



# A Study Analysing Challenges Encountered by Budding Women Entrepreneurs of Indore City

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## Abstract

Entrepreneurs play vital role for the economic & social development of any country or nation .Every women have skills and new ideas to initiate business and achieve their dreams by executing that ideas. But the Indian Women are facing so many hurdles, challenges for being successful entrepreneur such as lack of Family support, gender discrimination, Financial issue ,finding customers , etc. Despites all this problem Indian women fight with all this issue and stall tall to achieve their dreams. In our present study we take sample of 65 women entrepreneurs of Indore city and asked them to rank their challenges .We use Garrett's Ranking to study what Challenges women faced most through the collected data. Here our results are on basis of eight challenges in which Budget issue is main challenges women entrepreneur are facing in Indore.

**Keywords:** Women Entrepreneur, Challenge, Garrett's Ranking, Budget issue

## Introduction

Human will thoughts thousands of thought daily but implementing their though into business idea is very difficult due to so many problems or challenges .Only those person can be successful who take risk and implement their idea in real world ,as every human have potential to think innovative and do creative but only those whom success received who take risk and fight with the challenges and achieve their dream .Also those person is not developing individually but along with that person so many people , career will set and they were able to achieve their dream. This types of person who willing to take risk and face challenge has qualities like leadership , risk taker , Confident , pro activeness . This types of people also contributing by nation and help our society to grow so in one word we called that one person is an Entrepreneur, whose idea, risk taking quality help him to grow himself as well as other to whom they hire and contribute in economy of country.

Entrepreneur is a person who create a business or make money by running that business by their own ideas or innovation especially taking financial risk .They have a capability to run business with any uncertainties to make profit for business and face the challenges. The entrepreneur can be anyone or any size of company either small , large , social , scalable or multinational companies .The main qualities to be successful entrepreneur possess are Innovative ,Open minded person, Flexible, Visionary , leadership etc. The state of being entrepreneur is known as Entrepreneurship.

Women Entrepreneur are the individual women or group of women who initiate ,take risk an run the business .In overall world 1/3<sup>rd</sup> of business are run by women entrepreneur. In India there are so many well-known entrepreneur who successfully run their business either small business or large business , few well known

entrepreneur are Falguni Nayar ,Vandana Luthara, Naina Lal,Tanvi Malik ,so on. In India currently we have 14% of total women entrepreneur, overseeing Twenty per cent are from MSME. There are several factors which inspire women to become Entrepreneur are self-fulfilment, recognition, want to work for own ,have skills and knowledge and so on.

To be successful Entrepreneur person have to face so many problems , challenges , competition , sometimes come across with failure also, but only those can success who keep working and learning from his mistake and work in right direction to achieve his goal. In Present study we learn about the challenges faced by budding women entrepreneur any analyse them with reference to Indore.

### **Literature Review**

According to Sharma S in 2018 he conclude that entrepreneur are facing problems of doing marketing like branding company , compete with competitors ,promotion , also financial challenges they are facing like budgeting , pricing , lack of funds, managing capital and other challenges like lack of communication , social issues , technology knowledge .As Sharma has taken only those startup which are registered under MCA and sample size is only 57 so interview are done personally.

Goyal, M.and Prakash, J. 2011 study than women entrepreneur give job opportunities to more women and identify their talent and provide them training which help to in create the productivity of business . As women entrepreneur want more and more women get hire and work for their business so due to this the position of entrepreneur in market is not better and equality is their but the only problem is only urban middle class women are able to take advantages of government schemes.

According to study done by Deshpande and Sethi in 2009 they find three Characteristics of an entrepreneur which play very important role to be successful entrepreneur are Risk taking who take risk which are associated with the business , developing new business ideas ,concept and planning by creativity and by organizing they can manage productions input efficiently.

A study conducted by Kollan Bharti and Indira Parikh in 2005 says that the women are working in different sectors like finance, IT , Finance ,Intelligence and Interpersonal skills as well as art, they apply their skills like patience , negotiations and other qualities for respective industries .This study analyses the development of women entrepreneur from post-independence till 21st Century

### **Objective of the Study**

The present study is about the Challenges faced by Women Entrepreneur of Indore by conducting online survey. In this study we rank the challenges and try to diagnoses the main challenges faced by women entrepreneur

### **Research Methodology**

#### **The Study**

Study is exploratory in nature as it tries to find challenges faced by women entrepreneurs and also indicates the main challenge by asking respondents to rank them. On the basis of Literature review a structured questionnaire was prepared containing Challenges faced by budding women entrepreneur along with demographic profile (Age) of respondents

## Sampling and Data Collection Tool

A structured questionnaire containing 8 challenges mostly faced by budding women entrepreneurs data was collected from 65 budding women entrepreneurs of Indore city through convenient sampling method. There were 46 women entrepreneurs age between 18-25 (70.76%) and 19 women entrepreneur age between 26-33 (29.23%).

## Tool for Data Analysis

### Garrett's Ranking

To find out the extent challenges that faces by the entrepreneur we adopted Garrett's Ranking technique and the sample respondents were ask to rank the given Challenges from 1 to 8, giving 1 to biggest Challenges and 8 to lowest challenge.

