

# Factors deterring the progress of aspiring Women Entrepreneurs in North Chennai, India

Ameeta Fernando

A. Siluvai Raja

Loyola Institute of Business Administration (LIBA)

Loyola College Campus, Chennai, India

---

## Keywords

Indian women entrepreneurship, Bottom of the Pyramid, Financial Literacy, Government Schemes, Micro-finance, SHG

---

## Abstract

*Vyasarpadi (Chennai, Tamil Nadu, India) was considered a difficult locality to dwell in, given its history of crime and illegal activities. The women living here, have faced the brunt of the situation in more ways than one.*

*Purpose: Although today, the scenario has changed, it has been quite a challenge for the women of Vyasarpadi to realize their career dreams amidst the social issues that prevail. This study aims to understand the factors that are holding them down. The primary objective of this research is to determine if these women are willing to go the extra mile to pursue and achieve their business aspirations, through training programmes that are intended to empower them.*

*Design & Methodology: During an intervention with the Self-Help Groups in Vyasarpadi, a survey was conducted on the factors that affect the career prospects of these women with the objective of identifying solutions that can catapult them in the right direction. Around 85 women from the locality attended the intervention and discussed the roadblocks in realizing their entrepreneurial aspirations.*

*Results & Findings: By and large, the findings reveal that most women are ready to break their social stigma and inhibitions, age and family constraints to explore new venues for bettering their standard of living, independence, and financial/social status. The other two factors namely financial limitations (added to a lack of knowledge of government schemes) and lack of management training play a role in discouraging women from pursuing business opportunities.*

*Implications & Conclusion: Empowering women who are at the bottom of the pyramid takes planning and execution of deliberate measures from the State and Central Governments, implemented through transparent mechanisms and monitored rigorously and periodically through systematic audits. The paper concludes with recommendations for the future to uplift women in the bottom of the pyramid and transform them into entrepreneurs.*

---

## Introduction

For decades, Vyasarpadi has been considered notorious and infamous for crime and bloodshed (Selvaraj, 2012). Situated in North Chennai and known for its rowdy gangs, it was the seat of crime for several years. It is simple to assume that the women in the area would have faced the brunt of such crime and violence for a considerable period. Life is a battle for the women from the bottom of the pyramid in the North Chennai locality of Vyasarpadi. Shuttleing between household chores, small labours for a negligible income, raising children and grandchildren, managing the family income, standing in queues for rationed goods, putting up with difficult familial ties and relationships, evading the talk and judgements from the society around them: their day-to-day living realities put several of these women through existential crises several times within the same day. Strong as they are, what weighs them down emotionally is the fact that most of them are equipped with the ability and adeptness to acquire new skills and start new business initiatives but are not able to pursue their dreams due to various reasons.

These women already have the skills that are demanded of managerial roles. Whether it is financial planning, people management, or handling operations and logistics efficiently, their day-to-day

experiences have finetuned these abilities that would make them excellent managers. However, while they innately possess these qualities, there are several hurdles that they need to overcome in order to fulfil their aspirations. The uptick in women entrepreneurs can be clearly seen in recent times, but as long as there are planners, there must be provisions to aid them in their endeavours. This study identifies the reasons that are challenging the rise of these businesswomen and proposes possible solutions to the concerns that shroud their career opportunities.

## Literature Review

### Women Entrepreneurship in India

In a paper titled "What Decides Women Entrepreneurship in India?", Khokhar (2019) reports that affordable credit and participation in decision-making processes are factors that significantly enhance entrepreneurship for women in India. On the other hand, he says that the female literacy rate is not a significant contributor to this aspect. The study also reveals that there is no significant connection between infrastructure and entrepreneurship in the case of women (Khokhar, 2019).

In their paper "A Study on Trends Visible in Women Entrepreneur in India and Globally", the authors write that there has been considerable progress in the development-driven training given to women entrepreneurs within public policy and academic programs (Sulekha Munshi, 2011). While progress in terms of women beginning to dream of an enterprise of their own is definitely a positive trend, the transition from aspirations to reality remains a challenge when push comes to shove.

