



# A Comprehensive Study on Women Entrepreneur's Problems Related to Finance in North-Karnataka Region

Mr. ABHINANDAN N  
 Assistant Professor  
 Jyoti Nivas College,  
 Bangalore

Dr.A.M.KADAKOL  
 Associate Professor  
 Kousali Institute of Management Studies,  
 Karnataka University, Dharwad

**Abstract:** Business enterprise is a gigantic errand for women in India yet in the event that conveyed effectively can teach certainty among them and making them more cognizant about their rights. Advancement of women enterprise is low in India in examination to created nations. There are number of snags confronted by women business people amid start-up stage and running up of their venture. These snags should be tended to with the goal that women can make a huge commitment in managed monetary advancement and social advancement of our nation. The present study tries to look at the monetary issues confronted by women business visionaries in Karnataka amid start-up stage and running up of their undertaking. The study drew out that absence of sufficient data about the plans of money related establishments for women business people and hesitance of authorities to fund women business visionaries are the fundamental issues.

## I. INTRODUCTION

India is an immense nation with an expected populace of around 1.21 billion of which almost half are women. Business enterprise amongst women in India is generally a late marvel. Different projects are being directed to enhance the status of women, their entrance to assets et cetera. Be that as it may, fringe interest has been appeared in adding to a practical and very much planned arrangement and program for advancing women business people. In spite of the common qualities, sex based contrasts have been found to impact both business start-up and, This reality impacted the creator not just to think about the field of enterprise taking after a general and hypothetical methodology, yet to concentrate on the money related deterrents which women experience when participating in business.

Account is life blood of business. Along these lines, it gets to be vital for women business visionaries to way to deal with budgetary foundations when need emerges. Scientist endeavoured to know the conduct of money related establishments in giving budgetary help to women business visionaries. By report by the United Nations Industrial Development Organization, in spite of confirmation that woman's advance reimbursement rates are higher than men's, women still face more troubles in acquiring credit," frequently because of unfair states of mind of banks and casual loaning bunches

Today, women have securely gone into occupation circumstances, as well as inundated as experts and officials in numerous fields. They have discovered acknowledgment in the family and additionally society. Then again, their entrance into savagely

focused business world has an extraordinary test. In addition, family and social issues they confront issues in raising both working capital fund

Women have accomplished monstrous improvement in their perspective. With expansion in reliance on administration division, numerous entrepreneurial open doors particularly for women have been created where they can exceed expectations in their skill s by keeping up parity in their life. Accordingly in the, most recent two decades, expanding number s of Indian Women have entered the field of business person ship furthermore they are step by step changing the substance of business of today.

## II. LITERATURE REVIEW

While considering the issues of women business visionaries cited that so as to enhance living conditions, creating capacities of women for independent work had ended up fundamental. Women were frequently the principle monetary specialists to guarantee the survival of a poor gang. Subsequently, women get engaged on the off chance that they are driven towards business. They likewise reported that there were effective women business people today heading undertakings like hardware, sight and sound, piece of clothing industry et cetera. They additionally proposed that women business people needed to face numerous issues.

Rao, K in 2004 led a review in Rajkot and gathered data by poll system from 25 business people from lower white collar class. Families were gathered into three –

1. Group - 1 Education (Tuition and Play house)
2. Group - 2 Health and physical make-up (Beauty Parlor)
3. Group - 3 Miscellaneous.

Overview demonstrated that instructive foundation was useful for 28 % in group1, 24 % in gathering 2 and 48 % in gathering 3. Age was no bar to begin any venture. The majority of the undergrad women business people in lower white collar class had begun business because of a few issues such as extensive family estimate or incapacity of male worker. The greater part of the women business people in all gatherings had organized their own assets, getting from companions or relatives however did not approach any budgetary foundation.

Jobanputra, in 2004 highlighted those issues that took after business people like shadow. On the off chance that a women business person fathoms one, a couple of more manifest. It was proposed that a fruitful business person must be watchful and fill in as a prudent chief.

While another study by Nayyar et al. (2007) recommended that Poor area of unit, intense rivalry from bigger and built up units, and absence of transport office, absence of rest and rest and non-accessibility of crude material were the noteworthy issues confronted by business visionaries. The elements causable to these issues were; trouble in managing own vehicle, not being famous, substantial timetable of work and long working hours.

