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**A STUDY ON CONSTRAINTS AND CHALLENGES FACED BY INDIAN  
MIDDLE CLASS WOMEN ENTREPRENEUR IN SMALL SCALE INDUSTRIES  
WITH SPECIAL REFERENCE TO LUCKNOW**

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**ABSTRACT**

This study examines the constraints and motivating factors faced by Indian middle class women entrepreneurs with special emphasis given to Lucknow city as there is a number of small scale women entrepreneurs in the city. Now a day's women entrepreneur plays a significant role in the economic development and social progress of the country. In India planning commission, central and state governments recognize that women should be in the mainstream of economic development. For sustainable economic growth of any

nation these small scale women entrepreneur has a major role so we can not neglect them. Even after 67 years of independence women in India are deprived and they continue to struggle to get their entrepreneurial freedom the reason we can say that India is still a male dominating society that is why the reason that women as an entrepreneurial resource have not been widely recognize in India. Hence in the present scenario this study focuses on examining the demographic profile of women entrepreneur in small scale sector in Lucknow region district of Uttar Pradesh ,India tries to analyze the various factors responsible for women entrepreneurship to startup their own venture, probe into challenges/problems /constraints faced by these small scale women entrepreneur to set up their enterprise and some suggestion for the framework how to promote women entrepreneurship in present scenario.

**Keywords:** Constraints, challenges, small scale sector women entrepreneur

## **INTRODUCTION**

In this world women entrepreneur play's a significant role in sustained economic growth and economic progress. The reason why women play an important role is because of industrialization, urbanization and moreover they are getting social recognition from the society and now women are becoming more literate and they want to earn their own livelihood and that is why we see there is phenomenal increase in the women owned business in almost every country. In India women are only considered as a daughter, housewife, homemaker, and to look after the family but with the time passes they changing there self from housewife to a successful entrepreneur. Economic globalization has encouraged the expansion of female business ownership the growing economic power and influence of more number of women led business are changing the shape of the entire global economy. Worldwide, the number of female business owners continues to Women entrepreneur in global economy increase steadily. Many authors have defined entrepreneurship in different ways. Hafizullah et al (2012) viewed entrepreneurship as

bringing and implementing novel ideas or modifying the old ones, to bring innovation into business that have the ability create value. Tambunan (2009) described an entrepreneur as a self employed person and at a conference at US “Entrepreneurship is an attempt to create value through recognition of business opportunity ,the management of risk taking appropriate to the opportunity and through the communicative and management skills to mobilize human ,and financial and material resources necessary to bring the project to the fruition. But in Indian context women entrepreneur defines “Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. Like a male entrepreneurs a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertake risks, introduction of new innovations, coordination administration and control of business and providing effective leadership in all aspects of business.

### **CONCEPT OF SMALL SCALE IN INDIA**

In India, after independence the definition of the small scale industry has been modified nine times. In the beginning, for small scale industry, the investment level was Rs.5 lakhs and the employment limit was less than 500 persons when using power and less than 100 persons without using power. At present, the new Policy Initiatives in 1999-2000 defined small-scale industry as a unit engage in manufacturing, repairing, processing and preservation of goods having investment in plant and machinery at an original cost not exceeding Rs. 1 core.

### **RATIONALE FOR THE STUDY**

With the time changing Indian women are keen to come outside the home for the better work life standard as the show more participation as women entrepreneur. This is actually

happen because the unemployment at its peak. Government's central as well states to have introduced the policy measure to promote the status and level of women entrepreneur in the country. There has been increasing turned in number of women owned enterprise in India, but despite the government efforts, substantial growth could not be achieved this actually seem to be failure in promoting women entrepreneurship despite all the government efforts. With so many institutional support to women entrepreneur to step their business and different schemes for women who owned the business only few women entrepreneur could approach the government assistance which is the indication that there is need to revitalize the whole system. Even after 67 years of independence Indian women are struggling for their entrepreneurial freedom and this is the prominent reason that woman as entrepreneurial resource have not been widely recognize in India.

