

Women and Growth: The Entrepreneur Perspective

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Abstract: We live in a world impacted by rapidly changing technology, practices, cultural norms and fluctuating economies. India has experienced seven decades of freedom but its women are still waging a war for equality and independence. This thought extends to women in business too. Women are now eager to start enterprises irrespective of the scale of operation. Starting a business would not suffice. The entrepreneur would have to traverse through myriad obstacles. Hence, the current research was necessitated. 164 women entrepreneurs in and round Vijayawada were surveyed in the newly formed Andhra Pradesh in Southern India. The structured questionnaire comprised queries on demographics, the facilitating factors, ability to handle obstacles, Government support and growth of women entrepreneurs.

Keywords: Women, Entrepreneurship, Growth, Capabilities, Government.

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I. Background

Women in India worship several Goddesses but the tale of women since the country became independent tells a different story. Female foeticide still continues to be a major problem coupled with sexual and marital harassment. Several policies for the growth and development of women have surfaced but a lot remains in terms of implementation. Women in business is nothing new. Women have been helping their spouses especially in family businesses. Yet women have the urge to be different and wish to move away from the shadows of their spouse and children. Empowerment of women has been a serious topic of discussion for many years now. Many questions have been raised about women and their abilities in the corporate and male-dominated world. Several articles have explored the 'glass ceiling'(web 1). The recent buzz is about harassment and the 'Me too' movement. Amidst all this furor, there has been a rise of women occupying top positions in the corporate world. Yet a percentage of women desire to be their own boss. That's where the thought of entrepreneurship blossoms (web 2). The percentage of women amongst all entrepreneurs in the country stands at approximately 14% as of July 2018 (web 3).

Need for the Study

Research on women entrepreneurs is steadily gaining attention. The role of women can no longer be dismissed. Women have been in the forefront and continue to do so in many disciplines to the extent of even heading nations. However, entrepreneurship is a different game to play. It involves a lot of diligence, perseverance, networking, comprehension of business practices, management style and expertise. A lot also depends on the ability to face adverse situations and march ahead. Therefore, more studies are required to understand psyche and success.

The current research is an attempt to explore how the capabilities of women entrepreneurs to handle obstacles impacts their growth. The impact of government support on such women is also explored.

Literature about Obstacles faced by Women Entrepreneurs

Every business venture involves an amount of risk and this seems to be higher in the case of entrepreneurship. Entrepreneurship involves travelling through uncharted territories and the outcome could be mixed. A brief review of literature highlights several facets of obstacles faced by women entrepreneurs.

Pruthvi Raj (2018) analysed women entrepreneurship and government support in the present perspective. This study stressed that women with high level of knowledge and skills would like to start a business enterprise. Women entrepreneurs are facing various challenges in their business. This study ascertained that family ties, lack of education, male dominance, severe competition, legal problems, and transportation problems creates heavy burden to the women entrepreneurs. Furthermore, lack of knowledge and skills, limited

decision-making ability, and exploitation in marketing are also hurting their entrepreneurship. It was found that Annapurna scheme, MahilaUdyanNidhi Scheme, Mudra Yojana Scheme, and Shree Shakti Package are the most important women entrepreneurship development schemes. In summary, it was concluded that women face lot of difficulties in managing their business venture.

Agarwal (2018) examined the problems of women entrepreneurship in India and provided certain real life crucial strategies to become a successful woman entrepreneur. This study stressed that women are equally talented in managing enterprises but still lacked due to social, cultural and economic problems pertaining to entrepreneurial activities. Results of the study revealed that prioritisation, marketing problems, limited resource accessibility, funding issues, and male-dominated society impact business. Findings showed that women empowerment, freedom, self-planning, creating networks, increasing visibility, openness, and gaining knowledge in finance are the essential strategies to become a successful entrepreneur. Findings also revealed that institutional support, infrastructure, training and counselling, developing entrepreneurial culture, and entrepreneurial environment are the strengthening measures in women entrepreneurship. The study concluded that women entrepreneurship can be promoted by executing programs to address changes in attitude and behaviour of women entrepreneurs.

Tomar (2018) examined the current status of women entrepreneurship. The emergence and development of women entrepreneur in a social system relied on psychological, cultural, social, religious, and economic factors prevailing in the country. The study revealed that women are facing lot of difficulty while conducting business. It was found that shortage of skilled labour, lack of knowledge in using technology, dearth of functional knowledge, and finance are the major problems of women entrepreneurs. This study revealed that labour shortage is the major destruction to construction material industries, small scale business, and agriculture-based industries. Findings revealed that physical performance of women is not sufficient to meet industrial demands, which creates labour problems significantly. It was concluded that women entrepreneurship has been mainly influenced by labour-based problems.

