

Problems faced by women entrepreneurs regarding start-up, current operations and in manufacturing

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ABSTRACT

For women entrepreneurs, starting and operating business involves considerable role and difficulties because in the Indian society women have always performed a subordinate role. Women entrepreneurs in India represent a group of women who have broken away from the beaten track and exploring new vistas of economic participation. The trend setters for women's economic emancipation have shown courage, tenacity, resolution, far sightedness and vision by enabling women to become entrepreneurs and participate fully and more effectively in a wider range of economic and especially industrial activities. While entering business, count upon family support right from its setting up, managing, establishing and diversification. The problems of women entrepreneurs have not been studied in a systematic way. Only few researches have been conducted in India on women entrepreneurs. Thus, it was urgently needed to conduct research on the problems of women entrepreneurs. The study was conducted in Nagpur city of Maharashtra state. Two hundred, randomly selected business and manufacturing units were used to incorporate the effective sample from the four directions of the city as well as from centre.

INTRODUCTION

Entrepreneurs play a vital role in economic development of nation. The emergence of entrepreneur in a society, to a great extent, depends on the economic, social, religious, cultural and physiological factors prevailing in the society.

Entrepreneurship amongst women is a recent phenomenon. With the socio-psycho, cultural, and economic changes, women are slowly entering into the field of entrepreneurship. The percentage of women's participation in working group is increasing. Women are found to be engaged in different types of industries, traditional as well as non-traditional, such as engineering, electronics, readymade Garments, fabrics, eatables, handicrafts, plastics, ceramics, printing, toy making etc. Entrepreneurs usually require financial assistance of some kind to launch their ventures. According to a report by the United Nations Industrial Development

Organization (2001) 'despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining loan often due to discriminatory attitude of banks and informal lending groups'.

Purpose of study:

A new approach is necessary to study the role of entrepreneurship leading to the economic development. The present study was therefore designed to fill up this lacuna in the field of entrepreneurship of women. Problems of women entrepreneur is the specific focus of this study.

The study was conducted with the objective to devise an entrepreneurial behaviour scale to measure the entrepreneurial behaviour of women entrepreneurs, to test the validity and reliability of the scale, to study economic, the social, personal characteristics of selected women entrepreneurs, to study the motivating factors, and problems faced by entrepreneurs during

start up, current operations and marketing.

The objectives of the study were: to study the personal, social and economical characteristics of the selected women entrepreneurs, to know the factors motivating entrepreneurship amongst selected women entrepreneurs and to study the problems faced by the selected entrepreneurs with their business during start-up, current operations and marketing.

Limitations

The study was limited to :

- 200 entrepreneurs.
- Nagpur city.
- District Industry Centre (DIC).

Review of literature:

Say (1815) defined entrepreneur as an agent who unites all means of production and finds in the value of the product the re-establishment of the entire capital he employs and the values of the wages, the interest and rent which he pays as well as the profit belonging to himself.

Mill (1848) provided one of the definitions of the entrepreneurship and suggested that risk bearing was the major feature that separated entrepreneurs from managers.

Schumpeter (1947) viewed entrepreneur as a manager who was making creative or innovative response.

According to Danhof (1949) an entrepreneur is primarily concerned with the changes in the formula of production over which he has full control.

Lamb (1952) defined entrepreneurship as that form of social decision making performed by economic innovators and thus, entrepreneurship means broadly, the ability to recognize and exploit economic opportunity.

Florence (1969) stated that entrepreneur is a person who makes prime decision.

Few studies on the basic problems and the difficulties faced by the women entrepreneurs encountered during entrepreneurial venture are given below:

Pellegrino and Barry (1982) observed that female entrepreneurs with one or more years operating a retail service firm indicated that they had problems in obtaining funds to start and operate the business.

A cross cultural study conducted by Robert Hisrich (1984) showed that the start-up and operational problems were faced by many of the women entrepreneurs.

Niesbud (1986) reported that majority of women (81%) indicated problems in the area of managing workers, marketing and recovery of dues

Malikarjuna (1990) stated that major hurdles in fast growth of women entrepreneurship were lack of awareness, adequate finance, motivation and training.

Saundarapandian (1999) reported that in traditional India most women folk lack mobility and did not undergo additional

training and they are handicapped by their inability to travel from one place to another.

METHODS

Locale of the study:

At the initial stage, universe for the present study was determined and it was Nagpur city. Care was taken of incorporating women entrepreneurs specifically coming from different localities and were selected after having heuristic survey of the localities. This was done during the pilot study of the present research.

Sampling procedure:

The list of all small scale manufacturing and business units registered by women entrepreneurs for financial assistance at District Industry Centre (DIC) Nagpur was procured. For this study, 200 self-employed women were randomly selected and interviewed personally with the help of pre-tested questionnaire.

Collection of data:

The interview schedule was prepared for collecting data from the respondents. Schedule consisted of the background information of the respondents along with the other required components useful for the study.

Data were collected by administering the pre-tested interview schedule. All the respondents were personally interviewed by the investigators at work spot, which enabled them to get the first hand information and give an opportunity to observe respondents personality and to observe their work place.

OBSERVATIONS AND ANALYSIS

Main participatory role of women entrepreneurs in Nagpur city was maximum (67.5%) in selling the product. Among all the selected enterprises, number of workers was more, 3-4, in Beauty parlor and computer institute.

Maximum women (59.5%) entrepreneurs were receiving help from their husband in carrying out the various entrepreneurial tasks.

From the study, it was found that very few entrepreneurs were taking paid help of managers and workers (40.5%) on an average in each selected enterprise, 1 to 2 paid workers were helping in business/ manufacturing of the product.

Major problems faced by the women entrepreneurs were more at the time of start-up of the business regarding the operations. Among the operational problems, inadequate financial resources and working capital and lack of land were the major problems of start-up. Seventy per cent of working places were having availability of satisfactory equipments. Cent



per cent women entrepreneurs expressed satisfactory security and personal safety at workplace. Majority of the women entrepreneurs had knowledge of latest choice of the people.

Summary and Conclusion:

From the investigation, it can be concluded that majority of women entrepreneurs were of middle age group and were educated. Majority (59%) women entrepreneurs were involved in manufacturing units which were established during 1996-2000. Majority (63%) women entrepreneurs were untrained. Maximum women entrepreneurs were involved in Papad making and tailoring.

Major problems faced by the women entrepreneurs were regarding operations, at the time of start-up of business. Among the operational problems inadequate financial resources and working capital and lack of land were the most prominent.

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