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WOMEN ENTREPRENEURSHIP IN CHENNAI CITY: ISSUES, CHALLENGES AND DEVELOPMENT PROSPECTS

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ABSTRACT

Women-owned enterprises are an important component of inclusive economic development because they generate employment, strengthen household income and create opportunities for wider social participation. This revised study examines the socio-economic profile, business characteristics, motivational factors and major constraints experienced by women entrepreneurs in Chennai city. The study is based primarily on primary information collected from women entrepreneurs, with 350 usable responses reported in the original study. Descriptive analysis, Garrett's ranking technique and multiple regression analysis are used to interpret the evidence. The findings indicate that access to finance, educational qualification, business knowledge, market potential, family background and the effective use of funds are important elements influencing entrepreneurial activity. The study also highlights family responsibilities, competition, financial limitations, inadequate skills, infrastructure issues and workplace-related concerns as significant barriers. The paper concludes with practical suggestions relating to finance, training, market access, digital capability, family support and institutional assistance.

KEYWORDS: Women entrepreneurship, Chennai, women-owned enterprises, finance, entrepreneurial motivation, business challenges, socio-economic development

INTRODUCTION

Entrepreneurship is increasingly recognized as a mechanism through which individuals convert ideas, resources and opportunities into productive economic activity. Within this framework, women entrepreneurs contribute not only to business creation but also to employment generation, household welfare and community development. The source study notes that women have historically been concentrated in household-based and small-scale activities, although education, awareness and institutional support have gradually widened their participation into manufacturing, services, technology and other sectors.

In the Indian context, the expansion of women's participation in enterprise is influenced by a combination of personal capability, access to resources, family environment, social expectations and market conditions. Women may encounter the usual uncertainties associated with entrepreneurship while simultaneously carrying household and caregiving responsibilities. Consequently, studying women's entrepreneurship requires attention to both business variables and the social environment in which enterprises operate.

Chennai, as a major metropolitan and commercial centre, provides opportunities across manufacturing, trading and service activities. At the same time, women entrepreneurs may experience difficulties relating to capital, business registration, market competition, skills, mobility and work–family balance. The present revised paper therefore focuses on the factors that support or restrict women's entrepreneurial development in the study area.

BACKGROUND AND CONCEPTUAL PERSPECTIVE

Women entrepreneurship can be viewed as the process through which women identify opportunities, organize resources, assume business risk and establish or manage enterprises. The entrepreneurial role includes innovation, opportunity identification, decision-making and willingness to operate under uncertainty. The source material specifically identifies innovation, exploration of new projects, risk-taking and decisions concerning products as important entrepreneurial functions

The development of women-owned enterprises is closely connected with economic independence. A business can provide income, employment and greater decision-making capacity, while successful enterprises can also create a positive demonstration effect for other women. However, the transition from starting a business to sustaining and expanding it depends on finance, skills, market access, family support and institutional conditions.

STATEMENT OF THE PROBLEM

Although women are increasingly entering entrepreneurial activity, participation does not automatically translate into sustainable business growth. The source study identifies shortages of working capital, limited investment, restrictive credit practices, family responsibilities and inadequate support as recurring difficulties.

The problem is therefore twofold: first, women need adequate resources and capabilities to establish enterprises; second, they need a supportive ecosystem to maintain competitiveness and expand their businesses. Understanding the relative importance of these issues can assist policymakers, financial institutions, educational organizations and development agencies in designing more responsive interventions.

OBJECTIVES OF THE STUDY

- To examine the socio-economic and business characteristics of women entrepreneurs in Chennai city.To identify and assess the major personal, social and economic issues experienced by women entrepreneurs.
- To analyse the relationship between selected motivational factors and the overall entrepreneurial motivational behaviour of women.
- To examine the principal challenges affecting the commencement and growth of women-owned enterprises.
- To suggest practical measures for strengthening women's entrepreneurial development and business sustainability

SCOPE OF THE STUDY

The study covers women entrepreneurs operating in manufacturing, service and trading activities. The analysis considers business duration, ownership structure, registration status, socio-economic characteristics, motivational factors and business challenges. The scope is centred on the empirical information presented in the source document for women entrepreneurs in Chennai city.