Bimha et al. (2018) examined challenges faced by women entrepreneurs in small and medium enterprises. This study showed that lack of employment, personal wish, independency and freedom, and family situation are the motivating factors to start business by women. Women entrepreneurs are affected by different problems in marketing, funding access and lack of information with business management. Results found that finance access, lack of enough market, lack of infrastructure, and personal situation of individual entrepreneurs have more impact of women entrepreneurship. Moreover, this identified low confidence, less start-up capital, inadequate family support, competition with large scale units, and low market acceptance cause more problems to women. It was concluded that women have to face different problems while becoming entrepreneur to commence small and medium enterprises.

Manju and Geetha (2018) observed the different problems of women entrepreneurs. It was found that in business environment, entrepreneurs face different problems in marketing, production, operation, and finance related aspects. It was found that women entrepreneur highly affected with various production problems. The study revealed that the highest problem is reportedly in purchase of raw material for production of goods. Women entrepreneur also exposed to the problems of shortage of electricity, high labour turnover, insufficient infrastructure, and realization of debts. Moreover, access of finance is banks and recognition in banks, limited access of production and marketing skills have create significant problems to women entrepreneurs. In summary, it was found that scarcity of material, high price, irregular supply, government policies, high cost of transport, and shortage of working capital causing high level of production problem to them.

Khaleque (2018) examined the performance of women entrepreneurs in business. This study revealed that both financial and non-financial problems affect success of women entrepreneurs. Results showed that major financial problems of women entrepreneurs are inadequate credit facilities, proof of business documents, and poor relationship with financial institutions. Moreover, women entrepreneurs face financial constraints while commencing their business, Lack of capital, lack of subsidised loan, and high level of interest rates are the significant problem faced by them. Findings revealed that insufficient finance leads to poor productivity, they are unable to use latest technology, and are not able to attain economies of scale in operation. Findings also showed that financial constraints have significant effect on productivity and profitability of entrepreneurial venture. It was concluded that relaxation in credit enhances women entrepreneurial business performance.

Panda (2018) attempted to measure the constraints faced by the women entrepreneurs in developing countries. This study emphasised that women entrepreneurs face poor infrastructure, work family conflict, unbalanced business, lack of education, and training. Moreover, gender discrimination, problems in sourcing finance, unfavourable economic environment, and political instability also cause constraints. Results revealed that poor communication network in rural destinations, inadequate logistics support, and lack of sophisticated technology are the main infrastructure problems faced by women entrepreneurs. Findings showed that lack of technicians to handle latest technology and high cost of operation are also main infrastructure problems. It was found that lack of infrastructure facility dampens the spirit. It was concluded that women entrepreneurs should create necessary infrastructure facilities to protect their business.

Literature about Growth of Women Entrepreneurs and Government Support

Devi (2018) examined women empowerment through women entrepreneurship development. This study highlighted that women empowerment is concerned with the ability and skills injected to attain desired goals of women. The main aspect involved in success of women development is economic, political, and social empowerment of women. Results revealed that women empowerment initiatives increase women knowledge, awareness, capability and skills to settle independently. It was found that promoting entrepreneurial practice among women population is an improvement plan to economically empower women. Therefore, economically empowering women may reap extraordinary benefit both personally and socially. Findings showed that because of entrepreneurial education and awareness, women have shifted from household duties to entrepreneurial ventures. It was concluded that women empowerment can be achieved through developing women entrepreneurship.

Pappas et al. (2018) examined the female entrepreneurship and employability in the digital era. This study revealed digital growth in the form of information and communication technology has accelerated the development of women entrepreneurship. It was found that women employability in entrepreneurship increases due to active presence of speedy communication, information sharing, and skill enhancement. Results revealed that resourcefulness, initiative, negotiation, creativity, and innovation are the important ingredients of women entrepreneurship. Moreover, personal and social responsibility, collaboration, critical thinking, decision making, and problem-solving skills have been increased by ICT growth. Findings of the study showed that women aspiring to become entrepreneur should equip necessary skills and ability to develop their business. It was concluded that employability skills have direct effect on developing women entrepreneurship.