A study done by Ritwik Saraswat and Remya Lathabhavan indicate that in India, women-owned businesses are still a minority and the challenges faced by women entrepreneurs are often and significantly different from the hurdles faced by their male counterparts (Saraswat & Lathabhavan, 2020). The report brings out the dire need in the Indian context, especially in the rural systems, for women to be trained and incubated to realize their aspirations to start and own businesses for an increase in their socio-economic status.

Another study indicates that the biggest hurdles that deter the realization of business dreams of Indian women are their weak financial position, the difficulties in balancing work and domestic duties, absence of family support, and low literacy rate (Gulia, 2022).

### Women Entrepreneurship in Chennai, Tamil Nadu

In the paper titled "Major Issues and Challenges of Women Entrepreneurship in India - A Literature Review", the authors report that although Tamil Nadu features in the list of Indian states where the number of women entrepreneurs is high, entrepreneurship among Indian women remains disturbingly low despite the efforts by the Government to motivate women to start enterprises (Jayadatta S., 2021).

In another paper on the "Economic Problems of Women Entrepreneurs in Chennai Sub Urbans", the authors indicate that although women have definitely taken a step forward in terms of entrepreneurship initiatives, Indian women have a long way to go and are confronted by various inhibitions such as personal, financial and infrastructural problems (TeluSuvarna, 2019).

In a report on aspiring women entrepreneurs' awareness on the schemes offered by the government featuring financial help and training programmes, some very interesting patterns emerged which are discussed in detail by the authors. The findings of the study also reveal that women are more likely to become entrepreneurs before marriage (G. Lakshmi Priya, 2021).

Specific research on the entrepreneurial initiatives by women at the bottom of the pyramid in Chennai is limited due to the stricture of the theme.

## Objectives of the Study

In his book, "The Fortune at the Bottom of the Pyramid", C.K. Prahalad studies and discusses the ways and means through which poverty can be eradicated in developing economies through profit-making endeavours. While this has always been a challenge for everyone with the goal yet to be achieved, Prahalad's strategies give us an opportunity to view social entrepreneurship through a different lens, thereby creating a profit-for-all situation (Prahalad, 2005). Following his lead, an initiative was devised and implemented to promote entrepreneurship opportunities among the weaker and

marginalized sections of society, such as single women, domestic helpers, street vendors, transpeople and youth from the sections of society generally perceived as being backward to empower them and understand the factors that are preventing them from pursuing entrepreneurship as well as the remedial measures for the situation. One of the primary goals of the endeavour was to study the challenges faced by women in this region in terms of starting their own businesses.

The objectives of the present study are to identify:

1. The reasons why they are not able to pursue these entrepreneurship initiatives.
2. The domains (such as Tailoring, Catering, Beautician, Handicraft, Technology, etc.) in which the women of Vyasarpadi are interested in running businesses.
3. Their willingness to enrol in training programmes that will help them realize their business initiatives.
4. The strategies that social outfits and organizations would have to implement to empower the women from these Self-Help Groups to start their businesses.

### **Methods and Material**

The study was carried out during an intervention held for the women through the Self-Help Groups (SHG) of the area. The intervention was aimed at motivating them to empower themselves through training programmes that would help them be financially independent. There were 85 women who attended the intervention. A simple and easy-to-understand questionnaire typed in Tamil was circulated among the women, and for those who were unable to read/understand, guidance was provided. The women were informed about the purpose of the study, and their consent was sought before the answers were elicited from the participants. Out of the attendees, 75 willingly participated in the survey and those who were hesitant were not pursued further. The questions were in the form of multiple-choice questions, and the answers were entered into Excel sheets for further analysis.

