



Financial and Production Constraints faced by Women Entrepreneurs

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Authors' contributions

This work was carried out in collaboration between both authors. Author NS designed the study, performed the statistical analysis, wrote the protocol, wrote the first draft of the manuscript, managed the analyses of the study and managed the literature searches. Both authors read and approved the final manuscript.

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ABSTRACT

Women, who try to enter the field of industry in either managerial or entrepreneurial role, are generally exposed to various constraints. Though the entrepreneurial process is the same for men and women, there are however, in practice, women have to confront many additional problems of varying dimensions and magnitudes, which prevent them from realizing their full potential as entrepreneurs. Women entrepreneurs experience multidimensional constraints. The governments at the centre and the states have established a number of specialized institutions to cater to the needs of women entrepreneurs but they still face many problems. At this juncture, the constraints faced by women entrepreneurs were studied as one of the objective. This objective was to ascertain the financial, production and labour constraints faced by women in their enterprise. To achieve the purpose of the study, 40 registered women entrepreneurs in Micro Small and Medium Enterprise (MSME) were identified in Coimbatore District of Tamil Nadu. Series of questions were asked through well structured interview schedule. Evidence in the paper shows that the most serious financial constraint faced by women was, that the entire loan was not given at a time (65.00%). In production and labour, most serious constraints faced by women entrepreneurs were labour management in various essential activities (92.5%). Methodology and design not clarified here. No recommendations The ex post - facto type of research was employed. Proportionate

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Random sample method” was adopted to select the respondents from the four Entrepreneurial Hubs. Women should attend training programs, seminars, workshop and conferences Related to develop professional competencies in managerial, leadership, marketing, financial, production process, profit planning, maintaining books of accounts and other skills.

Keywords: Women; entrepreneurs; constraints; financial; production; labour.

1. INTRODUCTION

Entrepreneurs play an important role in the economic development of a nation. Entrepreneur is the key factor of entrepreneurship and now women have been recognized as successful entrepreneurs as they have qualities desirable and relevant for entrepreneurship development. Women’s skills, knowledge, talents, abilities and desire to do something for themselves and their children or family are some of the reasons for the women to become entrepreneurs.

In this process of entrepreneurship women have to face various problems associated with entrepreneurship and these problems get doubled because of her dual role as wage earner and home maker. As compared with Western nations, Indian women have more inhibitions towards enterprising a business.

With changing time in globalized and competitive era, women entrepreneurs are now confronted with many barriers which have often prevented them to develop their enterprises. The problems and constraints experienced by women enterprise have resulted in restricting and inhibited the expansion of women entrepreneurship. Keeping this research problem in mind the constraints faced by women entrepreneurs was studied. Financial support as well as financial viability, is the most important consideration of any business proposition. Production in a manufacturing enterprise involves co - ordination of a number of activities while some of these activities are in the control of entrepreneur. Improper coordination or unintended delay in execution of any activity is going to cause production problems. Manpower support is another important determinant affecting entrepreneurial performance. Efficient management of human resources is an important factor in determining the growth and prosperity of a business enterprise. Hence the problems in financial, production and labour was studied as one of the objective.

From the survey, it has been observed that women entrepreneurs are largely engaged in the

entrepreneurial activities like preparation of millet based products juices, arecanut plate making, tailoring, preparation of toiletry products etc. and the constraints faced by the entrepreneurs financially and the various production and labour management constraints were collected analysed and presented in this paper.

2. LITERATURE REVIEW

Afrina, Islam and Ahmed [1] stated that the main problem faced by women entrepreneurs was financial planning because of their illiteracy.

Bajpai & Kumar [2], found out that problems faced by Women Entrepreneurs are lack of confidence, dual role to play, competition, lack of business administration knowledge, lack training programs and non awareness

Kumbhar, V [3] discusses the challenges faced by women entrepreneurs in India. Lack of balance between family and career obligations, lack of freedom to take financial decisions, absence of direct ownership of the property, lack of awareness of various operational aspects and capacities, low ability to bear risk, dealing with male workers, being non-familiar with financial institutions, lack of self-confidence, lack of professional education, mobility constraints and lack of interactions with externalities are major problems of women entrepreneurship development in India.

Patagaokar [4], in her study women entrepreneurs face much kind of problems during promotion, expansion, financing and daily operation of the enterprise. Social constraints like dual role, lack of encouragement, prejudice, male dominating also the wall in her way.

According to Verma [5] in her study “Challenges faced by women entrepreneurs in a developing economy.” found that women entrepreneurs faced constraints in aspect of financial, marketing production and work place facility.

3. METHODOLOGY

According to Kothari [6], research methodology is a way to systematically solve the research problems.

