

ISSUES AND CHALLENGES FACED BY SMALL ENTREPRENEURS DUE TO LOCK DOWN IN COIMBATORE CITY

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Abstract

Entrepreneurship is also one of the important branch in management science. In the study of entrepreneurship, this is the thoughtful development of the start-up process. The state's economic growth process is being kicked off by entrepreneurship. The primary mechanism for business and economic development is trade and entrepreneurship. Entrepreneurship is the process of taking the initiative to create a business that involves both production and consumption. Both primary and secondary data were employed in this study's analysis. Data was gathered from the respondents and given to the 125 entrepreneurs who made up the sample. The ability of small businesses to create jobs for every dollar invested in them is their best advantage. These modest firms offer employment opportunities to those who are idle for a certain time of the year. This contributes to improving India's reputation.

Key words : Entrepreneurs,— 19, Lock down. Economic development, Entrepreneurship

INTRODUCTION

Entrepreneurship demands a specific set of abilities, which can be acquired through education, experience, and observation. Entrepreneurship is coming up with something new in response to a changing corporate environment or possibly to cut costs and increase revenues. In addition to bringing different production factors for a productive activity, entrepreneurship also coordinates and regulates those production factors as well as the efforts of the individual working on the enterprise. In the hopes of making profits while anticipating future uncertainty, an entrepreneur guarantees salaries to staff and interest to investors. Particularly small businesses are more motivated and have established effective business-related abilities and the capacity to collaborate on the inter-development of original, creative ideas in order to boost productivity through their superior organisational performance. Technical skills, company management skills, and individual entrepreneurial abilities are the three basic categories into which the skills needed by an entrepreneur can be divided. These curriculum goals and competencies are based on the modular approach to entrepreneurship.

REVIEW OF LITERATURE

Jain & Jain, (2014) shows finance is treated as life blood of any type of business organization irrespective of big or small. Women entrepreneurs face problem of lack of fund in two ways firstly, women does not carry name in the property so that it cannot be used as collateral for procuring funds. Women have limited access to external source of funds. Secondly, Banks and financial institutions treat women less credit worthy and a bank assumes that women borrowers can leave the business organization any time. Women rely more on friends and relatives, personal savings which is quite inadequate. Due to these reasons and because of lack of funds women entrepreneurs fail to become successful entrepreneurs.

Dhameja & Yadav, (2015) inadequate working capital is the main financial problem of women oriented enterprises.

Siddiqui, (2015) in the study exhibit the various problems of financing are high credit cost, insufficient working capital, unable to recover money from debtors, adequate and timely credit is not available, lack of collateral requirement. For availing loan paper work is excessive used in financial institutions.

Noorinasab, Seifabad & Zarei, (2016) in the study reveals entrepreneurs face problems like for startup how to raise capital, inadequate fund. Many entrepreneurs are unable to access external funds because of inadequate security and credit in market. The process of loan availing facility is time consuming. Other problems is decrease in profit because of competition, financial statements are not properly maintained by entrepreneurs of MSMEs, inadequate guarantees for raising loans, through equity problem in raising capital, dependent on money lenders for loans which are high cost.

Siddiqui, (2018) in the study demonstrate during early growth stages micro, small and medium enterprises need timely and sufficient capital. MSMEs rely on various sources of finance. Various financial problems are inadequate and non-timely credit, limited knowledge and capital, collateral security requirement, not sufficient working capital, recovery from debtors, for availing loan from financial institutions excessive paper work is required.

STATEMENT OF THE PROBLEM

Starting of business by small entrepreneur is not an easy job. They need some special interest, training, empowerment and boldness and also family support. The Lean Startup Methodology changed the way we go about starting businesses. Instead of creating a business plan worthy of a Harvard Business School case study, we go out into the market space that we know and find area problem. Then, we validate the point and see how the market is dealing with, compensating for, or otherwise working around that specific problem. Next, we determine if the market participants are willing to pay for a solution to the problem. If they see value, then we solve the problem.

OBJECTIVES OF THE STUDY

- To assess the major challenges due to lock down among the small entrepreneurs.
- To identify the problems faced by the small entrepreneurs due to lock down.

