

A Study on Complications and Prospects of Women Entrepreneurship in the Small Scale Sector with special reference to Thanjavur District

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ABSTRACT

Women have been successful in breaking their confinement within the limits of their homes by entering into varied kinds of professionals and services women entrepreneurs have proved to be on par with their men counterparts in business acumen and are emerging as smart and dynamic entrepreneurs. Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures' Women Entrepreneur" is a person who accepts challenging role to meet her personal needs and become economically independent. The state of Tamilnadu is the industrially developing area in which some of the entrepreneurs excel in small scale industry. Thus, the study aims at undertaking the entrepreneurial development among women highlights their motivational forces and relationship between socio-economic background of women entrepreneurs, motivational factors and their existing entrepreneurial traits. The future will see more women venturing into areas traditionally dominated by men. The socio background including factors, type and mode of business, training programmes are the important problems of women entrepreneurs in Thanjavur District

1. INTRODUCTION

Since the women entrepreneurs are predominantly found in the small scale sector, a review of the development of women in this sector will provide a vivid picture of their status in the entrepreneurial scenario. Small business units form the vibrant source of income generating activity for women. Government has taken several measures to encourage women entrepreneurs to set up small scale and micro enterprise. As a result of a new gesture of enthusiasm among women to participate in economic activities, together with state and central government support there was a phenomenal growth in the number of women owned business units in the state. About 82 per cent of the units registered by women in the state as on 31st March 2001 were promoted during 2000s i.e. between 1st April 2001 and 31st March 2010.

2. OBJECTIVES OF THE STUDY

- To study the socio-economic background of the women entrepreneurs in Thanjavur District.

- To analyze the motivational factors and other factors that influence women to become entrepreneurs.

- To analyze the major strength and weakness of women entrepreneurs and the environmental opportunities and threats which promote the entrepreneurship.

SCOPE OF THE STUDY

The study focuses on the women entrepreneurs in selected districts in Thanjavur district, Tamilnadu selected depends on industrial growth has been phenomenal. The selected districts with its good infrastructural facility, offers sound prospects for industrial developments. The scope of the study encompasses women entrepreneurs in Thanjavur District and the problems faced by women entrepreneurs who are engaged in starting a new enterprise. The study is limited only to the women entrepreneurs of selected groups in Thanjavur District.

SAMPLING DESIGN

Women entrepreneurs who are the main source of primary data are collected from the women entrepreneurs through a well structured questionnaire. As the area of study is limited in Thanjavur district of Tamilnadu and as the total population of women population is numerable, the researcher has proposed the sampling techniques for the selection of respondents. To identify the right respondents which are also very essential for the collection of primary data the following process has been adopted scientifically. Finally 330 respondents were selected and included the study from various taluks of erode districts who have engaged to start an enterprises and running successfully.

TOOLS OF ANALYSIS

Personal interview is the major tool of data collection. Interview technique is to be made at women entrepreneurs. The secondary data are also proposed to collect from various departments. All these data are to be arranged in various form of tables and proposed to critically analyse with the help of a number of statistical tools. Percentage Analysis, Average, Weight age Score and Chi-Square Test are the various statistical tools applied.

ANALYSIS AND INTERPRETATION

This study is aims the problems and prospects of women entrepreneurs in erode districts. For this purpose the study conducted for 90 respondents of the women entrepreneurs. An attempt has been made in this section to analyse the collected data with reference to activities of the women entrepreneurs a detailed analysis are given below.

EDUCATIONAL QUALIFICATION AND SUSTAINABILITY

Level education is considered as a component conducive for sustainable economic activities. Tamilnadu state posses international standards in literacy especially for female literacy. Enrolment of girl students in universities and technical institutions for various advanced and

modern courses illustrates the status of women in higher education. However, the number of high- educated women in the entrepreneurial sector was found less than proportionate. The table below shows the distribution of sustainable and unsustainable units by educational qualification of entrepreneurs. Table-1 shows the level of formal education of entrepreneurs and their sustainability. As shown by exhibit 22 and the table 5.35 among the sampled units, 41.2 per cent (136) entrepreneurs were possessed school level education, 37.6 per cent, and 124 entrepreneurs got college level education and 21.2 per cent, 70 entrepreneurs had professional or Technical qualifications. Out of the 136 units promoted by entrepreneurs having school level education.52 units were found healthy while 84 units unsustainable. Out of 124 units promoted by entrepreneurs having college level education, 51 units (41 per cent) were found sustainable and 59 per cent (72 units) found unsustainable. Among the unite promoted by entrepreneurs with professional and technical qualification, 32(46 per cent) units are found sustainable.

