

A Study on Problems Faced by Women Entrepreneurs in Mysore District

Veena M¹ Dr. N. Nagaraja²

¹FIP Teacher Fellow, Department of Studies in Commerce, University of Mysore, Mysore, INDIA

²Associate Professor, Department of Studies in Commerce, University of Mysore, Mysore, INDIA

ABSTRACT

This paper made an attempt to investigate the problems faced by women entrepreneurs in Mysore District. In order to achieve the aforesaid objective data was gathered from primary sources i.e. Structured questionnaire and secondary data was collected from research papers, Journals etc. Data was collected from 240 women entrepreneurs in Mysore district and simple statistical tools are used for the data analysis. From the present study it is identified the major problems faced by women entrepreneurs in Mysore district. Financial constraint, Inadequate Institutional support, Problems in Marketing, Social Attitude, Non-availability of good workers/employees are the five major problems/Constraints faced by women entrepreneurs in Mysore district to carry out their entrepreneurial activity in efficient and effective manner. To overcome the above mentioned limitations it is suggested that, the financial institutions should take steps to facilitate easy availability of credit to encourage the women entrepreneurs and Government should also think over to solve the problems faced by women entrepreneurs..

Keywords: Women Entrepreneurs, MSMEs, Problems of Women entrepreneurs etc.

I. INTRODUCTION

Concept of Entrepreneurship:

Generally, economic development depends on the efforts of people to generate goods and services. This effort is labeled as 'entrepreneurship.' Such entrepreneurship may be classified into 'innovative' and 'imitative' entrepreneurship. Both of these entrepreneurship styles have a role to play in any economy. If innovative entrepreneurship lays the foundation for development potentials, the imitative entrepreneurship results in equitable distribution of fruits of economic development. Totally, entrepreneurship is referred to a 'fourth factor' of production and a 'catalyst of development.

II. EMERGING OF WOMEN ENTREPRENEURS

Basically, the emergence of women as economic realities and as an emergence force into areas that have been traditionally populated by men has taken two roots: (i) business start-up and ownership typically referred to as entrepreneurship; and (ii) the field of management [Begley and Boyd: 1987 Carland et. al.: 1984 and Hisrich and Brush: 1986]. However, the emergence of women entrepreneurs has undergone two evolutionary phases. The first phase started with women becoming a significant component of labour force and they became very effective entrepreneurs. In the report titled, Workforce 2000, it was projected that by the year 2000, women will comprise the majority of new entrants into the labour force [Johnston and Packer: 1988]. Working women in general have heightened their profile in recent years and this will certainly be maintained in the foreseeable future, not least because of their increasing participation in labour force, they now form 42.6 per cent of work force [EOC: 1988]. A similar increase of women in management has also been evidenced. As of 1990, women accounted for 40.00 per cent of all managers, administrators, and executives, up from 26.1 percent a decade ago [US Department of Labor: 1981, 1990]. It is clear that the number of women occupying positions in the management profession is increasing, as is the number of women who are starting their own companies. Workingwomen have raised their profile in society over recent years women's entrepreneurship-an increasingly important sub-section of the world of work has received minimal attention.

The second phase began with working women switching over as women entrepreneurs and this entrepreneurial culture continues even now across the world. According to the study by Halpern and Szurek [1987], this massive entrance of women entrepreneurs into economic arena can be judged by the actual numbers of women entering self-employment: between 1981 and 1987 the figures for women showed an increase of 70.00 per cent while for men an increase of only 30.00 per cent. It is

also important to note that this pattern of increasing numbers of women entering self-employment is not purely a UK phenomenon: it is apparent elsewhere in the world [Small Business Administration: 1985].

Women entering into business are being witnessed with an increasing magnitude in every country. During the 1980's, more than 50,000 women have annually started their own business firms, which have been included in the heavy demise of small business statistics offered for this period. According to US News and World Report [1982], over 7, 02,000 women operate their own business firms.