The following analyses were performed on the data, given the nature of the study and the profile of the participants:

1. Descriptive analytics for demographics
2. Chi-square test for categorical variables
3. Analysis of Variance

### **Challenges in Data Collection**

There are several hurdles for researchers who would like to study the realities in the lives of people at the bottom of the pyramid: lack of education, and lack of infrastructure and facilities, to name a few. Especially while dealing with women at the bottom of the pyramid coming from recently transformed localities such as Vyasarpadi, the following concerns were the barriers to collecting more data from a larger pool of women:

1. Most of the women we worked with are uneducated or have dropped out of school. This means that any tool measuring their views and perspectives should be designed in the local language with very basic and comprehensible questions. While filling in the survey tool, help was provided to ensure that they understood the question and marked the relevant answer.
2. While several NGOs and voluntary groups visit places like this and offer to help, nothing drastic has happened to change their lives for the better; some of the women are indifferent when it comes to sharing information and, in a way, frustrated when asked anything beyond very simple information.
3. Even those of them who have mobile phones, have very basic ones with no internet access/Wi-Fi and hence the survey had to be conducted in the traditional print format with the group of women being walked through the purpose of the survey and convinced of the intention to provide need-based training, in business management aspects.
4. Most of these women are hard-pressed for time, to say the least. They are shuttling between household chores for their own families and the part-time work that they do as domestic helpers or labourers in some small enterprise; some of them mentioned that they had to take their grandchildren to school and bring them back (due to early marriages many of them turn into grandmothers of school

going children before they reach the age of 50). Hence, it becomes very difficult to sit them down with a list of questions, the benefits of which may not outweigh the costs, according to them.

## Results & Discussion

The women who participated in the survey were from different SHG in and around Vyasarpadi. The average monthly income of the households of the 75 women was found to be INR 13,152.77.

### Descriptive Statistics

The significant findings from a descriptive analysis on the responses furnished by the participants have been furnished below.

#### 1. *Deterrents to Entrepreneurial Initiatives of Women in North Chennai*

Over 38% of the women have indicated that they are not able to pursue their passions due to financial constraints. They do not have sufficient capital to invest in the resources and raw materials that are required to run a business. Additionally, most of them are not aware of the Government schemes and other opportunities that are in place to fund such micro-enterprises.

The second highest deterrent to these initiatives, according to these women, is a lack of training in management skills, domain expertise, financial concepts, technology elements and people skills. About 32% of the women surveyed fall into this category. Providing training for these women on the pivotal aspects of management and business administration could be a solution to their problems.

Time constraints, become a barrier to the establishment of their businesses. Over 18% of women mention that they do not have sufficient time to pursue their career opportunities. This could be because of the time that they spend working as domestic helpers in households, which is additional to their own chores such as cooking, cleaning, and taking care of their school/college-going children or working adults in their households.

The priority for most of these women seems to be taking care of the needs of the family, and they put their own prospects on hold due to their desperation to see their children in good stead in terms of education and career. Though only about 13% of the women said that lack of family support was the reason for them not initiating any business activity, this may be closely connected to the previous reason, which says they have enough time only to take care of familial needs, thus indicating a clear priority. Counted together, more than 30% of women attribute their lukewarm attitude towards pursuing business initiatives to familial reasons. Some of them openly mentioned that family members do not want them to look out for career options since it could mean that there would be no one to cook and do other household chores. Poor self-confidence seems to be a very unlikely deterrent to this aspect, since most of the women appear to be quite confident about their capabilities and are highly motivated in terms of career pursuits.

