

## Challenges Faced by Women Entrepreneur in Family Business- A Case Study of Faridabad City of India

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**Abstract:** Entrepreneurship is the act of being an [entrepreneur](#) or one who undertakes [innovations](#), finance and business acumen in an effort to transform innovations into economic goods. This paper draws women entrepreneurs in family business, and then identifies & addresses operational problems and challenges faced by women entrepreneurs in family business and how to mitigate those factors. Entrepreneurship is the state of mind which every woman has in her but has not been capitalized in India in a way it should be. Family Businesses are the most successful business enterprises all over the world and women's contribution to the economy in every country is significant. Usually women do not have formal roles or titles in family business and their efforts are often unrecognized. Unfortunately, little research has been conducted on family-owned firms headed by women. As boundaries between business and family tends to be unclear, women operating family businesses face a unique set of issues related to personal identity, role conflicts, loyalties and family relationships. Although, many of the earlier barriers to women's business success have been removed, yet some still remain.

This study is based on information obtained from survey which includes 100 Middle Class female respondents who have their family business but are not a part of their family businesses. Final analysis of the paper includes the challenges faced by women to enter into family business and the parameters essentially required to run a family business with their ranking.

**Keywords:** Economics, Business. Journal.

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## 1. Introduction

Family managed business employs half the world's workforce and generate well over half the world's GDP. In the U.S. 24 million family businesses employ 62 percent of the workforce and account for 64 percent of the GDP. In India it is estimated that 95% of the registered firms are family businesses. Moreover it is also estimated that presently women entrepreneurs comprise about 10% of the total entrepreneurs in India. It is also clear that this percentage is growing every year. If prevailing trends continue, it is not unlikely that in another five years, women will comprise 20% of the entrepreneurial force in India. As a part of this economic and social development it is clear that the role of women entrepreneurs is important. Like other family members women may also choose to work in family business but, women who choose to work in the family business often hear double messages: "*Dedicate yourself fully to the business, but give the family children*"; "*Be independent and behave like a businessman, but be dependent, take care of the family and be a mother*"; "*Don't take the business home, but let's talk shop tonight*". Role conflicts can be particularly acute.

Women in family business are a valuable, but mostly unrecognized and underutilized resource. When we appreciate and value the skills women possess and acknowledge them as different- not better or worse- than the skills men have, we can then apply this to our work as business consultants to enhance the effect of our strategies toward change in family business and moreover there is no doubt that worldwide most family businesses are built on the support and sacrifice of mothers, wives, grandmothers, sisters, and daughters. Women are inseparable part of society and stands nowhere behind men in her skills. But our male dominating society considers that, women should sit back at home rather entering into business especially when it comes to their daughters, wives or even mothers.

Barriers to women's entry into management exist across the globe, and in some areas of the world it is worse than in others. This can be mostly seen in south-East countries like Saudi Arabia, India, Afghanistan, Nepal etc. Despite recent progress in most countries, women's advancement in the business arena is very slow. Women face great restrictions and challenges to join family business such that, men by words or otherwise depress women capabilities for which they are forced to sit at home and not to interfere in the business affairs. Women are considered delicate, less challenging and emotionally fool, for which they are kept away from business and if taken into business then are offered non-challenging and less risky jobs with lower pay scales. In family firms, women have traditionally played many subtle roles: spouse, parent, in-law, family leader. Women are expected to move from the parental hearth to the husband's home and have very little opportunity to play any role in the company. This attitude of family made women to believe that they are ill-suited for leadership roles. But now this situation appears to have changed with the advancement of women education, exposure, growing role of government in women empowerment, etc. This made women

aware about their rights and responsibilities. Moreover, awaked families and society towards the positive impact that, women could make in business at particular and in economy in general.

### Literature Review

Holmquist (1997) points out that empirical studies of women entrepreneurs and the development of theories about women entrepreneurs is a neglected subject in descriptive & perspective research work. Baker et al. (1997) stated that surveys with focus on women entrepreneur still account for only 6-8 percent of international research into entrepreneurship. Brush (1992) concluded from the review of existing research that women's business leadership cannot be understood using traditional (male oriented) framework of business analysis.

