

# Problems and Prospects of Women Entrepreneurs: A Case Study of Bareilly Division (U.P.) India

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## ABSTRACT

*Entrepreneurship is the core of economic development. It is a rising concern of a modern economy and its contribution in the economy is viably recognized. An entrepreneur is the key factor of entrepreneurship. Women entrepreneurship is the latest phenomenon and in the process one has to face several problems. And the women who start up their businesses have to face some teething problems. This research paper attempts to study and highlight their problems and prospects. It is a case study of Bareilly Division in Uttar Pradesh. A sample of 100 women entrepreneurs was surveyed by using a structured questionnaire. The results show there are various problems and difficulties confronted by women entrepreneurs. Besides, the research revealed a rank order of issues affecting them based on the views of respondents. Family, self and societal factors are ranked highest while factors like financial and economic, political and environmental and marketing and mobility are ranked as second, third and fourth respectively.*

**Keywords:** Women Entrepreneurs, Women Entrepreneurship, Problems, Prospects

## INTRODUCTION

### Background of the study

Entrepreneurship is a rapidly rising concern of a modern competitive economy and its impact on an economy is viably accepted worldwide. India is a developing country and still considering to understand the need of self-employed people who can serve the nation rather than being served by it. In the last decade the idea of self-employment has really increased up and many SMEs have emerged in Bareilly and contributing to its economic growth & development. This process of growth requires an equal participation of all citizens regardless of gender. But the matter to ponder is, entrepreneurship is viewed as a male-gendered concept in Bareilly Division. The small amount of the women entrepreneurs in this division choose traditional businesses like Beauty parlors, bakeries, handicrafts and boutiques etc. Therefore realizing

their colossal potential and understanding their problems and prospects are needed.

### Problem statement

The fundamental problem encouraging this research is the critical need to develop a consideration of the nature and problems faced by women entrepreneurs and their views on the very issue of their entrepreneurship. The study attempts to have full-scale research that is statistically significant and could find out the main problems and prospects of women entrepreneurs of Bareilly Division.

### Research Objectives

The major objectives of this research are:

- To analyze the problems faced by women entrepreneurs managing their enterprises in Bareilly division and also to reveal their prospects.
- To suggest strategies to effectively overcome problems.

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### **Significance of Research**

Because the research is a rigorous study based on primary and secondary data, therefore it is significant in many aspects; it will not only investigate and highlight the problems faced by female entrepreneurs but also divulge their perspectives regarding the contribution of women in the business activities. No research on the very topic has yet been conducted so it may also lead the policymakers to devise sound policies based on the gaps identified by this study. In addition, it will also encourage the female population of Bareilly Division in general.

### **RESEARCH METHODOLOGY, SAMPLE AND INSTRUMENT**

The nature of this study is to explore and describe the major problems of women entrepreneurs and to surface their perspectives. The Survey method was used to collect data and a structured questionnaire was used as a tool to gauge views of the respondents. Semi-structured interviews were also conducted of those respondents who showed difficulties in completing the questionnaires. The questionnaire was divided into five sections; the first section was to assess the general profile of the respondents, while the rest of the sections were divided into four subsections including i) Family, self and societal ii) Socio-Economic aspect iii) Factors affecting women entrepreneurs and iv) Government support. A sample comprising of 100 respondents from almost all areas of the city was approached by using the "snowball" sampling technique. The respondents were requested to furnish the names and addresses of other women entrepreneurs they know. Percentage Analysis, Average, Weightage score are the various statistical tools applied.

### **LITERATURE REVIEW**

#### **Entrepreneurship**

There are lots of literature on what entrepreneurship is all about. Landström (2005) states that entrepreneurship is discovering new business possibilities in the market which can be individual or people who start a business based on entirely new products or services; also the establishment of more handicraft or services oriented business with more imitative products and services. Shane (1992)

describes entrepreneurship as a process that involves seven different stages which are: existence of opportunity, discovery of opportunity, decision to exploit opportunity, resource acquisition, entrepreneurial strategy, organizing process, performance. "Push" and "Pull" factors are associated with entrepreneurship. Push factors mainly are lack of employment opportunities, dissatisfaction of working under supervision and unsupported governmental activities; on the other hand, pull factors are the desire for self-fulfillment and attainment of personal goals (Singh et al., 2011).

