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A study of problems of women entrepreneurs in Ludhiana city

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Abstract

The present study was undertaken to study the existing problems faced by women entrepreneurs engaged in beauty parlours, boutiques, florists, nursery schools and play schools of Ludhiana city. Two hundred women entrepreneurs of Ludhiana city represented the total sample of the study. An interview schedule was used to collect the data. The results indicated that majority of the respondents were middle aged, graduate, married, had family size of 4 members were from business class and had monthly income between Rs. 20001-40000. Unskilled labour, inadequate working capital, poor sales, lack of professionalism and irregular power supply were the major problems faced by the respondents.

Key words: Women entrepreneurs, motivational factors, empowerment and problems.

Introduction

In India, women constitute about 48 per cent of the population but their participation in economic activity is only 34 per cent. Development and growth of a Nation would not be possible unless women are brought into the mainstream of national development. Historically women are considered a liability while men are considered an asset. With the change of time women are considered partners of men in every walk of life. Over the years the role of women in socio-economic development has undergone a marked change. It is estimated that currently women entrepreneurs comprise about 10 per cent of total Indian entrepreneurs. It is likely that in the next five years women will make up for about 20 per cent of the total number of entrepreneurs in the country Despite the growth of entrepreneurship among women it has been noticed that first two to three years are the most crucial years for any new entrepreneurial venture, as maximum number constraints and failures are encountered during this initial period (Anand, 1996). Women entrepreneurs also face numerous obstacles in establishing and managing their business. The present study was planned with the objectives to know the socio-economic profile of selected women entrepreneurs of Ludhiana city and to examine the problems of women entrepreneurs.

Material and Methods

The study was conducted in western side of Ludhiana city comprising of about 27 localities which were further grouped into posh and ordinary localities. From each category of locality, eight localities were selected randomly. Five enterprises namely, beauty parlour, boutique, florist, nursery school and play school were selected purposively because of more involvement of women in these enterprises.

Three women entrepreneurs, each from the eight posh localities and two from the ordinary localities were taken as the respondents for the present study. In this way 40 women entrepreneurs were identified for each selected enterprise Thus 200 women constituted the study sample. The data were collected through personal interview method, tabulated and analyzed with the help of frequencies, percentages, mean scores ranks, Z-test and ANOVA.

Results and Discussion

Socio-economic profile of women entrepreneurs

A large percentage of the respondents (53 %) were in the age group of 24- 35 years, married (95.51%), graduate (49.5%), belonged to business class (89.5%), had monthly family income between Rs. 20001-40000 and had family size upto 4 members.

Profile of the selected enterprise

Majority of the respondents started their business after the year 2000 (63%). As far as financial investment is concerned, about 40 per cent of the sample had invested more than one lakh in their business.

Problems of women entrepreneurs

Every business venture come across certain problems namely labour problems, financial problems, marketing problems, administrative problems and infrastructure problems.

Employee's problems

A look at data in table 1 analysed that the problem of unskilled labour was observed as the

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highest problem among all the problems. This problem was highly faced by the florists. Rajani (2008) also the suggested the training needs of women entrepreneurs.

The next problem faced by the florists was 'poor labour productivity'. This problem showed a significant difference with the respondents from other enterprises. The next felt problem was of 'demand for high wage'. This problem showed a non-significant difference between beauty parlours. The reason given by most of the entrepreneurs was that the salaries were given to the employees keeping in view their capability and performance on the job. As far as the 'inefficient employees' problem was concerned the respondents from the florists group usually faced this problem.

As far as the relations between entrepreneurs and employees is concerned, all the employees of playschools and nursery schools enjoyed healthy relations with each other. Some times this problem was faced by the respondents of boutiques, florists and beauty parlours. Among all the problems the least felt problem was the problem of 'excessive man power'.

