

## PROBLEMS OF WOMEN MICRO ENTREPRENEURS- A STUDY ON SPSR NELLORE MUNICIPAL AREA

Dr.P.Beulah Sucharitha\*

Dr.M.Venkateswarlu\*\*

### ABSTARCT:

*Women entrepreneurship is a recent phenomenon in India. This came into prominence in late 1970's. Women entrepreneurship has been recognized as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organization and business problems. Owing to various socio, economic and cultural reasons women are prohibited to enter into the entrepreneurial world in many developing countries like India. Due to huge house hold responsibilities, lack of mobility and feasibility in low investment option women are entering micro entrepreneurship. Objective of this study is to know 'the problems faced by micro women entrepreneurs' in Nellore municipal area. In order to attain economic empowerment of women, it is essential to know the problems and constraints faced by sample women entrepreneurs to realize their role in building a new set of values through education and employment which would ultimately make them attain a better status in the society. The government and non-government organizations play a prominent role to promote self employment among women and build women entrepreneurship.*

**Key words:** Entrepreneurship, Women entrepreneurs, Raw material, Marketing and finance.

\* Academic Consultant, Vikrama Simhapuri University, Nellore, INDIA

\*\* Professor, Department of Commerce, SV University, Tirupati. INDIA

## Introduction

Entrepreneurship is neither a science nor an art. It is a practice. The person who invites risk, to optimize his profits, by systematic supervision and by good organizing capabilities in smooth running of business is called as an entrepreneur. The entrepreneur develops a business model, acquires the human and other required resources, and is fully responsible for its success or failure.

Throughout the world, women's participation in economic activities is increasing. In India too women are participating in large number in almost all the spheres of economic activity. In the Indian context, National Level Standing Committee on Entrepreneurs constituted by the Ministry of Industries, Government of India (1984) defined Women entrepreneur enterprise as "an enterprise owned and administered by women and having minimum financial interest of 51 percent of the capital and giving at least 51 percent of the employment generated in the enterprise to women<sup>1</sup>.

Women are stepping into business for many reasons. Let's go through some reviews to understand why women are starting entrepreneurship. *Singh and Gupta*<sup>2</sup>(1984) states the reasons for women to start business. 'Economic Gain' is the greatest reason followed by 'Keeping oneself busy', and 'Fulfillment of one's ambition' followed by 'Wanted to become independent'. *Rani*<sup>3</sup> (1986), desire to do something independently was the prime motivating factor to start business activity for women and factors such as educational and income background did not influence much on their decisions to jump on to entrepreneurship. *Vinze*<sup>4</sup> (1987) states that since women entrepreneurs need constant guidance in matters pertaining to financial discipline. She further feels that management skills are a must and women entrepreneurs need to be trained in this area. *Kalpana*<sup>5</sup> (1988) in her work related to women entrepreneurs observes, women have multiple reasons for starting a business. Non-economic (e.g autonomy, challenge) and non-work (family) factor play a much stronger role for women than for men. Younger women are better educated, have better business skills and are more likely to plan and set goals. *Gowri, K. and Fredrick.J*<sup>6</sup> (2012), concluded in their study that entrepreneurship is the core of economic development; The SHGs is playing an important catalytic role in creating and enabling helping environment by giving funds, training and other concessions. They also state that woman entrepreneurs are significantly more adjusted, social agreeable and more conscientious.

The women entrepreneurs face number of problems in promotion of units and during production, marketing, distribution, procurement of raw material and availing the incentives offered by the state government. The problems may be external and internal. External problems may result from factors beyond the control of the entrepreneurs, while internal problems are those which are not influenced by the external factors.

### **The Main Objective of the Study**

The main objective is to study the problems faced by sample women respondents in study area in their entrepreneurial journey.

### **Design of the Study**

The study is primarily descriptive in nature, the research instrument for data collection is interview schedule and by distributing questionnaire to sample respondents. The interview schedule was standardized after field testing on a limited number of sample respondents. The schedule aimed at seeking the information regarding problems faced by sample women entrepreneurs in their entrepreneurial journey.

### **Sample Design**

The SPSR Nellore District comprises three regions namely Nellore, Kavali, Gudur. The researcher selected Nellore Municipal Corporation area for the present study. Primarily, due to consideration of proximity and familiarity owing to time constraints, the researcher has selected four places of Nellore region i.e. Kakupalli, Buja Buja Nellore, Nawabpet, Pottepalem for the study. There are 2461 women micro enterprises in selected area of Nellore Municipal Corporation. Among 2461 the researcher has taken 10 per cent of women micro entrepreneurs among 2461 by using stratified random sample with proportional allocation method. Thus, the study area covers 246 sample respondents.

The problems and constraints experienced by women entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The major problems encountered by women entrepreneurs in SPSR Nellore municipal area as follows.