DISTRIBUTION OF UNITS BY SUSTAINABILITY AND EDUCATION

SL.NO	LEVEL OF EDUCATION	WORKING STATUS				TOTAL	
		SUSTAINABLE		UNSUSTAINABLE		UNITS	PER CENT
		UNITS	PER CENT	UNITS	PER CENT		
1	School	52	38.2	84	61.8	136	41.2
2	Collage	51	41.13	73	58.87	124	37.6
3	Professional	32	45.7	38	54.3	70	21.2
4	Total	135	40.9	195	59.1	330	100

Source: survey data

TABLE NO 1

Calculated value of Chi square -0.5847, d.f=2 =0.05, Critical value= 5.99147. Hence the Hypothesis, “thereis no significant difference in the sustainability of entrepreneurs with different levels of education” is true.The absolute figures and percentage show that sustainability is more among highly qualified entrepreneurs and educational qualification has some influence on the sustainability of the enterprise. However, the result of statistical analysis by Chi-Square test proves that the difference in the rate of sustainability is not significant. This supports the hypothesis that formal education of the entrepreneur does not support sustainability of a business unit.

WORKING STATUS AND SUSTAINABILITY

Sustainability of any commercial enterprise has to be ascertained on the basis of its working results. AN industrial or commercial undertaking cannot sustain without making reasonable profit margin. Cash loss of a unit will lead to shortage of working capital, erosion of net worth and weaken its borrowing ability. As seen in the table - 2 out of 330units, 135 units (40.9 per cent) in the sample were found sustainable in the sense that they have made profit for at least three years out of preceding five years. Remaining 195units (59.1 per cent) were appeared unsustainable. Exhibit 20depicts the working sustainability of women enterprises.

WORKING STATUS OF WOMEN ENTERPRISES

SL.NO	PRODUCT GROUP	SUSTAINABLE		UNSUSTAINABLE		TOTAL	
		UNITS	PER CENT	UNITS	PER CENT	UNITS	PER CENT
1	Garments	61	34.46	116	65.54	177	100
2	Food products	13	40.63	19	59.36	32	100
3	Repair & Services	12	57.14	9	42.86	21	100
4	Rubber & plastics	11	61.11	7	38.89	18	100
5	Other Mfg	4	33.33	8	66.67	12	100
6	Electrical /electronics	9	75.00	3	25.00	12	100
7	Furniture & wood	5	41.67	7	58.33	12	100
8	Paper & Printing	3	33.33	6	66.67	9	100
9	Construction materials	4	44.44	5	55.56	9	100
10	Chemicals	4	66.67	2	33.33	6	100
11	Miscellaneous	9	40.91	13	59.09	22	100
	Total	135	40.9	195	59.1	330	

Source: Survey data

TABLE NO 2

Calculated value of chi-square-0.935394; Critical value=14.06713 d.f=7; significance =0.05 Out 330 units, 177 units are engaged in Garments and Readymade where 65 per cent found unsustainable.. In garments units 35per cent were found sustainable while it was 40.6 per cent in food and allied products. Sustainability is found maximum in Electrical& Electronics’ where sustainability was found 75 per cent followed by ‘Repair and services’, where 57 per cent units found sustainable. The percentage of sustainability was found least among other manufacturing units and printing and paper works. It is found that the rate of sustainability varies from product to product.The result of chi-square test shows that there found no significant difference in the sustainability of different product groups. It shows that sustainability has no direct and significant relation with product group.

ENTREPRENEURIAL TRAINING AND SUSTAINABILITY

Entrepreneurs selected for governmental assistance are often endowing with training (EDPs). It is expected that the training will inculcate management qualities and augment sustainability. Table -1 below shows the sustainability rate of trained and untrained entrepreneurs.

