

“The Problems and Prospects of Women Entrepreneurs with Special Reference to Thrissur District”

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Abstract: *Entrepreneurship is a rapidly rising concern of a modern competitive economy and its contribution in economy is viably recognized worldwide. But the point to ponder is the fact that it is generally perceived as a male-gendered concept in India. And the women who start up their businesses have to face some teething problems. Women Entrepreneurship is considered to be an effective instrument for the economic empowerment of the women. Women in India remained economically undeveloped for many decades. In the recent past only the concept of Women Entrepreneurship is gaining momentum. Despite number of measures and incentives taken by the government of India the women entrepreneurs are not increasing at a greater rate. This is due to some practical problems in the process of entrepreneurship by women. This paper attempts to analyze and highlight various Problems and Prospects of Women Entrepreneurship with special reference to Thrissur district.*

Keywords: *Women entrepreneurship , problems and prospects, schemes*

I. Introduction

During the last two decades, Indian women have entered the field of entrepreneurship in greatly increasing numbers. With the emergence and growth of their businesses, they have contributed to the global economy and to their surrounding communities. Women entrepreneurs have been making a considerable impact in more than 25% of all kinds of business. In traditional societies they are confined to performing house hold activities. Hence, women are generally called homemakers. But today in modern society they have moved out of four wall of house and are taking part in all areas of life. Today the entrepreneurial world is open to the women folk. In simple words women entrepreneurs means are those women who think of business enterprises, initiate it, organize it, operate it and undertake risk and uncertainty involved in business. There are many future opportunities are opened to women. So that women are significant contributors of growing economy.

Women entrepreneurs can be defined as the women or group of women who initiate, organize and operate business enterprises. The Government of India has defined women entrepreneurs as-an enterprise owned and controlled by women having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprises to women. There are many reasons for women to enter into entrepreneurial ventures in a predominantly society. Entrepreneurship among women is an important avenue through which women can overcome their subordination within the family and the society as a whole. Therefore, development of entrepreneurship among women has received social attention of the policymakers. In this direction, a special character in the seventh plan has converted into the integration of women in the economic development.

II. Statement Of Problem

Women's skills and knowledge, their talents and abilities in business and compelling desire of wanting to do something positive are some of the reasons for the women entrepreneurs to organize industries. Empowering women in entrepreneurship leads to break the inequalities and reduce the poverty. The purpose of the study is to explore and determine the problems faced by women entrepreneurs like financial problems, economic problems ect. The study also aims to understand the prospects of women entrepreneurs and what are the various motivational factors influence them to start their business and also make an evaluation regards government support activities.

Objectives of the Study

- To analyze the factors influencing them to become an entrepreneur.
- To examine the problems faced by women entrepreneurs.
- To know the various schemes introduced by government for supporting women entrepreneurs.
- To measure the level of satisfaction of women entrepreneurs

Hypothesis of the Study

Hypothesis 1

Ho - There is no significant relationship between age and satisfaction level of women entrepreneurs.

H1 – There is no significant difference between income and financial problems of women entrepreneurs.

Hypothesis 2

Ho- There is no significant difference between Income and Financial Problems of women entrepreneurs.

H1- There is significant difference between Income and Financial Problems of women entrepreneurs.

III. Research Methodology

The purpose of methodology is to describe the process involved in research work. The study is analytical as well as descriptive in nature. It makes use of both primary data and secondary data. Women entrepreneurs who are the main source of primary data collected through a well structured questionnaire. The current study is based on sample of 50 women entrepreneurs from Thrissur district. Questionnaire and schedule are used as data collection tool for collecting necessary information from the respondents. Secondary data required for the study was collected from various books, journals, magazines. The statistical tools like percentage, ranking, mean score, standard deviation are used for analyzing the data collected from the respondents. Five point scale is used for measuring the satisfaction level with various factors. The hypotheses are tested by using ANOVA.

Theoretical Framework

Women Entrepreneurship

Women entrepreneurship is the process where women organize all the factors of production, undertake risks, and provide employment to others. Women entrepreneurs may be defined as a women or group of women who initiate, organize, and run the business enterprises. In terms of Schumpeterian concept of innovative entrepreneur, women who initiate or adopt a business activity are called “women entrepreneurs.” Kamal Singh who is a women entrepreneur from Rajasthan, has defined women entrepreneur as “a confident, innovative and creative women capable of achieving self-economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life.”

The Government of India has defined a women entrepreneur is “an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women.”