Vatharkar (2012) inspected the issues confronted by women business visionaries in Pune locale at different levels in their voyage as business visionaries furthermore found the variables inspiring these women to wind up business visionary. The study found that women business visionaries confront heaps of issues at start-up and in addition working stage like, part strife, absence of inspiration, absence of account, keeping up harmony in the middle of work and family life, segregating treatment, understanding government rules and regulations, and so forth. Further, it is noticed that these women business people are both "willing" and additionally "constrained" business people. For some of them, component spurring to begin their own venture is to bolster family fiscally, while for some of them it is the desire to be financially autonomous.

Research on issues confronted by women business visionaries have uncovered that women business people face particular start-up issues as they are venturing so as to attempt to move their conventional part into entrepreneurial world. In this

way, analyst has attempted to distinguish these issues and with this target issues identifying with fund have been recognized, one identifying with start-up and second confronted in running up of the undertaking. An endeavour is made to test the accompanying theory "There is no huge contrast between the perspectives of women business

### III. METHODOLOGY

The present study was led among women business visionaries in Karnataka state. The undertaking included from both urban and country territories. Data was assembled from 189 ventures. For choice of big business distinctive divisions are considered. Karnataka has four divisions which are separated into 21 areas. A specimen involving 189 respondents from all regions of these three divisions were drawn closer by utilizing the "Purposive and snow ball" inspecting methods. The respondents and authorities of DIC's and Banks were asked for to outfit the names and addresses of women business visionaries they know. The reactions of the respondents from different divisions of Karnataka were investigated utilizing Chi-Square strategy utilizing distinctive basis, for example, kind of action, division, age, training, type of association, private foundation and family structure of the respondent

#### Objectives

1. The objective of the study to analyse problems faced by women entrepreneurs in the establishment and running their enterprises.
2. The objective of this study to discuss attitude of different financial institutions towards women in providing loan to them

#### Problem Statement

By fourth Medium, Small and Micro Enterprises (MSME) evaluation, the four States — Karnataka, Kerala, Tamil Nadu and West Bengal — set up together have 51.9 for each penny of the nation's women possessed business. Aside from this, few different studies have said India is a future hotspot of female entrepreneurial action, in front of Hong Kong and different spots.

Market analyst and social researcher Sangeetha Kattimani brings up that the 2015 report of the BNP Paribus Global Entrepreneurialism set India in the fifth spot as a great venture and riches creation destination.

By Dell Women's Global Entrepreneurship study directed in 2012, women business visionaries in India expect a middle development of their business by 90 for every penny throughout the following five years. Prof. Kattimani, who has led a study on women business visionaries and the issues experienced by them, said that India confronts the

possibility of neglecting to profit from demographic profit, primarily because of the low rate of female enterprise in the nation's economy.

She said that Karnataka had made huge open doors for women business visionaries to make their vicinity felt, yet at the same time numerous women were kept from achieving their maximum capacity

#### IV. RESULTS

Type of Activity	Major obstacle		Minor obstacle		No obstacle		
	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Service	14	17.3	13	16	54	66.7	Chi-Square 9.696 <sup>a</sup> Asy: Sig=.04
Trading	12	20	21	35	27	45	
Manufacturing	5	10.4	12	25	31	64.6	
Total	31	16.4	46	24.3	112	59.3	
<b>Divisions</b>							
Dharwad	10	14.3	17	24.3	43	61.4	Chi-Square .948 <sup>a</sup> Asy: Sig=.91
Belgaum	9	15.8	13	22.8	35	61.4	
Bijapur	12	19.4	16	25.8	34	54.8	
<b>Education</b>							
Below Matric	1	12.5	2	25	5	62.5	Chi-Square 10.887 <sup>a</sup> Asy: Sig=.20
Matric	3	8.8	10	29.4	21	61.8	
Senior Secondary	5	23.8	8	38.1	8	38.1	
Graduate	13	15.5	22	26.2	49	58.3	
Post-Graduate	9	21.4	4	9.5	29	69	
<b>Family Structure</b>							
Nuclear	17	14.8	32	28.8	66	57.4	Chi-Square 2.110 <sup>a</sup> Asy: Sig=.34
Joint	14	18.9	14	18.9	46	62.2	
<b>Form of Organisation</b>							
Sole Trader	26	16.5	37	23.4	95	60.1	Chi-Square .460 <sup>a</sup> Asy: Sig=.79
Others	5	16.1	9	29	17	54.8	
<b>Background of Respondents</b>							
Urban	26	19.7	31	23.5	75	56.8	Chi-Square 3.468 <sup>a</sup> Asy: Sig=.17
Rural	5	8.8	15	26.3	37	64.9	

