

## PROBLEMS OF WOMEN ENTREPRENEURS IN KANYAKUMARI DISTRICT



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### Abstract

*Entrepreneurs play a key role in any economy. An entrepreneur is an individual who, rather than working as an employee, found and runs a small business, assuming all the risks and rewards of the venture. Entrepreneurship is the process of designing, launching and running any business, which is often initially a small business, and the people who create this business are called entrepreneurs. The entrepreneur moves various resources, both tangible and intangible, promoting capital formation. Women entrepreneurship has gained momentum in recent decades with the increase in the number of women's enterprises and their substantive contribution to economic growth. In India, though women have played a key role in society, their entrepreneurial ability has not been properly tapped due to the lower status of women in society. Several policies and programs are being implemented for the development of women entrepreneurship. Entrepreneurs face various problems such as production, marketing and finance in operating their business enterprises. The review of literature reveals the major problems of women entrepreneurs are related to raw materials and capacity utilisation. So the present study focus and the problems related to raw materials and capacity utilization of the study area. The study area faces the problem of power supply, non availability of raw materials in the local area, high transportation cost and shortage of working capital. If the problems are rectified by the authorities concerned they can excel their business enterprises.*

### Introduction

Entrepreneurs play a key role in any economy. These are the people who have the skills and initiative necessary to anticipate current and future needs and bring good new ideas to market. Entrepreneurs who prove to be successful in taking on the risks of a startup are rewarded with profits, fame and continued growth opportunities. Those

who fail suffer losses and become less prevalent in the markets. An entrepreneur is an individual who, rather than working as an employee, found and runs a small business, assuming all the risks and rewards of the venture. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services and business/or procedures. Entrepreneurship is the process of designing, launching and running any business, which is often initially a small business, and the people who create this business are called entrepreneurs.

In a market full of uncertainty, it is the entrepreneur who can actually help to clear up uncertainty, as he makes judgments or assumes risk. To the extent that capitalism is a dynamic profit-and-loss system, entrepreneurs drive efficient discovery and consistently reveal knowledge. Established firms face increased competition and challenges from entrepreneurs, which often spurs them towards research and development efforts as well. In technical economic terms, the entrepreneur disrupts course towards steady-state equilibrium. The entrepreneur moves various resources, both tangible and intangible, promoting capital formation.

Women entrepreneurship has gained momentum in recent decades with the increase in the number of women's enterprises and their substantive contribution to economic growth. In this dynamic world, women entrepreneurs are an important part of the global quest for sustained economic development and social progress. The industrial performance of the Asia-Pacific region - propelled by foreign direct investment, technological innovations and manufactured exports - has brought a wide range of economic and social opportunities to women entrepreneurs. In India, though women have played a key role in society, their entrepreneurial ability has not been properly tapped due to the lower status of women in society. It is only from India's Fifth Five Year Plan (1974-78) and onward that their role has been explicitly recognized with a marked shift in the approach from welfare to the development and empowerment of women. The development of women entrepreneurship has become an important aspect of India's priorities. Several policies and programs are being implemented for the development of women entrepreneurship. This looks at the various dimensions of women entrepreneurship in India. It also examines the experience of other countries in this regard.

### **Problems of business Enterprises**

Entrepreneurs face various problems such as production, marketing and finance in operating their business enterprises. The present paper focus on production problems.

### **Production Problem**

In economic theory production is creation of utility. Production is simply the transformation of input into output. The bought items are called input and the sold items are called output. Production is a process that uses resources to create a

commodity that is suitable for exchange. There are three aspects in production process.

1. The quality of the commodity produced.
2. The form of the good created.
3. The temporal and spatial distribution of the commodity produced

Any problem which hinders production can be termed as production problem. The investigator has identified that the following are the major problems of production of the business enterprises.

### **Review of Literature**

The various studies relating to the problems of women business enterprises are discussed below.

NirmalaKarunaD'cruz (2003) conducted a study on the constraints on Women Entrepreneurship Developments in Kerala. An analysis of familiar social and psychological dimensions. The study reveals that the biggest problem was reportedly in areas of procurement of raw materials and canvassing of orders. Staying away from home for long hours, particularly late in the evening, attending, meetings, meeting and discussing with government officials and taking care of family problems alongside all these responsibilities were reported to be a serious burden along with lack of facilities and time to attend to their familial notes, real payment and additional labour cost.

PapisettyRama MohanaRao (2004) in his study problems of women Micro Enterprises in Chennai with special Reference to access to credit" found that inadequate infrastructure, high labour mobility shortage of electrical and delayed realisation of debtors etc. were the main problems faced by the women entrepreneurs. It is also revealed that access of credit has been the exclusive privilege of rich and powerful. Women micro entrepreneurs suffered due to lack of recognition in the community. They have limited access to resources such as credit and improved means of production and marketing skills.

The review of literature reveals the major problems of women entrepreneurs are related to raw materials and capacity utilisation. So the present study focus and the problems related to raw materials and capacity utilization of the study area.