Functions of Women Entrepreneurs

As an entrepreneur, a women entrepreneur has also to perform all the functions involved in establishing an enterprise. These include idea generation and screening, determination of objectives, project preparation, product analysis, and determination of forms of business organization, completion of promotional formalities, raising funds, procuring men, machines and materials, and operation of business.

- Exploration of the prospects of starting new business enterprises.
- Undertaking of risks and the handling of economic uncertainties involved in business.
- Introduction of innovations or imitations of innovations.
- Coordination, administration and control.

Women Entrepreneurship in India

Indian government defines women owned business as an entity where a women or a group of women owns at least ‘51% of the capital’ and gives 51% of generated employment to women. Women are 48% of Indian population but their participation is still below par as only 34% of Indian women are engaged in financial and economic activities, many of which are unpaid or underpaid workers. With gender-bias problems in some regions of India, women have also become victims of unemployment. Indian women have been at the receiving end of criticism but much to the dismay of their skeptics, they have mostly appeared triumphant as the dust of criticism settled. The industry has much gain and literally nothing to lose with women in business. The merits are innumerable:-

- Indian industry’s think-tanks get bigger.
- New opportunities are created.
- More employment opportunities are generated.
- Per-capita income increases.
- Indians enjoy better standard of living.
- Education and awareness become common.
- Future becomes brighter for the next generation.

- Women gain a better understanding of managing family and business concurrently.
- Indian women achieve a sense of self-realization self-fulfillment.
- Women gain better ability to take risks and business decisions.
- Women become more confident.

Issues/Problems Faced By Women Entrepreneurs

1. **Problem of finances arrangement:** - Finance is said to be the “life blood” of every business undertaking, be it large or medium or small scale enterprise. Usually women entrepreneurs face the problems of shortage of finance on two important grounds. Firstly, women do not generally have property on their own names to use that as collateral securities for obtaining loans/funds from banks and other financial institutions. Thus their access to external sources is very limited. Secondly, the banks also consider women less credit worthy and discourage women borrowers on the belief that they cannot repay back the amount of loans taken by them.
2. **Scarcity of raw materials required for productive capacities:** - They have to even face the problems of scarcity of raw-materials and necessary inputs. On the top of this, is the high prices of raw materials, on one hand and getting raw materials at minimum discount rates are the other.
3. **Cut –throat competition:** Women entrepreneurs do not have a proper organizational set-up to pump in a lot of money for canvassing and advertisements. Thus they have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.
4. **Limited mobility factor:** - Unlike men, women mobility in India is highly limited due to many factors/reasons. A single women asking for room is still looked with suspicion. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.
5. **Family responsibilities, ties as well as commitments:** - In India, mainly a woman’s duty is to look after her children and manage the other members of the family. Man plays a secondary role only. In case of married women she has to strike a fine balance between her business and family. Her total involvement in family leaves little or almost no time or energy to be diverted for the business activities. Support and approval of husbands seems to be necessary condition for women entry into business. Accordingly, the educational level and family background of husbands also influences women participation in the field of enterprise.
6. **Domination by male and ideology of male dominated society:**-Male chauvinism is still prevalent in many parts of the country yet. The constitution of India speaks about the equality between both the sexes, i.e. men and women. But in practice, women are looked upon as “abla” i.e. weak in all respects. Thus women suffer from a number of problems, in a nutshell in a male dominated society; women are not treated equal to men. This in turn, serves as a barrier to woman’s entry into business.
7. **Lesser risk and uncertainty bearing attitude:** - Women in India lead a protected life. They are even less educated and economically not stable neither self-dependent. All these factors reduce their ability to bear risks and uncertainties involved in a business unit, which is the most important criteria of every business activity.
8. **Lack of self –confidence and optimistic attitude amongst women:** - Today all the women are suffering from one major problem of lack of self-confidence, will-power, strong mental outlook, optimism etc. They always fear from committing mistakes while doing their piece of work, more over there is limited initiative of taking risk and bearing uncertainty in them. Thus all these psychological factors often obstruct their path of achieving success in the area of enterprise.
9. **Old and outdated social outlook:** - Also one of the dominant reasons for their failure is the attitude of society people towards their modern business prospects and developing attitude. Women nowadays have low risk taking ability because of the number of questions put forward by the conservative society people. Thus they are under a social pressure which restrains them to prosper and achieve success in the field of entrepreneurship.
10. **Absence of proper support and back –up for women :-** Many a times their own family members are not supporting and cooperating as well as having encouraging attitude to dare to enter into the entrepreneurship field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them. Due to such limited scope of help and cooperation from family and other people, they drop the idea of excelling in the enterprise field. Apart from the above discussed problems there may occur other series of serious problems faced by women entrepreneurs are improper infrastructural facilities, high cost of production, attitude of people of society towards the women modern business outlook, low needs of achievement and socio-economic constraints often puts women behind in the field of enterprise.