A number of authors in the area of entrepreneurship theory have argued that there is a need to 'feminize' the research on entrepreneurship (Moore, 1990; Hurley, 1991; Stevenson, 1990; Fischer et al., 1993), since much is still not understood about the ways women contribute to entrepreneurship and the problems they face. As a result of lack of knowledge of women's contribution to entrepreneurship, public policies and programs to assist women to own and run their own businesses are likely to be misdirected.

Darrene, Harpel and Mayer, (2008) performed a study on finding the relationship between elements of human capital and self employment among women. The study showed that self employed women differ on most human capital variable as compared to the salary and wage earning women. The study also revealed the fact that the education attainment level is faster for self employed women than that for other working women. The percentage of occupancy of managerial job is found to be comparatively higher in case of self employed women as compared to other working women. However, the main difference lies in occupational and industry experience. The percentage of population running their family business is lower for self employed women as compared to self employed men.

Lall & Sahai, (2008), conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

Self determination, expectation for recognition, self esteem and career goal are the key drivers for taking up entrepreneurship by women (Moore & Buttner, 1997). Sometimes, women chose such career path for discovering their inner potential, caliber in order to achieve self satisfaction. It can also provide a mean to make best use of their leisure hours. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities.

The entrepreneurial process is same for men and women. However, in practice most of the upcoming women entrepreneurs face problems that are of different dimensions and magnitudes

than that faced by their male counterparts. These problems, generally, prevent these women entrepreneurs from realizing their potential as entrepreneurs. The major hurdles that the women face during starting and running a company generally come from financing and balancing of life. The balancing of life is caused due to lack of family support for the women. The other hindering external factors include gender discrimination, inaccessibility to information, training opportunities, infrastructure etc. Some internal factors like risk aversion by women, lack of confidence, lack of vision of strategic leader etc. can also create obstacles for the women entrepreneurship development.

**Statement of the problem**

This research is intended to conduct a comparative assess multi-dimensional issues and challenges related to women entrepreneurs in family business analysis of the status of women and men entrepreneurs in family business. The various variables that have been investigated in this research are demographic variables (age, marital status, education of self, parents and spouse, number of children), psychographic variable (self-esteem of women entrepreneurs have been assessed to understand the self concept of women entrepreneurs), the degree of commitment of women entrepreneurs towards their business (entrepreneurial intensity), entrepreneurial challenges in running the business and finally the future plans of women entrepreneurs for expansion.

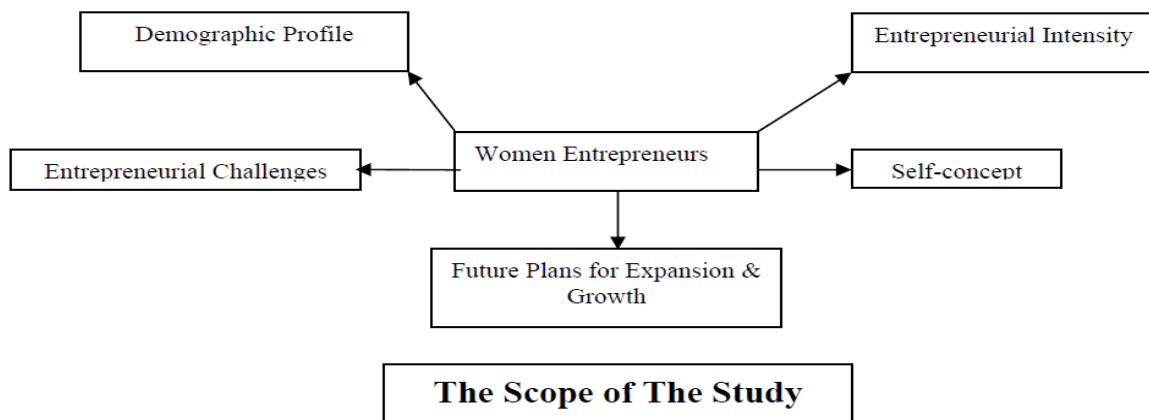


Figure1 Scope of the Study

**Need of the study**

In today’s scenario women is walking hand to hand with the men and is being considered equivalent to men in all respects. Women employment is also at increase, but still there is low rate of women’s participation in the family business. Women face great problems and restrictions to join or work in the family business, especially in northern region of India where people give more