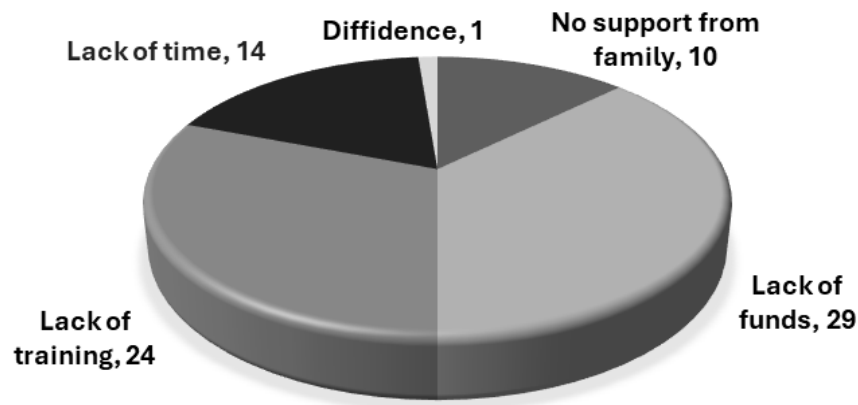


Figure 1: Reasons for reluctance in starting a business

### Business of Interest

As is evident from the below figure, a large section of the women in Vyasarpadi (44%) were interested in opening tailoring units. Most of them know tailoring but are not quite well-informed as to how to go about doing the business. They were not able to estimate the size, the investment and the challenges that go into running the business. Though they are very eager to learn, they lack a general sense of direction when it comes to handling a business on their own. Some of them are already involved in tailoring for their own and their family's needs.

The second most popular mini-business prospect for them is catering (25%). Since most of them know cooking and/or are occupied in neighbouring households for cooking, they are comfortable with the idea of implementing a catering idea as their business initiative. Furthermore, about 14% of them were interested in handicrafts such as wire bags, decorative items, and household goods, and around 10% were interested in acquiring computer skills.

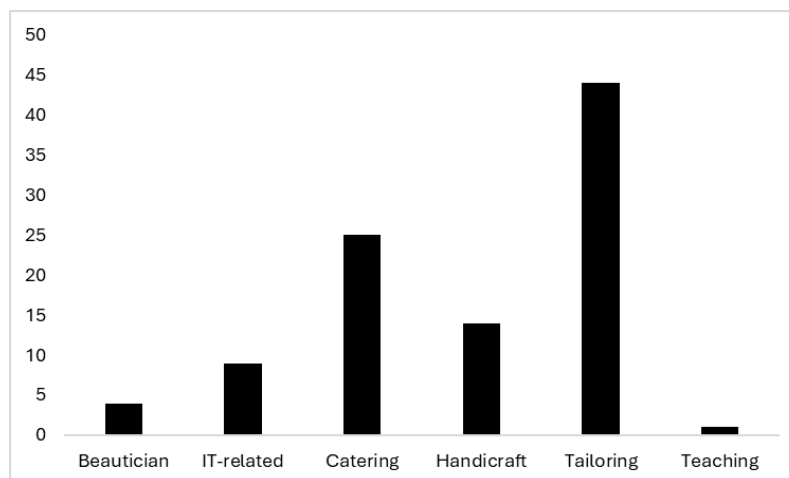


Figure 2: Business Interest

When asked if they would require training in their domain of interest, most of the women felt that they have sufficient domain skills, be it catering or tailoring. However, they felt that they needed training in management skills, namely, human resource management, supply chain management, finance basics and accounting skills, use of technology in small enterprises, time management, soft skills, people management and so on.

*Interest in training-enabled business start-up*

When asked if they would be interested in undergoing business administration and management training, 86% were eager to sign up for training in their area of interest and management concepts. While some of them felt that they lacked the orientation to pursue their area of interest, some others expressed that they have not yet even explored the various domains in which they could be interested.

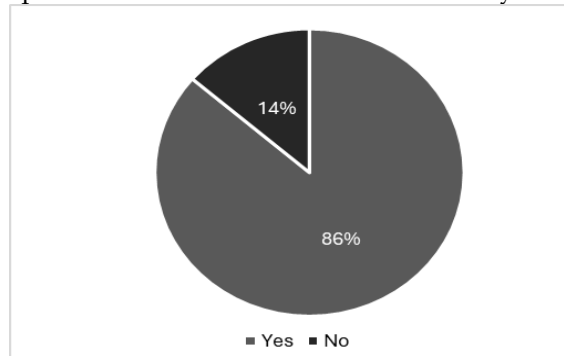


Figure 3: Interest in Business Management Training

The reasons for the lack of interest of some women who opted out of training could be attributed to the fact that some women see age and family duties as barriers to training. Thus, a test was performed to check if age and family size influence the interest that women show in signing up for training programmes. The assumption here was that the higher the number of family members, the greater the amount of workload in household duties.

