

## A STUDY ON THE CHALLENGES OF WOMEN ENTREPRENEURS IN INDIA

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### ABSTRACT

Women entrepreneurs play a crucial role in today's society, and their inclusion in the community is essential for ensuring continued economic growth and social improvement. Despite importance to women in Indian culture, their entrepreneurial potential has been underutilized because of their lesser role in the society. With India's rapidly increasing population, there is a need to develop an adequate environment for entrepreneurship generally and to the empowerment of women by means of entrepreneurship in specific. Throughout this process, it's important for women to ensure the sustainability of their resources and identify both their strengths and their vulnerabilities. In addition, they attempt to realize their potential. Women are transforming from job searchers to creators as a result of the expanding digital era's chances. They are emerging into the fields of art and decorating, publishing and manufacturing, and are continually looking for more ways to get involved in the economy. Women are achieving remarkable success in many fields, including aviation, engineering, science, medicine, law, education, and the humanities. And if women can excel in these fields while still taking care of their families, then why couldn't run a successful enterprise. Despite having a great deal of natural ability and potential for entrepreneurship, women are often denied access to important resources such as funding, education, and peer support. The paper aims to explore the main challenges faced by women entrepreneurs.

**Keywords:** women entrepreneurs, Economy, society, community.

### Introduction

The percentage of enterprises run by women is significantly contributing to the growth of the economy. In India, the definition of a woman entrepreneur is one in which a woman owns, manages, and controls 51 percent or more of the firm's capital and engages 51 percent or more of the employees. This definition comes from the Indian government. Indian women have indicated that they do not want to spend their whole lives in cooking, and they are certain that they do not like to be displayed as decorations in their home. From its beginning, entrepreneurship has been mostly a male-dominated phenomena; but, the advancement of technology has resulted in the emergence of women as some of the most successful, remarkable, and inspiring entrepreneurs in recent history. It is believed that women entrepreneurs contribute around 10% of the overall number of entrepreneurs in India at the current time, and it is expected that this ratio will continue to increase every year.

In the recent decade, the number of enterprises owned by women has increased. Women in India are more likely to own their businesses than women in other countries. Financial, labor, and brand recognition issues, as well as the loss of loved ones and the stress of keeping the family together, have disproportionately impacted women entrepreneurs. Social and economic factors have had a significant effect on women entrepreneurs. Covid-19 affects every business and every person, and it has a particularly negative effect on women who work in small industries and the women entrepreneurs are slowly recovering and it also made new entrepreneurs emerge after the pandemic.

### Status of Women Entrepreneurs

When we talk about "Women Entrepreneurship," we're referring to the process through which women gain economic independence and social status via the ownership and formation of businesses. So, women entrepreneurs which represent more than 25 percent of all businesses have been having a significant influence across the board. In India, less than 5 percent of all businesses are owned by women, and that number is even lower in the formal sector. Women entrepreneurs, especially those in developing and emerging economies face a variety of challenges in order to be successful. Approximately half of the human population, women are

essential to the world's economy and society. The recent decade has seen a tremendous rise in female entrepreneurship, which may play a crucial role in achieving global sustainable development. Women also tend to be more creative and attuned to opportunities than males are, which may lead to more progressive and ethical company leadership that benefits society at large. Women business owners, like their male counterparts, may create novel approaches to societal issues, expand their businesses into national and worldwide marketplaces, and boost their communities and their countries economically. A society's economic, social, religious, cultural, and psychological conditions all have a role in the development of its entrepreneurial class. The number of women who work for themselves has risen dramatically in recent years, especially in the developed economies of the world.

From the Women's Entrepreneurship Report it shows that when compared to males, women throughout the world are significantly less likely to start their own businesses and invest in those businesses done by others. Low-income regions had the largest gender gaps, whereas upper-middle-income regions had the most gender-balanced societies.

The national experts gave very low ratings to nations that provided a supportive environment for women business owners. This may be why women are less likely than males to consider entrepreneurship as a career path. Experts found that countries that scored best also had the largest rates of aspiring entrepreneurs.