#### **Women Entrepreneurship**

Moore, (1990) defines a female entrepreneur as the female head of a business who takes the initiative of launching a new venture, who is accepting the associated risks and the financial, administrative and social responsibilities and who is effectively in charge of its day-to-day activities. Female who plays an intriguing role by frequently interacting and actively adjusting herself with socio-economic, financial and support spheres in society is called women entrepreneur (Pareek, 1992). Tambunan (2009) divided women entrepreneurs into three categories of chance, forced and created and these categories are based upon the fact that how they started their businesses. He argues that women, who do not have any clear objective or goal in their mind at the time of initiating business, fall in the chance category as with time their businesses evolve from their hobbies. While forced entrepreneurship is the category for such women who start their businesses being constrained by circumstances. Whereas, the women who start their businesses by being motivated or encouraged by others fall in the category of created entrepreneurs. Women entrepreneur are further divided into three categories based on the areas of their engagement, the microsphere, where females' economic empowerment is affected by intrafamilial associations. The second sphere is institutional also called mesosphere; it includes organizations other than family ones, for example, schools, NGOs and other businesses. The last sphere is macro, this is the environment in which one lives and carry on one's work, it includes international and national dynamics, regulatory authorities, credit availability, sources of finance and other factors of internal and external environments (Jones, 2004).

**Problems & Prospects of Women Entrepreneurs**

There are a number of problems regarding the women entrepreneurship in India. The complications and the major constraints experienced by the women entrepreneurs have ensued in restricting them for the development in the field on entrepreneurship. Many researchers identified areas related to social and economic aspects, problems related to skill, courage and financial support of family.

Women are not simply able to access the credit facility from banks and other financial institutions. The biggest problem that arises in front of the women entrepreneur is that they are women. A kind of male-dominant social order is the constructing block to them in their way towards business success. The women entrepreneurs have to face a tough competition with men entrepreneurs who can easily involve in the promotion and development area and carry out easy marketing of their products. The lack of self-confidence, willpower, optimistic attitude amongst them creates a fear in committing mistakes. Due to lack of education, they generally found that the government opportunities, schemes and incentives do not promptly reach the aspiring women entrepreneurs. Unlike men, the mobility of women in India is highly limited due to many reasons. Due to family duties, there is a bar of

becoming entrepreneurs in both developed and developing nations. Women's family and personal obligations are sometimes a great barrier for being successful in their career life. That is the reason the old and outdated social outlook to stop women from entering in the field of entrepreneurship becomes one of the major reasons for their failure.

**RESULTS AND DATA ANALYSIS**

This study is aimed at the problems and prospects of women entrepreneurs in Bareilly division. For this purpose, the study is conducted for 100 respondents of the women entrepreneurs. In this section, the collected data has been analyzed with the reference to the activities of women entrepreneur which are mentioned below.

**Profile Analysis**

Table1 shows the categorical profile analysis of the 100 respondents which shows the personal characteristics of the respondents like age, education, marital status, nature of business and ownership are discussed in this section.

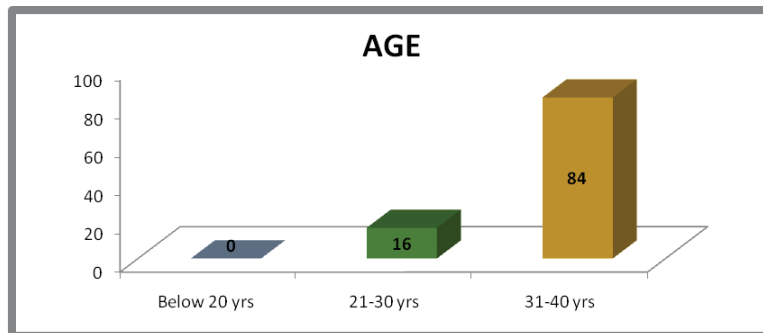
Table 1(a)-- Age

Table 1(b)– Education

Table 1(c)-- Marital Status

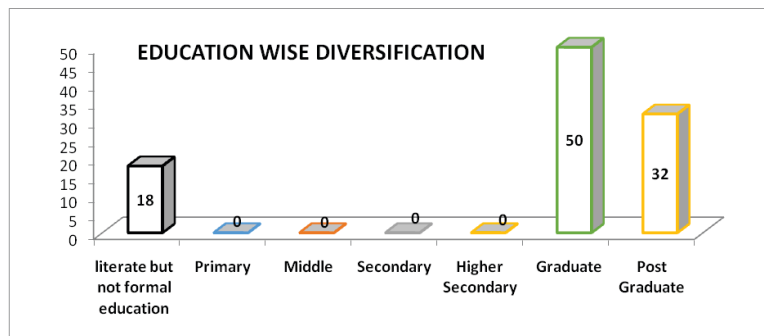
Table 1(d)– Nature of Business and Ownership