*Eagerness shown by women to start businesses*

When asked about their interest in starting a mini business of their own, most of the women (93%) were open to the idea and were, in fact, eager to start a business on their own.

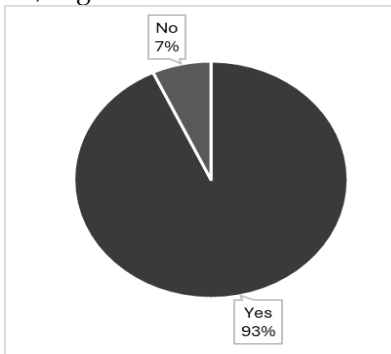


Figure 4: Interest in Entrepreneurial Initiatives

And when asked about the outcome they were expecting in the event of their entrepreneurial aspirations coming to fruition, most women expected to feel independent (financially, emotionally, socially) after starting their own business (38%). Overcoming their present financial crisis in the family was a close second (37%).

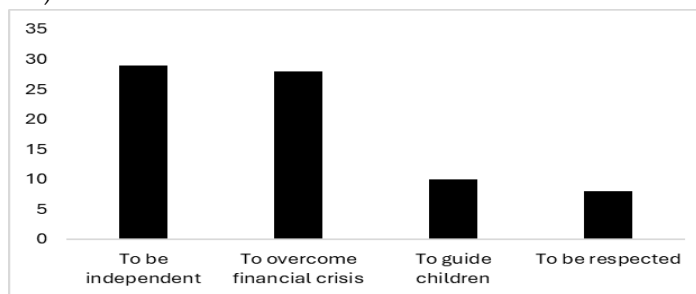


Figure 5: Why do you want to start a business?

## Chi-Square and ANOVA Results

### 1. Effect of Age and Family Size on Interest in starting a business

To ascertain if there is a relationship between the age groups of the women and their interest in business start-ups, a Chi-Square Test was performed between the women's age groups and their interest in starting a business. The p-value ( $p=0.8957$ ) indicates that **there is no significant relationship between age groups and their interest levels**. Irrespective of their age, women are very keen on pursuing business start-ups and are willing to take up training to nurture their entrepreneurial skills.

Likewise, an ANOVA that was performed to check if family size has a role in the eagerness women exhibited to become entrepreneurs ( $p= 0.2752$ ) revealed that there was **no statistically significant relationship between the size of their families and their interest in starting a business**.

### 2. Effect of Age and Family Size on the Reasons for starting a business

A one-way ANOVA performed between the outcome they expect from starting a business and the women's age ( $p=0.334$ ) indicates that **age does not have a bearing on the reasons** why these women would like to pursue entrepreneurial initiatives.

In a similar test done to determine the association between monthly income and reason for aspiring to become an entrepreneur, the results ( $p=0.494$ ) indicate that the **monthly income does not affect the outcome they expect from their business initiatives**.

However, when a one-way ANOVA was performed to check if family size had a bearing on their motivation to pursue business, the results ( $p=0.033$ ) indicate that **family size does seem to influence the type of difficulty that women want to overcome** (financial crisis, dependency, perceived lack of respect from others, not able to guide children) through business activities.

This is in fact evident from the table below that indicates the number of women who aspire for different outcomes from starting a business relative to their family size. We find that women from bigger families (3-member or 4-member families) are highly motivated to become independent and/or overcome financial instabilities. Women from 4-member families especially seem very focussed on overcoming these obstacles through entrepreneurial undertakings.

Motivation to start a business					
Family Size	To be independent	To be respected	To guide children	To overcome financial crisis	Total
2	4	1		2	7
3	10	1	2	3	16
4	12	2	5	17	36
5	3		1	5	9
6			2		2
7				1	1
<b>Total</b>	29	4	10	28	71

Table 1: Family Size Vs Motivation to start a business

It can be assumed from this table that women from families that have a size below 3 (2-member families) may not yet have felt the pressure of financial crisis, depending on the age of the spouse and self, the plans they have for children, the income of the spouse etc. It is likely that women from families which have more than 4 members may have an elder child who is already earning or on the verge of bringing in an income, which may lead to less pressure for the women to seek business opportunities.

