

Prospects and Challenges for Women Entrepreneurs with Special Reference to Salem District, Tamilnadu, India

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Abstract: Women entrepreneurship is still underdeveloped concept across the world especially in India. Not only are minority and women business owners a growing segment of the entrepreneur population, but their businesses also tend to be relatively dynamic. Starting a new business can be a challenge. Normally Women entrepreneurs may face a number of hurdles, including lack of access to capital, insufficient business networks for peer support, investment, and business opportunities, and the absence of the full range of essential skills necessary to lead a business to survive and grow. This proposed study is an attempt to examine the entrepreneurial prospects and challenges faced by the Women entrepreneurs in Tamil Nadu. The study is to be conducted in the state of Tamil Nadu. The Women entrepreneurs will be the respondents for the proposed study. The researcher will use mixed methods to explore the entrepreneurial prospects and challenges faced by Women entrepreneurs with special reference to Tamil Nadu. The study is to be conducted in various districts of Tamil Nadu in India. A two-stage sampling technique will be adopted in this study. In the first stage, districts will be selected using a simple random sampling method and in the second stage, respondents will be selected through snowball/purposive sampling and will be studied through both a semi-structured questionnaire and personal interviews. National Small Industries Corporation (NSIC) and micro, small and medium enterprises (MSME) will be consulted for the government's policy documents and data on Women entrepreneurs. The SPSS package will be used for quantitative data analysis. The researcher intended to use the following statistical tools by using SPSS and AMOS.

Key words: Women Entrepreneurs, Entrepreneurship, Women Empowerment, Challenges, Prospects, Women-owned Businesses, Finance, Work-life Balance.

Introduction

Women entrepreneurship is increasingly recognized as a vital force in driving economic development, fostering innovation, and promoting inclusive growth. Across the globe, and particularly in developing countries like India, women are stepping into entrepreneurial roles, breaking traditional barriers, and contributing significantly to their communities and national economies. The rise in women-led enterprises not only promotes gender equality but also leads to the creation of employment opportunities and the diversification of economic activities. However, while the prospects for women entrepreneurs are growing, they continue to face numerous challenges that hinder their full potential.

The opportunities for women in entrepreneurship have expanded due to factors such as improved access to education, government support schemes, digital platforms, and changing societal attitudes. Initiatives like the Stand-Up India Scheme, Pradhan Mantri Mudra Yojana, and various state-level programs have provided financial and technical support to aspiring women entrepreneurs. Additionally, the increasing presence of

women in higher education and professional training has enabled more women to pursue business ventures confidently. Digital technology has also played a transformative role, offering women new avenues to start and scale businesses from even the most remote locations.

Despite these advancements, women entrepreneurs often face significant hurdles. These include limited access to finance, lack of mentorship, gender-based discrimination, and difficulties in balancing domestic responsibilities with business demands. Socio-cultural norms and safety concerns still restrict many women from participating fully in the economic sphere. Moreover, inadequate exposure to business networks, skill gaps, and limited access to markets further constrain their growth.

Economic Significance of Women Entrepreneurship

Women entrepreneurs play a pivotal role in diversifying the Indian economy. They are increasingly venturing into various sectors, including agriculture, manufacturing, services, and technology. Their involvement not only contributes to GDP growth but also promotes innovation, job creation, and poverty alleviation. Furthermore, women-led businesses often prioritize social objectives, such as community development and environmental sustainability, aligning with broader national goals.

Government Initiatives Supporting Women Entrepreneurs

Recognizing the importance of women in entrepreneurship, the Indian government has implemented several schemes to support their ventures. Programs like the Stand-Up India Scheme aim to facilitate bank loans between ₹10 lakh and ₹1 crore to women entrepreneurs for setting up greenfield enterprises in manufacturing, trading, or services sectors. Additionally, initiatives like the Pradhan Mantri Mudra Yojana (PMMY) provide micro-financing to women entrepreneurs, enabling them to start or expand small businesses. These schemes are designed to reduce financial barriers and promote entrepreneurship among women, especially in rural and underserved areas.

Review of Literature

Brush, C. G., de Bruin, A., Gatewood, E., & Henry, C. (2023). This study presents a comprehensive review of over 360 academic articles on women's entrepreneurship, revealing persistent challenges such as access to finance, gender bias, and lack of support networks. The authors identify key research clusters including entrepreneurial self-efficacy, rural entrepreneurship, and societal norms. Although policy measures and educational access have improved, many systemic barriers remain. The paper calls for intersectional research and policy reforms that address structural inequalities. Notably, the study emphasizes how digital platforms can empower women by lowering traditional entry barriers, thus offering fresh opportunities. It lays a foundation for future gender-aware entrepreneurial frameworks. (Brush, 2023).

