based, 26% of them engaged in job-work based, and 18% are engaged in agriculture based business. Family size of women entrepreneurs reveals that 42% are in up to 4 members, 58% are in more than 4 members. 26% of the women entrepreneurs use labour intensive technology and 74% of them use capital intensive technology in their business.

6.2. Awareness on Prospects

Women entrepreneurs’ awareness concerning prospects available to their business is analyzed. Therefore, the relationship between women entrepreneurs’ awareness on prospects and demographic profile is analyzed with chi-square test at 5% level of significance. It is used to test whether there are any significant differences in awareness, since there are different factions involved in the study.

Table-2: Awareness on Prospects

Prospects	Age		Education		Monthly Income		Family Size	
	χ^2	Sig.	χ^2	Sig.	χ^2	Sig.	χ^2	Sig.
Socio-personal	17.23	0.24	13.22	0.25	2.93	0.78	4.53	0.64
Personnel support	9.42	0.61	11.53	0.37	6.44	0.64	5.22	0.28
Marketing	17.34	0.01	8.24	0.89	12.34	0.56	3.75	0.45
Finance	15.29	0.83	11.58	0.43	13.28	0.72	7.47	0.76
Technical	7.25	0.21	10.52	0.63	16.97	0.53	24.56	0.37
Production	12.57	0.54	6.26	0.76	11.35	0.42	6.85	0.54
Mobility	4.47	0.84	12.58	0.74	7.35	0.54	11.23	0.68
Government support	7.43	0.15	14.59	0.55	3.14	0.76	15.24	0.37
Tax incentive	1.54	0.56	9.84	0.63	3.90	0.62	13.65	0.65
Operational capacity	14.26	0.56	15.47	0.48	13.87	0.75	8.28	0.58

(Source: Primary Data)

Table-2 presents the results of chi-square; it shows that there are no significant differences between women entrepreneur awareness on prospects based on age, education, monthly income and family size. The calculated value in all cases is greater than the table value. This implies that women entrepreneur awareness on various prospects is similar, regardless of their age, education, monthly income and family size. It is concluded that women entrepreneurs’ awareness on various prospects did not persuade policy makers, because there is no deviation found among their demographic variables.

6.3. Opportunities for Women Entrepreneurs

Small scale women entrepreneurs have many opportunities to carry out their business. Accordingly, opportunities prevailing to the women entrepreneurs are examined. The study provides the important insight into the opportunities for women entrepreneurs. This study used t-test to evaluate the computed mean value based on the opinion on women entrepreneurs. In this t-test the computed mean value of the women entrepreneurs is compared with hypothesized mean value 3 to get the significance value. Accordingly, its results are presented in table-3.

Table-3: Opportunities for Women Entrepreneurs

(N = 100)

Variables	Mean	Std. Deviation	Std. Error Mean	t-value	Sig (2 tailed)
Easy finance access	2.7336	1.0669	0.3867	22.045	.000
Technical assistance	3.6137	0.5636	0.2353	16.267	.000
Ready market for goods	4.4647	0.6873	0.2611	23.563	.000
Continuous raw material supply	4.2595	0.9761	0.5264	-19.553	.000
Low cost employees	2.0611	1.0383	0.4936	-12.992	.000
Enough government support	3.7922	1.1357	0.3645	13.671	.000
NGO support	4.5685	0.6465	0.4279	36.778	.000
Family support and guidance	3.7416	1.0229	0.5846	22.526	.000
Seed capital from banks	4.8185	1.2621	0.3496	-10.025	.000
Training assistance	2.8626	1.2628	0.3924	14.452	.000
Protective measures	3.6486	1.1531	0.5277	12.611	.000
Export potential	2.7638	1.2129	0.3773	17.934	.000

(Source: Primary Data)

Table-3 shows that the mean value of opportunities to women entrepreneur ranges from 2.0611 to 4.8185. In particular, it is identified that the variable such as technical assistance, ready market for goods, enough government support, NGO support, family support and guidance, and protective measures with its mean values are strictly greater than 3. It is found that the women entrepreneurs are strongly agreed the t-values are greater than '3' that is, 16.267, 23.563, 13.671, 36.778, 22.526, and 12.611 which are statistically significant at 5% level. The women entrepreneurs are disagreed continuous raw material supply, low cost employees, seed capital from banks because that the t-values are 10.025, 12.992, and 19.553. Therefore it could be concluded that the opportunities are highly favourable to the women entrepreneurs.

6.4. Challenges of Women Entrepreneurs

Various challenges of women entrepreneurs are analyzed with the help of factor analysis. The internal consistency of the instrument is tested with reliability analysis. The reliability estimate of Cronbach's alpha for the factors are as follows, commencement problems (0.852), operational problems (0.812), marketing problems (0.774), personal problems (0.788), production problems (0.751), and finance problems (0.723) suggesting a high degree of reliability. The data validity for factor analysis is tested with the help of Kaiser-Mayer-Olkin (KMO) measures of sampling adequacy and Bartlett's test of Sphericity. The KMO measures of sampling adequacy (0.882) and zero percent level of significance of

Chi-square satisfy the conditions of validity of data for factor analysis. The results of factor analysis are presented in table-4.

