



## Difficulties Encountered by Female Entrepreneurs: The Significance of Ownership Involvement

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<p>Received: 12<sup>th</sup> May 2022 Revised: 16<sup>th</sup> June 2022 Accepted: 04<sup>th</sup> July 2022</p> <p>CC License CC-BY-NC-SA 4.0</p>	<p style="text-align: center;"><b>Abstract</b></p> <p>This study seeks to explore the obstacles encountered by female entrepreneurs in India. Furthermore, it investigates how the type of ownership impacts the challenges faced by women entrepreneurs in the country. To accomplish this, a survey questionnaire method was utilized for data collection. Additionally, both ranking method and ANOVA were employed to assess the proposed relationship. Data was gathered from a sample of 600 women entrepreneurs. Findings reveal six primary challenges that significantly hinder the initiation of new businesses for women: (i) lack of entrepreneurial skills, (ii) presence of traditional social structures, (iii) difficulties balancing personal and professional responsibilities, (iv) government assistance and subsidies, (v) personal circumstances, and (vi) financial constraints. Moreover, the study highlights the substantial influence of ownership type on the identified challenges.</p> <p><b>Keywords:</b> women entrepreneurship, challenges, India</p>
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### Introduction

Entrepreneurship in India is seen as exceptionally basic to monetary development and the annihilation of destitution. Therefore, there is a lot of help given to women entrepreneurs in India through different policy frameworks. Various examinations in India have delivered measurements that show the amount of an impression women established business people are making in the business market, notwithstanding various difficulties they face. Entrepreneurship has since the 1930s been viewed as a basic action in creating and supporting worldwide economies. This is repeated by Ramadani *et al.* (2015) [6] who place that business is quick turning into a significant driver of both financial development and improvement in worldwide economies. The critical role entrepreneurship plays in the development and maintainability of worldwide economies is very much archived (Rao *et al.*, 2012) [7]. Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization (Vijayakumar and Jayachitra, 2013) [9]. The policy and institutional framework for developing entrepreneurial skills, providing vocation education and training has widened the horizon for economic empowerment of women. However, women constitute only one third of the economic enterprises. Therefore, this study explored the challenges faced by women entrepreneurs. The rest of the study is organized as follows. Section 3 provides details on research methodology. Section 4 explains and discusses the empirical results. Section 5 concludes the findings.

## Literature review

Various investigations show that the achievement of ladies business visionaries is reduced by a complex mix of miniature and large scale factors in the economies which incorporate absence of admittance to fund, absence of individual resources, generalizing (underestimation), dread of disappointment (mental), absence of instruction and preparing, socio-social limits, restricted organizations, legitimate and administrative prerequisites and helpless promoting procedures (Jaya *et al.*, 2015; Kumbhar, 2013)<sup>[1,3]</sup>. Studies likewise show that most of ladies have mediocre training that makes it hard for them to know about wellsprings of subsidizing accessible and how to access such financing through sound marketable strategies (Halkias *et al.*, 2011)<sup>[4]</sup>. Studies show that customary conviction frameworks like the male-female job definition that recommend the subjection of ladies to men robs ladies of chances for influential positions, fearlessness and self-articulation all of which have negative implications to ladies when they need to remain all alone in organizations (Kapinga and Montero, 2017; Mordi *et al.*, 2010)<sup>[2,5]</sup>. Most recently Rudhumbu *et al.* (2020)<sup>[8]</sup> explored challenges faced women entrepreneurs in Botswana. The legal and regulatory framework of a country can be either an enabler or barrier to women entrepreneurship (Singh and Belwal, 2008; Mansor and Mat, 2010)<sup>[5]</sup>.

## Methodology Target population, sampling and data collection

As the objective of this study is to explore challenges faced by women entrepreneurs, the target population was women entrepreneurs who established their business. The rationale of selecting these individuals is that these are perfect to achieve the objective of this study. Next task after finalizing the target population is to selection of target respondents. As suggested by Mac Callum *et al.* (1999) “a sample size of between 100 and 200 observations is acceptable provided communalities are high, factors are well determined, and convergence to a proper solution is achieved”. To collect the data, a total of 900 questionnaires were distributed among women entrepreneurs. Of the 900, 600 questionnaires were returned by women entrepreneurs. Hence, our analysis has dependent on responses of 600 women entrepreneurs.

## Measurement

As, the main purpose of this study was to explore the challenges faced by women entrepreneurs, therefore, this study need to explore the challenges faced by women entrepreneurs. In addition, we interview women entrepreneurs to identify the challenges in starting a new business. All responses corresponding to items were recorded on five point Likert's scale from “strongly disagree=1 to strongly agree=5”.