Further, the rate of growth in self-employment has recently been greater among women than men, women experienced an increase of 35.00 per cent from 1977-1982, compared to 12.00 per cent for men [Hisrich and Brush: 1984].

In 1960, women started only one in ten new businesses, but in 1985, this figure had increased to one in three. By 1995, it is predicted to be one in two [David: 1986].

In 1987, the latest year for which statistics are available, American women owned 30.00 per cent of all sole proprietorship and partnership business in US. During the period of 1982-87, the number of women owned business increased 57.5 percent, four times the rate of new enterprise creation in the US and accounted for 13.9 per cent of the revenues [US Department of Commerce: 1990 US Department of Labor: 1989]. By the year 2000, women are predicted to own 50.00 percent of all business in the nation with revenues exceeding current levels [Nelton:1989 State of Small Business 1990].

Scarborough and Zimmer [1988] state that small business has been a ledger in offering women the opportunity for economic expression through entrepreneurship. Women are opening business of their own in record numbers which is said to be at a rate of about five times faster than that of men.

Sexton and Bowman-Upton [1991] observe the exponential increase in the number of business owned and managed by women has been the most significant development in recent years.

Similarly, 26.00 per cent of small businesses in Australia are run by women, with the highest female representation in the services industry (37.00 per cent) and the building and construction industry, whereas 43.00 per cent of businesses are operated by women, mainly on behalf of a tradesman spouse.

The National Foundation of Women Business Owners [NFWBO] reports that there has been tremendous growth in the number of women in non-traditional industries and two out of three women-owned firms remain in the retail trade and service sectors [NFWBO: 1994]. Although figures vary, it is estimated that women currently own 28.00 percent of all the business in the United States and are projected to won 50.00 per cent by the year 2000. To conclude, women

have become the mainstay of both social and economic fabric of the society and they are likely to occupy the central position in all the spheres of life.

III. STATEMENT OF THE PROBLEM

Development of an economy is possible only through entrepreneurship. This development should be shared by both male and female entrepreneurs, irrespective of the differences. It is popularly held that women have been physically and psychologically inferior to their counterparts. This low status of women is further intensified through social and religious stigmas. As a result, women's role in economic development has been reduced to a perfunctory participation. However, such a perfunctory role is being replaced through a dynamic role because of the emphasis on women's emancipation movement through women empowerment, higher literacy rate, the inherent quality of technical ability and institutional arrangements encouraging women in all segments of the economy.

Women in developing nations often lack the capital to start a business and they face many barriers in being granted loans and other financing. From the above, questions which strike the mind that what are the barriers faced by women entrepreneurs? In this background study selected to know the problems faced by women entrepreneurs.

Hence there arises a need to address the aforesaid questions.

IV. OBJECTIVES OF THE STUDY

1. To understand the importance of women entrepreneurial activity in Economy.
2. To study the existing background of women Entrepreneurs.
3. To identify different problem areas faced by women entrepreneurs.
4. To offer suggestions based on findings of the study.

V. SCOPE OF THE STUDY

The present study confined to problems faced by women entrepreneurs in Mysore district and data was analyzed based on information gathered from the women enterprises. And data was collected from 240 women entrepreneurs in Mysore. According to District Industry Centre (DIC), Mysore, number of units registered from 1.4.2007 to 19.12.2009 2484, out of which 586 are women enterprises.

VI. DATA COLLECTION

To achieve the aforesaid data is gathered from Primary and Secondary sources.

Primary data is collected from questionnaires administered to various respondents such as women entrepreneurs.

Secondary data is gathered from various published reports, Journals; Research Articles Etc.

Data Analysis and Interpretation:

Table No. 1

The following table shows the Age of the Respondents

Sl. No	Age	Frequency	Percentage
1	21-30	35	14.58
2	31-40	120	50.00
3	41-50	76	31.66
4	51-60	05	2.08
5	61 and above	04	1.68
	Total	240	100.00

Source: Survey Data

Interpretation:

The above tabulated data shows that half of the respondents belong to the age group of 31-40 years. Further, about 15 percent of the respondents belong to 21-30 years age group and about 35 per cent of the respondents are in the 41-60 years age group. The mean age is 38.34 years and the standard deviation is 7.19.

