

## **CHALLENGES FACED BY WOMEN ENTREPRENEURS IN MICRO, SMALL, MEDIUM SCALE ENTERPRISES (MSME) IN TIRUCHIRAPPALLI DISTRICT**

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### **Abstract**

Women not only hold more than 50% of the world population; but they prove themselves to be competent in any field. Women facing a great number issues and challenges to become entrepreneurs. The challenges and issues faced women starting from overcoming family responsibility, balancing financial management issues, developing themselves as competent business leaders and so on. Micro, Small and Medium Enterprises (MSME) is an engine to boost economic growth of our country. MSME sector provides 40% of the employment opportunities to the working population. Role of women does not exist within four walls of the house. Women is more powerful than men psychologically. They have mental capabilities to overcome in difficult circumstances. Women have ability to adopt any difficult environment and make it comfortably. Our country knows the power of women so that they allocate crores of amount for women entrepreneurs for their family welfare as well as national economic growth. Pandit Jawahar Nehru pointed out that if women move, family moves, village moves, ultimately nation will move. In view of these, Government offers more subsidies in every year budget to women entrepreneurs but they encountered a great number of challenges namely family restrictions, market competition, financial issues, lack of skills and competencies, lack of motivation and support and so on. The present study is an attempt to know the obstacles faced by the women entrepreneurs in Tiruchirappalli District.

**Keywords: women entrepreneurs, family restrictions, marketing competitions, post pandemic challenges and so on.**

## **Introduction**

Women holding one half of the population of world. World successful events in any kind without happened in women contributions. Women is having inevitable portion in Men's life starting from birth to death. In the economic development is progressed with major contribution of women. In the world war period, most of the men were killed in Europe at that period European countries' economic development in the hands of women workforce.

Especially in India women dominates MSME sector. Especially in Tamil Nadu is the second state which has a greater number women entrepreneurs dominating and performing their business. In urban area women did the business namely computer centers, garment business, textile shop, super markets and so on. Nearly 27% of population in the urban area getting employment from the MSME sector. Not only for urban women but also women entrepreneurs playing an essential role in the rural development business like coir industry, poultry, apiculture and so on. Nearly 20% of the population get employment through MSME in rural areas.

Due to covid-19 most of the skilled labors were depends on the MSME. Especially women entrepreneur taking initiative to increate wealth of their family as well as region. Government takes a great number of initiatives to promote economic development in order to that 3000 crores were allocated for MSME sector. The MSME sector were classified as Manufacturing and Service sector. Based on the project and entrepreneurial experience about the business the loan process will carried out. Especially 45% of the loan duly sanctioned to the women entrepreneurs. MSME sectoral contribution nearly 12% to 15% to the Indian economy. Especially 2.7% were from women owned business MSME to the economic development.

Women holding 42% of the ownership of enterprises around the world. The recent data revealed that 126 million women were initiating and starting new business venture and 98 million women running and managed world class business organization. 224 million women owning business impacting international economy.

## **Review of Literature:**

### **Challenges faced by women entrepreneurs**

#### **Lack of Training and Skills**

Kerosi Josephat Bosire and Kayisme Nzara (2013) argued most of the women entrepreneurs' lack of technical skills and management skills. These training is helps to improve their self-

esteem and professional competency. Paramasivan, and Subathra (2016) stated that women entrepreneurs encounter many challenges due lack of training and skills. Training and skill development programmes has organized by the government crates the possibilities of greater number of women will start their new business without fear. So, government take initiatives to provide training to impart technical skills and managerial skills. Valarmathi(2010) pinpoint that women need to update their technical skills and professional knowledge towards their business. Its helps to take effective decision in any difficult circumstances.

#### **Lack of awareness**

Ponsindhu and Nirmala (2014) witnessed that women entrepreneurs does not have adequate knowledge and awareness of managing financial transactions. They also insisted that women face many difficulties in order to don't have adequate knowledge of the entrepreneurship schemes to get loans, subsidies how it is to be handled and how to avail other schemes.

#### **Lack of Self Esteem and Competencies**

Latha Krishnan and Kamalanabhan T.J (2013) stated that women environment constitutes male dominated people namely family relatives, friends, neighbors and so on., so they may have possibility have low self esteem and don't research possibility to improve their personal competencies. Entrepreneurs always have courage to take risk and have ability to take innovative decision in order to promote their business process. Mohammad Shamsul Hoque (2020) witnessed that feminine entrepreneurs lack of self-esteem and competencies like communication skill, negotiating skills, public speaking skills and technical skills etc. women need to develop their social etiquette skills, managerial skills in order to balancing their business process.