**Table 1: Problems faced by Women Entrepreneurs for Capital**

The table further reveals the division-wise information about problems of women entrepreneurs in obtaining start-up capital. It is a major obstacle for 41.9 percent of women entrepreneurs in Belgaum division, 38.6 percent in Dharwad division and 36.8 percent in Bijapur division. It is a minor problem for 26.3 percent of respondents in Bijapur division, 24.2 percent in Belgaum division and 22.9 percent in Dharwad division. The value of Chi-square is insignificant at 5 percent level of activity. Education-wise information further reveals that almost equal proportion of women entrepreneurs (approximately 38 percent) face the obstacle of start-up capital as major problem across different levels of education except senior secondary respondents, for 52.4 percent respondents it is a major obstacle. Making arrangement for start-up capital is a minor problem for 37.5 percent of below matric, 28.6 percent of graduate, 21.4 percent of post-graduate, 20.6 percent of matric and 14.3 percent of senior secondary women entrepreneurs. The result of chi-square-test reveals that there is no significant dependence between these two variables. Family structure wise information shows that 40 percent respondents coming from nuclear family and

37.8 percent from joint family express that they felt the obstacle in obtaining start-up capital and term it as a major obstacle. And 25.2 percent nuclear family respondents and 23 percent joint family respondents express that start-up capital arrangement is a minor obstacle for them and with little efforts they overcome this barrier. The result of chi-square-test reveals that there is no significant dependence between these two variables. From the table it is also revealed that 40.5 percent of women entrepreneurs managing their enterprise as sole trader and 32.3 percent other than sole trader express they felt major obstacle in obtaining start-up capital. As relatively more sole traders feel this start-up obstacle, it may be due to limited resources of an individual. For entrepreneurs other than sole trader it is a minor obstacle for 38.7 percent of respondents. The result of chi-square-test (Chi-square=4.165<sup>a</sup>, df=2, P=0.125) revealed that there is no significant difference between these two variables. The table also shows that difficulty of obtaining start-up capital was more felt in respondents of rural origin as 50.9 percent of them expressed that they felt it as a major problem and only 34.1 percent of urban origin respondents expressed it as a major problem. For 26.5 percent of urban origin respondents and 19.3 percent of rural origin respondents it was a minor hindrance. The result

of chi-square-test (Chi-square=4.715<sup>a</sup>, df=2, P=0.095) reveals that there is no significant dependence between these two variables.

Reluctance of Financial Institutions in Granting Credit Facilities is another problem of women entrepreneurs. Table 2 which presents the survey data indicates that 16.4 percent respondents face the problem of reluctance of financial institutions in granting credit facilities to a large extent and another 24.3 percent face this problem to some extent. It is also clear from the table that 59.3 percent of respondents are not facing this problem in any form. Activity-wise information reveals that 20 percent respondents in trading sector, 17.3 percent in service sector and 10.4 percent in manufacturing sector face this problem to a large extent and find the behaviour of officials of financial institutions discouraging. It is a problem to some extent for 35 percent of respondents in trading sector, 25 percent in manufacturing sector and 16 percent in service sector. The problem is more evident in trading sector and manufacturing sectors. The value of Chi-square (Chi-square=9.696a, df=4, P=0.046) is significant at 5 percent level of activity. It indicates that a significant dependence is found between these two variables. The table further reveals division-wise information in respect of this problem.