Table No. 2

The following table depicts the distribution of the respondents on the basis of marital status

Sl. No	Status	Frequency	Percentage
1	Married	200	83.33
	A. Widow		
	B. Divorced		
	C. Separated		
	D. Remarried		
2	E. None of the above	40	16.67
	Unmarried		
	Total	240	100.00

Source: Survey Data

Interpretation:

It is evident from the tabulated data that a majority of the respondents (over 83 per cent) is married, whereas around 17 per cent of the respondents are unmarried. A little over 14 per cent of the respondents are widows, and about three per cent are either divorced, or separated or remarried.

Table No. 3

Rural/Urban Background Classification

Sl. No	Background	Frequency	Percentage
1	Urban	172	71.67
2	Rural	68	28.33
	Total	240	100.00

Source: Survey Data

Interpretation: The above tabulated data indicates that a majority (about 72 per cent) of the respondents described themselves as coming from an urban background. These respondents have been residents of the city of Mysore since at least thirty-five years. A little over 28 per cent of the respondents perceived themselves to be having a rural background.

Table No. 4

The educational status of women entrepreneurs can be seen in the following table

Sl. No	Qualification	Frequency	Percentage
1	Literate but not received any formal education	5	02.08
2	Primary	4	01.67
3	Middle School	16	06.77
4	SSLC	31	12.91
5	PUC	18	07.50
6	Graduates	123	51.25
7	Post Graduates	43	17.92
	Total	240	100.00

Source: Survey Data

Interpretation:

From the table it is evident that most of the respondents (69.17 per cent) are educated above the level of graduation. They have completed graduation (over 51.25 per cent), post graduation (about 18 per cent). Only about 30 per cent have education below PUC level.

Table No. 5

The Following Table Shows the Type of Family

Sl. No	Type	Frequency	Percentage
1	Nuclear	198	82.50
2	Joint	42	17.50
	Total	240	100.00

Source: Survey Data

Interpretation:

It is clear from the distribution that an astonishingly high percentage (about 83 per cent) of the women entrepreneurs are coming from nuclear family set-up, whereas

comparatively few (about 17 per cent respondents are from joint families).

Table No - 6

Table Showing Respondents' Opinion about Whether They Face Any Constraints / Problems

Responses	Frequency	Percentage
Yes	223	92.71
No	17	07.29
Total	240	100

Source: Survey Data

Interpretation:

The above tabulated data shows that a vast majority (about 93 per cent) of the respondents have stated that they face some problems while carrying out entrepreneurial activity. Only seven per cent of the respondents have said that they do not face any problem. It may be said that, by and large, a vast majority of the respondents did face some or the other problems in carrying out entrepreneurial activity.

Table No - 7

Table Showing Respondents Opinion about the Most Important Constraints Being Faced by Them in Their Entrepreneurial Activity

Constraints	Frequency	Percentage
Financial constraint	51	23.03
Inadequate Institutional support	49	21.91
Problems in Marketing	41	18.54
Social Attitude	34	15.17
Non availability of good workers/employees	28	12.36
Inadequate accommodation	8	03.37
Power shortage	4	01.69
Other constraints	9	03.93
Total	223	100

Source: Survey Data

* 17 respondents did not face any constraints /problems.

Interpretation:

Thus, on the basis of above data, it may be concluded that, women entrepreneurs are facing a variety of constraints, of which the two most frequently cited are —constraints relating to finances and constraints relating to the availing of assistance from a variety of institutions (Governmental or otherwise) intended to support or facilitate entrepreneurial activity.

