

CHALLENGES FACING BY WOMEN ENTREPRENEURS

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Abstract

Challenges facing women entrepreneurs classified women into “better-off and low-income women”. According to them, better-off women face the following challenges; Lack of socialization to entrepreneurship in the home, school and society, Exclusion from traditional business networks, Lack of access to capital and information, Discriminatory attitude of leaders, Gender stereotypes and expectation: Such as the attitude that women entrepreneurs are dabblers or hobbyists, Socialized ambivalence about competition and profit, Lack of self-confidence., Inability to globalize the business: Men are leading in the global market.

Introduction

Women entrepreneurs face many challenges, including government rules and regulations, gaining access to finance, and building an ICT infrastructure that enables efficiency and growth (United Nations, 2006). Women entrepreneurs require confidence, leadership and management skills and must find ways to access new markets. Kantor (1999) rightly argued that women often experience greater constraints on their economic actions relative to men. Mayoux (2001) also noted that “there are certain factors that limit the ability of women entrepreneurs to take advantage of the opportunities available to them in their environment and these factors have been identified as the reasons why women businesses fail”. These include poor financial management, liquidity problems, management inexperience and incompetence, problems in coping with inflation and other external economic conditions, poor or non-existent books and records, sales and marketing problems, staffing, difficulties with unions, the failure to seek expert advice, limited social and business networks, a low level of demand in the local economy, the value and system of tenure for housing, constraints in access to finance, lack of work experience and skill, and lack of role models (United Nations, 2006). Other barriers to women entrepreneurship development are cultural obstacles, lack of motivation, high crime rates, government regulation and problems during the transition from reliance on government benefits and employment. More extensively, Mayoux (2001) identified these factors to include:

- **Lack of Access to and Control over Income:** Another constraint that faces women entrepreneurs is lack of access to and control over income. Low income, low investment and low profit may limit women’s ability to save. More than 65% of the poor and rural settlers in Tamil Nadu are women. Women usually face discrimination in the labour market (both in their remuneration and the nature of job they are offered). This affects their income, investment, and savings. Inability to save, can affect their start-up capital there by discouraging them from owing businesses. Mayoux (2001) also noted that Women have limited control over the incomes they earn. Gendered rights and responsibilities between man and women within households invariably operate to constrain women’s ability to control their own income and access to male income. Even when women have opportunity to earn high income, by virtue of culture and tradition, they are subjected under their husbands who have control over them and their money. This can hinder their participation in business.

- **Lack of access to Information Technology:** The number of women in the technology is very low unlike in other sectors such as health care, hotel, education, restaurant etc.
- **Lack of Information on Women Entrepreneurship:** There is little information available on women entrepreneurship or women owned business in Tamil Nadu in particularly and in the world generally.
- **Age Limit:** Unlike men, there are certain periods in a woman age/time that she cannot do business -for instance, during pregnancy, labour period, child nursing and such other times that are peculiar to woman. Due to this, entrepreneurship therefore tends to be a midlife choice for women. Hence, majority of women start up business after the age of 35 (Dane, 1984).
- **Family Dependence:** Most of the family members depend on women for care and hospitality, thereby limiting their full involvement and participation in business.
- **Restriction to Family Business:** Most women entrepreneurs are some how restricted to family business because of their family commitment. This affects their level of ingenuity, creativity, innovativeness and competitiveness.
- **Inaccessibility to Required Funds:** Women also may not have equal opportunity to access finance from external sources such as banks, and other finance institutions as a result of this, they tend to prefer using personal credit/saving in financing their business. This discourages a lot of women from going into entrepreneurship.
- **Religious Predicament:** Some religion prohibits women from coming out of their homes and environments thereby restricting them from getting involved in business.
- **Non Involvement of Women in Decision Making:** Women all over the world and in all sectors are usually marginalized, especially in the planning stage of development. The decision for the execution of projects done in Tamil Nadu such as construction of roads, building of markets, building of civic centers etc are done without consultation of the women by their men counterparts (Okunade, 2007).
- **The Offensive of the Economic Planner:** The women are totally neglected in the economic planning process. The opinion of the men assumed to be the same with that of women. Even the work they do in most cases, is not giving economic value. Dane (1984) was right when she asserted, “all the work by women in the family enterprises and on the land is given no economic value, and women are being exploited in the employment field”.
- **Much Emphasis on Domestic Role:** No matter the role of a woman in the society, she is mainly remembered for the domestic role. A woman, whether a director of a company, an educationalist, an entrepreneur, or a professional, must go back to the kitchen. The popular saying that a “*woman education ends in the kitchen*”- tends to prohibit women from going into business. “The kitchen” role dominates every other role of a woman (Kpohazounde, 1994).
- **Limited Leadership Role:** Women especially in world have always been assumed not to be matured for leadership position. They are usually given the seconding position in company’s meetings and as government functionaries. Gould and Perzen (1990) listed the barriers that women entrepreneurs face which are not usually encountered by their men counterpart. He classified the constraints that face women into two groups; “constraints for better- off women and for low-income women”. Gould and Perzen (1990) commenting on the challenges facing women entrepreneurs classified women into “better -off and low-income women”. According to them, better-off women face the following challenges;
 - Lack of socialization to entrepreneurship in the home, school and society
 - Exclusion from traditional business networks
 - Lack of access to capital and information
 - Discriminatory attitude of leaders
 - Gender stereotypes and expectation: Such as the attitude that women entrepreneurs are dabblers or hobbyists
 - Socialized ambivalence about competition and profit
 - Lack of self-confidence
 - Inability to globalize the business: Men are leading in the global market.

Low-income women according to Gould and Perzen face the following challenges: i)poor savings, ii) longer hours to work, iii) health care and other assistance, iv) illiteracy, v) regulation

that do not distinguish between personal business assets make it extremely difficult to start a business or to invest the time it takes to make it profitable, vi) Lack of managerial skill, vii) cultural bias both within cultural group and in the larger society (viii) high level of poverty.

Motivations of women entrepreneurs empirically, are associated with different factors. The classification of these factors varies from author to author. For instances, Bartol and Martin (1998) classified these factors into (i) Personal characteristics, (ii) Life-path circumstances and (iii) Environmental factors. The results of their findings revealed that most women under their study cited push factors as their major motivation into business. These factors include; factors of frustration and boredom in their previous jobs, followed by interest in the business, while pull factors include; independence, autonomy and family security.

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