Financial problems

Typically entrepreneurs of small scale enterprises are doing well, but somewhere down the line in their day to day operations they miss the route to success. In Table-2 the major financial problem came out to be 'inadequate working capital' with mean score of 1.77 followed by 'unable to keep record' and 'poor finance management' with mean scores of 1.68 and 1.64 respectively. Majority of the women florists suffered from all these problems. Inadequate working capital was highly felt by florists (2.07). Record keeping was the next problem faced by the respondents. This problem was highly faced by florists (2.43) A similar trend was observed as far as the problem of poor finance management was concerned. The mean score stood as 2.67 for florists, 1.50 for boutiques, 1.40 for nursery schools and 1.33 each for play schools and beauty parlours. Moitra (2001) also reported the problem of inadequate working capital in their business

Table 1. Mean score distribution of respondents according to employee's problems

Problems	Beauty parlour n=40		Play school n=40		Florist n=40		Nursery school n=40		Boutique n=40		Over all mean
	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	
Demand for high wage	1.63	0.56	1.83	0.38	2.00	0.37	1.83	0.43	1.90	0.61	1.83
Inefficient employees	1.63	0.56	1.63	0.56	2.23	0.57	1.74	0.50	1.77	0.43	1.74
Excessive manpower	1.53	0.63	1.27	0.58	1.77	0.43	1.19	0.47	1.60	0.62	1.69
Poor productivity	1.90	0.31	1.70	0.47	2.20	0.48	1.86	0.45	1.77	0.43	1.86
Poor employee relation	1.50	0.57	1.50	0.51	2.37	0.49	1.73	0.56	1.70	0.53	1.73
Unskilled labour	1.93	0.52	1.77	0.50	2.20	0.41	1.89	0.50	2.00	0.53	1.89
Overall mean	1.687		1.617		2.295		1.567		1.790		

CD for Enterprise: 0.244

Table 2. Mean score distribution of respondents regarding financial problems

Problems	Beauty parlour n=40		Play school n=40		Florist n=40		Nursery school n=40		Boutique n=40		Overall mean
	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	
Poor financial management	1.33	0.48	1.33	0.48	2.67	0.48	1.40	0.50	1.50	0.51	1.64
Record keeping	1.53	0.51	1.40	0.50	2.43	0.57	1.47	0.57	1.57	0.50	1.68
Inadequate working capital	1.70	0.60	1.70	0.60	2.07	0.64	1.60	0.50	1.80	0.71	1.77
Overall mean	1.520		1.477		2.39		1.49		1.82		

CD for Enterprise 0 .396

Marketing problems

Since, women entrepreneurs have generally small scale business; they have to strive hard to sell their products in the modern competitive world. Their marketing knowledge as well as related knowledge about the entrepreneurship is also less. The findings with respect to marketing problems have been enclosed in table 3. Kapoor (1998) also observed that lack of marketing techniques and suitable market for disposing product were emerging problems of women entrepreneurs. Poor sales with mean score of 1.87 scored first rank among all the market related problems. This problem was highest among florists. The problem of poor sales was followed by 'lack of knowledge of marketing techniques', 'lack of market feed back' (1.69), 'booking of large orders at fixed prices' (1.65) and 'defective price policy (1.59). The problem 'lack of knowledge of marketing techniques' scored 2nd rank with a mean score of (1.85). This problem was highly faced by the florists. 'Lack of market feed back' came out to be the next highly felt problem which was highly scored by the florists with a mean score of 2.23. The same results were observed for other two problems i.e. 'booking of large orders at fixed price' and 'defective price policy'. For these problems florists scored highest among all the enterprises with a mean score of 2.50 and 2.40 respectively.

Administrative problems

Improper coordination or unintended delay in execution of any activity, lack of professionalism and lack of communication skills are some of the administrative problems studied in the present investigation. The first rank was scored by the problem lack of professionalism with a mean score of (1.63).