Table No - 8

Table Showing Respondents' Opinion about Whether They Regret Having Entered Into Entrepreneurial Activity

Responses	Frequency	Percentage
Ever	208	86.46
Rarely	10	04.17
Yes, sometimes	20	08.33
Yes, many a time	2	01.04
Total	240	100

Source: Survey Data

Interpretation:

The above table clearly shows that a vast majority (over 86 per cent) of the respondents have reported that they never had a feeling of regret for having entered into entrepreneurial activity. Less than 10 per cent of the respondents have had such a feeling "sometimes" or "many a time".

It may be, therefore, inferred that a majority of the respondents never regret having entered into entrepreneurial activity. Though some problems have been reported by them, the women entrepreneur has not felt deterred from their aim.

erial

* Multiple responses were allowed (n = 240)

Interpretation:

The suggestion given by the entrepreneurs (about 34 per cent) was that women should carefully and assiduously engage in examining and planning various aspects of their

proposed work. The third major suggestion for women contemplating entry into entrepreneurial activity was that they need to equip themselves with at least some basic knowledge about the various aspects of their proposed work. Some of this knowledge may be available to women having a background of business in their families or could be acquired through relevant work experience, participation in training programmes, consultations with experts, self-study etc. The second and third suggestions mentioned above, together constitute advice which could be summed-up as "careful and comprehensive planning and preparation"¹. Further, another 19 per cent of the respondents mentioned that there was a need for strong determination, a strong desire to succeed and a positive self image. These psycho-social-traits were mentioned as necessary hardly with the intention of classifying women into categories "fit" or "unfit" for entrepreneurship, but as a suggestion for the need to consciously cultivate these traits.

Finally, about 12 per cent of the respondents have suggested that women contemplating entry into entrepreneurial activity should ensure the availability of adequate financial resources and should be prepared to take risks.

* Multiple responses were allowed.

Interpretation:

It is evident from the table that the most commonly cited suggestion (by about 36 per cent of the respondents) was that the Government should provide adequate institutional support. This includes availability of technical assistance or guidance, training programmes on various dimensions of entrepreneurial activity, simplifying the procedures or formalities of availing institutional help/assistance etc. The second important suggestion by the respondents (about 26 per cent) was that the Government should make necessary arrangements for timely and adequate availability of credit or financial assistance. About 20 per cent of the respondents have suggested that the Government should provide adequate marketing facilities like marketing centres. Further instructions or incentives may be given to

the Government institutions/agencies, to purchase the products produced by these women entrepreneurs. The Government could also take initiatives in organizing some "Industrial-fairs", "Trade-fairs" or Exhibitions exclusively for women entrepreneurs to increase the marketability of their products. Further, another 10 per cent of the respondents mentioned that there is need to make available basic infrastructure, Facilities such as land, power, water, work-shed, technology, transportation, storage, raw-material etc.

In about seven per cent of the cases the respondents suggested that there is a need to create a right kind of atmosphere, or an entrepreneurial environment which is conducive or facilitative for entrepreneurship development and entrepreneurial-activity. Creation or promotion of such an atmosphere or climate involves action intervention at variety of levels and in a variety of spheres such as the social, economic and political spheres. Further, about six per cent of the respondents have mentioned the need for modernization and technological up gradation and some respondents (about four per cent) have stressed the need for having a separate comprehensive policy for women entrepreneurs.

Table No. 11

Table Showing Other Suggestions Given By the Respondents

Suggestions	Frequency	Percentage
Creating conducive social environment	54	38.29
Creating awareness / developing entrepreneurship among the women	39	27.68
Need to form women entrepreneurs' or organization / Association / cooperatives etc	33	23.21
Need to organize exhibitions	15	10.72
Total	140*	100

Source: Survey Data

* Remaining 100 respondents have not given any general suggestions.

