



Women entrepreneurs: Problems and challenges with startup and operational business

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Abstract

In the present time, Indian women are developed digitally and they are proving themselves as an astonishing character by their own nature, with this they are not only handling family and work together, but also by contributing to the economic growth of the nation. With the current enhanced level of education; they are replicating their strength in the startup and operational business circumstances. In a man subjugated world, now women entrepreneurs are blooming with their original and contemporary and resourceful proposals for booming startups and operational business to realizing their vision and ambitions. Women effectively dare the world and made their own individuality, even though numerous problems like family commitments and funding and subsidy matters, supervise the business activities etc. have to be faced. This study is an attempt to examine the involvement of women during startups and in between operational business economic progress, and to know the range of aspects accountable for promoting women to develop into entrepreneurs.

Keywords: women entrepreneurs, business start ups and during operational business problems and challenges

Introduction

Women characterized as a dominating human resource, today countries all through the world have recognized the strength of women which can be employed as a mediator of expansion and growth. So, with these women entrepreneurship is single way of accepting that. Women entrepreneurs not only generate innovative job prospects but also give society with various resolutions to organization, management and business problems. The enterprise fields is the witness of the ever increasing occurrence of women as entrepreneurs, over the last two decades has transformed the demographic features of trade and business and on the whole economic development in the nation. Though, the business or entrepreneurial world in our country like India is still subjugated by men. The main fields where the women entrepreneurs are determined in the areas of small-scale entrepreneurship portrayed by restricted development and likely to be home-oriented. In the large level and technology oriented the role of women in these industries is still quite partial. One of the main reasons that limiting the development of female enterprises in India is the deficiency of funds and proper finance observed in many research studies. Women often fetch fewer openings than men to achieve access to credit facilities for many grounds including lack of guarantee or security, a reluctance to accept household property as guarantee and some negative observations of women entrepreneurs by the bankers or loan officers in the dearth of credit ratings and an accurate business frame out. There is generally not having the knowledge, experience and exposure, typical paperwork and heavy transaction charges connected with accessing of credit that also limit women from endeavoring and engaging with banking institutions. Because of all these obstacles related to the venture, they usually have to rely on the family or the other source for their funds requirements which hampers the development, growth and

continued existence of their ventures.

Women entrepreneurship in India is an emerging concept and very crucial for the economic growth of the country. Generally women have to bear lots of problems in starting and during the business, but major problem is the proper funding to their venture. However financial enclosure has been a key policy objective of India's financial structure since 2004 and ample of financial institutions offer assistance to women entrepreneurs for their original, pioneering and creative format of actions intended at skill development, so far as per the estimation to FICCI, just 26 per cent Indian women have a bank account and credit sanctioned to female accounts for only 7.3 per cent of the total credit in the Indian financial system. These minute figures propose a crying need for an additional thrust to our financial enclosure agenda. Women entrepreneurs get prohibited from conventional financing attempts with the increased attempts of MSMEs during precedence region lending targets and Credit Guarantee Schemes have been carried out. Somewhat in the system is not working, whereas banks do not intentionally exclude female. A report by 'Goldman Sachs Global Investment Research Report' that focused at loan refusal rates for small and medium enterprises (SMEs) funds that as compare to men refusal rates for women-owned SME's in India were almost double (Kaur, Gurveen, 2017) ^[2]. So, it is a very high rate than other nations in the world, there is something that is not properly diagnosed and somewhere absence of working pattern and requirements to be justified. In India there is enormous strength of human resources as unemployed women which can on the contrary involve them in the economic growth if the suitable fund arrangements and mentoring and hand on training are provided to women for venturing. Now there is the need arises for the bank to promote women entrepreneurs as well. Financial enclosure has the probability

to convey in many poor women who does not have any account in the bank converted into the proper banking system, streamline their investments and savings, and encourage their entrepreneurial aspirations by making them accessible sufficient credit thereby providing a boost to the economy. Indian banks can target the group of women entrepreneurs for the micro financing and further advising them for future funding to sustain for both. It is rightly said by the Managing Director, World Bank that “Investing in women entrepreneurs is smart economics”.

Literature Review

There are so many studies on women entrepreneurship and different researchers explored women from every angle. Whereas entrepreneurship is usually considered as an innovative activity that make a push to females to take the initiative and search for other resources related to the concerned enterprise. Some definitions focused on more of its operational and functional features. And some of the researchers spotted entrepreneurship as an economic indicator like development and gains and profit, if entrepreneurship incorporated with effective tools then it would help the economy to reduce the poverty.