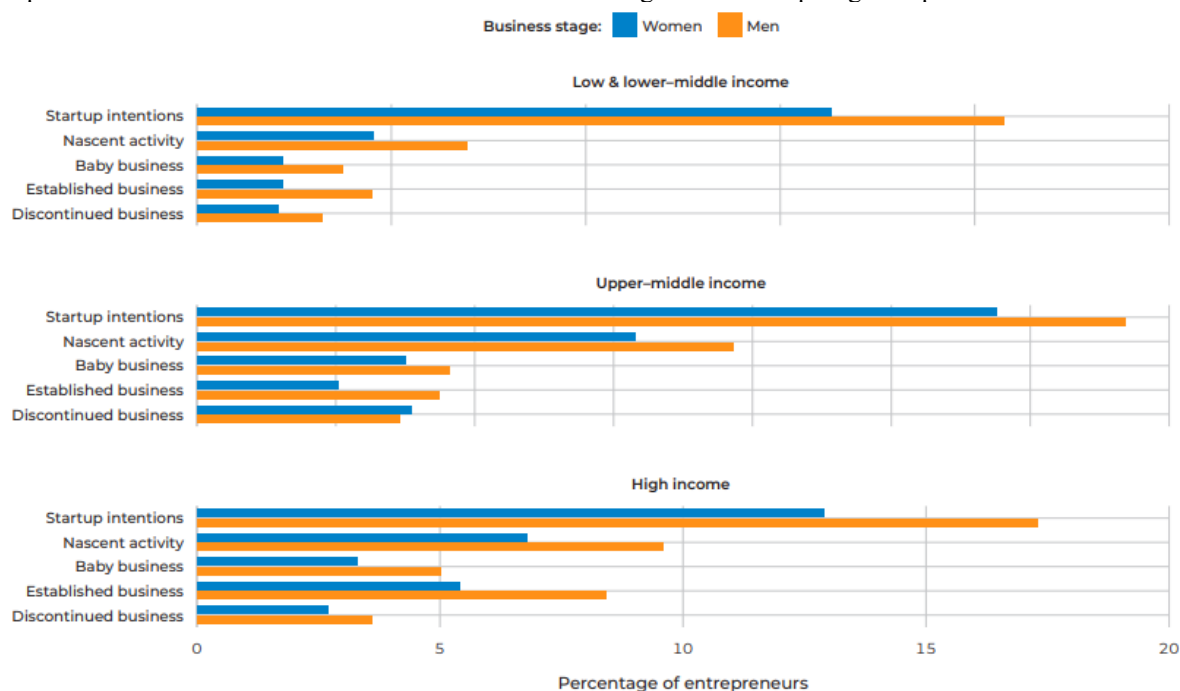


Figure 1

Source: GEM 2021/22 Women's Entrepreneurship Report ([www.gemconsortium.org](http://www.gemconsortium.org))

In India 40 percent of new businesses in India are led by women, and the government has officially recognized. In India, a woman's ability to open a bank account was seen as a significant achievement. Women are driving the start-up ecosystem, which now numbers over 16.2 million businesses owned by women. This remarkable development shows the power and determination of Indian women. Significant change is coming to India in the upcoming years, with women playing an increasingly important role in the economy and helping to shape and improve the country's future. Women and men have identical probability of success when launching firms in the same field, overcoming technical challenges is a more direct way to eliminate false beliefs about women entrepreneurs.

**Objectives**

1. To study about the rise of women entrepreneurship in Chennai city.
2. To explore the problems faced by women entrepreneurs today

**Review of Literature**

Baral (2023) Women entrepreneurs are gradually making contributions to our economy and culture by creating new jobs and paving the way for the next generation of women entrepreneurs. Female entrepreneurs face unique

challenges in today's economy, even when they have extensive experience, ability, knowledge, and hard work on their side. Due to the male-dominated nature of business, female entrepreneurs are often limited to working in fields that cater specifically to their needs.