Interpretation:

From the above table it is seen that over 38 per cent of the respondents have mentioned that the social environment should be more conducive. Specifically there is a need to give more recognition, appreciation and encouragement to the women entrepreneurs. Such a positive attitude of the society is essential for promoting entrepreneurship among the women. The second important suggestion given by the respondents (about 28 per cent) was that there is a need to create awareness among the women, and for developing entrepreneurship among the women through carefully designed activities and programmes. They, (about 23 per cent) also suggested that the women entrepreneurs should form their own Organizations/Association/or Co-operatives to protect their interests, and for the promotion and development of their enterprises. Further, about 11 per cent of the respondents suggested that there is need to organize more exhibitions for creating awareness, making publicity, and marketing of their product.

VII. MAJOR FINDING OF THE STUDY

A vast majority of the women entrepreneurs encountered some or the other-constraints/problems in carrying out their entrepreneurial activity. Financial constraints and constraints relating to availing institutional help were perceived to be the major constraints in their entrepreneurial activity.

VIII. SUGGESTION

Financial constraints emerged as a major constraint in stifling the entrepreneurial drive. It would not be unrealistic to assume that many women have not entered into entrepreneurial activity solely because of this single factor. It is herewith suggested that financial institutions should take steps to facilitate easy availability of credit. In this connection it may be noted that this study also adds to the substantial evidence existing regarding the credit worthiness of women entrepreneurs. It would be also worthwhile to examine and experiment with the possibility of encouraging small entrepreneurs to work on a co-operative basis.

IX. CONCLUSION

The result reveals that most of the women entrepreneurs are facing financial constraint, Inadequate Institutional support, Problems in Marketing, Social Attitude, Non-availability of good workers/employees are the five major problems/Constraints faced by women entrepreneurs in Mysore district to carry out their entrepreneurial activity in efficient and effective manner.

It can be concluded by giving following recommendation for the sustainable growth of women entrepreneurship.

1. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic development.
2. Adopting a structured skill training packages can also motive the women entrepreneurship.
3. Commercial banks and Financial Institutions should consider women entrepreneurship under priority sector for financial lending
4. Government should create proper and required infrastructure for women entrepreneurship activity and also Government should implement reward schemes and incentives schemes for the successful Women entrepreneurs.
5. The established and successful women entrepreneurs can act as advisor, mentor, guide for the upcoming and young women entrepreneurs.
6. Along with the above recommendation, last but not least, for women entrepreneurship family support is also plays major role for their business success.

REFERENCES

- [1] Ayadurai, Selvamalar (2005), An Insight into the "Constraints" Faced by Women Entrepreneurs in A War-Torn Area: Case Study of The Northeast of Sri Lanka, presented at the 2005 50th World Conference of ICSB Washington D.C.
- [2] Belcourt, M, Burket, R.J., Lee-Gosselin, H, 'The Glass Box: Women Business Owners in Canada', Background paper published by the Canadian Advisory Council on the Status of Women, 1991.
- [3] Das, D.J, 'Problems faced by women entrepreneurs', Women Entrepreneurship, New Delhi: Vikas Publishing House, 2000.
- [4] Winn, Joan, (2005), "Women Entrepreneurs: Can we remove the Barriers?" International Entrepreneurship and Management Journal, 1(3): 381-397.
- [5] Damwad, (2007), Women Entrepreneurship – A Nordic Perspective, August 2007, Nordic Innovation Centre.
- [6] Jahanshani, A. A., Pitamber, B. K., & Nawaster, K. (2010). Issue and challenges for Women Entrepreneurs in global Scene, with special reference to India. Australian journal of Basic and applied Science, 4 (9), 4347-4356.
- [7] Tambunan, Tulus, (2009), Women entrepreneurship in Asian developing countries: Their development and main constraints, Journal of Development and Agricultural Economics Vol. 1(2), Page No. 027-040.the glass ceiling. Thousand Oaks, CA: Sage.
- [8] Singh, S., & Mordi, C. (2010). Challenges in Female Entrepreneur Development - A case Analysis of Nigerian Entrepreneurs. Journal of Enterprising Culture , 18 (4), 435-460.