

# A STUDY ON PROBLEMS OF WOMEN OWNED SMALL BUSINESS IN THRISSUR DISTRICT, KERALA

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## ABSTRACT

Entrepreneurship, the rapidly rising concern of modern competitive economy, often perceived as a male gendered concept. Women who start up a venture and tries to embark their footprints in business world often face many hurdles. This research paper is an attempt to examine the problems of small business owned women in Thrissur district of Kerala. A sample of 140 women entrepreneurs was surveyed by using a questionnaire. Based on the opinions of respondents; family, self and societal factors challenges them the most. Covid 19 also dealt a heavy blow to their small business. Even though the continual rise of women in entrepreneurship with the necessary aptitude, resilience, dedication and talent for business is a very positive sign.

**Key Words:** Entrepreneurship, women owned, small business, challenges.

## 1. INTRODUCTION

With the changing socio-cultural environments and increasing educational opportunities, the concept and status of women has also changed. They are not confined to the four walls of houses but entering into every fields including entrepreneurship. Women are said to be more privileged in a state like Kerala with creditable achievements in human development index and 100 % declared literacy. The 6th economic census report says out of total 33.55 lakh establishments in Kerala, 30.72 % are owned by women.

"One owned and controlled by a women having a minimum financial interest of 51 % of the capital and giving at least 51 % of the employment generated in the enterprise to women" is called a women entrepreneurship. One of the largest women empowering project in the country "Kudumbashree" also helped to the rise in number of women taking up entrepreneurial roles. The ascension is mostly in the small scale sector, in which manufacturing, providing service, productions are done on a small scale or micro scale. Women

entrepreneurs were concentrated in traditional and informal sectors like pickle, candle, chips, agarbati making factories, handicraft stores, baby care centers etc. But over the past decade they are diversifying themselves into emerging sectors like coaching institutes, beauty parlour, designer fashion boutiques, property management services, accounting services, app based homemade food delivery etc.

The number of women in Kerala is greater than the number of men (1084:1000). Yet the women who enters in business is much lower than that of men. Moreover, most of the women who commence a Micro or Small enterprise either winds up with in a short span or remains without much growth or changes. Though Women entrepreneurs are trying to open the doors of new ideas, ready to face the challenges and work hard to achieve their objectives; they face different obstacles to survive and grow in business. The outbreak of Covid and the post situations also worsened the scenario. So this study investigates the challenges and prospects of women owned small business in one of the most important industrial centers of the state of Kerala, Thrissur.

## 2. OBJECTIVES OF THE STUDY

- Examine the social and economic profile of small business owners.
- Find the problems encountered while starting and carrying out business.
- Determine the promoting and demoting factors in their professional journey.

## 3. RESEARCH METHODOLOGY

As per the reports of District Industries Centre Thrissur, 16272 micro small enterprises and artisan units are functioning in district. From the target population 200 women business owners were purposively selected for collecting data to avoid any bias by geography or business type.

A questionnaire was sent to them via email, WhatsApp or other social medias. Responses were received from 160, of which 20 found incomplete and excluded from analysis, which made the final sample size 140. Later a semi structured interview (through telephone and direct visit) conducted among the selected sample for gathering more related information. Secondary data from various books, journals, newspapers, magazines, reports, research papers, websites etc. was also made use of.

#### 4. LITERATURE REVIEW

A study done by *Arakeri Shanta V*, on women entrepreneurship in India, observed that women are very good entrepreneurs, and prefer to choose the same as they can maintain work life balance. As we have a male dominated culture, a number of challenges are also faced by women entrepreneurs from family and society.

*Dr. Santha S* provided findings from a survey study of women entrepreneurs in Kerala and Tamilnadu. Respondents gave information regarding their marital status and family background, level of education, source of funds, management of business etc. Among the sample most were first generation entrepreneurs, employ fewer than five employees, manages their business independently, utilizes own and bank funds. The study reveals that women entrepreneurs from Kerala are more educated, talented and innovative.