### **Objectives of the study**

1. To analyse the raw material problems.
2. To find out capacity utilisation of enterprises.
3. To identify the reasons for under utilization of capacity.

### **Research Methodology**

The present study has been undertaken in the four blocks of Kanyakumari District. This study is based on both primary and secondary data. The primary data is collected

by using an interview schedule and secondary data is obtained from books, journals and web sites.

### Sampling Procedure

In this study the investigator has adopted disproportionate stratified random sampling method. 120 sample respondents have been selected.

### Raw Material Problems

The business enterprises have emerged as the most dynamic section of Indian Industrial Economy. The business industrial units require raw materials from various sources. An entrepreneur procures raw materials from different sources and places. So an attempt has been made by the investigator to know the sources of raw materials which are used by the entrepreneurs.

**Table 1 Source of Raw Materials**

S.No.	Blocks	Sources of raw materials				Total
		With in Kanyakumari District	Within Tamil Nadu	With in India	International Market	
1	Agasteeswaram	5 (16.67)	14 (46.67)	11 (36.67)	0	30 (100)
2	Kurunthancode	10 (33.33)	11 (36.67)	9 (30.0)	0	30 (100)
3	Melpuram	8 (26.67)	9 (30.0)	11 (36.67)	2 (6.67)	30 (100)
4	Thovalai	15 (50.0)	3 (10.0)	8 (26.67)	4 (13.33)	30 (100)
	<b>Total</b>	<b>38 (31.67)</b>	<b>37 (30.83)</b>	<b>39 (32.50)</b>	<b>6 (5.00)</b>	<b>120 (100)</b>

**Source:** Survey Data

**Note:** Figures in Parenthesis indicates percentages.

The above table indicates that in Agasteeswaram block majority of the respondents (46.67 per cent) have purchased their raw materials within Tamil Nadu, in Kurunthancode 36.67 per cent have purchased raw materials within Tamil Nadu in Melpuram block 30 per cent have also purchased their raw materials from within Tamil Nadu, in Thovalai block 50 per cent of the respondents have purchased from within Kanyakumari District.

This analysis reveals the fact that 32.50 per cent have procured their raw materials within India, 30.83 per cent purchased within Tamilnadu and only 31.67 per cent purchased from within Kanyakumari District. This reveals that the raw materials are not available to the required level in the study area.

### Problem's faced in processing of Raw Materials

The entrepreneurs find it difficult to process raw materials and other necessary inputs. Many of the entrepreneurs are often at the mercy of agents who pocket a large chunk of profit. The failure of many entrepreneurial units is due to the

inadequacy of raw materials. The analysis of respondents on the basis of the nature of procurement constraints are shown in the following table.

**Table 2 Problems in Procuring of Raw Materials**

Sl.No.	Blocks	Problems						Total
		Scarcity of raw material	High price of raw material	Irregular Supply of raw material	Government Intervention	High Transport cost	Shortage of Working capitals	
1	Agasteeswaram	4 (13.33)	9 (30.0)	2 (6.67)	12 (40.0)	2 (6.67)	1 (3.33)	30 (100)
2	Kurunthancode	4 (13.33)	9 (30.0)	2 (6.67)	7 (23.33)	6 (20.0)	2 (6.67)	30 (100)
3	Melpuram	5 (16.67)	8 (26.67)	7 (23.33)	5 (16.67)	5 (16.67)	-	30 (100)
4	Thovalai	5 (16.67)	8 (26.67)	9 (30.0)	4 (13.33)	3 (10.0)	1 (3.33)	30 (100)
<b>Total</b>		<b>18</b> <b>(15.00)</b>	<b>34</b> <b>(28.33)</b>	<b>20</b> <b>(16.67)</b>	<b>28</b> <b>(23.33)</b>	<b>16</b> <b>(13.33)</b>	<b>4</b> <b>(3.33)</b>	<b>120</b> <b>(100)</b>

**Source:** Survey Data

**Note:** Figures in Parenthesis are percentages

The above table indicates that in Agasteeswaram block the major problem faced by most of the respondents (40 per cent) is government intervention in Kurunthancode the major problem faced by most of the respondents (30 per cent) is high price of raw material in Melpuram block the major problem faced by most of the respondents (26.67 per cent) is high price of raw material in Thovalai block the major problem faced by most of the respondents (30 per cent) is irregular supply of raw materials.

So it is concluded that the major problems faced by most of the respondents (28.33 per cent) is processing raw material its high price of raw material, next to that is government intervention said by 23.33 per cent of the respondents.

### **Problem of Capacity Utilisation**

Proper utilization of capacity is essential to reduce the cost of production and increase sales. So the investigator has made an attempt to know the problems faced by women entrepreneurs in capacity utilization. The problems of capacity utilization have been studied in terms of the following two variables.