Uma and Ramesh (2018) examined the role of government in promoting women entrepreneurs. It was found that Indian government has taken various initiatives to empower women entrepreneurs. There are so many development institutions offering several schemes for starting business particularly operated by women. Results showed that government support includes technical assistance, financial assistance, training, subsidy support, and loan waiver schemes to the sick units. In addition to that, feasibility report, marketing support, and skills development programme are provided to women entrepreneurs through various funding agencies. Findings indicated that government play immense role in nurturing and grooming the women entrepreneurs in the right direction. Moreover, supporting institutions provides necessary timely assistance. It was concluded that government through diverse schemes and initiatives look out developing women entrepreneurs.

Kansanga and Mulyungi (2017) examined the determinants of entrepreneurial development among women entrepreneurs. This study emphasised that women empowerment is the most important process of increasing economic, political, and social status of women. Economically or socially empowered women can contribute to both family development and economic development. This study also revealed that various entrepreneurship development measures increase women's personality traits, abilities, and competencies to conduct their venture. Results showed that personal knowledge and interest, willingness, skills, and family support are the major determinants of entrepreneurial development in women entrepreneurship. Furthermore, inadequate finance, lack of external fund access and working capital has tremendous impact on women entrepreneurial development. In summary, it was found that government should develop steps to protect women entrepreneurship by contributing financial and non-financial support.

Kazumi and Kawai (2017) attempted to explore the extent to which local institutional forces affect performance of women entrepreneurs. This study emphasised that women entrepreneurship has been widely recognised as an important driver of sustainable development of family. It was found that women entrepreneurship generates employment and has significant influence on poverty alleviation. Therefore, institutional support increases entrepreneurial self-efficacy of women. Results of the study showed that institutional activities increase women personality characteristics and skills to conduct their entrepreneurial venture. Findings showed that self-confidence in entrepreneurship activity is the key aspect for developing women entrepreneurs. Findings indicated that institutional support develops women entrepreneur in all functional areas. It was concluded that institutional support has direct and significant influence on women entrepreneurial self-efficacy.

Nyoni (2017) investigated the factors affecting the performance of women entrepreneurs. This study emphasised that weak economic circumstances may lead the individuals to move towards starting up of entrepreneurship. Under such circumstances, women have started their entrepreneurial venture in order to generate own income. Results of the study revealed that several personal and ability-based factors jointly or separately motivate women entrepreneurship. The factors consist of own desire, need for self-employment, independence, social recognition, professional experience, and to avail government assistance. Findings also divulged lack of money to meet both family and business obligations as the major problems that affect women food vendor entrepreneurship. In was concluded that family unit, development institutions, and government jointly should make effective plans to develop women entrepreneurship.

Kemkarand Sharma (2016) examined the effect of personal factors on the success of women entrepreneurship. This study stressed that personal factors are concerned with the individual aspects of the

entrepreneurs. This study considered entrepreneurial competency, risk taking behaviour, and innovativeness as personal factors. It was found that women entrepreneurship is influenced by personal growth, creativity, and recommendations from friends or family. Moreover, women entrepreneurship is influenced by high self-esteem, economic factors, and own desire for achievement. Findings revealed that women have to equip relevant management skills, business skills, and marketing awareness in order to excel in entrepreneurship. Findings divulged that by offering skill development measures, training, financial support, and favourable atmosphere women entrepreneurs can be encouraged. It was concluded that more policy support is required to protect women entrepreneurs.

Baba (2013) aimed to measure the development, challenges and remedies of women entrepreneurs. It was found that women entrepreneurs create employment opportunities and develop their family. This study revealed that government take special effort for women development and extract highest use of women ability. Results revealed that family obstacles, social barriers, religious barriers, lack of confidence, low risk bearing capacity, and psychological setbacks are the main challenges for women entrepreneurs. It was found that financial and technical support, skill development programmes, and training and development are the development measures pursued by government agencies. Findings showed that separate finance cells, social awareness, material support, and training assistance are provided as remedial measures. It was concluded that government should make effective steps to develop women entrepreneurship.

Research Gaps

Literature this far has been documenting various obstacles faced by women entrepreneurs in their endeavour to succeed in their business venture. However, the focus also needs to be on whether women have the capabilities to handle such obstacles and on how to solve problems. It also needs to be examined whether Government schemes are really supporting the commencement and management of their business.