## **LITERATURE REVIEW**

### **INTERNATIONAL CONTEXT:**

Coleman (2000) reported that lenders did indeed discriminate, but on the basis of firm size, preferring to lend to larger and more established firms, thereby limiting their involvement with women-owned firms which were generally smaller. Cultural differences between and within countries add another dimension to the consideration of personal and professional roles. In examining the relationships between business and family roles of the female married entrepreneur in Turkey, respondents reported role conflict in their personal and professional lives. Being an entrepreneur had a negative impact on their family life but a positive effect on their social, economic, and individual lives. (Ufuk & zgen, 2001). Tulus Tambunan (2009) in the study found that the representation of women entrepreneurs is still relatively low which can be attributed to factors such as low level of education, lack of capital, and cultural or religious constraints, most of women entrepreneurs in SMEs are from the category of "forced" entrepreneurs seeking for better family incomes. A study by Chinonye Okafor, Roy

Amalu (2010) revealed that positive relationship exists between motivational factors and women entrepreneurial challenges. A study in Taiwan by Saikou E. Sanyang and Wen-Chi Huang (2008) proves those women entrepreneurs are capable as men running a business. Also suggests that women in middle ages, between mid-30s and mid-40s, are more likely to set up their own businesses. In the study from Poland, Hanna Mizgajska (2007) confirmed that education and professional experience of women were decisive in prioritizing by them the external and internal factors which impacted the decision of setting up a company. The study showed that a significant factor influencing company growth and company. Jamali (2009) Raising the standard of living also contributory motivational female entrepreneurship. Some researchers disagree with this (Roomi *et al*, 2009) it has been pointed out most researcher in this area. In some cases, it has been observed that self-employed females cannot cope with the challenging environment as compared to paid employment (Rosti & Chelli, 2009) In lower-income classes, female entrepreneurship may be due to the need to meet family expenses, while among middle-income groups it can be attributed to the desire to raise the standard of living. (Nadgrodkiewicz, 2011).

### **IN INDIAN CONTEXT**

Neelam (1992) found that women chose micro enterprises because they value the quality of their lives. It allows them to stay in control of both their business & their personal lives to integrate their career roles & family. A study by Mallika Das (2001) concluded that the initial problems faced by the women seem similar to those faced by women in western countries. However, Indian woman entrepreneurs faced lower levels of work family conflicts and seem to differ in their reasons for starting and succeeding in business. While another study by Pooja Nayyar, Avinash Sharma, Jatinder Kishtwaria, Aruna Rana and Neena Vyasti (2007) suggested that Poor location of unit, tough competition from larger and established units, and lack of transport facility, lack of rest and sleep and non-availability of raw material were the significant problems faced by entrepreneurs. The

factors causable to these problems were; difficulty in affording own vehicle, not being popular, heavy schedule of work and long working hours. Dr. Sunil Deshpande and Ms. Sunita Sethi (2009) in their study concluded that because of attitude change, diverted conservative mindset of society to modern one, daring and risk-taking abilities of women, support and cooperation by society members, changes and relaxations in government policies, granting various upliftment schemes to women entrepreneurs etc. the percentage of women participation in the field of entrepreneurship is increasing at a considerable rate. S. Vargheese Antony Jesurajan & Dr. M. Edwin Gnanadhas (2011) in their study revealed that husbands/fathers were the main motivators for taking up entrepreneurship. So motivation of husbands/fathers/family members would certainly prove to be fruitful. Once they get convinced about significance of women entrepreneurship then their attitude will change, their roles and expectations will change and they will provide moral support, necessary guidance and help as needed.

### **CHALLENGES FACED BY WOMEN ENTREPRENEURS**

Women entrepreneurs require confidence, leadership and managerial skills for their accessibility to new markets. Entering into business as a woman offers the omni-challenges of learning how to effectively operate the activities of such business while simultaneously attempting to meet all other expectations that are part of entrepreneurship (Schaefer, 2003). The worst of these challenges is malignant sexism, which according to Anyanwu (1993) ensures the complete economic manipulation, sexual exploitation, political marginalization and economic inequality of women. Emphasizing on this, Ayogu (1990) was of the opinion that "...women are groaning under unjust culture, beliefs and overbearing influence of a male dominated society. On view of the world, 1.4 billion poor people 70% are anticipated to be women. In the last few decades women had started to realize the value of self-employment and they are now utilizing their capabilities in entrepreneurial activities. Researchers claim that family issues such as giving proper time and fulfilling family culpabilities are the chief issues confronted by