**Problems Faced by Sample Respondents in a Study Area.**

1. Problems faced with raw-material by the sample respondents are presented in table-1

**Table-1**

**Problems faced with Raw Materials by the Sample Respondents**

Problems	No. of sample Respondents	Percentage to Total
Scarcity	49	19.9
High Cost	52	21.1
Low Quality	34	13.8
Transport	38	15.5
No problem	73	29.7
<b>Total</b>	<b>246</b>	<b>100.0</b>

**Source:** Primary data

Out of 246 sample respondents 73(29.7 percent) felt that there is no problem at any stage of enterprise that followed by 52(21.1percent) sample respondents found out high cost, 49 (19.9 percent) sample respondents noticed scarcity of raw material, 38 (15.5percent) observed due to the transport and 34(13.8percent) sample respondents was stated low quality of raw material.

2. Problems faced by the sample respondents while entering into the business are presented in table 2

**Table-2**

**Problems Faced by the Sample Respondents while Entering in to the Business**

Problems	No.of Sample Respondents	Percentage to Total
Lack of Self confidence	36	14.6
Financial Obstacles	67	27.3
Lack of Information	22	8.9
Finding the right content	21	8.5
Combining family and work	28	11.4
No obstacles	72	29.3
<b>Total</b>	<b>246</b>	<b>100.0</b>

**Source:** Primary data

Table 2 presents the problems faced by the sample respondents while starting business. Out of 246 sample respondents, a good number of 72(29.3percent) sample respondents sent no obstacles that followed by 67 (27.3percent) bore some financial obstacles, 36(14.6percent) sample respondents stated lack of self confidence, 28(11.4percent) sample respondents compensated family and work conditions, 22(8.5percent) sample respondents stated there is no idea about the lack of proper information, and 21(8.5percent) sample respondents were not finding the right content of the business enterprise.

3 Problems faced while running the micro-enterprises by the sample respondents are presented in table 3.

**Table-3**  
**Problems Faced while Running the Micro-Enterprises by the Sample Respondents**

Problems	No.of Sample Respondents	Percentage to Total
Combining family work life	56	22.8
Liquidity and other financial problems	57	23.2
Gaining acceptance and respect of people	32	13.0
Lack of entrepreneurial mobility	23	9.3
No Obstacles	78	31.7
<b>Total</b>	<b>246</b>	<b>100</b>

**Source:** Primary data

Table 3 shows that the problems faced while running the micro enterprises by the sample respondents. Out of 246 sample respondents, 78(31.7percent) sample respondents said there are obstacles in running the unit that followed by 57(23.2 percent) sample respondents stated liquidity and other financial problems, 56(22.8percent) sample respondents faced combining work life, 32(13.0percent) sample respondents observed gaining acceptance and respect of (consumers) people, and 23 (9.3percent) sample respondents said that having lack of entrepreneurial mobility.

4 Problems faced by the sample respondents while marketing their products are presented in table-4

**Table-4**  
**Problems Faced by the Sample Respondents while Marketing their Products**

Problems	No.of Sample Responsibility	Percentage to Total
Competition from Other Units	61	24.8
Lack of Demand	29	11.8
Price Control	58	23.6
Distribution Control	18	7.3
Problem of Transport	30	12.2
No Obstacles	50	20.3
<b>Total</b>	<b>246</b>	<b>100</b>

**Source:** Primary data

Table 4 shows marketing problems faced by sample respondents in their business. Out of 246 sample respondents 61 (24.8percent) sample respondents faced problems from competitors that followed by 58(23.6percent) sample respondents felt it by price controls, 50(20.3percent) sample respondents had no obstacles, 30 (12.2percent) sample respondents faced transport problems, 29 (11.8 percent) sample respondents said through lack of demand for their products and 18(7.3percent) said problems with distribution control.

5 Finance problems faced by the sample respondents are presented in table 5

**Table-5**  
**Finance Problems Faced by the Sample Respondents**

Finance Problems	No.of Sample Respondents	Percentage to Total
Shortage of working capital	97	39.4
Lack of Fixed assets	48	19.5
High rates of Interest	43	17.5
No obstacles	58	23.6
<b>Total</b>	<b>246</b>	<b>100.0</b>

**Source:** Primary data

Table 5 shows that sample respondent's finance problems. Out of 246 sample respondents, 97 (39.4percent) faced shortage of working capital, 58(23.6percent) had no obstacles, 48 (19.5percent) said lack of fixed assets, 43 (17.5percent) sample respondents faced problem with high rates of interest.

### Conclusion

From the study one can conclude that women entrepreneurs were facing a problem of high cost, and scarcity in regard of raw material. Increasing trend of inflation in our country leads to rise in prices and because of mobility constraint women are unable to get raw material from the place where they can get with low cost. In starting stage of business, women have very low confidence level to start business. Getting finance from banks and from other financial organizations is also difficult for them because, in general, women cannot provide collateral security which banks require. While running the enterprise, balancing family and work life becomes one of the major problems for women entrepreneurs. Financial liquidity and shortage of working capital are problems while running the business. Competing with other entrepreneurs is a difficult task for women. Even though women have enough skills and knowledge to run business in a successful manner, deep rooted socio and economic restrictions in India become is a big barrier for women entrepreneurs. In finance, shortage of working capital is a major problem for sample women entrepreneurs.

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