The behaviour of officials of financial institutions is perceived to be discouraging by 19.4 percent respondents in Bijapur division, 15.8 percent in Belgaum division and 14.3 percent in the Dharwad division. It is considered as a problem to some extent by 25.8 percent, 24.3 percent and 22.8 percent of respondents in Bijapur division, Dharwad division and Belgaum division respectively.

Type of Activity	Major obstacle		Minor obstacle		No obstacle	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Service	32	39.5	21	25.9	28	34.6
Trading	20	33.3	33	55	7	11.7
Manufacturing	25	52.1	10	20.8	13	27.1
Total	77	40.7	64	33.9	48	25.4
<b>Divisions</b>						
Dharwad	26	37.1	25	35.7	19	27.1
Belgaum	20	35.1	22	38.6	15	26.3
Bijapur	31	50	17	27.4	14	22.6
<b>Education</b>						
Below Matric	3	37.5	4	50	1	12.5
Matric	12	35.3	18	52.9	4	11.8
Senior Secondary	12	57.1	7	33.3	2	9.5
Graduate	36	42.9	21	25	27	32.1
Post-Graduate	14	33.3	14	33.3	14	33.3
<b>Family Structure</b>						
Nuclear	49	42.6	36	31.3	30	26.1
Joint	28	37.8	28	37.8	18	24.3
<b>Form of Organisation</b>						
Sole Trader	67	42.4	54	34.2	37	23.4
Others	10	32.3	10	32.3	11	35.5
<b>Background of Respondents</b>						
Urban	52	39.4	46	34.8	34	25.8
Rural	25	43.9	18	31.6	14	24.6

**Table 2: Problems faced by Women Entrepreneurs in respect of reluctance of financial institutions in granting credit facilities**

The estimation of Chi-square (Chi-square=.948a, df=4, P=0.918) is unimportant at 5 percent level of movement. It shows that no critical conditions found between these two variables. Education-wise data further uncovers that 23.8 percent senior auxiliary, 21.4 percent post-graduate, 15.5 percent graduate, 12.5 percent beneath matric and 8.8 percent register respondents see hesitance of budgetary establishments in giving acknowledge offices as a noteworthy issue. It is seen as a minor issue by 38.1 percent senior auxiliary, 29.4 percent register, 26.2 percent graduate, 25 percent beneath matric and 9.5 percent post-graduate respondents. The estimation of Chi-square (Chi-square=10.887a, df=8, P=0.208) is inconsequential at 5 percent level of movement. It demonstrates that no critical conditions found between these two variables.

Family-structure savvy data uncovers that for 18.9 percent of joint family and 14.8 percent of atomic family respondents, hesitance of money related foundations in conceding credit offices is an issue to expansive degree. The table demonstrates that

27.8 percent respondents hailing from atomic family and 18.9 percent hailing from joint family see this is issue to some degree for ladies business visionaries. The estimation of Chi-square (Chi-square=2.110a, df=2, P=0.348) is immaterial at 5 percent level of movement. It demonstrates that no critical affiliation is found between these two variables. It is clear from the table that 16.5 percent of ladies business visionaries who are seeking after their monetary exercises as sole dealer and 16.1 percent other than sole broker saw „reluctance of money related foundations in allowing loans“ is an issue to

Expansive degree. While 29 percent other than sole dealer and 23.4 percent sole merchant see this is a minor issue for ladies business visionaries. The estimation of Chi-square (Chi-square=.460a, df=2, P=0.795) is inconsequential at 5 percent level of movement. It shows that no critical affiliation is found between these two variables. The table further demonstrates that 19.7 percent of urban source and 8.8 percent of country inception respondents saw that they confront this issue to a expansive degree. Hesitance of money related establishments in allowing credit offices is a minor issue for 26.3 percent of provincial inception and 23.5 percent of urban source respondents. The estimation of Chi-square (Chi-square=3.468a, df=2, P=0.177) is irrelevant at 5 percent level of action. It demonstrates that no critical affiliation is found between these two variables.