Gupta, S. (2024) This primary survey-based study focuses on women entrepreneurs in India and the obstacles they face in operating businesses. The findings show that lack of financial knowledge, limited marketing exposure, and family responsibilities are significant hurdles. Many respondents cited cultural norms that prioritize domestic roles over professional ambition. Despite these barriers, the study identifies a strong entrepreneurial desire among women, especially in urban centres. The paper recommends targeted policy interventions, local mentorship programs, and access to microfinance as ways to promote inclusive entrepreneurship. It also stresses the importance of digital literacy and e-commerce tools for market expansion. (Gupta, 2024).

Rehman, A., & Afzal, A. (2023). This study explores both challenges and motivating factors for women entrepreneurs in Pakistan's service sector. While social norms and limited institutional support remain barriers, many women are driven by a desire for independence and financial stability. The study highlights that human capital factors such as education and business training significantly impact success. It also reveals that women

often face scepticism from customers and suppliers due to gender bias. The authors recommend strengthening entrepreneurship education, fostering inclusive policy-making, and offering support through women-centric business networks. Institutional reform is emphasized as critical for long-term entrepreneurial development (Rehman, 2023).

Shah, S. Z. A., & Mehmood, R. (2021) This study investigates factors influencing the success of women entrepreneurs in Pakistan's SME sector. The findings show that economic stability, access to loans, government support, and training opportunities play crucial roles. Women entrepreneurs face significant barriers in obtaining credit due to collateral requirements and lack of financial records. Furthermore, conservative societal attitudes often restrict women's business mobility. The study recommends gender-responsive financial instruments, streamlined loan processes, and wider dissemination of information about support schemes. It also advocates for community-based training programs to foster sustainable women-led businesses, especially in rural and semi-urban areas (Shah, S. Z. A., & Mehmood, R, 2021).

Elam, A. B., Brush, C. G., Greene, P. G., & Dean, M. (2021). This paper proposes a comprehensive framework for building gender-sensitive entrepreneurship ecosystems. The authors argue that policies must address not just finance and training, but also social and institutional barriers. Key components include inclusive access to capital, mentorship, market linkages, and family-friendly workplace policies. The study uses cross-country comparisons to illustrate best practices and identify policy gaps. It highlights the importance of disaggregated data and gender impact assessments in policy planning. Overall, the framework encourages governments, NGOs, and private sectors to work collaboratively in creating inclusive environments for women entrepreneurs across various industries and regions (Elam, 2021).

Objectives of the study

- To study the socio-economic profile of Women entrepreneurs in Tamil Nadu.
- To critically examine the prospects and challenges faced by the Women entrepreneurs.

Methodology

The study is to be conducted in Salem districts of Tamil Nadu in India. A two-stage sampling technique will be adopted in this study. In the first stage, Taluks will be selected using a simple random sampling method and in the second stage, respondents will be selected through snowball/purposive sampling and will be studied through both a semi-structured questionnaire and personal interviews.

The total sample size for the study is 150.

The researcher has used the statistical tools by using SPSS.

- Percentage analysis.
- Garrett ranking method.

Result and Discussions

Demographic Information

Category	Option	Frequency	Percentage
Age	Below 25	15	10%
	25–34	60	40%
	35–44	40	26.7%

Category	Option	Frequency	Percentage
	45–54	25	16.7%
	55 and above	10	6.6%
	Total	150	100
Education Level	No formal education	5	3.3%
	High School	20	13.3%
	Diploma	30	20%
	Undergraduate Degree	55	36.7%
	Postgraduate Degree	40	26.7%
	Total	150	100
Marital Status	Single	35	23.3%
	Married	95	63.3%
	Divorced	10	6.7%
	Widowed	10	6.7%
	Total	150	100
Years in Business	Less than 1 year	25	16.7%
	1–3 years	50	33.3%
	4–7 years	45	30%
	More than 7 years	30	20%
	Total	150	100

Interpretations:

The **largest age group** is **25–34 years (40%)**, indicating that women in their early careers are most likely to engage in entrepreneurship. A majority of respondents are **well-educated**, with **63.4% holding undergraduate or postgraduate degrees**. **63.3% of women entrepreneurs are married**, indicating strong participation of married women in business, potentially with family support. The majority (**63.3%**) have been in business for **1–7 years**, reflecting a growing interest and relatively recent entry into entrepreneurship.