them (Rao, Rao and SuriGanesh, 2011). Another inquiry supported the findings that women are mainly impelled to be the home makers (Roomi and Parrot, 2008). Whereas Hafizullah et al (2012) highlighted that male dominance in culture creates problems for female entrepreneurs in terms of limiting their mobility, business participation and market interactions. The further arguments of the research revealed that women entrepreneurs of Pakistan have to face both environments; traditional and contemporary in order to run their enterprises. Traditional category includes socio cultural and religious elements while contemporary category is a sub category of above mentioned factors and includes constitutional structure, policy making and other institutional mechanism. Furthermore, they recognized poor economy and stereotyped society as other factors liable of causing glitches for female entrepreneurs. The major factors that restrain women from business are gender-based discrimination, lack of communal support, limited access to information, inadequate education & training facilities, absence of trust in one's capabilities and access to resources (Afza, Hassan and Rashid, 2010). These arguments are supported by the findings of another research that says that the lack of proper leadership, planning and inadequate financial resource allocation is some other difficulties that women usually face during execution of their businesses (Palaniappan, Ramgopal and Mani, 2012). Besides all the problems women also face some challenges and significant of them are unclashed guidelines, challenging interactions due to gender, dependence upon their male counterparts for transactions and extra restrictions imposed on them as compared to their gender counterparts (Ahmad, 2011). Although there are many contributions to be accredited to women entrepreneurs, a number of constraints have been identified as detriments to these contributions. Women entrepreneurs face many challenges, which include: government rules and regulations, lack of access to finance, assets, information technology, infrastructure and other facilities that enable their efficiency and business growth (United Nations, 2006). Kantor (1999) rightly argued that women often experience greater constraints on their economic actions relative to men. Mayoux (2001) also noted that there are certain factors that limit women entrepreneurs"

ability to take advantage of the opportunities available to them in their environment and these factors have been

### **OBJECTIVES:**

1. To examine the demographic profile of women entrepreneur in small scale sector of Lucknow city, Uttar Pradesh.
2. To see what challenges/constraint faced by women entrepreneurs to startup their own venture.
3. To suggest the framework for the development and promotion of women entrepreneurship in current scenario.

### **RESEARCH METHODOLOGY**

This study will be using descriptive design because it will be considered as the most appropriate design in this study. Also qualitative design will be used in this study. Qualitative research allows the researcher to familiarize him/herself with the problem or concept to be studied, and perhaps generate descriptive data. Qualitative approach will also used in this study because in this study qualitative approach is more proper than quantitative. In this study the researchers will be selected some women entrepreneurs who are working in Lucknow city. The sample size of this study will be 196 women who are entrepreneurs especially those who are working micro and macro businesses; in this case the researchers will be select women who own small shops and also those who own supermarkets. The reasons we will choose this is businesses their popularities and their easy way to reach and meet our objectives of the study. Since the target population of this study is very little there is no need to take sample so, the study conducted censuses as whole population

### **DATA ANALYSIS AND DISCUSSION**

#### **DEMOGRAPHIC PROFILE OF WOMEN ENTREPRENEUR IN LUCKNOW**



According to Table 1, Ages of the respondent, majority of them in between the ages of 26-33 years (28.5%) while the second majority respondent were in the age bracket of 34-41(26.5%).The rest of the respondents are in the bracket under 18%.The majority of respondent are married 100(50%) and the majority of respondent are graduated 79 (39.5%) as far as experience is concerned majority lies 5 year& above i.e.104 (52%)

**Table 1: Characteristics of the respondent**

<b>Characteristics</b>	<b>Classification</b>	<b>Frequency</b>	<b>Percentage</b>
Age	18-25	36	18
	26-33	57	28.5
	34-41	53	26.5
	42-49	33	16.5
	50-Above	21	10.5
Marital Status	Married	100	50
	Unmarried	71	35.5
	Divorce/separated	9	4.5
	Widow	20	10
Educational Background	Primary Education	17	8.5
	Secondary Education	34	17
	High School	17	8.5
	Graduate	79	39.5
	Postgraduate&Above	53	26.5
Experience	0-2 Years	37	18.5
	2-5 Years	55	27.5
	5 Year & Above	104	52