3.1 Study Area

The study was conducted in Coimbatore district of Tamil Nadu during the year 2019. Out of the 35 districts in Tamil Nadu, Coimbatore district has been selected purposively for the study because it is the second most industrialized district in the state, also known as the "Manchester of South India" for its development in the industry and Coimbatore District is, one among the industrially developed and commercially vibrant districts of Tamil Nadu and it has got a high concentration of Small Scale, Medium and Large-scale industries.

3.2 Data Collection Technique

The information to study the objective was collected by using the well structured interview schedule. For this study, the *ex post-facto* research design was used. In this type of research, instead of creating a treatment, the researcher evaluates the effects of a naturally occurring phenomenon after their occurrence.

3.3 Research Design

Since women entrepreneurs is an already existing phenomenon in the study area over a period of time, the *ex post - facto* type of research was employed.

3.4 Sampling Technique

Proportionate random sample method" was adopted to select the respondents from the three Entrepreneurial Hubs.

3.5 Data Analysis

Constraints were grouped under financial, marketing, production and labour and personal constraints and personal/general constraints. In this particular paper two constraints *viz*, financial, production and labour are presented. The responses were elicited on a three point continuum, *viz*, more serious, serious, less serious, with a scoring pattern of 3, 2, and 1 respectively. Simple percentage was worked out to find out the level of response. Procedure followed by Anitha [7] was followed for the study.

Percentage analysis was used in descriptive analysis for making simple comparison. For calculating percentages the frequency of particular cell was multiplied by hundred and divided by the total number of respondents pertaining to particular cell. The percentage was corrected to two decimal places.

3.6 Population of the Study

The respondents were selected from three types sectors such as Agriculture, service and manufacturing. Registered women entrepreneurs from three units namely, MSME (Micro, Small and Medium Enterprises) Coimbatore, Non-Government Organization named WOBEDA (Women Business Enterprise Development Association, Coimbatore, Non-Government Organization named Ramasamy Chinnammal Trust, Coimbatore were selected for the study. A sample size of 40 respondents was selected for the study.

4. FINDINGS AND DISCUSSION

This section discusses the empirical findings against perceptions from respondents. The constraints listed in the Table 1 shows the constraints faced by women in their enterprises from two different areas such as financial, production and labour.

In financial, most serious constraints faced by women entrepreneurs were entire loan not given at a time (65.00%) followed by delay in sanction of loan (52.5%) and securing working capital (47.5%) and mean while serious constraints is tight repayment schedule (72.5%) and insufficient financial assistance by financial institutions (70%) followed by delay in sanction of loan (47.5%). The finding is in line with the findings of Savitha [8].

Women entrepreneurs start well but somewhere down the line in the day- to- day operations, but they miss the route to success, the unawareness about the loan, limited ownership of property, lack of negotiation skills and limited social mobility, collateral security, unwillingness to accept household assets as collateral and negative perceptions of female entrepreneurs by loan officers, socio-cultural barriers might the reasons for financial mismanagement.

In production and labour, most serious constraints faced by women entrepreneurs were high labour management (92.5%) followed by

high labour cost (85.00%) and non-availability of equipments (67.50%). And the serious constraint was non-availability of raw materials and equipments (70.00%). The finding is in line with the findings of Giridhara [9]. The reason must be less exposure and unawareness and lack of entrepreneurial skills about the labor management techniques as women are new to the field. The financial, production and labour management is depicted in Figs. 1 and 2.

Table 1. The financial, production and labour management faced by the women entrepreneurs

S. no	Constraints	More serious		Serious		Less serious		Total		
		No.	%	No.	%	No.	%	No.	%	
A. Financial										
1	Securing working capital	19	47.5	15	37.5	6	15	40	100	
2	Insufficient financial assistance by financial institutions	4	10	28	70	8	20	40	100	
3	Problems of security and margin money	13	32.5	19	47.5	8	20	40	100	
4	Tight repayment schedule	8	20	29	72.5	3	7.5	40	100	
5	Inadequate loan	7	17.5	18	45	15	37.5	40	100	
6	Delay in sanction of loan	21	52.5	19	47.5	0	0	40	100	
7	Entire loan not given at a time	26	65	9	22.5	5	12.5	40	100	
8	Subsidy amount is less	15	37.5	14	35	11	27.5	40	100	
B. Production and labour										
1	Non-availability of raw materials	8	20	28	70	4	10	40	100	
2	Non-availability of equipments	27	67.5	8	20	5	12.5	40	100	
3	Lack of electricity	5	12.5	28	70	7	17.5	40	100	
4	High labour cost	34	85	3	7.5	3	7.5	40	100	
5	Non-availability of skilled workers	8	20	28	70	4	10	40	100	
6	Labour management	37	92.5	1	2.5	2	5	40	100	