Trivedi (2022) Women's economic empowerment, as well as global prosperity and the alleviation of poverty, may all benefit from the advent of novel business ventures. Women may find it easier to juggle job and family responsibilities if they take advantage of the potential time freedom offered by entrepreneurship. Female entrepreneurs face the same challenges as their male counterparts in India, where they are more likely to operate in the shadow economy. Both male and female entrepreneurs experience similar challenges such a lack of access to finance, business networks, proper training, and facilities, female entrepreneurs also confront gender prejudices due to socioeconomic circumstances or special biases in legislation like inheritance rights.

Kumbhar (2013) Stated in their study that Women are a vital national resource, and should endeavor to use them as economic growth and development mediators, Women entrepreneurs can be encouraged. Women entrepreneurship in India has significant challenges, including the conventional mindset of the society and the neglect of the state and appropriate authorities. There is a lack of awareness about capacities, a low ability to bear risk, problems in the workplace with male workers, neglect on the part of financial institutions. Women also struggle with a lack of balance between their family and professional responsibilities and a lack of financial independence.

**Research Tools Used For The Present Study**

- ANOVA
- CHI – SQUARE
- CORRELATION

**Data Analysis**

The present chapter helps to analyze and interpret the data. The data gathered from the respondents is evaluated and interpreted to arrive at a conclusion for the research.

**One way ANOVA (Age)**

H01: There is no significant difference between education groups with regards to the Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences

		SUM OF SQUARES	DF	MEAN SQUARE	F	SIG
Gender inequality	Between Groups	102.921	3	34.307	1.020	.385
	Within Groups	7026.722	209	33.621		
	Total	7129.643	212			
Startup problems	Between Groups	35.832	3	11.944	.906	.439
	Within Groups	2755.417	209	13.184		
	Total	2791.249	212			
Lack of financial support	Between Groups	39.118	3	13.039	.716	.543
	Within Groups	3804.853	209	18.205		
	Total	3843.972	212			
Socio Cultural barriers	Between Groups	7.426	3	2.475	.193	.901
	Within Groups	2675.795	209	12.803		
	Total	2683.221	212			
Personal attributes	Between Groups	8.819	3	2.940	.102	.959
	Within Groups	6051.548	209	28.955		
	Total	6060.366	212			
Psychological attributes	Between Groups	9.449	3	3.150	.452	.716
	Within Groups	1454.842	209	6.961		
	Total	1464.291	212			
Obsolescence of Technology	Between Groups	6.476	3	2.159	.243	.866
	Within Groups	1856.623	209	8.883		
	Total	1863.099	212			
Risk preferences	Between Groups	18.798	3	6.266	.600	.616
	Within Groups	2184.310	209	10.451		
	Total	2203.108	212			

Table .1: ANOVA table for significance of mean difference in the socio-economic profiles and factors

\* Significant at the 5% level

**Analysis**

It can be seen from above Table that null hypotheses are accepted as the p values are greater than 0.05 for Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences

**Discussion**

There is no significant difference between age groups with regards to the Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences

**One way ANOVA (Education)**

H02: There is no significant difference between education groups with regards to Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences.

		SUM OF SQUARES	DF	MEAN SQUARE	F	SIG
Gender inequality	Between Groups	463.557	3	154.519	4.845	.003
	Within Groups	6666.086	209	31.895		
	Total	7129.643	212			
Startup problems	Between Groups	89.224	3	29.741	2.300	.078
	Within Groups	2702.025	209	12.928		
	Total	2791.249	212			
Lack of financial support	Between Groups	179.684	3	59.895	3.416	.018
	Within Groups	3664.288	209	17.532		
	Total	3843.972	212			
Socio cultural barriers	Between Groups	51.418	3	17.139	1.361	.256
	Within Groups	2631.803	209	12.592		
	Total	2683.221	212			
Personal attributes	Between Groups	169.136	3	56.379	2.000	.115
	Within Groups	5891.230	209	28.188		
	Total	6060.366	212			
Psychological attributes	Between Groups	21.217	3	7.072	1.024	.383
	Within Groups	1443.074	209	6.905		
	Total	1464.291	212			
Obsolescence of technology	Between Groups	51.088	3	17.029	1.964	.120
	Within Groups	1812.010	209	8.670		
	Total	1863.099	212			
Risk preferences	Between Groups	119.166	3	39.722	3.984	.009
	Within Groups	2083.942	209	9.971		
	Total	2203.108	212			