DISTRIBUTION OF TRAINED ENTREPRENEURS AND STATUS OF SUSTAINABILITY

Sl.no	Status training of	Sustainability				Total	
		Sustainable		Unsustainable		Units	Per cent
		Units	Per cent	Units	Per cent		
1	Untrained	49	38.3	79	61.7	128	100
2	Trained	86	42.5	116	57.5	202	100
	Total	135	40.9	195	59.1	330	100

Source: Primary data

TABLE NO 1

Calculated value of Chi-square =0.43959. Table value=3.841455 at 0.05 level of significance for d.f.1. Hence the Hypothesis, “there is no significant difference in the sustainability of trained and untrained entrepreneurs” should be accepted. As revealed by the table among 330 women entrepreneurs included in the sample 202 persons undergone EDP before they start their units, for various reasons 128 entrepreneurs did not attend any training programme. Out of the 202 units promoted by trained entrepreneurs 86(42.5 per cent) units are found sustainable and 79 units (61.7 per cent) were unsustainable. Table below presents the distribution of sustainable units promoted by trained and untrained entrepreneurs. Though the rate of sustainability is found higher among those who have attended the Entrepreneurial Development programmes, the result of test shows that the difference in the rate is not significant. The result of analysis has proved the working hypothesis that the present system of EDP is not significantly support the sustainability of women entrepreneurs.

NATURE OF PRODUCTION AND SUSTAINABILITY OF THE UNIT

Marketing is likely to be the most difficult task in any manufacturing unit where production is in anticipation of future market. The risk will be very low when production is carried out on the basis of order. Table below shows the distribution of unit by nature of production and their sustainability. As revealed by the table 5.37 out of 197 units where production is continuous 65 units (33 per cent) are found sustainable where as 132 units (67per cent) are unsustainable. Out of 112 job order undertakings where production is carried out on the basis of order, 58 units (51.8 per cent) are found sustainable and remaining 54(48.9 per cent) units are unsustainable. The sustainability is comparatively high in service undertakings where 12 units(57.1 per cent) out of 21 units are found sustainable and 42.9 per cent are found un sustainable.

NATURE OF PRODUCTION AND SUSTAINABILITY OF THE UNIT

NATURE OF PRODUCTION	UNITS SUSTAINABLE	UNITS UNSUSTAINABLE	TOTAL
Manu facturing	65(32.9)	132(67.1)	197(100)
Job/order	58(51.8)	54(48.2)	112(100)
Service	12(57.1)	9(42.9)	21(100)
Total	135(40.9)	195(59.1)	330

Source: Survey data(Note Figures in brackets shows per cent to subtotals)

TABLE NO 2

Chi square test: Critical value 5.9914, Observed value 0.04569, d.f.=2, level of significance 0.05

The chi-square test result shows that there is no significant difference in the sustainability of units with different production schedule.

RANKING OF REASONS FOR UNDER UTILISATION OF CAPACITY IN SAMPLE UNITS

Products	Shortage of working capital	Competition	Lack of demand	Inadequate marketing	Shortage of power	Labour problem	Domestic problem	Shortage of marketing	Breakdown of machinery
Garments	44	402	123	217	70		20		
Food products	107	65	85	15					
Repair & Services	43	55	52	4	10	11	12	8	2
Rubber & Plastic	40	41	23		22	27	15		
Other Manufacturing	33	12	28	21		13	4	4	
Electrical & electronics	34		18	36	6	17			
Paper & Printing	21	25	16	8	6	9	4	3	
Construction	24	5	27	9	4	17	2		
Furniture	25	21	20	18	8	13	6		9
Chemicals	13	7	19	9	6	2	4	2	
Miscellaneous	58	15	45	28	16	19	10	4	
Total	852	648	498	365	148	128	77	21	11
Rank	1	2	3	4	5	6	7	9	10

Source: survey data

TABLE NO 3**PROBLEMS OF WOMEN ENTREPRENEURS**

Women have no face a plethora of problems in starting and running their units. Many of them are general problems being applicable to men entrepreneurs as well. Some of the problems have uniqueness in nature or dimension. Some of the problems generated from the patriarchal presumption on the position of women in the society. While some of the hindrance is created from lack of accessibility to resources many of them engendered from shortage of resources. As a part of the study information had been gathered from the entrepreneurs on their problems relating to starting and running the unit.