importance to societal factors. These factors lead to be an obstacle or hurdle in the enhancement of women participation and growth in the family business. Women are traditionally being considered responsible for domestic issues and taking care of their family, for which professional career take a second place for them. Due to these obstacle women participation is at a decrease in the family business. So this paper reveals the factors restricting women, to enter into her family business.

#### **The Objectives of the study are**

- a) To analyze the challenges faced by women in pursuing her family business.
- b) To identify the ways to mitigate those challenges.
- c) Identifying the parameters essentially required in running a family business with their rankings.
- d) To make an evaluation of people's opinion about women entrepreneurship

#### **Research Methodology**

The sample data was collected from women who were working, housewives or those having their family businesses at Faridabad, a city in the Northern India. Convenient Sampling was used to collect the data from the women. The sample size used to conduct the research work comprises **100 female respondents** who were working, housewives or those having their family businesses. This study is primarily based on primary data. Data was collected with the help of structured questionnaire as primary source. The respondents were interviewed by using questionnaire at their homes/offices. This method is the most appropriate method to get the information as by visiting the respondents it is possible to have the appropriate knowledge about the conditions of the respondents. And the secondary data was also collected by way of library research (articles, journals, dissertations books, accessed database, etc.) for literature review. The Research design chosen for this research is exploratory and descriptive research design. After thoroughly considering the problem and the research objectives the researchers selected a two stage research design in stage one exploratory research design was used followed by stage two in which descriptive research design was used. The results have been presented in the tabular and graphical forms at suitable places.

## 2. Findings and Discussions

### Problems and Prospects of Women Entrepreneur into their Family Business

In India, women mentality is set since their childhood that family business is for the male. Therefore, women prepare themselves accordingly. Table 1 reveal that 40% of women are into service like teaching, banking or into corporate whereas 25% women are running business out of which only 4% women running their family business. Out of 100% respondent 30% women are housewives and rest 5% women are indulge into other activities like running NGO's, politics etc.

**Table 1:** Opinion of women regarding their Working

Opinion	No of women playing role			
	Service	business	Housewife	Others
Response	40%	25%	30%	5%

*Source:* Questionnaire Participants' Analysis.

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programs that will address to attitudinal changes, training, supportive services. It is necessary to change the mindset of the people by articulate the importance of women role in managing the family business.

**Table 2:** Opinion regarding that women be allowed to join the family business

Opinion	No of women playing role		
	Yes	No	can't say
Response	40%	25%	30%

*Source:* Questionnaire Participants' Analysis.

**Table 2:** reveals that 40% women wants to join family business if given a chance and trust shown by the family members, whereas 25% women are not in favor to join and run family business. They are in favor of establishing their own business, as they wanted to create their own identity. However 30% women are neutral regarding their role.

Table 3: Opinion regarding those males are still not comfortable to have a women as their boss

Opinion	No of women playing role		
	Yes	No	can't say
Response	70%	27%	3%

Source: Questionnaire Participants' Analysis.

Table 3: reveal that 70% agreed, 27% disagree & 3% women are neutral out of total women response. The male members of the family dominate in any decision-making in the family, particularly in Indian society. The male members of the family suppress the role of the female members, either for sentimental reasons or for lack of interest. Further, women in Indian society playing multiple roles in the family. Hence, she has to work hard to satisfy all the members in accordance with her different roles.

Table 4: Opinion regarding be the challenges/shortcomings faced by a woman in joining her family business

Opinion	No of women playing role			
	Conflict with Men	Lack of self confidence	Balance between family and work	More Emotional
Response	30%	60%	7%	3%

Source: Questionnaire Participants' Analysis.

Risk and returns are the two faces of the same coin, and both are closely related to each other in any enterprise. Therefore, entrepreneurs must have self -confidence to manage the risk and uncertainty involved in the investment. However, many women entrepreneurs lack self-confidence. The opinions of women regarding the challenges faced by them while joining the family business.