## V. CONCLUSION

There are various imperatives to Women possessed organizations that should be tended to. The present study is an endeavour to look at the different money related hindrances confronted by Women business people amid start-up stage and running up of their undertaking. A study of 189 ventures from urban and provincial territories of three divisions, Dharwad, Bijapur, and Belgaum of Karnataka State was directed. The consequences of the study demonstrate that 39.2 percent of test Women business visionaries confronted the issue in acquiring start-up capital and acknowledged it as a noteworthy deterrent. Movement shrewd this issue is more felt in assembling and exchanging divisions. 16.4 percent of Women business visionaries feel that monetary organizations show hesitance in giving credit offices to them.

The conduct of authorities of these establishments is observed to be debilitating particularly by the respondents working together in exchanging and producing divisions. Lacking dispersal of data about money related plans for Women business visionaries is additionally felt as a noteworthy issue by 40.7 percent of respondents. 27.5 percent of Women business people are of the perspective that lack of fund is a noteworthy issue for them. In

beating these obstructions, there are moves to be made by government, budgetary establishments and strategy producers.

## VI. LIMITATIONS

The use of secondary data only for this research study is not adequate to provide all information on the significance of women entrepreneurs.

## VII. REFERENCES

- [1]. Greene, P.G.; Hart, M.M.; Gatewood, E.J; Brush, C.G; Carter, N.M. (2003). Women Entrepreneurs: Moving Front and Center: An Overview of Research and Theory. United States Association for Small Business and Entrepreneurship (USASBE). White Papers: p.1-47
- [2]. Lerner, M; Almor, T (2002). Relationships among Strategic Capabilities and the Performance of Women-Owned Small Ventures. *Journal of Small Business Management*, 40 (2): p.109- 125.
- [3]. Soundarapandian, M. (1999), *Women entrepreneurship*, Kanishka Publishers, New Delhi
- [4]. Yadav, J., (1999), *Profile of Women Entrepreneurs in Saurashtra Region*, Ph.D. Thesis Department of Commerce, Saurashtra University, Rajkot.
- [5]. Rao, P., (2002), *Entrepreneurship and Economics Development*, Kaniska Publishers, New Delhi.
- [6]. Mehrotra, N. (2003), *Managerial Problems among Working Family Headed Households*, Research Paper Presented at XXV Biennial Conference of Home Science Association of India on Enhancing the Quality of Life Through Family and Community Science Hosted by Home Science Association of India, Nagpur Chapter.
- [7]. Chhichhia, V., (2004), *Problems faced by Women Entrepreneurs and Importance of Training in their Entrepreneurs*, Research Paper Presented at National seminar on Women Entrepreneurship – A Need for Training and Curriculum Development held by Development of Home Science Extension and Communication, Faculty of Home Science.
- [8]. Kapadia, S. Barodia, S.. (2004), *Women Entrepreneurs : Problems and Difficulties* , Research Paper Presented at National seminar on Women Entrepreneurship – A Need for Training and Curriculum Development held by Development of Home Science Extension and Communication, Faculty of Home Science , M. S. University, Vadodara.
- [9]. Rao, K., (2004), *Women Entrepreneur in Lower Middle Class Families and their Problems*, Research Paper Presented at National seminar on Women Entrepreneurship – A Need for Training and Curriculum Development held by Development of Home Science Extension and Communication, Faculty of Home Science , M. S. University, Vadodara.
- [10]. Jobanputra V., (2004), *Women Entrepreneurs –A New Face of Professional Women*, Research Paper Presented at National Seminar on Current Trends and Issues in Home Science, Saurashtra University, Rajkot.
- [11]. Nayyar P., Sharma A., Kishtwaria J., Rana A., Vyas N. (2007), Causes and Constraints Faced by Women entrepreneurs in Entrepreneurial Process, *Journal of Social Sciences*, Vol.14, No.2, pp. 99-102.
- [12]. Vatharkar (2012), *A Study of Constraints and Motivating Factors for Indian Women Entrepreneurs in Small Scale Industries*, The 2012 International Conference on Business and Management, 6 – 7 September 2012, Phuket - Thailand
- [13]. United Nations Industrial Development Organization (UNIDO). (1995). “Women, industry and entrepreneurship.” Women in Industry Series. Vienna, Austria.
- [14]. Loscocco, K.A.; Leicht, K.T. (November, 1993) Gender, Work-Family Linkages, and Economic Success among Small Business Owners. *Journal of Marriage and the Family*. Vol. 55: p.875-887.