<b>Table 1(a) – Age</b>	
<b>Below 20 yrs</b>	<b>00</b>
<b>21-30 yrs</b>	<b>16</b>
<b>31-40 yrs</b>	<b>84</b>
<b>Total</b>	<b>100</b>



**Table 1 (b) – Education**

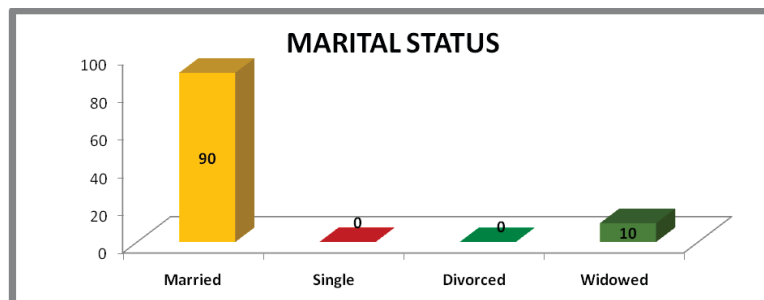
Literate but not formal education	18
Primary	0
Middle	0
Secondary	0
Higher Secondary	0
Graduate	50
Post Graduate	32
Total	100



This graph indicates that the maximum women entrepreneurs are graduate, 32% are post-graduate and the rest 16% are literate but not having any formal education.

**Table 1 (c) -- Marital Status**

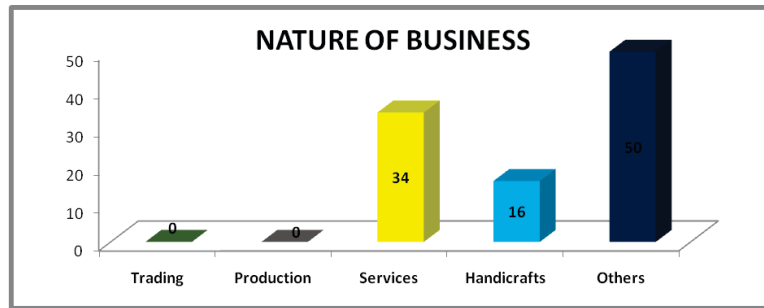
Married	90
Single	00
Divorced	00
Widowed	10
Total	100



This graph shows that the maximum women entrepreneurs are married.

**Table 1 (d) -- Nature of Business**

Table 1 (d) -- Nature of Business				
Trading	Production	Services	Handicrafts	Others
NIL	NIL	34	16	50



This graph shows that 50% of the businesses are into different sectors, 34% in service industry and the rest is in handicrafts.

### Problems Affecting Women Entrepreneurs in Bareilly Division

**Table 2: Problems affecting Women Entrepreneurs in Bareilly Division (Weighted Ranking Method)**

S No	Particulars	Weights					Total	Rank
		5	4	3	2	1		
		V	IV	III	II	I		
1	Financial Access	8	42	24	18	8	324	7
		40	168	72	36	8		
2	Own Premises	26	40	0	26	8	350	5
		130	160	0	52	8		
3	Managerial Skills	26	58	8	0	8	394	3
		130	232	24	0	8		
4	Necessary inputs	16	76	0	0	8	392	4
		80	304	0	0	8		
5	Positive Relationship with workforce	42	42	8	8	0	418	1
		210	168	24	16	0		
6	Better Contacts with outsiders	10	82	0	8	0	394	3
		50	328	0	16	0		
7	Gender roles conflicts	26	66	0	8	0	410	2
		130	264	0	16	0		
8	Not affected by gender inequalities	32	52	0	8	8	392	4
		160	208	0	16	8		
9	Network with administrative bodies	0	26	8	56	10	250	11
		0	104	24	112	10		
10	Benefits of Government incentives	0	26	24	24	26	250	11
		0	104	72	28	26		
11	Borrow money without collateral security	8	16	8	40	28	236	13
		40	64	24	80	28		
12	Tax Levied	8	26	40	16	10	306	8
		40	104	120	32	10		
13	Government support for Raw material	8	28	0	40	24	256	10
		40	112	0	80	24		
14	Marketing support	8	60	0	24	8	336	6
		40	240	0	48	8		
15	Government Aid	8	18	0	58	16	244	12
		40	72	0	116	16		
16	Government Training facility	16	18	0	42	24	260	9
		80	72	0	84	24		

Table 2 shows that problems faced by women entrepreneurs, the weighted ranking method applied. It inferred that the most number of respondents have given the First ranked for not having the positive relationship with workforce; the

respondents have given the Second rank for having gender role conflicts. The Third rank is that the women entrepreneurs don't have contacts with the outsiders and don't have managerial skills.