## Statistical tests

This study used mean value corresponding to variables to identify most challenges faced by women entrepreneurs. In addition, we also deployed ANOVA techniques to examine the influence of type of ownership on challenges faced by women entrepreneurs.

## Empirical results

**Demographic characteristics of women entrepreneurs** Table 1 presents the demographical features of sampled women entrepreneurs. 20.3% of women were 25 to 35 years followed by 35 to 45 years (18.8 percent), 45 to 55 years (18.2 percent), 55 to 65 years (18.2 percent), less than 25 years (17 percent), and above 65 years (7.5 percent). Further, we found that 28.5 % of respondents were having upto higher secondary qualification followed by graduation (25.8 percent), other education (22.5 percent), post-graduation (13.7 percent), and professional education (9.5 percent). In addition, our results show that 62.5% firms were runned by women entrepreneurs in the form of partnership firms followed by family business (17.7 percent), sole proprietorship (13.2 percent), and private company (6.7 percent). Furthermore, our results reveal that 19% of women entrepreneurs engaged in bakery/tiffin service/confectionery followed by garments trading (14.7 percent), gift shop (13.3 percent), hair salon/beauty care (12.5 percent), clothes designer/tailoring (11.7 percent), vegetable or fruit shops (10.8 percent), day care/nursery (8.8 percent), women's beauty photo shops (5.5 percent), advertising agency (2.2 percent), and agriculture products/farm products (1.5 percent).

## Reliability analysis

Table 2 shows the reliability results using the cronbach alpha. We found cronbach alpha corresponding to “imbalance between personal and professional life”, “personal factors”, “government support and subsidies”, “entrepreneurial Skills”, “financial challenges”, and “existence of Conventional social framework”,

respectively, 0.973, 0.978, 0.982, 0.984, 0.967, and 0.980 which is greater than threshold 0.70. Therefore, results confirmed the reliability of variables.

### Challenges faced by women entrepreneurs

Table 3 presents the challenges faced by women entrepreneurs while starting a new venture. Our results provide that “entrepreneurship skills” (mean=4.086; rank=1) emerged as first prominent barrier in starting a new business by women entrepreneurs followed by “existence of conventional social framework” (mean=3.811; rank=2). Further, we found that “imbalance between personal and professional life” is the third most challenged barrier by women entrepreneurs in starting a new business (mean=3.396; rank=3). In addition, we found 4<sup>th</sup> and 5<sup>th</sup> most challenging barrier by women entrepreneurs, respectively, “government support and subsidies” (mean=3.070; rank=4) and “personal factors” (mean=2.869; rank=5). Lastly, we documented that “financial Challenges” emerged as sixth most prominent barrier in starting a new venture (mean=2.728; rank=6).

**Table 1:** Demographics of sample respondents

Variables	Categories	Frequency	Percent
Age	Less than 25	102	17.0
	25 to 35	122	20.3
	35 to 45	113	18.8
	45 to 55	109	18.2
	55 to 65	109	18.2
	Above 65	45	7.5
Education	Upto higher secondary	171	28.5
	Graduate	155	25.8
	Post graduate	82	13.7
	Professional degree	57	9.5
	Others	135	22.5
Type of ownership	Family business	106	17.7
	Partnership firm	375	62.5
	Sole proprietorship	79	13.2
	Private company	40	6.7
Type of business	Gift shop	80	13.3
	Clothes designer/tailoring	70	11.7
	Hair salon/beauty care	75	12.5
	Vegetable or fruit sellers	65	10.8
	Women's beauty photo shop	33	5.5
	Bakery/tiffin service/confectionery	114	19.0
	Day care/nursery	53	8.8
	Garments trading	88	14.7
	Advertising agency	13	2.2
	Agriculture products/farm products	9	1.5

**Notes:** This table shows the demographical profile of women entrepreneurs. N=600.

**Table 2:** Reliability results

Challenges	Items	Cronbach alpha
Imbalance between personal and professional life	6	.973
Personal factors	8	.978
Government support and subsidies	10	.982
Entrepreneurial Skills	12	.984

Financial Challenges	7	.967
Existence of Conventional social framework	10	.980

**Notes:** This table shows reliability of constructs. N=600.

### Type of ownership and challenges faced by women entrepreneurs Type of ownership and imbalance between personal and professional life

Table 4 shows results of ANOVA for imbalance between personal and professional life. We found that type of ownership is significant effect on barrier imbalance between personal and professional life ( $F=17.176$ ,  $p<0.000$ ). This means type of ownership contributes in emergence of first prominent barrier “imbalance between personal and professional life”

