



## **Full Length Research Article**

### **A STUDY ON PROBLEMS FACED BY WOMEN ENTREPRENEURS IN ERNAKULAM DISTRICT, KERALA**

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#### **ABSTRACT**

Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. The state of Kerala is the industrially developing area in which some of the entrepreneurs excel in small scale industry. Even though the government organizes women by various associations, they are not ready to undertake the business. As compared to men, women are less motivated to start business units due to some unwanted fear and lack of motivation. Thus, the principal aim of the study is to identify the major problems faced by women entrepreneurs in Ernakulam District, Kerala and also find the impact of these problems on the working efficiency of these women entrepreneurs. In order to achieve the aforesaid objectives data was gathered from primary sources i.e. from structured questionnaire and secondary data was collected from research papers, Journals etc. It was collected from 240 women entrepreneurs in Ernakulam district and simple statistical tools are used for data analysis. From the present study it is identified that the major problems faced by women entrepreneurs in the District are financial constraint, Inadequate Institutional support, Problems in Marketing, Social Attitude, Non-availability of good workers/employees etc. 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.

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#### **INTRODUCTION**

Women have been successful in breaking their freedom 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 wisdom and are emerging as smart and dynamic entrepreneurs. 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 family and the society as a whole. Therefore, development of entrepreneurship among women has received special attention of the policy makers to promote the healthy growth of entrepreneurial activities and enterprises owned by women.

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In this direction, a special character in the seventh plan has converted into the integration of women in economic development. The new industrial policy has stressed the need for conducting special Entrepreneurial Development Programme (EDPs) for women. Besides this, today, a network of institutions exists in the State to promote women entrepreneurship. The commercial banks and the financial institution are an integral part of this network. Many organizations, institutions and associations promote women entrepreneurship by providing financial assistance at concessional rates of interest and also organize industrial fairs and exhibitions. Besides organizing short-term EDPs for women, continues training in all management areas should be given to them. Separate Industrial Estates may be set up for women entrepreneurs to create altogether a special environment. At the national level and the state level, there is a need to set up Women Industrial Development Bank in the existing banks and financial institutions, and it is advisable to start a separate cell called “Women Entrepreneurs Guidance

Cell” to promote and guide the women entrepreneurs. More and more research is to be conducted to identify the problems, which are faced by them. Organizing the embed visit of successful women entrepreneurs may encourage the new entrants. Besides this, to promote and development the rural women entrepreneurship, efforts shall be made to get the achieve involvements of Mahila Samajams/ Kudumbasree Units/Women’s organization by launching village adoption schemes. In recent years, there has been a heightened global awareness regarding the contribution, which women can make for the process of economic development, although it is still in the growth stage, there is unquestionably a business revolution in the works across the nation and women are major part of it. The efforts are on it to uplift the social and economical status of women. The development of women as entrepreneurs will generate multifaceted socio-economic benefits for the country in general and the state in particular.

### Women as entrepreneurs in Kerala

Women owned businesses are highly increasing in the economies of almost all States of the Nation. 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. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. In India, although women constitute the majority of the total population, the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world. But the Indian women entrepreneurs are facing some major constraints like

- Lack of confidence in their strength and competence.
- Socio-cultural barriers
- Market-oriented risks
- Motivational factors
- Knowledge in Business Administration
- Awareness about the financial assistance
- Exposed to the training programs
- Identifying the available resources

### Statement of the problem

Entrepreneurship is one of the important factors of industrialization; in the absence of entrepreneurship, industrialization cannot take place. Women’s skills and knowledge, their talents and abilities in business and a compelling desire of wanting to do something positive are some of the reasons for the women entrepreneurs to organize industries. According to World Bank, investing more in business of women rather in men leads to greater development

of a Nation. Empowering women in entrepreneurship leads to break the inequalities and reduces the poverty. Nowadays it has been realized that enterprising women have cast entrepreneurial talents which could be harnessed so as to convert them from the position of “Jobseekers” to “Job givers”. The government has realized the importance of women entrepreneurship. As a result, it offers a variety of programmes for women entrepreneurs. The state of Kerala is the industrially developing area in which some of the entrepreneurs excel in small scale industry. The study aims at undertaking the entrepreneurial development among women highlights, their motivational forces, socio-economic background of women entrepreneurs, motivational factors and their existing entrepreneurial traits.

### Objectives of the study

- To study the socio-economic background of the women entrepreneurs in Ernakulam District.
- To analyze the factors that influence women to become entrepreneurs in Ernakulam.
- To examine the major strength and weakness of women entrepreneurs, environmental opportunities and the threats which promote the entrepreneurship.
- To offer suggestions to improve the satisfaction of women entrepreneurs and to framework for the promotion of women entrepreneurship in Ernakulam.

### Scope of the study

The study focuses on the women entrepreneurs in Ernakulam district, Kerala depends on industrial growth. The scope of the study encompasses women entrepreneurs in Ernakulam 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 the 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 Ernakulam district of Kerala 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 selected respondents were included the study from various places who have engaged to start an enterprises and running successfully.