Schemes For Promotion And Development Of Women

Entrepreneurs

Trade Related Entrepreneurship Assistance And Development Scheme For Women (Tread):

With the objective of encouraging women in starting their own ventures, government launched a Scheme, namely, (TREAD) Trade Related Entrepreneurship Assistance and Development during the 11th Plan. The scheme envisaged economic empowerment of 297 women through the development of their entrepreneurial skills in non-farm activities. There are three major parts of the scheme;

Govt. of India has grant up to 30% of the total project cost to the Non-Government

Organizations (NGOs) for promoting entrepreneurship among women. The remaining 70% of the total project cost is financed by the lending agency as loan for undertaking activities as envisaged in the project. Up to Rs.1 lakh per program can be granted by govt. of India to training institutions / NGOs for providing training to the women entrepreneurs.

Small Industries Development Bank of India (SIDBI): The bank has a scheme of assistance for women entrepreneurs. The objectives of the bank are to provide training and extension services support to women entrepreneurs according to their skills and socio-economic status and to extend financial assistance on concessional terms to enable them to set up industrial units in the small scale sector. SFCs, SIDCs, Commercial Bank, State Co-operative bank and RRBs are the eligible institutions for the schemes of SIDBI.

All projects in SSI sector promoted and manage. Village and Tiny sector industries are eligible for assistance. The programmes for training, consultancy support and extension services for women entrepreneurs will be organized through designated agencies. Such as Technical Consultancy Organizations, EDII, Central/State Social Welfare Boards, KVIC or other recognized training and management institutes. The SIDBI has two schemes for women entrepreneurs, viz.

Mahila Udyam Nidhi Scheme (MUN): This scheme is offered to women entrepreneurs for setting up new projects in tiny/ small scale sector and rehabilitation of viable sick SSI units. Existing tiny and small scale industrial units and service enterprises undertaking expansion, modernization, technology up gradation and diversification are also eligible.

Mahila Vikas Nidhi Scheme (MVN): MVN is SIDBI'S specially designed fund for economic development of women, especially the rural poor, by providing them avenues for training and employment opportunities. A judicious mix of loan and grant is extended to accredit NGOs for creation of training and other infrastructural facilities.

Industrial Finance Corporation of India (IFCI) Interest Subsidy Scheme: The IFCI has been introduced a Scheme of Interest Subsidy for women entrepreneurs. The main objective of the scheme is to provide incentives to the women having acumen and entrepreneurial traits to contribute their mite in the industrial development of the country so that the avenues of self-development and self-employment are created for them. All industrial projects whether in rural, cottage, tiny small medium sector, if set up by women entrepreneurs, on their own, with minimum financial stake of 51% in the unit, will be covered under the scheme.

Lead Banks' Scheme: The main emphasis is to encourage self-employment to all those who had the technical skill to engage themselves in a productive activity but were unable to do so far lack of finance and infrastructure. There are number of schemes by different banks for providing credit for women entrepreneurship. There is a scheme which has been formulated by some lead banks' to meet the needs of women entrepreneurs mainly engaged in house hold work but want to make use of their spare time and thereby able to supplement family income. Such loan are available to all women above 18 years of age and having fixed place of work and well versed in the activity proposed to be undertaken. The amount of loan in such cases has to be need based but up to a maximum of Rs. 7500.

State Bank of India Stree Shakti Package: The State Bank of India is a pioneer in financing of small scale industries and other priority sectors. The bank provides assistance to technically qualified, trained and experienced women entrepreneurs to set up new viable industrial projects. This loan scheme provides assistance to technocrats, including those unable to meet the normal margin requirement under the liberalized scheme, to set up viable industrial projects. The applicant must hold a degree/diploma in Engineering/Technology or a degree in Business/Industrial Management/CA/Cost Accountancy with adequate experience.

To make the assistance to women entrepreneurs more effective and ensure a wide coverage, the bank has introduced “Stree Shakti Package” for women only. This involves a financial package aimed at reinforcing the bank's efforts in the area of developing entrepreneurship among women. Concessions in respect of margin and rate of interest have been built into this package. A 5% reduction in margin for all categories of advances and concession in rate of interest varying from 0.5% to 1.5% are the two distinct benefits which have been passed to the women entrepreneurs under the package. The bank continues to lay emphasis on encouraging women entrepreneurs.