PROBLEMS IN LAUNCHING THE UNIT

Women entrepreneurs in the sample had to face several difficulties in starting the unit. Many of them were prejudice towards the formalities and selected their line of activity on the basic of easiness to start. The response of the sampled entrepreneurs to the question regarding problems and difficulties in promotion of their unit has been tabulated below in table 4. As revealed in the exhibit 15 the most prominent problem faced by them was to mobilise funds. In the sampled units, for promoters of 209 (63.33 per cent) units rising own fund was the major problem to start the unit. While promoters of 178 units (53.94 per cent) had to face difficulties in getting loan to launch their units, 143 (43.33 per cent) entrepreneurs found it was too difficult to deal with the department formalities and to get consents and licenses to start their units. Many of

them told that it was rather difficult to get consent or no objection certificates of neighbours in order to get clearance and license.

PROBLEMS OF WOMEN ENTREPRENEURS IN LAUNCHING THE UNIT

NATURE OF PROBLEM	UNITS	RANKING		
		PER CENT	WEIGHTED SCORES	RANK
Mobilising own funds	209	63.33	429	1
Delay / difficulty in getting loan	178	53.94	344	2
Deal with govt. departments	143	43.33	284	3
To comply formalities	141	42.73	271	4
To get power connection	106	32.16	207	5
Installation of machinery	72	21.85	143	6
Procurement of materials	57	17.23	114	7
Apathy of family members	34	10.30	87	8

Source: Survey data

TABLE NO 4

When promoters of 141 units (42.73 per cent) observed that fulfilling the official formalities to get license or to get the benefits declared by the government was tiresome, another 106 entrepreneurs (32.15 per cent) found much difficulty in getting power connection. In cooperative societies and partnership firms, lack of assistance from other members in the organization was disappointing. Delay in getting machinery and equipments and shortage of materials were problems at the initial stage. Even at a small rate, apathy of family members was the problem for 34 (10.4 per cent) women entrepreneurs. The main resistance from family members were in offering properties as security for getting loans.

Since the entrepreneurs had to face different problems in starting their unit, they were told to assign rank for three of their problems in the order of significance. Weights of 3, 2 and 1 respectively were given for the preference of respondents. The result again showed that mobilizing own funds was the first major problem for women followed by getting loans. Fulfilling official formalities for getting licenses were also created problems for women in promoting their units. Difficulty or delay in getting power connection and installation of plant and machineries, procurement of materials also generated problems at the initial stage. Apathy of family members generated difficulty only at an insignificant scale. The analysis showed that women had to address manifold problems in the phase of launching their own units. Raising funds is the foremost problem followed by legal formalities, getting power connection, installation of machinery and procurement of materials.

3. SUGGESTIONS

Most of the women entrepreneurs are of the opinion that because of lack of training, they are not able to survive in the market. Hence, the government should conduct frequent training

programmes with regard to new production techniques, sales techniques, etc. This training should be made compulsory for women entrepreneurs. Finance is the first major problem for women entrepreneurs. Hence, the government can provide interest free loans to encourage women entrepreneurs. To attract more women entrepreneurs, the subsidy for loans should be increased. Since the number of entrepreneurs from scheduled caste and most backward communities is very low, awareness is to be created those women, by providing special attention. Women entrepreneurs should be encouraged to start their entrepreneurs as joint stock companies rather than as a sole trade and partnership concerns to avail the advantages of large scale operation. Parents of unmarried potential women entrepreneurs should be encouraged in spending money on setting up business rather than giving preference to their marriage. Marketing product is one of the main problems for women entrepreneurs. Here, women co-operative societies can be started to procure the products from women entrepreneurs. They will help them in selling their products at a reasonable price. Improper location and inadequate infrastructure facilities are the hurdles in the way of development of women entrepreneurship. Hence, separate industrial estates may be set up exclusively for women entrepreneurs to reduce the initial investment and to create a special environment.

4. CONCLUSIONS

IT is evident from the study that women are ready to face the challenges associated with setting up of business. Society is very much receptive to the concept of women entrepreneur, so is the family. Women are not into business for survival but to satisfy their inner urge of creativity and to prove their capabilities. Women education is contributing to a great extent to the social transformation. The future will see more women venturing into areas traditionally dominated by men. The socio background including factors, type and mode of business, training programmes are the important problems of women entrepreneurs in Thanjavur District.

5. REFERENCE

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