### Tools of analysis

Personal interview is the major tool of data collection. The secondary data are also collected from various sources. 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, Weightage Score and Chi-Square Test are the statistical tools applied.

## Socio economic background

The personnel characteristics of the selected respondents like age, educational status, marital status, family income, type of business, size of the business, financial sources and spending expenses are discussed in this section. The table 1.2 shows that problems faced by women entrepreneurs, the weighted ranking method applied. It inferred that the most number of the respondents have given First rank for Lack of strong leadership; the respondents have given Second rank for financial deficit. The third rank was lack of systematic planning and working and followed by health problem, Non-awareness of Government scheme, Non- repayment of loan by the members, Leaders misusing the group's money, other problems, Lack of Education and Lack of proper training.

## Chi-square analysis

The opinion of the respondents and socio-economic characters relationship is applied for chi square test. The selected variables only were applied in this model. Table 1.3 reveals that the summary of the respondents. The chi-square analysis reveals that the factors are Age and Education are significant at 1% level. Marital status, business type and sources of finance are significant at 5% level of significance. The remaining factors are not significant at 5% level.

## RESULTS

- 35.56% of the respondents are belonging to 30 – 40 years age group of the entrepreneurs. 28.89% of the respondents are between the ages of 40 – 50 year. The 22.22% of the respondents are below the 30 years age group and rest of the respondents is above the 50 years.
- 46.67% of the respondents are belonging to higher secondary level of the entrepreneurs. 20% of the respondents are graduates and 17.78% of the respondents are secondary level of education. The 10% of the respondents are primary level and rests of the respondent are illiterates.
- 35.56% of the respondents are belonging to 10,000 to 20,000 incomes of families. 23.33% of the respondents are Rs. 20,000 to 30,000 income group and only 8% of the respondents are their family income of above 40,000.
- 42.22% of the respondents are deals with manufacturing types of business. 26.67% of the respondents are engaged in trading type of business. Only 16% of the respondents are doing our business for service sectors. 10% of the respondents are combined all type of business.

**Table 1. Socio-Economic back ground of the respondents**

| Factors                     | Category                      | No. of Respondents | Percentage (%) |
|-----------------------------|-------------------------------|--------------------|----------------|
| Age                         | Below 30                      | 20                 | 22.22          |
|                             | 30-40                         | 32                 | 35.56          |
|                             | 40-50                         | 26                 | 28.89          |
|                             | 50 Above                      | 12                 | 13.33          |
| Marital status              | Married                       | 11                 | 11             |
|                             | Unmarried                     | 89                 | 89             |
|                             | Illiterate                    | 5                  | 5.56           |
| Educational Qualification   | Primary                       | 9                  | 10             |
|                             | Secondary                     | 16                 | 17.78          |
|                             | HSS                           | 42                 | 46.67          |
|                             | Graduate                      | 18                 | 20             |
| Annual Income               | Below 10,000                  | 15                 | 16.67          |
|                             | 10,000-20,000                 | 32                 | 35.54          |
|                             | 20,000-30,000                 | 21                 | 25.33          |
|                             | 30,000-40,000                 | 14                 | 15.56          |
|                             | 40,000 Above                  | 8                  | 8.89           |
| Business Type               | Trading                       | 24                 | 26.67          |
|                             | Manufacturing                 | 38                 | 42.22          |
|                             | Service                       | 16                 | 17.78          |
|                             | Combination                   | 10                 | 11.11          |
|                             | Others                        | 2                  | 2.22           |
| Size of Business            | Below 1,00,000                | 42                 | 46.67          |
|                             | 100,000 - 5 ,00,000           | 22                 | 24.44          |
|                             | 5,00,000 - 10,00,000          | 17                 | 18.89          |
| Source of financing         | 10 ,00,000 Above              | 9                  | 10             |
|                             | Spouse income                 | 32                 | 35.56          |
|                             | Personal Savings              | 27                 | 30             |
|                             | Loan from banks               | 23                 | 25.56          |
| Spending of Business income | Other Source                  | 8                  | 8.89           |
|                             | Family Expenses               | 37                 | 41.11          |
|                             | Personal Savings              | 29                 | 32.22          |
|                             | Re-Investment in her business | 24                 | 26.67          |