## **DESCRIPTIVE ANALYSIS ON CHALLENGES FACED BY WOMEN ENTREPRENEURS**

### **DESCRIPTIVE ANALYSIS**

#### **N-Number of Respondent, M-Mean, Standard Deviation (SD)**

It is seen during the research that the women of Lucknow city give much emphasis on the role of a mother and family responsibilities rather than give much emphasis to their venture (N-200.M-3.22.SD-1.458)

Lack of self confidence: will power, strong mental outlook and optimistic attitude among women entrepreneur creates a fear of failure in their entrepreneurial activity and because of this commit blunders. (N-200.M-3.10, SD-1.264)

The Study also reveals that women entrepreneur being shows as active partner with their spouse & provides necessary support rather than initiating and running the enterprise entirely on their own. (N-200.M-3.05, SD-1.619)

Financial Institution are generally skeptical about the entrepreneurial seriousness & abilities of women entrepreneur as a result the women are suffering from inadequate financial resources. (N-200, M-2.91, SD-1.106)

Women's family duties also bar them from initiating and becoming successful entrepreneur. (N-200, M-2.88, SD-1.253)

The overall male domination in the entire business & entrepreneurship also one of the main hurdle for women entrepreneur. (N-200, M-2.85, SD-1.222)

Low-level risk taking attitude is another factor affecting women's decision to get into business (N-200, M-2.69, SD-1.294).

It is believed that lack of proper knowledge about availability of raw material and low level negotiation and bargaining skills are also factors which affect women entrepreneurs business. (N-200, M-2.58, SD-1.259)

Government and Institutional supports are doing less in promoting entrepreneurship among female entrepreneur. (N-200, M-2.57, SD-1.342)

**Source:** Survey Results

### **SOME SUGGESTIONS TO IMPROVE WOMEN ENTREPRENEURSHIP**

1. **Development of entrepreneurial attitude in women:** - The first step is to develop an entrepreneurial attitude among women. According to Dr.C. Rangarajan, Former chairman of the finance commission, “the real entrepreneurial spirit of women can assert itself only if they break out of traditional mould and decide to venture out.” For the purpose, attitudinal training needs to be started at early stage. Many institutes have started special programmes for promotion of entrepreneurship like Indian Institute of Entrepreneurship Guwahati, National Institute of Entrepreneurship and small Business Development, New Delhi and many more.
2. **Attributional Augmenting:** - Famous psychologist Robert A Baron has given this term .It refers to the fact that if a factor would be expected to facilitate some behavior or out come and a factor that would be expected to inhibit some behavior or out come are both present, and yet the behavior or outcome actually occurs, we assign more weight or importance to the facilitating factors. Baron’s study has shown that attributional augmenting not only enhances ratings of women when they became entrepreneur, it also serves to reduce the potential impact of negative gender stereotype about women. In our country attributional augmenting can improve the status of women entrepreneurs
3. **Studying the Entrepreneurial Motivation:-** The investigation of women’s entrepreneurial motivation and success measures will provide the needed insight into women’s career development .Also ,consultant to women who consider entrepreneurship would better understand client’s motivation and would be better able to help them informed career decision.
4. **Teaching Them Benefits of Networking:-**Women entrepreneur need to be taught the benefit of network for getting access to resources within the community or

industry. Women in low-income countries have significantly smaller networks and less geographical mobility than men. They must learn value of networking and should be motivated to join mixed networks.

5. **Enhancing the role of Government:** - The government should try to enhance its role in financing projects. Recently “micro credit” is being employed to help women entrepreneurs. Mahila Samakhya has been a successful programme launched in 1986 by the ministry of HRD, Govt of India.
6. **Removal of cultural barriers:**-Efforts should be made to remove the cultural barriers and women should be motivated to avail the benefits of entrepreneurship. Information should be provided to them freely so that they can take better decision .Also discriminating social norms should be removed which propagate negative attitude towards women.

## CONCLUSION

For women, entrepreneurship is a journey out of poverty and towards equality. They have made considerable progress in country like India and have proved that they are no longer an ‘abla’. They are participating and performing well in all spheres of activities. Effort are on at the government and voluntary agencies level to tap hitherto unrecognized and unaccounted for strength of women to integrate them in the process of the industrial development.

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