The findings showed that the florists were facing more of this problem as compared to other entrepreneurs followed by lack of control, lack of timing and lack of communication skills. In all the problems the florists faced these problems at the highest level. The findings further noticed that these problems prevailed in other enterprises also, however the existence of these problems was not significant (Table 4).

Table 3. Mean score distribution of respondents according to marketing problems

Problems	Beauty parlour n=40		Play school n=40		Florist n=40		Nursery school n=40		Boutique n=40		Over all mean
	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	
Poor sales	1.83	0.38	1.87	0.35	1.97	0.18	1.87	0.35	1.83	0.38	1.87
Defective price policy	1.50	0.51	1.20	0.41	2.40	0.56	1.30	0.47	1.53	0.57	1.59
Booking of large orders at fixed prices	1.53	0.51	1.30	0.47	2.50	0.51	1.33	0.48	1.60	0.50	1.65
Lack of market feed back	1.67	0.55	1.43	0.50	2.23	0.57	1.37	0.49	1.73	0.58	1.69
Lack of knowledge of marketing techniques	1.80	0.55	1.77	0.50	2.03	0.56	1.73	0.52	1.90	0.55	1.85
Overall mean	1.66		1.51		2.22		1.52		1.71		

CD for Enterprise: 0.280

Table 4. Mean score distribution of respondents according to administrative problems

Problems	Beauty parlour n=40		Play school n=40		Florist n=40		Nursery school n=40		Boutique n=40		Over all mean
	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	
Lack of professionalism	1.50	0.57	1.37	0.49	2.57	0.57	1.30	0.47	1.43	0.57	1.63
Lack of control	1.43	0.57	1.10	0.31	2.80	0.41	1.10	0.31	1.47	0.51	1.58
Lack of timing	1.40	0.62	1.10	0.31	2.73	0.45	1.07	0.25	1.43	0.50	1.55
Lack of communication skills	1.20	0.41	1.17	0.38	2.67	0.66	1.23	0.43	1.23	0.43	1.50
Overall mean	1.38		1.18		2.69		1.17		1.39		

CD Enterprise: 0.172

Infrastructure problems

Infrastructure facilities such as power supply, water facility, proper location and availability of raw material etc. play an important role in the development of an enterprise. As is evident from the table 5, majority of the respondents from all the enterprises faced the problem of power supply. The mean score of this problem stood as 1.94. This problem was felt mostly by the florists, who obtained highest mean score. The next problem related to environmental conditions highly noticed by the florists with mean score of 2.03.

Table 5. Mean score distribution of respondents according to Infrastructure problems

Problems	Beauty parlour n=40		Play school n=40		Florist n=40		Nursery school n=40		Boutique n=40		Over all mean
	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	Mean score	SD	
Power supply	1.97	0.49	1.97	0.32	2.00	0.00	1.87	0.43	1.90	0.40	1.94
Water supply	1.40	0.56	1.27	0.52	2.60	0.50	1.33	0.55	1.30	0.53	1.58
Improper location	1.53	0.51	1.70	0.53	2.20	0.55	1.57	0.63	1.57	0.50	1.71
Environmental conditions	1.73	0.52	1.83	0.38	2.03	0.18	1.87	0.43	1.63	0.56	1.82
Overall mean	1.65		1.69		2.20		1.66		1.60		

CD for Enterprise: 0.378

As far as the problem of improper location is concerned, this problem was felt greatly by the florists. Respondents from other enterprises too faced this problem but to a small extent. This is evident from the mean scores, which came out to be 2.20 in case of florists followed by play schools (1.70), nursery schools and boutiques (1.57) each and beauty parlours (1.53.).

Conclusion

The problem of unskilled labour was observed as the highest problem among all the employee's problems, major financial problem came out to be 'inadequate working capital' while, poor sales with mean score of 1.87 scored first rank among all the market related problems. Among administrative problems lack of professionalism with a mean score of (1.63) and the problem of power supply in infrastructure problems score first rank among all the problems.

VIR SOFTECH

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