Socio-Economic Programme: The Socio-Economic Programme of the Central Social Welfare Board endeavours to provide employment opportunities on full or part time basis to destitute women, widows, deserted and the physically handicapped, to supplement their meager family income. Besides, women entrepreneurs are

encouraged to exhibit and sell their products through Exhibition-cum-Melas organized by State Boards at District level.

Micro Credit Scheme: Micro Credit programme was introduced in the Sixth Plan (1980-85) for the upliftment of rural women through increased access to formal banking services. Loans under this scheme are very small and are targeted to women borrowers. This scheme helps women to organize their own business and production units.

Priyadarshini: The Ministry is administering IFAD assisted pilot project since December 2009 as central sector scheme namely Women’s Empowerment and Livelihoods Programme in the Mid Gangetic Plains “Priyadarshini” in 13 Blocks spread over 5 Districts in Uttar Pradesh and 2 Districts in Bihar. The programme aims at holistic empowerment of vulnerable groups of women and adolescent girls in the project area through formation of women’s Self HELP Groups and promotion of improved livelihood opportunities. Over 100,000 households are to be covered under the project and 7200 SHGs will be formed during the project period ending 2016-17. The project has been rolled out in the field from April, 2011. An out lay of Rs. 140.00Crore is required for the project for the period 2012-16.

Cent Kalyani: The Central Bank of India offers the Cent Kalyani scheme, aimed at offering financial assistance to women entrepreneurs and women professionals. This scheme offers financial assistance for economic pursuits in industry, agricultural and allied activities, business or profession. The loans are sanctioned to,

1. Small business-for entrepreneurs who intend to provide service such as setting up a small lunch/canteen, mobile restaurant, circulating library, etc.
2. Professional and self-employed-entrepreneurs who are specially qualified/skilled and experienced like doctors, chartered accountants, engineers or trained in art or craft, etc.
3. Retail trade
4. Village and cottage/tiny industries –for entrepreneurs who are engaged in manufacturing, processing, preservation and services such as handloom, weaving handicraft, food-processing, garment making, etc., in village and small towns with a population not exceeding 50,000 utilizing locally available resources or skills.
5. Small-scale industries-
6. Agriculture & allied activities-

Dena Shakti: Recently Dena Bank has signed a memorandum of understanding (MOU) with the Ministry of Micro, Small and Medium Enterprises (MSME) in India for operating a programme to encourage and assist women entrepreneurs. The loan amount is up to Rs. 5 lac women entrepreneurs who are professionals. The loan is extended to agriculture & allied activities, small enterprises (direct and indirect finance), micro and small (manufacturing) enterprises, micro and small (service) enterprises which include small road and water transport operators, small business professional, etc. The maximum ceiling limits that can be considered for financing to women beneficiaries under this scheme will be as per the directives of RBI stipulated for various sectors under priority sector such as loans up to Rs. 20lac under retail trade, Rs. 20lac under education and housing and Rs. 50,000 under micro credit as well as bank’s specific schemes circulated to branches or offices from time-to-time

Credit Guarantee Fund Scheme:

In May, 2000 The Government had introduced the Credit Guarantee Fund Scheme for Small Industries with the objective of providing credit to SSI units, particularly small units, for loans up to Rs. 25 lakh with no collateral/ third party guarantees. The Scheme is being operated by the Credit Guarantee Fund Trust for Small Industries (CGTSI) set up jointly by the Government of India and SIDBI. In the case of women enterprises, the guarantee cover is up to 80% of the credit subject to maximum guarantee limit of Rs. 20 lakh. The member lending institutions (MLI) availing of guarantee from the Trust have to pay a one-time guarantee fee of 1.5% of the credit facility (comprising term loan and / or working capital) allowed by the lending institution to the borrower and annual service fee of 0.75% per annum on the amount of credit facility extended by the MLI, which is covered under the scheme.

At present, the Government of India has over 27 schemes for women. Some of these are:

- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Entrepreneurial Development programme (EDPs)
- Indira Mahila Yojana
- Indira Mahila Kendra
- Integrated Rural Development Programme (IRDP)
- Khadi And Village Industries Commission (KVIC)
- Management Development programmes
- Women’s Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)

- MahilaVikasNidhi
- MahilaSamitiYojana
- Micro Credit Scheme
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- NGO’s Credit Schemes
- NABARD- KfW-SEWA Bank project
- National Banks for Agriculture and Rural Development’s Schemes
- Prime Minister’s RojgarYojana (PMRY)
- RashtriyaMahilaKosh
- Rajiv Gandhi MahilaVikasPariyojana (RGMVP)
- SIDBI’s MahilaUdyamNidhi
- SBI’s Stree Shakti Scheme
- Working Women’s Forum

Analysis And Interpretation

1. Analysis Of Variance

ANOVA is applied to find out the significant relationship between Age and Satisfaction level of women entrepreneurs by using the following hypothesis is constructed:-

Ho- There is no significant difference between Age and Satisfaction level of women entrepreneurs.