We see the concept women entrepreneurship as a separate identity so far related concept to male entrepreneurship to recognize the resemblance and dissimilarity between both these sets. Women entrepreneurship is related with the performance of business possession and business formation that empowers women both socially and economically and thus uplifts their social status and economic power in the society.

Choudhury, Shashi baijal and Asokan (1997) ^[11] in their study on ‘Banks and Women’s Enterprise Development - A Comparison of Approaches in India and the U.K.’ discovered that together in India and the U.K., the major problem that women entrepreneurs ever face while at preliminary and starting up stage of the enterprise, it creates the burden of family responsibilities.

Mallika Das (1999) ^[12] in Tamil Nadu and Kerala an exploratory study made of female entrepreneurs. It was observed in the study that the main obstacles borne by female in starting or initiating and operating or running and further succeeding in business enterprise and the only distinction between the understanding and expertise of females from the developing and developed nations. It was also highlighted in the study that problems faced by females in receiving funds for establishment of new business enterprise and gathering the working capital prerequisites. Females in the study totally be different from western corresponding person in the marital status, family conditions, incubator institutes matters and ecological aspects like support and subsidy services.

Entrepreneurs means search for and recognize probably cost-effective economic prospects and they are the growth agents (Farr-Wharton and Brunetto, 2007) ^[14].

Babu (2015) ^[6] discusses that the scenario of India’s startup is supporting and magnetizing more and more women entrepreneurs, and now international investors ever more initiate to generating support and funds for innovative women startups. Women are more into services, manufacturing, technology and export as compare to the previous time. In

which women are excelling them is the digital media platform that entitled them into entrepreneurship. It was also discovered that the focus of raising funds in the metros only and the study also reveals that there is lack of financial hubs in small towns and cities.

Methodology

The study is focused mainly on the secondary sources of data and information together with huge literature reviews, details of appropriate studies and surveys, census details, government periodicals and a counter analysis of different websites, various journals, conference papers and working papers etc. Though the effort is made to use dependable executive fact and figures as a source of study and policy recommendations.

Women entrepreneurs in India

According to Upasana Sharma “Despite some basic changes in the status and role of women in the society, no society treats its women as well as its men. Consequently, women continue to suffer from diverse deprivations from kitchens to key-boards, from the cradle to the grave across nations”. It is the harsh fact of the Indian society. But now Indian women coming out from the circle and start following their dreams and try to make them realize by all means.

As we know that Indian women for a long time had been executing household activities as respectful housewives or operating part time enterprises mainly in the specific areas of food and fashion. Today, they are booming as insistent and determined as men breaking free from conventional gender definite task and enterprising into the innovative economic areas.

Women entrepreneurship usually involves a performance of business possession and business formation that authorizes women economically and thus lifts their economic potency and social position in the society itself. The Government of India (GOI2006) has defined Women entrepreneur as “an enterprise owned and controlled by women having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise for women”.

Idea of women startup in startup India

The contemporary women startup environment is promoting with the very beginning. At present there is a noteworthy tendency in the support of entrepreneurs and moreover for the startups. India has come forward as one of the top three nations in terms of number of venturing and the habitat for other more than 4000 startups. National and international investor and shareholders are prepared to initiate with financial support, and there considerably enhancement in incubation provision and accommodating startup environment. At the same time, the contemporary situation is also transforming and has set up to recognize that women entrepreneurs as a determined, positive and confident, well-informed, obsessive and passionate and multitalented and resourceful skill to operate an enterprise (Manshani, Sapna and Dubey, Anjna, July 2017) ^[3].

According to Diane Mariechild, “A woman is the full Circle. Within her is the power to create, nurture and transform”.

We consider woman a creative entrepreneur with full confidence, original and innovative and resourceful and

imaginative woman that is competent of realizing economic autonomy on their own or in association, create employment prospects for other women through beginning launch and successively an enterprise by keeping velocity as individual, family and social existence. Startup India is proving them not only in the industrial ranks however have also established equal to their counterpart in business also and also upcoming as elegant and ever dynamic entrepreneurs operating their ventures in every region.

Currently women are enjoying the liberty, moreover intelligent and intellectual, creative and imaginative, risk taker, and individual and administrative capabilities for operating their own business, now it is not shocking that further more women are converting as entrepreneurs and the section that frequently mounting is self-employed entrepreneurs. As far entrepreneurship is considered women are not regarded them as to be any unusual from men.