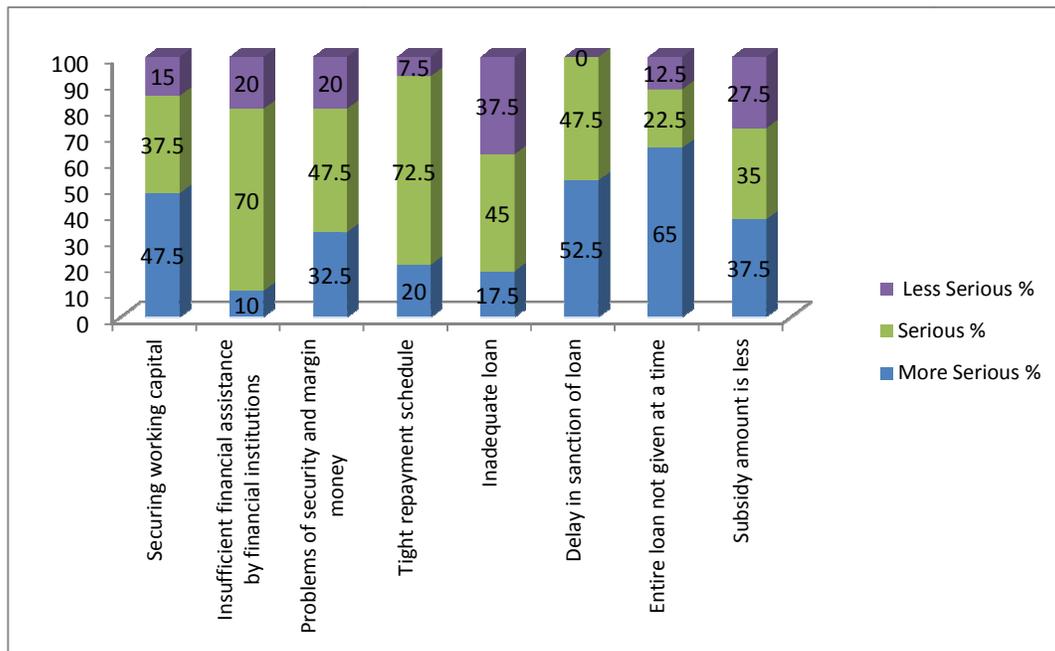


Fig. 1. Financial constraints faced by the women entrepreneurs

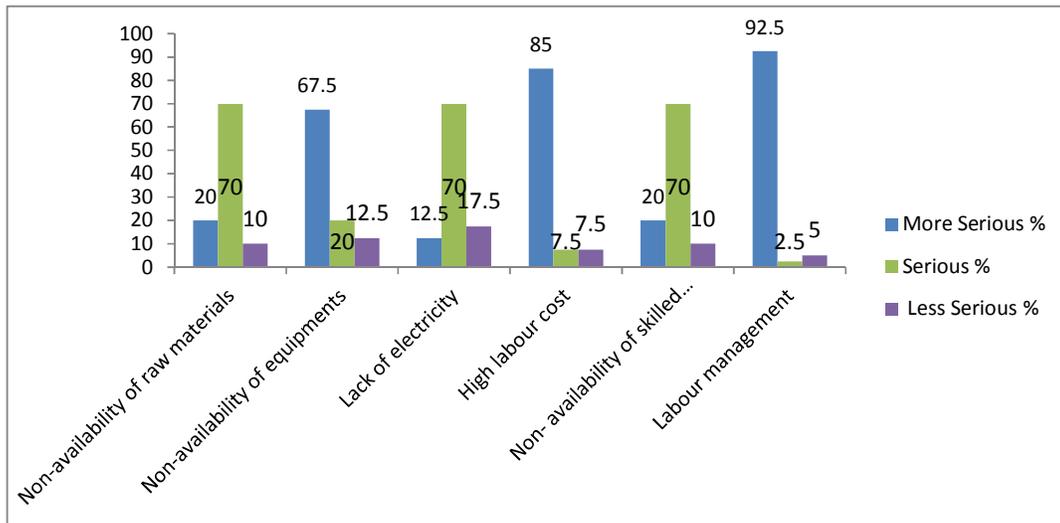


Fig. 2. Production and labour constraints faced by the women entrepreneurs

5. CONCLUSION

The government has offered a variety of programmes for women entrepreneurs in the recent past. But, the challenges and opportunities for women entrepreneurs are growing rapidly. In India, although women constitute the majority of the total population, but the entrepreneurial world still seems a male dominated one, which exposes women entrepreneurs to often face some major constraints in running their enterprise successfully.

Government should provide separate financial aid to women entrepreneurs so that they do not face any difficulty in setting up their organization. Special infrastructural facilities should be provided to help women in establishing their enterprise easily and quickly. Training Programmes can be conducted by various Government, Non-Government organization, private institution to enhance their entrepreneurial skills and abilities which help them in day to day functioning of business especially in financial, production and labour management.

Women Entrepreneurs' management chamber can be opened in all districts of Tamil Nadu to handle problems related to financial and production, marketing and distribution problems and personal problems.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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