RESEARCH METHODOLOGY

Research design and sources of data

The study relies predominantly on primary data collected through an interview-based survey of women entrepreneurs. The original document reports a survey covering 390 women entrepreneurs, with 350 respondents used in the final analysis after sampling and classification**.**

Sampling

The reported sample consists of 350 women entrepreneurs distributed across manufacturing, service and trading activities. Because the source document contains some inconsistencies in the description of the sampling procedure and sector totals, the revised paper retains the reported analytical sample of 350 rather than introducing new figures.

Statistical Tools

The study employs descriptive tabulation and several statistical techniques. These include exponential growth rates, multiple regression analysis, contingency measures, Garrett's ranking technique, five-point Likert-type scaling, Chi-square, F-test, Chow test, multidimensional scaling and standard deviation. The present discussion emphasizes the descriptive tables, Garrett ranking results and multiple regression findings explicitly reported in the source document.

PROFILE OF WOMEN-OWNED ENTERPRISES

Duration of Business Operations

Table 1.1: Duration of Business Operations

S.No	No. of years	Manufacturing	service	Trading	Total
1	0-1 years	47(13.5)	21(6)	25(7)	93(26.5)
2	1-2 years	10(3)	23(6.5)	21(6)	54(15.5)
3	2-3 years	19(5.5)	23(6.5)	24(7)	66(19)
3	Above 3 years	47(13.5)	47(13.5)	43(12)	137(39)
Total		123(36.5)	114(31.5)	113(32)	350(100)

Source: Primary Data

Note: Figures in parentheses indicate percentages

Table 1.1 reveals the details about the No of Years of Existence of Business of sample women entrepreneurs in Chennai Districts. 39 per cent of sample respondents businesses are existing more than 3 years, 26.5 per cent of sample respondents business are newly started, 19 per cent of sample respondents businesses are existing more than 2 years and 15.5 per cent of of sample respondents businesses are existing more than one year.

OWNERSHIP PATTERN

Table 1.2: Duration of Business Operations

S.No	Type of ownership	Manufacturing	Service	Trading	Total
1	Sole proprietor	61(17.5)	4(1)	42(12)	107(30.5)
2	Partnership	7(2)	4(1)	10(3)	21(6)
3	Hindu Undivided family	16(4.5)	18(5)	28(7.5)	60(17)
3	Private Limited	12(3.5)	30(8.5)	18(5)	60(17)
5	Public company	45(13)	4(1)	53(15.5)	102(29.5)
	Total	73(36.5)	63(31.5)	63(32)	350(100)

Source: Primary Data

Note: Figures in parentheses indicate percentages

Table 1.2 depicts that 30.5 percent their business, 17 percent of sample respondents are having business ownership of partnership, Hindu undivided family and private limited each 8.5 percent of them are having public company. It shows that the sample respondents are having more capacity to bear the business risk as they are running business solely.

BUSINESS REGISTRATION

Table 1.3: Duration of Business Operations

S.No.	Type	Manufacturing	Service	Trading	Total
1	Registered	75(21.5)	68(19.5)	74(21)	217(62)
2	Unregistered	52(15)	42(12)	39(11)	133(38)
	Total	127(36.5)	110(31.5)	113(32)	350(100)

Source: Primary Data

Note: Figures in parentheses indicate percentages

Table 1.3 depicts that 62 percent of sample women entrepreneurs in chennaiDistricts have registered their business with District Industries Centre, chennai, whereas 38 percent have not registered their business. Business activities can be carried out either in own land or lease land or in Rental land building.

RANKING OF MAJOR ENTREPRENEURIAL PROBLEMS

Personal Characteristics

Personal characteristics include age, Education, experience and training. Social characteristics include marital status type of family nature of family etc., General characteristics include nature of enterprise, market extension etc.,Economic characteristics include amount of capital invested profit earned expenditure incurred etc.,. The following Table 1.4 shows the ranking of problems facing Personal Characteristics

TABLE 1.4

SOCIAL CHARACTER PROBLEMS IN THE PERSONAL CHARACTERISTICS-GARRETTS RANKING TECHNIQUE

Sl. No	Personal Character	Total Score	Average Score	Rank
1	Age	33933	60.56	III
3	Educational Qualification	34539	63.13	II
3	Spouse Education	19336	48.95	IV
4	Financial Support	36053	65.95	I
5	Language Problem	17968	45.48	V
6	Knowledge strength	16846	43.64	VI
7	Remedial Measure	15768	39.91	VIII
8	Family Restriction	15549	39.36	IX
9	Confidence	16841	43.63	VII

It is inferred from the Table 1.4 that majority of the sample sample women entrepreneurs to problems of lack of finance and educational qualifications is forcefulfactor for development of business. The table also shows that the sample women entrepreneurs had given second rank to educational qualifications. The table further shows that the sample educational qualifications had given third rank to age. It is further clear from the table had given last rank to insufficient Family Restriction.