As per the online observations carried out previously for the present year for rankings on the finest position for women entrepreneurship, as compared to its position in 2013, India reached at the list. India's women entrepreneurship surroundings depicts the upgrading figures of enhancement with respect to particular women looking for the openings to begin business enterprise (60%), support with respect to ability and talent (52%) and do not think for the future upcoming troubles of breakdown for their startup (57%). So many women have courage to initiate for their first innings and these Indian women entrepreneurs have made a noteworthy impression in the startup environment and now they are successful business personalities (Free Press Journal, 2013).

Many women has employed their own startups now flourished as a successful businesses like Zipdial, Mobikwik and Zaakpay, Jombay.com, MeraCareerGuide.com, Limeroad, Chumbak, YourStoryMedia.com, Sheroes.in, Yatra.com, Zivame.com, Shopclues.com and many more. Further investors and financiers are magnetized by them and framing outline of their business accordingly (Babu, 2015) ^[6].

Now women are moving out from their places and try to find their new role of entrepreneurs as well. The technology is also playing a significant role because more and more females are prone to this due to the proper knowledge and guidance. Digital media has strengthened them a lot more to jump in the entrepreneurship (Bhargava, 2015).

Problems faced by the startups (Initial Stage)

"Obstacles are those frightful things you see when you take your eyes off your goals."- Henry Ford.

There are so many problems faced by women entrepreneurs when they start up their venture. Since at the start up stage is very crucial phase and approached with the all the efforts of entrepreneurs, here all the supervision have to occur with the efforts of female only.

- 1. Idea Generation:** The first step of any enterprise is the idea generation and further most importantly to recognize that idea. Women generally are not sure about the approval from their family member because always they have taken for granted. It seems to be very tough to step out for business.
- 2. Family restrictions and lack of support:** Most of

women belong to rural areas are still supposed by their families to perform their responsibilities as a mother and home maker. Besides of having knowledge and skill, women are bound to sit behind the boundaries and they will not get even the family support, so they are reluctant and hesitate to go ahead.

- 3. Financial Requirements:** Family assistance usually is not with women at the early stage. If they pursue with their thought and proposal, the biggest obstacle is for funds creation. Generally they want to go with their own savings but they are not allowed to utilize it, friends and social circle and financial institutions are not ready to invest in their proposals.
- 4. Suitable business environment:** Not every woman is interested in venturing, so the environment is no accordingly to women capabilities. It is very hard to adjust them in the orthodox society. Because there is always an adverse situation for women whether they belong to rural or urban areas.
- 5. Gender stereotyping dilemma:** Even today woman is not treated equal to men, so she faced a lot of gender stereotyping difficulty in the early days of her venture. That is the reason why women are not frequent to come up with their ideas.
- 6. Mentoring:** To be a mentor is a priceless resource for any entrepreneur at their early phase. Though it is complicated to find suitable person as a mentor in the environment of Indian society. It is rightly said that one can fetch the financial assistance rather than good mentors. These mentors are the precious asset to an enterprise. During startups it is the major problem faced by women.
- 7. Meeting the right people:** Startup for women really causes a major problem. Where to go, who is the right person to meet, how to frame out the plot of their enterprise, these are some of the complications ever faced by women. There is not a proper guidance for the sources.
- 8. Time Management:** Time management is an art that entrepreneurs need in great quantity. Develop the organization expertise with the instructive objects on continuing to deadlines, operating with business management, delegating assignments and attaining a work-life balance.
- 9. Reluctance to drive them beyond the comfort zone:** One has to work hard, so for the females it is not easy to initiate with idea but after that women have to be more particular and they have to come out from their comfort zone. It is very tough for them but this is the reality that environment is not always in the favor of women, so they have to locate for further better opportunities by their own.

Professor, C.K. Prahalad has rightly said that "entrepreneurship is always about aspirations being greater than the resources. You do not start up because everything fits neatly in your life plan. You simply startup because you want to".

Problems at operational level of business for women entrepreneurs

In this male-dominated society, women entrepreneurs were

perceived as creating huge wigwag. In every sector we observed skilled woman that professionally giving a strong fight to their competitor in their particular region. It is the universal truth that success doesn't occur overnight. It takes some time and it claims great efforts, passion and enthusiasm. The practice to initiate their own employment, women entrepreneurs have to face a lot of problems and challenge that can find in the path of their growth and development. Only 14% of business set ups in India is being operated by female entrepreneurs as per the National Sample Survey Organization. The figures also disclosed that the majority of these females' operational enterprises are small-scale and self-financed women are about to 79% of them. This points out that even though the countless proposals taken by women to business beyond their interior walls and come into the industrial world. So, there appear to be many confronts that are not permitting them entirely to flourish and smash on through to the further side (economictimes.indiatimes.com, 2017).