1. Capacity utilization of the unit.
2. Reasons for underutilization capacity.

The data relating to the above variable have been collected and presented in the subsequent Tables.

### Capacity Utilisation

The optimum capacity utilization of the business unit is essential to attain the objectives of consumer satisfaction and maximization of profits. Proper capacity utilization is essential to reduce the cost and maximization of the profit.

**Table 3 Capacity Utilization of Enterprises**

S. No.	Blocks	Capacity utilization			Total
		Under utilization	Full utilization	Over utilization	
1	Agasteeswaram	16 (53.33)	14 (46.67)	-	30 (100)
2	Kurunthancode	6 (20.0)	22 (73.33)	2 (6.67)	30 (100)
3	Melpuram	8 (26.67)	20 (66.67)	2 (6.67)	30 (100)
4	Thovalai	11 (36.67)	18 (60.00)	1 (3.33)	30 (100)
<b>Total</b>		<b>41 (34.17)</b>	<b>74 (61.67)</b>	<b>5 (4.17)</b>	<b>120 (100)</b>

**Source :** Survey Data

**Note :** Figures in Parenthesis indicates percentages.

The above table indicates that in Agasteeswaram block most of the respondents (46.67 per cent) have full utilised capacity, in Kurunthancode block 73.33 per cent have utilised full capacity, in Melpuram block majority of the respondents 66.67 per cent have utilised full capacity and in Thovalai also 60 per cent have fully utilised their capacity.

The above table indicates that in Agasteeswaram block most of the respondents (53.33 per cent) have under utilised capacity, in Kurunthancode block 20 per cent have utilised full capacity, in Melpuram block majority of the respondents 26.67 per cent have utilised full capacity and in Thovalai also 36.67 per cent have fully utilised their capacity.

This reveals that there is a problem of under utilization of the capacity of the enterprises in the study area.

### Reasons for under utilization capacity

Most of the business enterprises have not fully utilised their capacity fully because of power problems, marketing problems etc., so an attempt is made by the investigator to fund out the reasons for under utilization of capacity in the study area. The data relating to the reasons for under utilization of capacity have been collected from the business units and presented in the following table.

**Table 4 Reasons for Under Utilisation of Capacity**

S. No.	Block-Wise	Reasons for under utilization of capacity							Total
		Inadequate power	Shortage of working capital	Shortage of Raw Material	Shortage of Labour	Lack of Adequate demand	Labour Problems	Marketing Problems	
1	Agasteeswaram	2 (10.0)	2 (12.5)	-	-	1 (100)	-	-	5 (10.64)
2	Kurunthancode	8 (40.0)	4 (25.0)	2 (28.57)	-	-	-	1 (50.0)	15 (31.91)
3	Thiruvattar	7 (35.0)	5 (31.25)	3 (42.86)	-	-	-	-	15 (31.91)
4	Thovalai	3 (15.0)	5 (31.25)	2 (28.57)	1 (100)	-	-	1 (50.0)	12 (25.53)
<b>Total</b>		<b>20 (100)</b>	<b>16 (100)</b>	<b>7 (100)</b>	<b>1 (100)</b>	<b>1 (100)</b>	<b>- -</b>	<b>2 (100)</b>	<b>47 (100)</b>

In Kurunthancode block the reason for under utilization of capacity for most of the units is inadequate power (40 per cent). In Thiruvattar block the main reason for most of the units is inadequate power (35 per cent). In Thiruvattar block and Thovalai block the main reason for under utilization of capacity is shortage of working capital (each 31.25 per cent). In Thiruvattar block the reason for under utilization of capacity is shortage of raw material (each 42.86 per cent).

So in the study area the reason for under utilization capacity by most of the respondents (20 per cent) is inadequate power. Next to that (16 per cent) is shortage of working capital. Followed by that is 7 per cent of the respondents have shortage of raw material as the reason for underutilization of capacity. Other problems are negligible.

### Findings

- Most of the respondents have procured their raw materials within India.
- In processing the raw materials most of the respondents problem such as high price of raw material and government intervention.
- 61.6 per cent of the respondents have full utilised capacity.
- 20 percentage respondents have the problem of inadequate power as the problem for under utilization of capacity.

### Suggestions

Based on the data collected from the respondents and discussion with them, certain suggestions are given to improve the performance of women enterprises.

- Government can create awareness among the women entrepreneurs in the study area regarding the availability of raw materials and help them in procuring the raw materials economically.
- Government should not interface in the production and marketing activities of the enterprises and create a free environment to carry out their business activities.
- Proper power supply is essential for the full utilisation of capacity. The authorities concerned should take necessary steps for the proper power supply.

## **Conclusion**

The women entrepreneurs in the study area face the problem of power supply, non availability of raw materials in the local area, high transportation cost and shortage of working capital. Even though they face all these problems most of the respondents utilise full capacity for producing the products. If the problems are rectified by the authorities concerned they can excel their business enterprises. This will certainly pave way for the economic development of the study area.

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