H1- There is significant difference between Age and Satisfaction level of women entrepreneurs.

Table 1: Consolidated table showing age and satisfaction level of women entrepreneurs

Age	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Total
20-25	1	0	0	2	0	3
25-30	0	0	6	0	0	6
30-40	18	9	3	0	0	30
40-45	3	3	0	0	0	6
Above 45	2	0	3	0	0	5
Total	24	12	12	2	0	50

Table 2: Age and satisfaction level

Source of variance	Sum of squares	Degree of freedom	Mean squares
Between columns	123.6	4	30.9
Between rows	151.2	4	37.8
Residual value	161.2	16	10.075
Total	436	24	18.16

Interpretation

The calculated value of ‘F’ for the column variable i.e., Satisfaction level is 3.75, with degree of freedom (4,16), while it’s corresponding critical value or table value is 3.01. The calculated value being more, the difference in effect of Age is significant. The calculated value of ‘F’ for the row variable i.e., Age is 3.06, with degree of freedom (4,16), while it’s corresponding critical value or table value is 3.01. The calculated value being more, the difference in effect Satisfaction level of is significant.

Hence in both cases null hypothesis are significant.

2 .Analysis Of Variance

ANOVA is applied to find out the significant relationship between Income and Financial Problems of women entrepreneurs by using the following hypothesis is constructed:-

Ho- There is no significant difference between Income and Financial Problems of women entrepreneurs.

H1- There is significant difference between Income and Financial Problems of women entrepreneur

Table 3: Consolidated table showing significant relationship between Income and Financial Problems of women.

	Always	Often	Sometime	Rare	Never	Total
5000-10000	6	7	16	6	13	48
10000-15000	0	6	16	7	16	45
15000-20000	0	0	6	0	17	23
20000-25000	3	3	20	0	23	49
More than 25000	3	3	10	26	75	117
Total	12	19	68	39	144	282

Source: primary source

Table 4: Income and financial level

Source of variance	Sum of squares	Degree of freedom	Mean squares
Between columns	2296.2	4	574.05
Between rows	1008.6	4	252.15
Residual value	2348.2	16	146.76
	5653	24	235.54

Interpretation

The calculated value of ‘F’ for the column variable i.e. Financial Problem, is 3.91, with degree of freedom (4,16), while its corresponding critical value or table value is 3.01. The calculated value being more, the difference in effect of Financial Problem is significant. The calculated value of ‘F’ for the row variable i.e., Income is only 1.71, with degree of freedom (4,16), while its corresponding critical value or table value is 3.01. The calculated value being less, the difference in effect Satisfaction level of is significant.

IV. Findings

- Family support and self depend is most prominent influencing factors to start the business.
- Women entrepreneurs mainly depend on personal loan as a source of finance, spouse income and personal savings are another important source of finance.
- Majority of respondents are not aware about the various schemes introduced by the government to support them. And they would not enjoy any financial assistance from the Government. This is one of the indications of slow growth of women entrepreneurship.
- Self depend is one of the important benefit acquired by the women entrepreneurs. Social status also considered as important benefit.
- Women entrepreneurs mainly spend their earnings for meeting family expenses. And they also concentrated on personal savings.
- The main self sufficiency problem faced by the women entrepreneurs is excessive tension. And the social problem is male dominance.
- The main financial problems faced by many respondents are shortage of capital and shortage of working capital. They also face tough competition as economic problem.
- Majority of women entrepreneurs are highly satisfied with their business. This is a good indication for their improvement.

V. Conclusion

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women. Government provides number of schemes to promote the women entrepreneurship. From the study, majority of women entrepreneurs even not aware about various schemes and not enjoy the financial assistance from the part of government. Women entrepreneurs mainly face the problem of shortage of working capital. But they are highly satisfied with their current position of business. The attitude of women entrepreneurs are changing than before, they are well confident and ready to take any type of risk.

VI. Suggestions

- There should continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs.
- An awareness programme should be conducted on a mass scale with the intension to creating awareness among women about the various schemes provided by the government for supporting them and about various areas to conduct business.
- Along with the introduction of various schemes by the government, they should also concentrate on how they effectively implemented among women entrepreneurs.
- Women entrepreneurs should be offered soft loan and subsidies for encouraging them into industrial and other activities. The financial institutions should provide more working capital assistance to women entrepreneurs and help them for smooth running of their business.

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