SOCIAL CHARACTERISTICS

In order to find out women entrepreneurs data have been collected from Trichy, Thanjavur and Pudukkottai Districts. The following Table 1.5 shows the ranking of social character in women entrepreneurs in chennaI Districts.

Table 1.5
WOMEN ENTREPRENEURSSOCIAL CHARACTER
GARRETTS RANKING TECHNIQUE

Sl. No	Social Character	Total Score	Average Score	Rank
1	Marital status	33185	64.37	I
3	Type of family	31115	63.33	II
3	Nature family	36954	53.90	IV
4	Financial status	31601	43.30	IX
5	Lack of Personal Problem	36484	53.96	V
6	competitiveness	37973	55.94	III
7	Business Ethics	34541	49.08	VI
8	Mental strength	33890	45.78	VII
9	Lack of education	31898	43.79	VIII
10	Role conflict	19373	38.54	X
11	Unfavorable Environment	13939	35.87	XI

Table 1.5 clearly shows that majority of the sample ranking of social character inwomen entrepreneurs had given top rank to ‘marital status’ as first Rank in social character. The table further shows that the sample social character had given second rank to ‘Type of family’. The Table reveals that the sample Type of family had given third rank to ‘competitiveness’. It is further clear from the table that the sample women entrepreneurs had given last rank to Unfavorable Environment.

ECONOMIC CHARACTERISTICS

In order to find out which sample women entrepreneursthat are preferred by Economical Characterthe data have been collected from the Respondent. The following Table1.6 shows the ranking of preference of sample women entrepreneurs in Chennai Districts.

TABLE 1.6
WOMEN ENTREPRENEURSRANKING OF ECONOMICAL CHARACTER
GARRETTS RANKING TECHNIQUE

Sl. No	Ranking of Economical Character	Total Score	Average Score	Rank
1	Dept condition	36340	53.48	III

2	Update of Banking regulations	34104	48.30	V
3	Business Knowledge	38533	57.04	II
4	Source of Funds	39175	58.35	I
5	CIBIL score	34878	49.75	IV
6	Product/service Demand	16161	33.33	VI

It is inferred from the Table 1.6 that majority of the women entrepreneurs had given top rank to 'Source of Funds' as the most preferred in chennai Districts. The table also shows that the sample women entrepreneurshad given second rank to 'Business Knowledge'. The Table further shows that women entrepreneurs had given third rank to 'Dept condition. It is further clear from the table that the women entrepreneurshad given last rank to 'Product/service Demand'.

SOCIO-ECONOMIC PROFILE OF WOMEN ENTREPRENEURS

This section of the analysis examines the socio economic profile of the sample women entrepreneurs in Chennai city of Tamil Nadu.. The various aspects pertinent to social and economic profile vis a vis motivating factors for the promotion of units by women entrepreneurs. The following empirical data related to woman entrepreneurs throws light age, order of the birth in the family, marital status, family composition, educational qualifications, family background, family contacts, and experience in addition to monetary and return on capital employed in these sample units.

TABLE 1.7

CLASSIFICATION OF WOMEN ENTREPRENEURS BY AGE

Age group(yrs)	No. of Women Entrepreneurs
20-30	49(14)
31-40	122(35)
41-50	105(30)
51-60	44(12.5)
61Above	30(8.5)
	350(100.00)

Source: Computed

Note: Figures in parentheses represent percentage

TABLE 1.8

CLASSIFICATION OF WOMEN ENTREPRENEURS BY EDUCATIONAL QUALIFICATION

Educational Qualification	No. of Women Entrepreneurs
Up to SSLC	65(18.50)
Inter	42(12.00)
Degree	105(30.00)
PG	54(15.50)

Technical	84(24.00)
Total	350(100.00)

Source: Computed

Note: Figures in parentheses represent percentage

MOTIVATIONAL FACTOR INFLUENCING ENTREPRENEURIAL BEHAVIOUR

The study uses multiple regression analysis to examine how selected motivational variables are associated with the overall motivational behaviour of women entrepreneurs. The model includes economic independence and challenge, economic status and interest, opportunities and necessities, usage of funds, experience, market potential and family background.