Table .2: ANOVA table for significance of mean difference in the socio-economic profiles and factors

\* Significant at the 5% level

**Analysis**

It can be seen from above Table that null hypotheses are accepted as the p values are greater than 0.05 for Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences

**Discussion**

There is no significant difference between education groups with regards to the Gender inequality, Startup problems, Lack of financial support, Socio cultural barriers, Personal attributes, psychological attributes, Obsolescence of technology, Risk preferences

**Chi- square test**

	Value	df	Asymp. Sig. (2-sided)	Statistical Inference
Pearson Chi-Square	88.800 <sup>a</sup>	9	.000	X <sup>2</sup> = 88.000 <sup>a</sup>
Likelihood Ratio	80.898	9	.000	Df = 9

Linear-by-Linear Association	40.754	1	.000	P= .000 <0.05 *Significant at 5% level
N of Valid Cases	213			

Table .3: Chi-Square Test for Education Qualification and Factors  
**Significant at 5% level**

**Analysis**

It can be seen from above Table the P value is lesser than our chosen Significance at = 0.05 levels, the null hypothesis is rejected.

**Discussion**

It is therefore concluded that there is an association between Age and Education.

**Correlation**

**Correlation Test between Gender Inequality and Risk Preferences**

H<sub>03</sub>: there is no correlation between Gender Inequality and Risk Preferences

		Firm performance	Shareholding pattern
Gender Inequality	Pearson Correlation	1	.488**
	Sig. (2-tailed)		.000
	N	213	213
Risk Preferences	Pearson Correlation	.488**	1
	Sig. (2-tailed)	.000	
	N	213	213

Table .4 : Correlation between Gender Inequality and Risk Preferences

**Analysis**

The above Table Shows the Result of Pearson’s correlation test between the Gender Inequality and Risk Preferences from the above table it is found that there is a significant correlation between the variables. Also, it is evident that there is a high positive correlation (r = .213p<0.01 sig) between Correlation tests between Gender Inequality and Risk Preferences.

**Findings**

The findings show that social and cultural, financial, and skill-related challenges were the most difficult for women entrepreneurs to overcome. Culture and society are held back by the way people view women and their role in it. In addition to the other issue, researchers observed that financial problems have a significantly negative effect on rural women.

**Suggestions**

- Women entrepreneurs must commence their enterprises on a small scale and give them time to expand. Flexible loans and subsidies should be made available to women company owners as a means of encouraging them to engage in industrial activity.
- Banks and other lending institutions need to be more generous with working capital to businesses of all sizes.
- In order to educate women about the many opportunities available to them in the corporate world, a frequent awareness campaign is required.
- For the better understanding of the significant challenges women experience in the business world, aspiring female entrepreneurs should do some study.

**Conclusion**

Women have the ability and willpower to organize, manage, and lead their own businesses with ease and efficiency. They need appropriate support and encouragement from society at large and family members in particular to assist them achieve new heights in their business endeavors. With the appropriate type of support from family, community, and government, the women business entrepreneurs may become integrated into the national economy and contribute to India's economic development in this phase of globalization. In addition, banks and other financial institutions have established specialized units to aid female business owners. Despite the fact that many women's new entrepreneurs have remained a largely ignored industry, this has different times and different women entrepreneurs on the economic scene in recent times. Women are shown to be very successful business owners, and the study found that women are drawn to this field because it allows them to combine their personal and professional lives better. Despite the number of successful women entrepreneurs in

our country, these women encounter numerous obstacles from family and society due to the country's male-dominated society.

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