*Anupama P Nair (2019)* tried to find out the determinants of women entrepreneurship in Kerala, focusing on those who run home based beauty salons in Thiruvananthapuram city. Through the study she found out most of them started the business to be independent and to support their own families. They are struggling to perform multiple roles, worried about their health, retaining trustworthy customers etc. She pointed out that more emphasis should be placed on unravelling social issues and concerns of female entrepreneurs.

*Nirmala Karuna D'cruz (2003)* presented a study conducted among women owned enterprises in Thiruvananthapuram district. Educational, religious, familial and social background of entrepreneurs were investigated to examine the nature and extent of family intervention in their areas of operation. The study revealed that most of the women started business only after all their attempts to secure a regular, salaried job failed. Bulk of units were in

small sector and many possess a low risk bearing capacity.

*K. V Unni narayanan, Smitha Joy (2018)* studied on competencies of women entrepreneurs in Thrissur district, Kerala. They analyzed demographic profile, co-relation between years of experience, independency and perseverance of women entrepreneurs. And they came to the conclusion that successful entrepreneurs have the ability to keep on applying their competency to deal with challenges.

According to the studies conducted by *Karan Susan Mathew (2020)*, to understand the role of MSME and Kudumbashree in women entrepreneurship, MSMEs are committed to facilitate women in all walks of life, both in rural and urban areas, to help them stand upright in society with dignity and honor. Kudumbashree mission also made its mark in threading new route to women empowerment.

#### 5. RESULTS AND DATA ANALYSIS

Table 1: Sample characteristics

		Number (percentage)
Age	Below 30	34(24)
	30 to 40	86(62)
	Above 40	20(14)
Education	SSLC	6(4)
	Plus 2	40(29)
	Graduate	68(49)
	Post graduate	26(18)
Experience	Less than 1 year	52(37)
	1 to 5 year	62(44)
	More than 5 year	26(19)
Category	Agro based	25(18)
	Education/training	36(26)
	Arts and crafts	16(11)
	Textiles/Jewelry	28(20)
	Beauty salons	19(13)

	Food processing	12(9)
	Others	4(3)
Legal status	Sole proprietorship	96(69)
	Partnership	44(31)
Commencement	Own started	62(44)
	With friends	22(16)
	Continuing family business	36(26)
	Took over from third party	20(14)

While analyzing the demographic profile of research participants' preponderance fall under the age group of 30 to 40. Most of them are highly educated and have 1 to 5 years of experience in business. Sole proprietorship seems to be more popular. Around 50% started a unit by their own efforts and initiatives. In the past decade women were mostly engaged in livestock, crop production & plantation, fishing & aquaculture and other agro based categories. The data from informants emphasized that women are taking up non-traditional activities and are diversifying themselves into sectors like education & training, boutiques & salons etc.

Table 2: Challenges faced by women owned small business from various domains.

1.Family, Self & Social Domain	83(60%)
• Inadequate support system	36
• Balancing business and family life	20
• Lack of education/training	7
• Coping with fear of failure	4
• Low risk bearing ability	6
• Gender inequality	10
2.Financial & Managerial Domain	49(35%)
• Shortage of funds	10
• Obtaining credit	8

• Limited mobility	16
• Labour problems	6
• Scarcity of raw materials	4
• Poor industrial relations	5
3.Economic & Technological Domain	76(54%)
• Inflation	4
• Covid restrictions	42
• Stiff competition	8
• Maintaining loyal customers	13
• Lack of technology upgradation	9
4.Political & Government Domain	15(10%)
• Heavy duties, taxes, fees	6
• Red tape, bribery	4
• Supporting policies and programmes	5

Table 3: Rank order of challenges faced by women in business

Covid restrictions	42
Inadequate support system	36
Balancing business and family life	20
Limited mobility	16
Maintaining loyal customers	13
Gender inequality	10
Shortage of funds	10
Lack of technology upgradation	9
Stiff competition	8
Obtaining credit	8
Lack of education/training	7
Labour problems	6

Low risk bearing ability	6
Heavy duties, taxes, fees	6
Poor industrial relations	5
Supporting policies and programs	5
Scarcity of raw materials	4
Coping with fear of failure	4
Inflation	4
Red tape, bribery	4

Table 2 enumerates the problems affecting females engaged in small business. Depicted factors were generated through reviewing literature and were grouped into 4 domains as \*Family, Self & Social, \*Financial & Managerial, \*Economic & Technological, \*Political & Governmental. Such a categorization is done to root out whether the challenging factors belongs to any special domain and to rank domains in the order of their intensity of influence. Each domain is further classified into sub factors as illustrated in Table 2.