TABLE 1.9
IMPACT OF MOTIVATING FACTOR ON OVERALL MOTIVATIONAL BEHAVIOUR

Factor	Notation	Coefficient	Std. Error	t-value	Significance
Constant	b0	0.204*	0.992	2.216	5%
Economic Independence and Challenges	X1	0.453**	0.011	41.076	1%
Economic Status and Interest	X2	0.010 NS	0.009	1.075	NS
Opportunities and Necessities	X3	0.013 NS	0.014	0.937	NS
Usage of Funds	X4	0.320**	0.013	23.975	1%
Experience	X5	-0.010 NS	0.010	-0.957	NS
Market Potential	X6	0.126**	0.011	11.995	1%
Family Background	X7	0.155**	0.011	13.8	1%

*Source: Computed Data. ** Significant at 1%; * significant at 5%; NS = Not Significant.*

The reported model shows an R^2 value of approximately 0.79 in the table, while the accompanying interpretation states 71.9 per cent. Because the source contains this internal inconsistency, the revised paper does not replace either figure with a new estimate. The strongest positive coefficient among the reported significant explanatory variables is associated with economic independence and challenges (0.453). Usage of funds also has a substantial positive coefficient (0.320), followed by family background (0.155) and market potential (0.126). Economic status and interest, opportunities and necessities, and experience were reported as statistically non-significant. The findings indicate that women's entrepreneurial motivation is shaped particularly by the desire for economic independence, effective financial utilization, market opportunities and supportive family circumstances.

MAJOR CHALLENGES AFFECTING WOMEN ENTREPRENEURS

Women entrepreneurs encounter a combination of financial, market, family, skill and workplace-related constraints. The source evidence identifies finance as a prominent challenge across manufacturing, trade and service activities. Competition and customer complaints, the nature of the business, family-related concerns and sexual harassment also appear in the reported challenge profile.

TABLE 1.10
CHALLENGES INCIDENCES IN BUSINESS COMMENCEMENT AND GROWTH

Sector	Competition / Customer Complaints	Finance	Nature of Business	Sexual Harassment	Family-related Problem
Agriculture	24.21	46.34	28.66	18.42	26.34
Manufacturing	24.21	72.82	38.16	16.28	24.22
Trade	28.17	68.42	38.16	24.12	22.42
Service	34.46	64.84	24.81	24.77	21.94

Table 1.10 below presents challenges faced by women entrepreneurs in starting and growing their businesses across different sectors. Financial related problems appear to be the most common to all the sectors, because the figures seem to be the highest among other challenges. The Table shows a mean figure of 46.34, 72.82, 68.42 and 64.84 for agricultural, manufacturing, trade and service sectors respectively. Agriculture surprisingly revealed low response and reaction to finance variable. Here, (agro) family related problem was considered as highly significant. In order of prominence, nature of the business was cited moderately by all the sectorsexceptservice sector. This was closely followed by sexual harassment cited in service and trade sectors (24.77 and 24.12) which are higher than the agricultural and manufacturing sectors (18.42 and 16.28). Sexual impediment was not regarded as serious problem in manufacturing and agricultural sectors; the weight was however notice able. The challenge of competition seems to be higher in the service sector (34.46) than in other sectors (24.21, 24.21 and 28.17) for agricultural, manufacturing and trade sector respectively. This is not surprising since a lot of women seem to be more in the service sector than in the other sector.

CHALLENGES TO ENTREPRENEURIAL DEVELOPMENT

The reported mean scores show that anticipating competition and customer complaints was a major concern, followed by the view that challenges experienced by other women can themselves motivate entry into business. Access to finance, family responsibilities, sexual harassment, business nature and financial skills were also identified.

