



## WOMEN ENTREPRENEURSHIP IN CHENNAI CITY: AN EMPIRICAL STUDY

**Ms. Ankita Chandra**

*MBA, Assistant Professor, Department of Management Studies,  
Periyar Maniammai Institute of Science and Technology, Vallam, Thanjavur*

**R. Angayarkanni**

*MBA, Assistant Professor, Department of Management Studies,  
Periyar Maniammai Institute of Science and Technology, Vallam, Thanjavur*

### ABSTRACT

*Women entrepreneurship has gained momentum in recent decades with the increase in the number of women's enterprises and their significant contribution to economic growth. It is indeed a common word nowadays among young women who wants to pursue their career and to see their dreams coming true and live. The women entrepreneurs tend to mainly focus on improving the lives of women as well as the society. However, there may be many factors which may acts as challenges and it needs strength both internally and externally for the women to call herself as an entrepreneur. This paper aims to identify developmental issues associated with women entrepreneurship. Subsequently, the paper also aims to devise certain plans and new policies for ensuring women entrepreneurial growth. Also, this paper focuses on current status of women entrepreneurs in Chennai. The purpose of this empirical study is intended to find out various motivating and de-motivating factors of women entrepreneurship both internally and externally. It will also suggest the way to get rid of the hurdles of the women entrepreneurship development.*

**Keywords:** Entrepreneurship growth, women entrepreneurs, women entrepreneurship, business enterprise,

### Introduction

Women entrepreneurship has become an area of great interest and concern amongst all. Iyiola and Azuh (2014) define a woman entrepreneur as a female who plays a captivating part by repeatedly interacting and keenly adjusting herself with financial, socioeconomic, and support spheres in society. In this dynamic world, women entrepreneurs are an important part of the global quest for sustained economic development and social progress too. According to Schumpeter, "Women who innovate, initiate or adopt a business activity are women entrepreneurs." It has been globally accepted that women entrepreneurship development results in overall economic and social development of the nation. Women's entrepreneurial activities are not only a means for economic survival but also, empower them economically and enable them to contribute more to overall enhancement of the family and nation too. (Singh 2013).

As more and more success stories of women entrepreneurs are showcased, many women who are either housewives or employed are inspired to start up their own businesses with so much of enthusiasm. As a matter of fact, women entrepreneurs are beginning to set standards which will distinguish them and though there have been limitations and barriers faced by the women in the past, society have begun to accept that women entrepreneurs do contribute immensely to the country's economy. According to Manerkar (2015), women entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Women entrepreneurs start, own, operate, manage and take risks in their business (Thuaiba et.al, 2007).

The contribution of women is crucial in economic activities for healthy nation building. Women entrepreneur has been recognized during the last decade as a vital and untapped source of economic growth. Women entrepreneurs create new jobs for themselves and others. The entrepreneurship of women is considered to be an effective instrument to the economic development and

empowerment of women. The Self Help Groups is considered to be institutional innovation that fosters empowerment of economically and socially deprived women. (Nachimuthu and Gunatharan 2012).

Women in recent times are ready to initiate their own businesses and they have started to face the risks as well by creating solutions at all levels. As Pandit Nehruji's statement, "In order to awaken people, it is the woman who has to be awakened. Once she is on the move, the household moves, the village moves, the country moves, and thus, we build the India of tomorrow."

This will give an overview of the women entrepreneurship, the problems faced by the women in starting a business and the different motivational factors which influence the women to start their own business.

### Challenges faced by women entrepreneurs

It is necessary to understand the constraints faced by women entrepreneurs. The following are some of the challenges that women entrepreneurs face.

- **Family ties:** Women in India are very emotionally attached to their families. They are supposed to attend to all the domestic work, to look after the children and other members of the family. They are over burden with family responsibilities which take away a lot of their time and energy and hence it becomes difficult for the women to devote more time to the business.

- **Male dominated society:** Even though our constitution speaks of equality between sexes, male chauvinisms still the order of the day. Women are not treated equal to men. All these factors put a break in the growth of women entrepreneurs.

- **Lack of education:** Women in India are lagging far behind in the field of education. Most of the women are illiterate. Due to lack of proper education, women entrepreneurs remain in dark about the development of new technology, new methods of production, marketing and other governmental support which will encourage them to flourish.