## Recommendations

It is evident from the results above that none of the parameters that one would think would deter women from entering business matter anymore: not age, family background, or even educational status. Women, irrespective of their age, their background and family responsibilities are willing and open to the

idea of starting businesses in their own limited capacities. The real issue seems to be rooted in the fact that they do not have sufficient opportunities to receive orientation and training to pursue their business goals, the only other factor being financial constraints. The following strategies will help any NGOs or social outreach outfits to cater to the needs of the women in North Chennai:

#### **Awareness creation on Government schemes**

One concern emerged with the conversation with the women in North Chennai. They were not aware of the schemes initiated by the government (Centre and State) that could either fund their businesses or help them in any other way. The Government of India has put in place several such schemes such as the Mudra Loan for Women, Annapurna Scheme (specifically for women who would like to start a catering business), Bharathiya Mahila Bank Business Loan (that offers women entrepreneurs loans up to ₹20 Crores for working capital requirements, business expansion, or manufacturing enterprises) (Bajaj Finance, 2022) and so on.

Details of these schemes and the processes to avail them are available in The Women Entrepreneurship Platform (WEP), a portal that is hosted by the Government of India for this purpose specifically (Government of India, 2022). Additionally, the Tamil Nadu State Government has also put in place several schemes for women such as the Special Literacy Programme for Women, Additional Capital Subsidy for women, SC/ST, differently abled and transgender entrepreneurs, TABCEDCO/TAMCO schemes for people from the economically backward classes and so on (Spirit of Chennai, 2022). Apart from this, there are forums such as Women Entrepreneurs India that handhold and mentor women who are eager to start their own enterprises (Women Entrepreneurs India, 2022). These portals share several success stories of women who have had very humble beginnings and have been significantly successful in their careers (She at Work, 2022).

#### **Training on Business Administration and Management**

A fine-tuned business management course (like a mini-MBA) programme which covers management principles, including financial concepts, basics of accounting, technology for entrepreneurs, human resource management, marketing and advertising techniques, supply chain fundamentals, operations and logistics, people management, business communication etc, taught in Tamil (gradually making them articulate and communicative in English too) will greatly serve the purpose of transforming women in North Chennai (domestic helpers, street vendors etc) into businesswomen. Additionally, these women will also need motivational and inspirational sessions with case studies on successful women entrepreneurs, which could be built into the curriculum of such a mini-MBA programme. While there could be several challenges in implementing these kinds of programmes, since there will be very little profit to the institution that offers such courses, this programme could be considered as an Institutional Social Responsibility (ISR) of such business schools to realize their own commitment to society and could, in fact, help in their brand building.

#### **Micro-financing Initiatives**

As the only way out for these women to escape the clutches of poverty is through economic sustainability, micro-financial aid to the beneficiaries could be initiated and strengthened to lift this segment out of poverty and empower them economically. Private micro-finance institutions are not within reach as they charge 16%-20% interest on loans. A nominal interest model (with the support of the State and Central governments and banks) will encourage the women to start businesses and benefit from them. While options are available, awareness about these options is minimal among these women, as mentioned earlier. Campaigns on financial literacy, as well as proper implementation and execution of low-interest micro-finance models, could pave the way for these under-privileged women.

#### **Incentives for Small Businesses in preferred domains**

As discussed previously, the women in this area are greatly interested in pursuing ventures in tailoring, catering, and handicrafts. In addition to loans and financial aids, the government could explore options like subsidies for utilities that are required for running such businesses (water, electricity, etc.) as well as tax-related benefits. Introduction of such incentives might be the thing that could convince the

women that the benefits that they would reap from the endeavour are worth the cost of time and domestic responsibility.

### Limitations & Future Scope

1. The study covers a very small geography of North Chennai. But this locality is significant to a study of this nature, since it represents women who are in the bottom of the pyramid and who aspire to succeed as entrepreneurs.
2. The study was carried out during an intervention and therefore is limited in terms of sample size. Data was collected from the women who were willing to participate in the study during the intervention. A bigger sample may provide different insights.