Table – 4: Factor Analysis

Factors (Factorial Mean)	Components	Factor Loadings	Eigen Value	% of Variance
Commencement Problems (2.89)	Lack of confidence	0.826	9.74	21.47
	Insufficient finance	0.811		
	Lack of knowledge	0.779		
	Lack of family support	0.812		
	Inadequate training	0.736		
	Emotional disturbance	0.727		
	Location of enterprises	0.801		
Operational Problems (2.78)	Lack of expertise	0.821	7.62	16.45
	No knowledge in technology	0.812		
	Poor training	0.773		
	Fluctuation in price of raw material	0.787		
	High cost of repair and maintenance	0.793		
	Use of conventional technology	0.762		
Marketing problems (2.75)	High competition	0.823	5.20	12.34
	Lack of mobility	0.736		
	Lack of new customers	0.747		
	Middlemen interference	0.801		
	Promotional activities	0.769		
Personal Problems (2.63)	Fear and anxiety	0.814	4.13	8.53
	Societal attitude	0.785		
	Poor communication skills	0.769		
	Lack of self-motivation	0.803		
Production Problems (2.49)	Idle capacity	0.778	3.65	5.67
	High cost of production	0.781		
	Conservative technology	0.780		
Finance Problems (2.31)	High interest	0.811	2.62	3.20
	Lack of loan facility	0.806		
	Collateral compulsions	0.802		

(Source: Primary Data)

Table-4 reveals the six antecedents of factors explained the variance to the extent of 67.76 percent. The most important factor is commencement problems since its respective Eigen value is 9.74. It consists of seven variables with the reliability coefficient of 0.852. Since the second and third important factors are operational problems and marketing problems since their Eigen values are 7.62 and 5.20 respectively. The variables explained by these factors are 16.45 and 12.34 percent respectively. Similarly, personal problems and production problems have Eigen values 4.13 and 3.65 with variance of 8.53 and 5.67 percent respectively. The next important factor affect the small scale women entrepreneur is finance problems since its respective Eigen value is 2.62 with variance of 3.20 and it consists of three variables with the reliability coefficient of 0.751. It is understood that the factors are largely influenced the women entrepreneurs.

Multiple linear regression analysis has been performed to analyze the challenges of women entrepreneurs. It is administered to test the influence of factors identified in factor analysis. Since six underlying factors are considered as independent variable and the challenges of women entrepreneur is assumed as dependent variable, which are depicted in table-5.

Table – 5: Multiple Linear Regression Analysis

Independent Variables	Dependent Variable	Un-standardized coefficients		Beta coefficients	t value	Sign.
		Beta	Std. Error			
Constant	Challenges of Women Entrepreneur	-0.818	0.537		-1.447	0.023
Commencement Problems		0.421	0.065	0.453	6.978 [@]	0.061
Operational Problems		0.218	0.075	0.161	1.717 ^{\$}	0.005
Marketing problems		0.212	0.087	0.143	1.699 ^{\$}	0.006
Personal Problems		0.187	0.049	0.088	0.896 ^{\$}	0.011
Production Problems		0.163	0.072	0.113	1.274 ^{\$}	0.005
Finance Problems		0.132	0.038	0.118	1.284 ^{\$}	0.028
R	0.823					
R ²	0.677					
Adjusted R ²	0.61					
F Value	24.365 [@]					

Note: @ significant at 1%, and \$ significant at 5%.

Table-5 shows that all six independent variable are positively related with the challenges of women entrepreneurs. It reveals the value of R² and adjusted R² as 0.677 and 0.61 respectively, which indicates that 68% of variation on challenges, explained by six underlying factors. Commencement problems having highest beta coefficient 0.421 and t value 6.953 is statistically significant at 1% level. It indicates that the strong influence of challenge in women entrepreneurs. Operational problems, marketing problems, personal problems, production problems and finance problems are statistically significant at 5% of level. From this analysis, it is found that women entrepreneurs have been influenced by various challenges.

7. CONCLUSION

Entrepreneurship is a purposeful activity indulged in initiating promoting and maintaining economic activities for the distribution of wealth. The individual as an entrepreneur is a critical factor in economic development and an integral part of socio-economic transformation. However, emergence of an entrepreneur in the society depends closely upon the interlinked socio, economic cultural, religious and psychological variables. Entrepreneurship is about imagination, flexibility, creativity, willingness to think conceptually readiness to take risks, ability to mobilise agents of production and the capacity to see change as an opportunity. The entrepreneurial activity at anytime is dependent upon a complex and varying combination of socio-economic psychological and other factors. Demographic profile showed that 41% are in 26 – 40 years of age, 37% are completed school education, 52% are in the monthly income range of Rs.10,001 – 25,000, 29% of them

engaged in manufacturing based industries, 58% are living in more than 4 members and 74% of them use capital intensive technology in their business. Women entrepreneurs have awareness on various prospects, because there is no deviation found among their demographic variables. Similarly, it is recognized that various opportunities are highly favourable to the women entrepreneurs in small scale sector. Challenges are in the form of commencement problems, operational problems, marketing problems, personal problems, production problems, and finance problems. The narrated six antecedents of factors explained the variance to the extent of 67.76 percent. Women entrepreneurs have been influenced by various challenges. It is concluded that small scale sector women entrepreneurs have moderate opportunities and high challenges in their business.

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