Table 5: Opinion regarding the biggest strength for a woman in heading her family business

Opinion	No of women playing role			
	Interactive	Better mentor	Planner	Manager
Response	23%	47%	19%	11%

Source: Questionnaire Participants' Analysis.

It is clear from table 4 that 60% of women face the challenge of lack of Interest, 30% women get into the situation of conflict with men, 7% women face difficulty in maintaining balance between family and work, whereas 3% women face the challenge to be being treated as more emotional.

**Table 5** : reveals about the biggest strength possessed by women to run the family business is better mentor supported by 47% , followed by interactive behavior response given by 23% women,19% women feel that women are better planner than men whereas 11% women that they can manage the business activities in much better way than men.

Table 6: Opinion regarding the rate a woman in terms of the following parameters essential to run a family business?

Parameter	No of women playing role			
	High	Medium	Average	Low
Education	15%	45%	30%	10%
Financial Position	65%	10%	5%	20%
Communication skills	50%	40%	5%	5%
Negotiation Skills	43%	27%	12%	18%
Age	10%	40%	50%	2%
Personality	69%	13%	13%	5%

*Source:* Questionnaire Participants' Analysis.

Management comes naturally to women. Be it home or the work place, she puts her 100% and enjoys whatever she does, and she also encourages and motives her family members, colleagues, friends, etc. Wherever she goes, she spreads her knowledge, virtues, love and affection. Today, she is no more confined to the four walls of her house, but playing an important role in entrepreneurship and business. In spite of having full of caliber and talent, still women face various challenges in order to run their family business.

In above Table, various parameters are shared with respondent and on the basis of ranking they have rated the various challenges faced by them. Out of 100% respondent , various responses are ranked by the women. Family members, if properly groomed, can be a source of great advantage in their understanding and also commitment to the business with equal educational opportunities for both daughters and sons, there is definitely a thought about utilising the core strengths that daughter's bring. Family size is shrinking. Joint families are becoming nuclear, resulting in a fall in the number of male heirs. "In many families it's a father and daughter like situation. And daughters are the heir apparent "The landscape is changing but I don't think it is changing fast enough."



### **Measures to remove the obstacles**

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitudinal changes, training, supportive services. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic growth and development of country.

The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise.

Adopting a structured skill training package can pave the way for development of women entrepreneurship. Such programmes can train, motivate and assist the upcoming women entrepreneurship in achieving their ultimate goals. Various schemes like the World Bank sponsored programmes can be undertaken for such purposes. The course design should focus on imparting input on profitability, marketability and practical management lessons. Besides, there should be consideration in helping the women entrepreneurs in balancing their family life and work life. As a special concern, computer illiterate women can be trained on Information Technology to take the advantage of new technology and automation.

The established and successful women entrepreneurs can act as advisors for the upcoming women entrepreneurs. The initiatives taken from these well established entrepreneurs for having interaction with such upcoming women entrepreneurs can be proved to be beneficial in terms of boosting their morale and confidence. It may result in more active involvement of women entrepreneurs in their enterprises.

Infrastructure set up plays a vital role for any enterprise. Government can set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities. However, precautionary measures should be undertaken to avoid the misuse of such facility by the men in the name of the women.

Even in today's era of modernization the women entrepreneurs depend on males of their family for marketing activities. This is simply because they lack the skill and confidence for undertaking such activities. Women development corporations should come forward to help the women entrepreneurs in arranging frequent exhibitions and setting up marketing outlets to provide space for the display of products or advertisement about services made by women.

### **Conclusion**

At last it is concluded that women are inseparable and valuable part of family and same is the case with family business, such that women have full right to be included in family business. The study

tried to find out the operational problems and challenges faced by women entrepreneurs in family business and how to mitigate those factors for women's involvement in family business at large. Issues have been identified through various review of literature. It is also recommended on the basis of the study to involve women in their family businesses for enhancement of business, so that the entrepreneurial skills of women can also be utilized.

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