### Conclusion

This study was the first of its kind to analyse in detail the problems that plague the aspiring businesswomen of the Vyasarpadi region of North Chennai. The primary challenges identified by this study in terms of women entrepreneurship are the constraints posed by capital and training. Implementing the recommendations made in this paper would be of great help in creating more self-made leaders and, apart from boosting the local economy, would be a step in the right direction towards addressing the gender imbalance among entrepreneurial ventures. Awareness of existing government schemes and initiatives led by organizations and NGOs, in addition to the facilitation of micro-financial aid, would greatly neutralize the first challenge. Furthermore, introducing the concept of Institutional Social Responsibility with a focus on training these women could greatly enhance their confidence and motivate them further to start their own ventures.

In sum, while these women already possess the determination to succeed and an abundance of managerial qualities, they face several challenges that, at times, may even be self-imposed. To even the scales and to create new leaders and entrepreneurs, it is necessary to first understand the issues mentioned above, scale it to larger geographical regions, and take the steps necessary to better the lives of Indian women who live at the bottom of the pyramid.

### References

- Bajaj Finance. (2022). Government Schemes for Women in India. Retrieved from [bajajfinservmarkets.in: https://www.bajajfinservmarkets.in/loans/business-loan/government-schemes-for-women-entrepreneur.html](https://www.bajajfinservmarkets.in/loans/business-loan/government-schemes-for-women-entrepreneur.html)
- G. Lakshmi Priya, D. S. (2021). A Study on Women Entrepreneur's Awareness about Government Schemes- Special Reference to Chennai District, Tamil Nadu. *International Journal of Management*, 55-83.
- Government of India. (2022). The Women Entrepreneurship Platform (WEP). Retrieved from [startupindia.gov.in: https://www.startupindia.gov.in/content/sih/en/government-schemes/Wep.html](https://www.startupindia.gov.in/content/sih/en/government-schemes/Wep.html)
- Gulia, D. S. (2022). A Study on Women Entrepreneurship in India. *Journal of Positive School Psychology* , 7845-7848.
- Jayadatta S., S. (2021). Major Issues and Challenges of Women Entrepreneurship in India - A Literature Review. *International Journal of Management and Information Technology*, 25-32.
- Khokhar, A. S. (2019). What Decides Women Entrepreneurship in India? *Journal of Entrepreneurship and Innovation in Emerging Economies*, 180-197.
- Prahalad, C. K. (2005). *The Fortune at the Bottom of the Pyramid*. NJ: Wharton School Publishing.
- Ritwik Saraswat, Remya Lathabhavan (2020). A study on Women Entrepreneurship in India. *Mukt Shabd Journal*, 3422-3432.
- Selvaraj, A. (2012, November 21). Vyasarpadi was home to goons for decades. Retrieved from *The Times of India*: <https://timesofindia.indiatimes.com/city/chennai/vyasarpadi-was-home-to-goons-for-decades/articleshow/17301422.cms>

- 
- She at Work. (2022). She at Work Tamil Nadu. Retrieved from sheatwork.com: <https://sheatwork.com/government-schemes-india/tamil-nadu/>
- Spirit of Chennai. (2022). Tamil Nadu Government Schemes (2020). Retrieved from spiritofchennai.com: <https://spiritofchennai.com/city/tamil-nadu-government-schemes-2020/#Government-Schemes-Womens>
- Sulekha Munshi, A. M. (2011). A Study on Trends Visible in Women Entrepreneur in India and Globally. *Asia Pacific Business Review*, 155-166.
- Telusuvarna, C. T. (2019). Economic Problems of Women Entrepreneurs in Chennai Sub Urbans. *International Journal of Innovative Technology and Exploring Engineering (IJITEE)*, 362-365.
- Women Entrepreneurs India. (2022). [womenentrepreneursindia.com](https://womenentrepreneursindia.com/). Retrieved from Women Entrepreneurs India: <https://womenentrepreneursindia.com/index.php>
-