## Factors Affecting Women Entrepreneurs in Bareilly Division

Table 3: Factors affecting Women Entrepreneurs in Bareilly Division Factor wise (Weighted Ranking Method)

S.No.	Factors	Particulars	Total	Average
1	Individual	Financial Access	324	365
		Own Premises	350	
		Managerial Skills	394	
		Necessary inputs	392	
2	Socio Cultural	Positive Relationship with workforce	418	403.5
		Better Contacts with outsiders	394	
		No Gender roles conflicts	410	
		Not affected by gender inequalities	392	
3	Legal & Administrative	Network with administrative bodies	250	260.5
		Benefits of Government incentives	250	
		Borrow money without collateral security	236	
		Tax Levied	306	
4	Government	Government support for Raw material	256	274
		Marketing support	336	
		Government Aid	244	
		Government Training facility	260	

Table 3 shows the factors wise weighted ranking method. It inferred that the most number of respondents have given the First rank for Socio-Cultural factors; the respondents have given the Second rank for individual factors. The Third rank is Government factors which generally the women entrepreneurs face.

## FINDINGS

- 50% of the respondents are into different types of business. 34% of the respondents are engaged in service industry and only 16% of the respondents are into handicraft industry.
- 84% of the respondents are belonging to 31-40 years age group of the entrepreneurs only 16% of the respondents are between the age group of 21-30 yrs.
- 68% of the respondents are running the business as sole proprietorship, 24% of the respondents into joint ownership and only 8% of the entrepreneurs are into family business.
- 50% of the respondents are graduates and 32% are postgraduates. The 18% of the respondents are belonging to the literate but not having any formal education.
- 90% of the respondents are married and rest 10% are widows. Therefore, marital status is an important factor to determine the women entrepreneurs.
- Problems faced by women entrepreneurs, the weighted ranking method applied. It inferred that the most number of respondents have given first rank for not having the positive relationship with the workforce the respondents have given, the Second rank for having gender role conflicts. The Third rank is that the women entrepreneurs don't have contacts with the outsiders and don't have managerial skills.

7. Most of the women entrepreneurs are facing the problems of legal and administrative factors wherein the respondents are not aware of the Government incentives.
8. Many of the respondents are not aware about the Government aid, the training and marketing support provided by the government.

## SUGGESTIONS

1. Money is the first major problem for women entrepreneurs. Therefore, the government can provide interest-free loans to encourage women entrepreneurs. To invite more women entrepreneurs, the subsidy for loans should be increased.
2. Maximum of the women entrepreneurs are of the opinion that because of an absence of training, they are not able to last in the market. Therefore, the government should conduct numerous training programmes in regard to new production techniques, sales techniques, etc.
3. Women entrepreneurs should be stimulated to start their entrepreneurs as joint stock companies rather than as a sole proprietorship and partnership concerns to avail the advantages of huge scale operation.
4. Parentages of unmarried potential women entrepreneurs should be stimulated in spending money on setting up business rather than giving preference to their marriage.
5. Marketing support is one of the key problems for women entrepreneurs. Therefore, women co-operative societies can be started to attain the products from women entrepreneurs. They will help them in selling their products at a reasonable price.

## CONCLUSION

Women being the focal element in the overall population have the mighty potential to contribute

in the overall economic development of the nations. Women have the perspective and the determination to set up, sustain and manage their own enterprises in a very efficient manner. It is the need to motivate women entrepreneurs to explore the areas of business. Paradoxically, the government assisted promotional activities have benefited only a little group of women. But unfortunately, it is seen that the traditional mindset of the society and negligence of the state and respective authorities are important problems in the women entrepreneurship development in India. Therefore, there is a need for a continuous attempt to inspire, encourage, and motivate women entrepreneurs.

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