**Table 3:** Challenges faced by women entrepreneurs

Challenges	N	Minimum	Maximum	Mean	Std. Error	SD	Skewness	Kurtosis	Rank
Imbalance between personal and professional life	600	1.000	5.000	3.396	0.044	1.073	-0.029	-1.134	3
Personal factors	600	1.250	4.875	2.869	0.046	1.119	0.215	-1.254	5
Government support and subsidies	600	1.000	5.000	3.079	0.043	1.053	-0.158	-0.971	4
Entrepreneurial Skills	600	1.000	5.000	4.086	0.041	1.004	-1.731	2.029	1
Financial Challenges	600	1.000	4.000	2.728	0.037	0.915	-0.236	-1.273	6
Existence of Conventional social framework	600	1.000	5.000	3.811	0.039	0.945	-1.261	1.153	2

**Notes:** This table shows challenges faced by women entrepreneurs in starting a new enterprise.

### Type of ownership and imbalance between personal and personal factors

Table 5 shows results of ANOVA for personal factors. We found that type of ownership is significant effect on personal factors ( $F=18.175$ ,  $p<0.000$ ). This means type of ownership contributes in emergence of second prominent barrier “personal factors”.

**Table 4:** ANOVA for Imbalance between personal and professional life

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	54.888	3	18.296	17.176	.000
Within Groups	634.858	596	1.065		
Total	689.746	599			

**Notes:** N=600.

**Table 5:** ANOVA for personal factors

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	62.914	3	20.971	18.175	.000
Within Groups	687.708	596	1.154		
Total	750.622	599			

**Notes:** N=600.

**Type of ownership and government support and subsidies** Table 6 shows results of ANOVA for government support and subsidies. We found that type of ownership is significant effect on government support and subsidies ( $F=8.635$ ,  $p<0.000$ ). This means type of ownership contributes in emergence of third prominent barrier “government support and subsidies”.

**Table 6:** ANOVA for government support and subsidies

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	27.691	3	9.230	8.635	.000
Within Groups	637.076	596	1.069		
Total	664.767	599			

Notes: N=600.

#### Type of ownership and entrepreneurial skills

Table 7 shows results of ANOVA for entrepreneurial skills. We found that type of ownership is significant effect on entrepreneurial skills ( $F=6.173, p<0.000$ ). This means type of ownership contributes in emergence of fourth prominent barrier “entrepreneurial skills”.

**Table 7:** ANOVA for entrepreneurial skills

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	18.518	3	6.173	6.290	.000
Within Groups	584.832	596	.981		
Total	603.350	599			

Notes: N=600.

**Type of ownership and financial challenges** Table 8 shows results of ANOVA for financial challenges. We found that type of ownership is significant effect on financial challenges ( $F=11.902, p<0.000$ ). This means type of ownership contributes in emergence of fifth prominent barrier “financial challenges”.

**Table 8:** ANOVA for financial challenges

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	28.317	3	9.439	11.902	.000
Within Groups	472.638	596	.793		
Total	500.955	599			

Notes: N=600.

#### Type of ownership and existence of conventional social framework

Table 9 shows results of ANOVA for existence of conventional social framework. We found that type of ownership is significant effect on existence of conventional social framework ( $F=10.010, p<0.000$ ). This means type of ownership contributes in emergence of fifth prominent barrier “existence of conventional social framework”.

**Table 9:** ANOVA for existence of Conventional social framework

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	25.686	3	8.562	10.010	.000
Within Groups	509.769	596	.855		
Total	535.455	599			

Notes: N=600.

#### Conclusion

The purpose of this study is to exploring the challenges faced by women entrepreneurs in India to start a new business. Using the sample of 600 women entrepreneurs, we found six most prominent challenges faced by

women entrepreneurs to start a new business as follows: (i) entrepreneurial skills, (ii) existence of conventional social framework, (iii) imbalance between personal and professional life, (iv) government support and subsidies, (v) personal factors, and (vi) financial challenges. Therefore, this study make following recommendations based on the findings of the study. To start with, women entrepreneurs require preparing in business to have the option to create and improve their business abilities and information. This will help them in the areas of coming up with business plans and marketing strategies for their business. All administration organizations commanded with the improvement of business venture in the nation need to concoct projects to enable ladies business visionaries with fundamental information through a redid business schooling and preparing program particularly on the best way to distinguish wellsprings of money and how to get to that account as this is important for these establishments' orders.

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