- **Social barriers:** The traditions and customs prevailing in Indian societies towards women sometimes stand as an obstacle for them to grow and prosper.

- **Problem of finance:** Women entrepreneurs suffer a lot in raising and meeting the financial needs of the business. Financial institutions do not come forward to provide financial assistance to women borrowers on the ground of their less credit worthiness and more chances of business failure. (Anjum et. al 2012)

- **Low risk-bearing capacity:** Women in India are by nature weak, shy and mild. They cannot bear the amount risk which is essential for running an enterprise.

- **Limited mobility:** Women mobility in India is highly limited and has become a problem due to traditional values and inability to drive vehicles.

- **Exploitation by middle men:** Since women cannot run around for marketing, distribution and money collection, they have to depend on middle men for the above activities. Middle men tend to exploit them in the guise of helping. They add their own profit margin which results in less sales and lesser profit.

- **Lack of self confidence:** Women entrepreneurs because of their inherent nature, lack of self-confidence which is essentially a motivating factor in running an enterprise successfully. There has been a tremendous change in the women entrepreneurs in last five decades, the women entrepreneurs of the fifties where compulsive factors led to the creation of women entrepreneurs. The women entrepreneurs of the 21st century are considered to "Jill of all trades" Akhalwaya, A. and Havenga, W. (2012).

Rathore and Chabra (1991) in the paper on "Promotion of Women Entrepreneurship Training Strategies" states that Indian women find it increasingly difficult to adjust themselves to the dual role that they have to play as traditional housewives and compete with men in the field of business and industry. Working women are often tossed between home and work and experience mental conflicts as they are not able to devote the necessary amount of time and energy to their home and children and find it mostly difficult and sometimes impossible to pursue as a career. Most of the married migrated women entrepreneurs coming from nuclear families experience greater role stress than the unmarried local women entrepreneurs coming from joint families.

Women in India are confined to household activities and their involvement at workplace is also limited. In our society, the male child is given more priority; hence, there is lack of schooling and proper training of females. Also, women face lack of confidence as they do not get the appropriate support from their friends and family which obstructs their growth in the corporate world. They do not get access to many resources such as transportation, education and literacy, technology and financial resources for carrying on their entrepreneurial activities. Carter et. al (2006) in his "Women Business Ownership: A Review of the Academic" states that women entrepreneurs experience many obstacles, which include traditional cultural barriers. They are treated differently and the level of their education, way of life and position given to them also varies than men. According to the article, the main barrier faced by women entrepreneurs is male domination, excluding the women from various communication networks, due to which they are not able to develop contacts with other individuals and organizations which affects their working.

In this paper, we have tried to find out:

- The factors of motivation for women entrepreneurs
- The challenges and problems faced by the women entrepreneur.

We had set up a questionnaire (annexed at the end) and have analyzed the questions in the questionnaire which was sent to the women registered with the organization. Bar graphs, pie diagrams, statistical formulas and Likerts rating scales have been used to analyze the responses from 100 women. The different parameters used in the questionnaire are the present age of the women, the age at which they started their business, family status, marital status and the educational background of the women. A simple random sample as research design has been adopted to study the problems faced by women entrepreneurs, a structured questionnaire covering different aspects of women entrepreneurs was shaped and sent to the sample women entrepreneurs.

We have found that 40% of the women in the sample survey are of the age category 30-39 years. 26% of the women belong to the category of 20-29 years, 24% of the sample size women fall in the 40-49 years category. 9% of the women fall in the range of 50 years and above. Out of the 100 respondents only one woman belongs to the category of less than 20 years. This analysis shows that the rate of young entrepreneurship is increasing with the years and entrepreneurship demands dynamisms and innovation. We have concluded that the 55 women who fall in the age group of 20-30 years are the maximum number of women from the sample who have started their own venture. The mode of the data has been calculated using the statistical formula. Mode depicts the most frequently occurring value in the data. Out of the 100 respondent's majority of the women have started their own enterprises when they were 26 years old. Out of the 100 recorded samples, 50% of the women are unmarried whereas 42% of them are married. The other 4% of the women are single parents and out the remaining 4% women 3 women are widows and one woman was a divorcee. One of the main reasons for the major percentage of unmarried women who are into their own business is because they can focus and devote their maximum time in developing their enterprise.