SAMPLING TECHNIQUE

Convenience sampling techniques has been adopted in this survey. Inthe method the sampling units are chosen primarily in the accordance with the researchers convenience and 125 respondents were taken as sample.

STATISTICAL TOOLS

Simple Percentage analysis used in the study for the purpose of analysis.

DATA ANALYSIS AND INTERPRETATION

Table No. 1
Demographic Factors

Demographic factors		Frequency	Percentage
Gender	Male	89	72
	Female	36	28
Age	20-30 yrs	48	38
	31-40 yrs	53	42
	Above 40 yrs	24	19
Education	Illiterate	05	10
	Primary education	12	24
	Graduation	21	42

	Post graduation	12	24
Place of Business	Semi urban	52	42
	Urban	73	58
Income	Below Rs.20,000	31	25
	Rs.20,001- 30,000	40	32
	Rs.30,001- 40,000	23	18
	Rs.40,001 – 50,000	19	15
	Above Rs.50,000	12	10

Source : Primary Data

Table . 2
Entrepreneurship Details

Entrepreneurship Details		Frequency	Percentage
Ownership Status	Own shop	56	45
	Rented shop	69	55
Nature of Business	Bakery	40	32
	Grocery	45	36
	Garments	23	18
	Others	17	14

Table. 3
Impact of Lock Down in Business

Entrepreneurship Details		Frequency	Percentage
Frequency of Customer Visiting during Lock Down	Increased	10	72
	Decreased	90	28
	No Change	25	
Introduction of Online Business during Lock down Period	YES	50	40
	NO	75	60
Impact of lock down on Profitability	YES	97	78
	NO	28	22
Change in mode of Payment during lock down	YES	81	65
	NO	44	35
Period of Closure of Business due to Pandemic	one month	12	10
	two months	28	22
	three months	40	32

Total Revenue loss due to lock down	above three months	28	22
	not closed	17	14
	Less than 20,000	93	74
	20,000 to 50,000	28	22
Receipt of Government Support	Above 50,000	04	04
	YES	36	29
	NO	89	71

TABLE 4
PROBLEM FACED DUE TO LOCK DOWN

S.NO	FACTORS	NO. OF RESPONDENTS	PERCENTAGE %
1	Difficulty in collection/settlement of dues	53	42
2	Timing of Business	30	24
3	Increase of Unsold Stock	19	15
4	Non availability of Employees	11	09
5.	Others	12	10
	TOTAL	125	100

Sources: Primary Data

From the above table it is found that majority 42% of the respondents have difficulty in collection as well as settlement of dues. 24% of the respondents have faced the problem with regard to timing of operation of the business. 15% of them have experienced the problem of increase in unsold stock. 09% of them have the problem of non-availability of labourers to carry out their work and 10% of the entrepreneurs have faced other problems viz., fear of infection, strict rules and regulations etc.

SUGGESTIONS

To resolve the above problem faced by the small entrepreneurs the following suggestions are recommended.

- Skill developing opportunities may be provided through entrepreneur polytechnics and industrial training, effective step must be taken by district industrial centre (DIC) to make the entrepreneur group to involve themselves in industrial sector.
- The district industrial centre may conduct special workshops and training programmes for the existing as well as the entry level small entrepreneurship.
- The government should take active steps to provide the basic infrastructure facilities through SIPCOTS. Choosing the type of business is also very important to small business achieving their

goals. A small entrepreneur cell for providing business information may be organized at every town level. Big challenges or competition can be overcome by small entrepreneurship through hard work, update skills and customer support etc. Small entrepreneur undertakes technical training in particular cases of their requirements which would overcome the labour problem.

CONCLUSION

Many start-ups might not stand the test of this critical time, but pandemic has given rise to more entrepreneurial activity. So, you need to be extra cautious at every step you take from idea to execution. Further more, the major dilemma here is how this will impact us in the future and what can we do to ensure that we are moving in the right direction. From the study it is concluded that proper motivation, financial fulfilment, excellent government schemes and programmes, good customer support is important in taking small entrepreneur to be a successful entrepreneurship.

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