There are many contradictory concerns of taking not only from the family side and society but also in the industrial world where they go through extraordinary barriers. So, some of the challenges are listed below that each and every woman faces in their operational and running enterprise:

1. **Inadequate mobility:** Mobility in the business is required for the growth purpose and so, but many women entrepreneurs are not able to move to various places in the different cities or internationally as they are controlled by their own family. And moreover the condition of the Indian cities, surroundings and environment, and incapability to drive car and other vehicles are a few major reasons. The dilemma lies in the perception of people surrounded by them.
2. **Lack of practical knowledge and experience:** Women generally don't get the right exposure when compared to men, which leads to no entrepreneurial bent of mind in them. Many women lack entrepreneurial prospects due to dearth of practical knowledge. This can be improved by attending different workshops and conferences meant for their business. Lokeswara Choudary (1999) a study made on female entrepreneurs of Vikram Sarabhai Industrial Estate in Chennai city. The study examined that the majority of females had the following limitations, like scarcity of appropriate training, knowledge and experience, dearth of support and encouragement from the society as well, insufficient Government assistance, additional competition, inadequate expertise in management of different aspects.
3. **Non availability of raw materials at cheap rates:** The main difficulty that the female entrepreneurs had to face was as regard to the procurement of raw materials. So the shortage of raw materials, high prices and difficulty of transportation, problems in fetching the raw materials at economical rates experienced mostly by women entrepreneurs. Approximate the dilemma of raw materials was familiarly linked with shortage of sufficient working capital. So, enough working capital should be required for the day today workings. It may further create major problems in business.
4. **Problems in management of units:** The decision for

setting up of an enterprise is easy going but later on it is tough to maintain the management of business. It is not an easy task, at the running stage proper balance is required between all the activities.

5. **Guidance is not available for improving the product:** Venturing is not the hard task but it becomes more difficult at operational stage. There is no one to guide for the further improvement in the product. In this stage women cannot rely on others, it should be the one who is concerned with them.
6. **Non accessibility of experienced labor:** This situation is also generally faced by women entrepreneurs. Besides the new entrant in the business they are not able to fetch experienced employee to their enterprise.
7. **High rate of interests:** If banking or financial institutions owe money to women, obviously they charge rate of interest also. It is the legal obligation that one has to repay it to the institution. And women found that it is very high on loans.

So, these are some of the principal problems and challenge that most of the women entrepreneurs met in their starting or initial years of establishment. A few bow down against it, some others just struggle with all these and create a positive approach for their careers and turn into role model for further young females who have dreams to be big and want to attain name and fame in their life. Nagendra P. Singh and Rita Sen Gupta (1985) ^[8] carried out an exploratory study on 'Potential Women Entrepreneurs, Their Profile, Vision and Motivation'. It is disclosed that females are as efficient as men in business enterprise and industry.

So, it is the rule of life that believes in you and your dreams and handles all the obstruction that is faced by female along the way with bravery and a big spark on their faces. Your success will instantly make your proud moment talked by other. Believe in work and let others say about you.

Conclusion

On the basis of the above studies, it can be realized that women entrepreneurs are performing a very important role in the growth of a society and country; they are bearing different troubles which are damaging to the progress of women entrepreneurship at the same time. Private and Public banks must play important roles to create hike to women entrepreneurs. As the above discussion of the problems of startup and the operational problems, it would be analyze with priority level that financial requirement of average and below average section of society is obliged and initiating proposals like Pradhan Mantri Jan Dhan Yojana (2013) and Pradhan Mantri Mudra Yojana (2015), it comprise the chosen group of such proposals and with this female entrepreneurs is also supposed to get a jolt as nearly all the female entrepreneurs being associated in the micro or small scale sector. 'The Bharatiya Mahila Bank' in 2013 with a objective to grant monetary help primarily to women and women self-help groups is a noteworthy pace that may transform the appearance of banking institutions for women in India, so the establishment of a different and unique public sector association must be in the society. It also throws a point to the banking society to assume in a different way about how to suggest or recommend credit especially to the women

entrepreneurs regarding the products and services. Now the government is familiar with the essential position of women in the general development of the country as well and it is very important that females and financial societies discover a central meeting place where they convene to provide best information and solutions to each other. It is further noticeable that financial literacy for women is essential, but attentiveness for all the requirements of us shall also play a huge function in connecting this hole.

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