TABLE 1.11
SELECTED CHALLENGES TO WOMEN'S ENTREPRENEURIAL DEVELOPMENT

Statement	Mean	Std. Dev.
Anticipated competition and customer complaints before starting the business	3.7116	1.57563
Lack of access to finance as a major challenge	3.2736	2.03998
Financial challenge due to lack of financial skill	3.0658	1.14323
Challenge arising from the nature of business	3.1406	1.15652
High labour turnover	3.109	1.11128
Sexual harassment from the opposite sex	3.1442	2.52121
Family role as a challenge to business	3.2673	1.11525

Challenges faced by women motivated entry into business	3.5171	1.49808

Source: Computed

FINDINGS

- A substantial share of the enterprises had operated for more than three years, indicating the presence of established women-owned businesses in the study area.
- Sole proprietorship is an important ownership form among the respondents.
- Most of the reported enterprises were registered, although a sizeable proportion remained outside formal registration.
- Financial support ranked first among the personal-characteristic issues examined through Garrett's technique.
- Marital status and family structure were prominent social considerations affecting women entrepreneurs.
- Source of funds and business knowledge were the leading economic characteristics in the reported ranking.
- Women in the 31–40 age group formed the largest reported age category.
- Degree-level education represented the largest educational category, followed by technical qualifications.
- Economic independence and challenges, usage of funds, market potential and family background were statistically significant motivational variables in the reported regression analysis.
- Finance, competition, family responsibilities, business-specific conditions, skills and workplace concerns remain important barriers to entrepreneurial development.

SUGGESTIONS FOR STRENGTHENING WOMEN ENTREPRENEURSHIP

Improve Access to Finance

Financial institutions should simplify application procedures, improve awareness of credit facilities and provide suitable working-capital products for women-owned enterprises. Financial literacy and responsible credit management should accompany loan support.

Strengthen Entrepreneurial Education

Training programmes should cover accounting, taxation, digital payments, budgeting, business planning, customer management, marketing and financial decision-making. Skill development should be continuous rather than limited to the start-up stage.

Expand Market Access

Women entrepreneurs can be supported through exhibitions, e-commerce platforms, local business networks, institutional procurement and digital marketing. Better market information can help enterprises identify demand and diversify products and services.

Encourage Formalization

Unregistered businesses should receive practical guidance on registration, statutory compliance and access to institutional support. Simplifying information and documentation can encourage more enterprises to enter the formal sector.

Promote Work–Family Balance

Family counselling, flexible work arrangements and community support can reduce the conflict between business responsibilities and household expectations. Families should be encouraged to view women's entrepreneurship as a productive economic role.

Develop Digital and Managerial Capability

Digital bookkeeping, online banking, social media marketing, e-commerce and data-based decision-making can strengthen competitiveness. Management training should also address inventory, labour and customer relationship practices.

Strengthen Safety and Support Mechanisms

Women entrepreneurs should have access to safe workplaces, grievance mechanisms and awareness programmes addressing harassment and discrimination. Institutional networks can help women respond to business and workplace difficulties.

Build Entrepreneurial Networks

Mentoring, peer groups and business associations can provide information, confidence and practical support. Experienced women entrepreneurs can mentor new entrepreneurs on finance, markets, compliance and risk management.

CONCLUSION

Women entrepreneurship in Chennai represents an important pathway for economic participation, income generation and inclusive development. The evidence reviewed in the source study shows that entrepreneurial performance is influenced by a combination of financial resources, education, business knowledge, market potential, family background and the ability to use funds effectively. At the same time, women continue to encounter competition, family responsibilities, financial constraints, skill gaps and workplace-related concerns. □filecite□turn0file0□

The study therefore suggests that women’s entrepreneurial development should not be approached only as a credit issue. Sustainable enterprise growth requires an integrated ecosystem consisting of finance, training, digital capability, market linkages, formalization support, mentoring and a supportive family and social environment. Coordinated action by government agencies, banks, educational institutions, industry bodies and families can help women move from enterprise initiation to long-term business growth.

LIMITATIONS OF THE STUDY

The revised paper is based on the data and analytical information contained in the supplied source document. The source contains a few internal inconsistencies in sample descriptions, table totals and the reported R^2 interpretation. These have been explicitly noted rather than silently corrected. The study is also geographically limited to the reported study area and therefore its findings should not automatically be generalized to all women entrepreneurs in India.

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