#### **Lack of Motivation and Moral Support**

Krishnamoorthy and Balasubramani (2014) identified that family members motivation and support is an essential ingredient to be a successful women entrepreneur. It also self-motivation is playing a crucial role woman as an entrepreneur.

#### **No professional Contacts**

Any professions high premium of contacts playing crucial role to achieve success. Especially for entrepreneurs, they need to develop their professional contacts for achieving great success. New ventures, mergers and new align in business dealings need high premium of contacts.

#### **Financial issues**

Any size of the business, adequate amount finance is needed to women entrepreneurs. First generation women entrepreneur faced lot of challenges to avail loan and also managing finance, especially resource allocation. They concentrated on initial investment but working capital

management is also essential criteria for successful business firm. In the initial stage no financial institution ready to provide financial assistance, especially government sector banks following more number procedures and need more legal documents. Women entrepreneur got financial assistance after facing lot of challenging procedures.

### **Market competition**

Women entrepreneurs is encountered another important challenge that market cut throat competition. Without effective marketing strategies no one will survive in the market. So women entrepreneurs adopt marketing strategies according to the fluctuating demands and supply.

### **Family restrictions**

Indian tradition women did not allow to stay outside home after 7.00 pm. This rule is applicable to educated women or illiterate both. Family system teaches us women is the real character which builds family tradition as well as status. Women entrepreneurs really faced hundreds of problems with family members due to maintenance of house hold works, preparing food for family members and spent time with their children etc.

### **Legal Procedures**

Women were customized their business on the legal procedures namely registration, got GST number, project writing for loan purpose, auditor's financial requirements and so on. These are the legal procedures were taking huge amount of mental and physical stress to the women. So many legal documents need to be spent more time and energy.

### **Statement of research problem**

Entrepreneurs are the leaders of business concern and startups. They are ready to take risk and promote a business organization. Especially for women entrepreneurs becoming business leaders and succeed all business challenges with proper potentialities. Women not only hold more than 50% of the world population; but they prove themselves to be competent in any field. Women facing a great number issues and challenges to become entrepreneurs. The challenges and issues faced women starting from overcoming family responsibility, balancing financial management issues, developing themselves as competent business leaders and so on. Micro, Small and Medium Enterprises (MSME) is an engine to boost economic growth of our country. MSME sector provides 40% of the employment opportunities to the working population.

Role of women does not exist within four walls of the house. Women is more powerful than men psychologically. They have mental capabilities to overcome in difficult circumstances. Women have ability to adopt any difficult environment and make it comfortably. Our country knows the power of women so that they allocate crores of amount for women entrepreneurs for their family welfare as well as national economic growth. Pandit Jawahar Nehru pointed out that if women move, family moves, village moves, ultimately nation will move. In view of these, Government offers more subsidies in every year budget to women entrepreneurs but they encountered a great number of challenges namely family restrictions, market competition, financial issues, lack of skills and competencies, lack of motivation and support and so on. The present study is an attempt to know the obstacles faced by the women entrepreneurs in Tiruchirappalli District.

**Research Question:**

With the idea received from the research problem the following research questions are framed by the researcher which in turn helps to originate the research hypotheses.

- What are the challenges faced by women entrepreneurs in MSME sector?
- At last, in what extent, they take initiatives to overcome challenges in practical manner?

**Research Gap:**

Most of research papers related to challenges of women entrepreneurs in the perspective business issues. But this study concentrates on the entrepreneurial development in female aspirants in MSME sector. Another unique identification of the present study covers how they manage their business issues and challenges in post covid-19 pandemic period.

**Methods and Materials**

The present study is descriptive and analytical by nature. The researcher collected data from 120 women entrepreneurs were doing business in Tiruchirappalli District. Purposive sampling techniques to collect the data by using well-structured questionnaire. The secondary data were collected through journals, books, government documents in official websites and so on.

**One-way ANOVA****Research hypothesis**

There is a significant difference between age of the respondents and their overall perception about problems faced by women entrepreneurs.

**Null hypothesis**

There is no significant difference between age of the respondents and their overall perception about their problems faced by women entrepreneurs.