Source: Primary data

**Table 2. Problems of women entrepreneurs in Ernakulam district (Weighted ranking method)**

| Sl No. | Weight                             | 10  | 9   | 8   | 7   | 6  | 5  | 4   | 3    | 2  | 1  | Total | Rank |
|--------|------------------------------------|-----|-----|-----|-----|----|----|-----|------|----|----|-------|------|
|        | Particulars                        | I   | II  | III | IV  | V  | VI | VII | VIII | IX | X  |       |      |
| 1      | Lack of Strong Leadership          | 17  | 13  | 15  | 20  | 3  | 9  | 5   | 5    | 2  | 1  | 650   | 1    |
| 2      | Financial Deficit                  | 70  | 117 | 120 | 140 | 18 | 45 | 20  | 15   | 4  | 1  | 569   | 2    |
| 3      | Leaders misusing the group's money | 16  | 9   | 8   | 13  | 7  | 12 | 10  | 7    | 2  | 6  | 465   | 6    |
| 4      | Lack of Education                  | 160 | 81  | 64  | 91  | 42 | 60 | 40  | 21   | 4  | 6  | 451   | 9    |
| 5      | Non-awareness of Govt. scheme      | 13  | 10  | 9   | 5   | 11 | 7  | 7   | 11   | 8  | 9  | 500   | 5    |
| 6      | Non- repayment of loan             | 100 | 72  | 48  | 49  | 54 | 65 | 20  | 27   | 14 | 16 | 493   | 6    |
| 7      | Lack of proper training            | 8   | 11  | 7   | 3   | 5  | 9  | 13  | 12   | 10 | 12 | 427   | 10   |
| 8      | Lack of planning and working       | 80  | 99  | 56  | 21  | 30 | 45 | 52  | 36   | 20 | 12 | 561   | 3    |
| 9      | Health problems                    | 13  | 5   | 9   | 10  | 11 | 7  | 7   | 9    | 8  | 11 | 527   | 4    |
| 10     | Other problems                     | 130 | 45  | 72  | 70  | 66 | 35 | 28  | 27   | 16 | 11 | 455   | 8    |
|        |                                    | 4   | 13  | 12  | 5   | 12 | 5  | 10  | 15   | 9  | 5  |       |      |
|        |                                    | 13  | 5   | 9   | 10  | 11 | 7  | 7   | 9    | 8  | 11 |       |      |
|        |                                    | 17  | 5   | 15  | 20  | 3  | 9  | 13  | 5    | 1  | 2  |       |      |
|        |                                    | 70  | 117 | 120 | 140 | 18 | 45 | 20  | 15   | 4  | 1  |       |      |
|        |                                    | 16  | 9   | 8   | 13  | 7  | 12 | 10  | 7    | 2  | 6  |       |      |
|        |                                    | 130 | 90  | 120 | 49  | 72 | 40 | 24  | 21   | 6  | 9  |       |      |
|        |                                    | 80  | 99  | 56  | 21  | 30 | 45 | 52  | 36   | 20 | 12 |       |      |
|        |                                    | 7   | 9   | 9   | 20  | 9  | 9  | 9   | 3    | 5  | 10 |       |      |
|        |                                    | 12  | 7   | 8   | 4   | 9  | 3  | 12  | 9    | 10 | 16 |       |      |
|        |                                    | 120 | 63  | 64  | 28  | 54 | 15 | 48  | 27   | 20 | 16 |       |      |

Source: Primary data

**Table 3. The summary of opinion of the women entrepreneurs**

| Sl.No | Factors                   | X <sup>2</sup> Value | Degree of Freedom | Table Value | Result          |
|-------|---------------------------|----------------------|-------------------|-------------|-----------------|
| 1     | Age                       | 17.26                | 6                 | 16.81       | Significant**   |
| 2     | Educational Qualification | 14.97                | 4                 | 13.28       | Significant**   |
| 3     | Marital Status            | 12.56                | 2                 | 5.99        | Significant*    |
| 4     | Family Income             | 3.65                 | 6                 | 12.59       | Not Significant |
| 5     | Business Type             | 11.54                | 4                 | 9.49        | Significant*    |
| 6     | Size of the Business      | 7.23                 | 4                 | 9.49        | Not Significant |
| 7     | Sources of Finance        | 13.68                | 6                 | 12.59       | Significant*    |
| 8     | Amount Spend              | 7.26                 | 4                 | 13.28       | Not Significant |

Source: Primary data

Note: \* - Significant at 5% Level, \*\* - Significant at 1% Level

- 89% of the respondents are married category and only 11% of the respondents are unmarried. Therefore, marital status is an important factor to determine the women entrepreneurs.
- 46.67% of the respondents are invested below 1 Lakhs in their business. 24.44% of the respondents are 1 lakhs to 5 lakhs category.
- 35% of the finance sources from spouse income, 30% of the respondents financed from personnel savings and 25.56% are loan from banks as well as 8% respondents financial sources are other sources.
- 41.11% of the respondent's opinion is to meet family expenses, 32.22% of the respondent's opinion is personnel savings, and 26.67% of the respondents' opinions are re-investment in her business.
- Problems faced by women entrepreneurs, the weighted ranking method applied. It inferred that the most number of the respondents have given First rank for Lack of strong leadership; the respondents have given Second rank for financial deficit. The third rank was lack of systematic planning and working and followed by health problem, Non-awareness of Government scheme, Non- repayment of loan by the members, Leaders misusing the group's money, other problems, Lack of Education and Lack of proper training.

- The chi-square analysis reveals that the factors are Age and Education are significant at 1% level. Marital status, business type and sources of finance are significant at 5% level of significance. The remaining factors are not significant at 5% level.

## DISCUSSION

- 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.
- 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.

### 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 Ernakulam District.

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