Study of Financial Problems of Women Entrepreneurs

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Abstract

Entrepreneurship is a herculean task for women in India but if carried successfully can inculcate confidence among them and making them more conscious about their rights. Development of women entrepreneurship is very low in India in comparison to developed countries.

There are number of obstacles faced by women entrepreneurs during start-up stage and running up of their enterprise. These obstacles need to be addressed so that women can make a significant contribution in sustained economic development and social progress of our country. The present study tries to examine the financial problems faced by women entrepreneurs during start-up stage and running up of their enterprise.

Keywords: Women Entrepreneurship, Finance, Obstacles, Financial Institutions

Introduction

Entrepreneurship amongst women in India is relatively a recent phenomenon. Various programmes are being conducted to improve the status of women, their access to resources and so on. But peripheral interest has been shown in developing a realistic and well-designed plan and programme for promoting women entrepreneurs. Despite the shared characteristics, gender-based differences have been found to influence both business start-up and performance (e.g. Greene et al., 2003; Loscocco and Leicht1993; Lerner and Almor 2002).

Finance is life blood of business. So, it becomes necessary for women entrepreneurs to approach to financial institutions when need arises. Researcher made efforts to know the behavior of financial institutions in granting financial assistance to women entrepreneurs.
According to a report by the United Nations Industrial Development Organization (UNIDO), "despite evidence that woman’s loan repayment rates are higher than men's, women still face more difficulties in obtaining credit," often due to discriminatory attitudes of banks and informal lending groups (UNIDO, 1995).

**Objectives**
1. The objective of the study to analyze 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.
3. The objective of this study is to measure success achieved by women entrepreneurs.
4. The objective of the study is to compare status of women entrepreneurship between developed and developing countries.
5. The objective of this study is to discuss gender gap in entrepreneurship.

**Literature Review**
Soundarpandian, (1999) suggested that for entrepreneurship development in India, there was a greater need to emphasize on research relating to process and enhancement of entrepreneurship. The problems of women entrepreneur are listed as, Stiff competition from male entrepreneurs, High price of raw materials required, Financial constraints, Managerial constraints, Technical difficulties, Low ability to bear risks, Low level of favorable family background, Lack of entrepreneurial initiative.

**Findings**
1. Starting-up Problems
2. Enabling Factors
3. Problems/Constraints

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

**Conclusion**
There are a number of constraints to women owned businesses that need to be addressed. The present study is an attempt to examine the various financial obstacles faced by women entrepreneurs during start-up stage and running up of their enterprise.
References