	Mean	S.D	SS	DF	MS	Statistical inference
<b>Financial challenges</b>						
Between groups			10.179	3	3.393	F = 0.872 0.208>0.05 Not Significant
18-25 years (23)	3.12	1.460				
26-35 years (39)	3.23	1.532				
36-45 years (44)	2.68	1.364				
46 and above (14)	3.53	1.407				
Within groups			309.092	201	1.538	
<b>Marketing competition</b>						
Between groups			11.763	3	3.921	F = 1.002 0.460>0.05 Not Significant
18-25 years (23)	2.64	1.428				
26-35 years (39)	2.93	1.521				
36-45 years (44)	3.32	1.430				
46 and above (14)	2.93	1.223				
Within groups			433.011	201	2.154	
<b>Family restrictions</b>						
Between groups			5.665	3	1.555	F = 1.982 0.856>0.05 Not Significant
18-25 years (23)	2.92	1.662				
26-35 years (39)	2.58	1.452				
36-45 years (44)	2.76	1.597				
46 and above (14)	2.87	1.598				
Within groups			372.063	201	2.154	
<b>Legal procedures</b>						
Between groups			10.663	3	3.554	F = 0.911 0.21>0.05 Significant
18-25 years (23)	2.90	1.519				
26-35 years (39)	2.70	1.543				
36-45 years (44)	2.62	1.557				
46 and above (14)	3.53	1.356				
Within groups			466.362	201	2.320	
<b>Lack of self-esteem and competencies</b>						
Between groups			4.375	3	1.458	F = 1.771 0.561>0.05 Significant
18-25 years (23)	2.45	1.242				
26-35 years (39)	2.47	1.191				
36-45 years (44)	2.56	1.460				
46 and above (14)	1.93	1.033				
Within groups			313.986	201	1.562	
<b>Lack of professional communication and contacts</b>			5.832	3	1.232	F = 4.231 0.023>0.05 Significant
Between groups						
18-25 years (23)	2.67	1.260				
26-35 years (39)	3.01	1.318				

36-45 years (44)	2.41	1.209				
46 and above (14)	2.93	1.387				
Within groups			397.78	201	3.785	
<b>Labour issues and emotional balance</b>						
Between groups			9.853	3	3.284	F = 12.202 0.197>0.05 Not Significant
18-25 years (23)	2.45	1.453				
26-35 years (39)	2.07	1.342				
36-45 years (44)	1.98	1.786				
46 and above (14)	2.76	2.098				
Within groups			330.372	201	1.644	
<b>Overall perception about problems faced by women entrepreneurs</b>						
Between groups			39.871	3	13.290	F = 0.268 0.115>0.05 Not significant
18-25 years (23)	50.2530	7.65067				
26-35 years (39)	50.7534	6.09139				
36-45 years (44)	49.4706	8.29471				
46 and above (14)	50.0000	4.15761				
Within groups			9983.719	201	49.670	

### Statistical tools

One-way ANOVA Test was used for the above table

### Findings

The above table reveals that there is no significant difference between age of the respondents and their overall perception about problems faced by women entrepreneurs. The factors affecting challenges of women entrepreneurs resulted as lack of professional contacts and legal procedures were significant and other factors like financial challenges, marketing competition, family restrictions, lack of self-confidence, and competencies were found that not significant. Hence, the calculated value is greater than the table value ( $P>0.05$ ). So the research hypothesis is rejected and the null hypothesis is accepted.

It is understood that there is a significant difference in the family restrictions, lack of professional contacts of women entrepreneurs. Remaining all the factors were no significant. From the above analysis, these two factors are dependent upon the ability and skills level of individual. Remaining all the challenges are commonly all the women entrepreneurs facing.

**Discussion:**

It is found that from the analyses there is no significant difference between age of the respondents and their overall perception about challenges of women entrepreneurs. It could be inferred as women in any age face all the challenges like financial emergency and difficulties, marketing competition, manages of human resources, family restrictions etc. The result of the study was found maximum of women belongs to Hindu religion and very least numbers in other women entrepreneurs were belongs to other religion. Age of group of 36 to 45 of the entrepreneurs were having ability operating their business successfully. There were so much of challenges like lack of knowledge and skills to manage operating financial management, lack of emotional balance and unbalance of work life and family life.

**Suggestions:**

The women entrepreneurs were having minimum experience in the fields and they do not want to work hard. Most of the young female start-up owners does not wait the business growth and customer choices. They may quit if minimum loss in short like three months or six months. So entrepreneurs must know the market positions and they must have experience to sustain if any short falls raises and overcome the challenges.

Most of the women entrepreneurs getting loan from nationalized banks to pledge their assets. Only 30% of the women entrepreneurs only getting loan through government subsidy schemes. Government take initiative to increase loan portion or percentage in order benefit more number of female entrepreneurs.

Government concentrates some of the special economic zones to boost the economic development. Government officials and policy makers take little more initiative to create awareness to women entrepreneurs in that geographical territory to promote new startups.

**Limitations**

Most of business MSME companies were register names of women owners but all process of business handled by their husbands. That kind of respondents leads to false or biased data. Government officials avoid to answer and does not give any data in the authorized format.