II. Methodology

Women entrepreneurs in and round Vijayawada were surveyed. It may be noted that Vijayawada is an important city in the newly formed Andhra Pradesh. The bifurcation of the state and the emergence of Telangana has the changed the dynamics of business. Policies would change in the future depending upon the thrust of the new Government. Purposive sampling was utilised to study women entrepreneurs located in and around Vijayawada.. The structured questionnaire comprised queries on demographics, the facilitating factors, ability to handle obstacles, Government support and growth of women entrepreneurs. A translated version was also available in the local language, namely, Telugu. The list of women entrepreneurs was solicited from the Government. Attempt was made to reach all women entrepreneurs on the list. However, some women entrepreneurs declined to answer the survey while few responses ere rejected as the questionnaire was incompletely answered. Out of 193 potential respondents attempted, the final sample size was 164 respondents. Respondents were easy to approach as they participated in meetings organised by ALEAP and COWE.

Data Analysis and Results

Regression was used to analyse the impact of women entrepreneur’s capabilities to handle obstacles as well as Government support on the growth of women entrepreneurs. The test results are documented in Tables 1 to 3. Growth was the dependant variable while the independent variables were capabilities of women entrepreneurs to handle obstacles and Government support. The summary of the regression model is presented in Table 1.

Table 1: Summary of Regression Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.451 ^a	0.203	0.193	2.08373
a. Predictors: (Constant), Government, Capabilities				

Table 2: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	178.464	2	89.232	20.551	0.000*** ^b
	Residual	699.048	161	4.342		
	Total	877.512	163			
a. Dependent Variable: Growth						
b. Predictors: (Constant), Government, Capabilities						

*** p < 0.001

Tables 1 and 2 indicates that 20% of the variation in growth is explained by the sample regression plane that involves capabilities of women entrepreneurs to handle obstacles and Government support as independent variables and R square is significant (0.01% level).

Table 3: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.268	1.149		9.808	0.000***
	Capabilities (X ₁)	0.378	0.059	0.449	6.359	0.000***
	Government (X ₂)	0.027	0.082	0.023	5.332	0.040**

a. Dependent Variable: Growth

** p < 0.01; *** p < 0.001

Table 3 gives rise to the regression equation:

$$Y = 11.268 + 0.378X_1 + 0.027 X_2$$

The coefficient of X₁ is 0.378 represents the partial effect of Capabilities of women entrepreneurs to handle obstacles on growth of the women entrepreneurs, holding the other variables as constant. The estimated positive sign implies that such effect is positive and that growth of the women entrepreneurs would increase by 0.378 for every unit increase in Capabilities of women entrepreneurs to handle obstacles and this coefficient value is significant at 0.01% level.

The coefficient of X₂ is 0.027 represents the partial effect of Capabilities of women entrepreneurs to handle obstacles on growth of the women entrepreneurs, holding the other variables as constant. The estimated positive sign implies that such effect is positive and that growth of the women entrepreneurs would increase by 0.027 for every unit increase in Capabilities of women entrepreneurs to handle obstacles and this coefficient value is significant at 0.1% level.

A Chi-square test was executed to ascertain the association between amount of capital invested and form of organisation (sole proprietor or partnership). The outcome of analysis is depicted in Table 4.

Hypothesis: There is association between capital invested and form of organisation.

Mull Hypothesis: There is no association between capital invested and form of organisation.

Table 4: Capital versus Form of Organisation

		Form		Total	Pearson Coefficient	Sig.
		Sole Proprietor	Partnership			
Capital (INR)	Less than 2 lakhs	33 (25.6%)	4 (11.4%)	37 (22.6%)	13.125	0.001***
	2 to 4 lakhs	23 (17.8%)	0 (0%)	23 (14%)		
	Above 4 lakhs	73 (56.6%)	31 (88.6%)	104 (63.4)		
Total		129 (100%)	35 (100%)	164 (100%)		

*** p less than or equal to 0.001; cell percentage refer to column percentage.

Table 4 reveals that the null hypothesis is rejected as p value is significant at 0.01% level. Hence, there is association between capital invested and form of organisation. Majority of women in sole proprietor organisations as well as in partnership organisations invested more than four lakhs in their entrepreneurial venture. However, the percentage was observed to be higher in partnership organisations.

III. Conclusion

The regression test has indicated that Capabilities of women entrepreneurs to handle obstacles is a more important factor than Government support. Women should be given more training and assistance is confronting obstacles and moving forward. This could be fostered through workshops, seminars and personal mentoring by senior entrepreneurs. Networking with other women entrepreneurs across the country and publications can help to exchange ideas, information and strategies.

The chi-square test has indicated that there is association between capital invested and form of business. The funding aspect could be encouraged by Government and other financial institutions. Government could also help by providing subsidies and other incentives. They need to encourage women to start business.

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