The factors which motivate the women to start their own business include self achievement social status money making and that they did not want to work for others. They wanted to take independent decisions. Other 48% of the women surveyed started their business as a part of self achievement and the 40% women did not want to work for others. 38% of the women quoted that they wanted to take independent decisions and hence started a business whereas 27% of them have started a business in order to gain social status in the community. The other 3% of the women have responded with other reasons to start their businesses.

Women entrepreneurs face a number of obstacles to run the business. There was a neutral response from 42% of the women regarding lack of awareness of the present business. 50% of the women neither agreed nor disagreed with the fact that lack of manpower is the present obstacle. Also 45% of the women surveyed have a neutral response for lack of resource being a problem for running their business. 45% of the women disagree with the factor of financial problem being an obstacle in running their business presently. 69% of the women strongly disagree with gender discrimination as a problem and also 38% of the women strongly disagree that family and work life balance being a problem. 28% of the women strongly disagree that they face any technological problems in running their present business.

### **Limitations and Future Scope**

In spite of the contributions of this paper, it has its limitations, which provide avenues for future researches. First and most significantly, the present research is conducted from the entrepreneurs in south India. Perhaps, if data collection is expanded to include other provinces, findings might be more insightful. Future studies should, therefore, consider this recommended research direction. The research was also conducted in urban areas only, future research might focus on both urban and rural areas. There is also the problem of common method bias because qualitative research was used in this study. It would have been more robust if the study included both qualitative and quantitative methods.

### **Conclusion**

Entrepreneurship has gained currency across the sphere and female- entrepreneurship has become an important module. India is one of the fastest emerging economies and the importance of entrepreneurship is realized across the gamut Women-entrepreneurs have been making a considerable impact in all most all the segments of the economy. Their willingness for the future is apparent in their growing confidence, in their strengths and in their desire to seek different forms of work in order to achieve a new balance between work and home. Thus a women entrepreneur is one who starts business and manages sit independently and tactfully takes all the risks, 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 contributing values in both family and social life and is one who faces the challenges boldly with an iron, will to succeed. It is worthwhile to conclude by quoting the words of Pandit Jawaharlal Nehru, "When woman moves forward, the family moves, the village moves and the country moves".

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### 1. ANNEXURE 1: A survey on Women Entrepreneurship in Chennai City.

Name of the respondent:

Age:

Date:

Designation:

Contact no:

Name of the business:

1. Why did you start this business? (you can check more than one answer)

- Experience in this field
- Profit / Money Making
- Hobby
- Mean of survival
- Venture something new and creative
- Self – Achievement
- Did not want to work for others
- Others (Specify)

2. What were the challenges faced by you during the start up in your business? (you can check more than one answer)

- No obstacles
- A question of self confidence
- Finance
- Lack of guidance
- Family Support
- Finding the right contacts for business start up/ support
- Management / Entrepreneurial skills
- Work Life balance
- Gender Discrimination
- Others (Specify)

3. State briefly how you have overcome any obstacles:

4. Are you aware that banks provide loan for women entrepreneurs?

- Yes
- No
- Can't Say

5. What is the size of your enterprise?

- micro (1- 9 employees)
- small (10 - 49 employees)
- medium (50-249 employees)
- large (250+ employees)

6. What is your educational background?

- School Passed Out
- Graduate
- PG

7. What do you think as the correct age for starting a business?

- 20 – 25
- 26 – 30
- 31 – 35
- 36 – 40

- 40 and above
  - No age limit
8. At what age did you start your own business?
- 20 – 25
  - 26 – 30
  - 31 – 35
  - 36 – 40
  - 40 and above
9. Have you created your present enterprise yourself, or is it a family business you have “inherited”, or a business you have bought?
10. How many hours per week do you dedicate to your business?
11. Have you always worked for yourself?
- Yes
  - No
12. If no, how many employers did you have before starting your own business?
13. Did you benefit from any external support to set up your business?
- Financial Support
  - Legal advise
  - Technological support
  - Networking
14. If you were in a position to give advice to other women entrepreneurs , what would be your recommendation for:
- 
15. What is your marital status? Single / Married.

**Thanks for your time.**  
**Best wishes for your career as a Women Entrepreneur.**