The responses of the respondents or individual were convert into the numerical values by using Garrett technique which is very much useful. Following formula is used for Garrett's score conversion:

$$\text{Per cent position} = \frac{100 (R_{ij} - 0.5)}{N_j}$$

Where,  $R_{ij}$  – Rank given for the  $i^{\text{th}}$  variable by the  $j^{\text{th}}$  individual  
 $N_j$  – Number of variable ranked by  $j^{\text{th}}$  individual

## Data Analysis

Respondents were asked to rank the challenges as per their experience. Following table depicts the ranks given by respondents:

**Table: Ranks rendered by Respondents**

S. No.	Challenges Encountered by Budding Women Entrepreneur	I	II	III	IV	V	VI	VII	VIII
1	Networking	11	9	14	8	10	6	4	3
2	Gender Barriers	5	7	6	9	11	8	10	9
3	Lack of Experience	2	5	7	4	5	9	16	17
4	Budget Issue	18	13	7	6	9	4	6	2
5	Hiring Employee	9	6	10	12	8	5	9	6
6	Self-Doubt	9	4	8	8	7	14	4	11
7	Family Support	8	13	6	9	7	6	10	6
8	Facing Age Stereotypes	3	8	7	9	8	13	6	11

The Percent position and the Garrett score are presented in following table:

**Table: Garrett's Score**

S. No.	$100(R_{ij} - 0.5)/N_j$	Calculated	Garret Score
1	$100(1 - 0.5)/8$	11.88	74
2	$100(2 - 0.5)/8$	24.38	64
3	$100(3 - 0.5)/8$	36.88	57
4	$100(4 - 0.5)/8$	49.38	51
5	$100(5 - 0.5)/8$	61.88	45
6	$100(6 - 0.5)/8$	74.38	38
7	$100(7 - 0.5)/8$	86.88	29
8	$100(8 - 0.5)/8$	99.36	6

**Table: Computation of the Garrett's Value**

Rank	Networking		Gender Barriers		Lack of Experience		Budget Issue		Hiring Employee		Self-doubt		Family Support		Facing age stereotype	
	Freq	Total	Freq	Total	Freq	Total	Freq	Total	Freq	Total	Freq	Total	Freq	Total	Freq	Total
1	11	12.52	5	5.69	2	2.28	18	20.49	9	10.2	9	10.25	8	9.11	3	3.42
2	9	8.86	7	6.89	5	4.92	13	12.80	6	5.9	4	3.94	13	12.80	8	7.88
3	14	12.28	6	5.26	7	6.14	7	6.14	10	8.8	8	7.02	6	5.26	7	6.14
4	8	6.28	9	7.06	4	3.14	6	4.71	12	9.4	8	6.28	9	7.06	9	7.06
5	10	6.92	11	7.62	5	3.46	9	6.23	8	5.5	7	4.85	7	4.85	8	5.54
6	6	3.51	8	4.68	9	5.26	4	2.34	5	2.9	14	8.18	6	3.51	13	7.60
7	4	1.78	10	4.46	16	7.14	6	2.68	9	4.0	4	1.78	10	4.46	6	2.68
8	3	0.28	9	0.83	17	1.57	2	0.18	6	0.6	11	1.02	6	0.55	11	1.02

**Table: Ranking of Challenges faced by Budding Women Entrepreneurs**

S. No.	Problems Faced by Budding Women Entrepreneur	Score	Rank
1	Networking	52.43	II
2	Gender Barriers	42.49	VI
3	Lack of Experience	33.91	VIII
4	Budget Issue	55.57	I
5	Hiring Employee	47.37	IV
6	Self-Doubt	43.31	V
7	Family Support	47.60	III
8	Facing Age Stereotypes	41.32	VII

### Findings and Suggestions

Through this study we found out that main challenges encountered by the budding women entrepreneur of Indore is Budget issue due to which they were facing problem to start business and also successfully run the business. The main problem of budget issue is that the young entrepreneur having lack of knowledge and experience of managing funds and also they find very difficult to get investor , those who want to start up they found very difficult from which source they get fund and those who want to continue their business or have investor they were not able to manage their funds specially working capital .Now a days so many government schemes or plan are available but the entrepreneur will not able to take advantage of it because they feel that government process take a long time its required so many documentation and it is not easy to take benefit from government but the young entrepreneur have to keep patience and try to understand and learn about the government schemes which is ultimately for their beneficial .Other then this those entrepreneur have funds but nit able to manage their capital they have to hire expert or also keep learning about how to do budgeting how to manage finance ,the y have to take proper guidance from experienced person or an expert advice is always recommended to them

The second challenges budding entrepreneur face are networking .Here networking means that to find suitable client, supplier , vendor , distributor and so on which help the entrepreneur to grow their business. As those who want to be entrepreneur they don't have much understanding of market and they are young and having lack of experience so they find very difficult to find customers in market and how to manage relationship with them. Initially they don't have good contact so that's why they face lots of problem to settle in market. So before coming in market budding entrepreneur have to do research on their filed and try to increase their network by communicating more and more people because also they have to maintain good relation with vendors , supplier and distributor other then this they have to focus on customer's needs, demands pr desire .They have to maintain Customer relationship by providing them various offers and alos promoting their business on social media.

## Conclusion

An Entrepreneur are the key driver of nation and economy progress they help to creating jobs , advancing industries ,solve problem of unemployment and help nation to develop the economy. The entrepreneur has the ability to run business , and take risk to make profit. Those entrepreneur have qualities like innovation , visionary , flexible ,open minded are successful .

In our study we reported the main challenges encountered by budding women entrepreneur are the budget issue , networking, family support .Initial level entrepreneur are not having investor and those who have investor or funds not able to manage their funds also they are not taking advantages of government subsidies and schemes. Other than Budget , entrepreneur found difficult to find customer also they don't have good connection with vendors and supplier for managing business .

## Limitations of the Study

- The study gender specific that challenges faced by women.
- The sample size of the study is small as our focus only on challenges faced by women
- The study is only focused on Challenges other aspects is not consider.
- The study is taken only for specific Indore region so it is only representative research.

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