According to the views of respondent's family, self and social domain was ranked apex among other categories. The economic and technological domain was ranked second, as many had experienced a massive decline in revenue due to Covid driven lockdown and restrictions. Domains of financial & managerial and political & government ranked third and fourth with 35 % and 10 % statistics respectively.

Table 3 is the rank order of sub factors from highest to lowest. This locates the apex factor or the most challenging factor among the listed domains is the Covid restriction. The second and third factor belongs to the same domain of family, self and social; which espied these factors plays a crucial role in women entrepreneurship. Family is a strong institution which could help or hinder women's journey. Another major constraint they face is limited mobility, which also tied with family obligations and conventional social rules assigned to women. The study also dug out what more challenges than stiff competition in the area of operation is to maintain a group of loyal and trustworthy customers. Shortage of funds, difficulties in obtaining credit also bothers them. Factors like availability of raw

materials, red tapes and bribery, maintaining a sound industrial network, fear of failure are less contributory or not feels as a heavy handicap while commencement and continuation of their enterprise.

## 6. DISCUSSIONS AND CONCLUSION

The MasterCard index of women entrepreneurs says, 'out of 100 entrepreneurs in India, only 7 are female'. The term 'entrepreneur' roughly translates into 'adventurer' in French. When a woman embarks on this adventure in this modern, digital era the challenges are huge. Some problems are general and faced by every small scale business owner irrespective of gender. But some are specific, vast and often very different from those experienced by their male counterparts.

After scrutinizing the inputs received through questionnaire and interview, Covid 19 lockdown and other restrictions imposed in the recent years throw many of them operating on thin profit margins, into an existential crisis. Technology and creative thinking aided many to survive yet delayed customer payments and difficulties in meeting running cost still stands as a hiccup. They have been negatively impacted by the crisis; witnessed immediate decline in revenue and experiencing fairly muted growth.

It is clear that success of an enterprise is positively correlated with the time spent on it. Women across the world are expected to play a larger part in handling a household and taking care of their family. The study ferreted out that work life balance becomes a problem for majority, as owning and running a business needs and consumes long hours. Family ties and obligations often leaves them with little or no energy to devote for business. A robust support network is essential when you are trying to find a place in business world. Unfortunately, a major part of women finds themselves with no one to guide and support even from their own family and alter egos. Unlike men, women mobility is highly restricted due to the situation of Indian cities, social environment, primary responsibility for children and home etc. Tiresome exercises are involved in opening and carrying out a venture and what if one has to go through humiliating attitudes of officials, society and even family. The male dominated industry and workplace who don't want to acknowledge women in leadership roles creates obstacles in their path. Some of the research participants opened up that there were incidents forcing to give up their dreams of

entrepreneurship. It was clearly rumpled that the domain consist of family and society is the supreme factor affecting women engaged in small business.

Another impediment for women small business owners is the retention of customers. Some pointed out that it is wrong to believe 'customers stay when they are taken care of'. Sometimes building trust and credibility with customers may not help to retain them. Shortage of funds, difficulties in obtaining credit also creates a barricade to many as women are still considered less creditworthy by banks and financial institutions. Lack of technology upgradation, labour problems, competition, lack of education and proper training were also exposed as hurdles by some of the informants.

Women are always portrayed as an economically dependent, unable to tolerate risk, prefers a protected life etc. It was a salutary result that coping with fear of failure, ability to bear risk, building a sound industrial network is not a big snag for many women entrepreneurs now. They are flourishing as designers, publishers, exporters and exploring new avenues. Failure is a very real possibility in any business venture, and it was a favorable result that a majority of respondents are not letting their insecurities to keep them from dreaming big.

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