Garrett Ranking Method

Assumed Frequency Distribution of Ranks (Example Based on 150 Respondents)

Let's assume that each of the **7 challenges** was ranked by all **150 respondents**, and a summary of their **rank preferences** is presented like this:

Challenge	1st	2nd	3rd	4th	5th	6th	7th	Total
Lack of access to finance	40	30	25	20	15	10	10	150
Balancing work and family	35	40	30	15	10	10	10	150
Lack of business networks	20	25	30	35	20	10	10	150

Challenge	1st	2nd	3rd	4th	5th	6th	7th	Total
Gender discrimination	15	20	20	25	30	20	20	150
Legal/bureaucratic barriers	10	15	20	25	30	25	25	150
Lack of mentorship	20	15	15	20	25	30	25	150
Other	10	5	10	10	20	35	60	150

Garrett Scores Table (Standard Values)

Typical Garrett scores (for 7 ranks):

Rank	Garrett Score
1st	80
2nd	70
3rd	60
4th	50
5th	40
6th	30
7th	20

Calculation of Total Garrett Score for Each Challenge

Let's calculate **Lack of access to finance** as an example:

- $$\text{Total Score} = (40 \times 80) + (30 \times 70) + (25 \times 60) + (20 \times 50) + (15 \times 40) + (10 \times 30) + (10 \times 20)$$

$$= 3200 + 2100 + 1500 + 1000 + 600 + 300 + 200 = \mathbf{8900}$$

Using similar calculations for each:

Challenge	Total Garrett Score	Average Score ($\div 150$)	Rank
Lack of access to finance	8900	59.3	1
Balancing work and family	8800	58.7	2
Lack of business networks	8100	54.0	3
Gender discrimination	7250	48.3	4
Legal/bureaucratic barriers	6850	45.7	5
Lack of mentorship	6600	44.0	6
Other	5850	39.0	7

Interpretation

The Garrett ranking analysis reveals that the **rank 1** challenge faced by women entrepreneurs is the **lack of access to finance**, indicating significant barriers in obtaining startup or expansion capital. This is closely followed by **rank 2, balancing work and family**, reflecting the ongoing struggle many women face in managing dual responsibilities. The **lack of business networks** holds **rank 3**, showing that limited connections hinder growth and access to opportunities. **Gender discrimination**, at **rank 4**, still persists as a notable challenge, though it ranks slightly lower. Lastly, **legal barriers, lack of mentorship, and other issues**, which occupy **ranks 5 to 7**, are perceived as moderate challenges, suggesting they are less pressing but still relevant to entrepreneurial success.

Suggestions

1. Financial institutions and government schemes should simplify loan procedures and offer customized credit products for women entrepreneurs in Salem. Microfinance and self-help groups can be strengthened to provide easier credit access.
2. Encourage flexible working hours, childcare facilities, and family-friendly policies to help women effectively manage their business and family responsibilities.
3. Establish local women entrepreneur forums and mentorship programs in Salem district to facilitate networking, knowledge sharing, and guidance from experienced businesswomen.
4. Organize regular workshops and training programs focused on business management, digital marketing, and financial literacy tailored for women entrepreneurs to improve their competitiveness.
5. Awareness campaigns and sensitization programs should be conducted to reduce societal biases and promote gender equality in the business ecosystem.

Conclusion

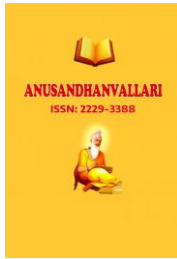
Women entrepreneurs in Salem District, Tamil Nadu, show promising potential with a strong presence of educated and motivated individuals entering the business landscape. However, they continue to face significant challenges such as limited access to finance, difficulties balancing family and work, and restricted business networks. Gender discrimination and bureaucratic hurdles further constrain their growth. Addressing these challenges through targeted financial support, skill development, and inclusive policies can significantly enhance the entrepreneurial environment for women in Salem. By fostering a supportive ecosystem that encourages networking, mentorship, and market access, Salem can unlock the full potential of women entrepreneurs, contributing to local economic development and women's empowerment.

Acknowledgement

The authors acknowledge and thank the Management of KSREI for providing Seed money to promote the Research. I express my sincere gratitude to all those people who have been associated with this assignment and have helped me with it and made it a worthwhile experience.

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