

# Impact of Covid-19 on First Generation Women Entrepreneurs

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## Abstract:

**Covid-19 pandemic has not only affected the health of millions of people worldwide, but it has also affected the global economy. The hazardous disease has affected almost all the sectors. Entrepreneurs are not exception to this. Covid-19 has significantly affected their business. This research paper attempted to study the impact of Covid-19 on the First- Generation Women Entrepreneurs. From forty, FGWE data is collected and effect on business, morale and change they have experienced in their family is studied. This study reveals that, majority of their business have been affected due to lockdown, but even though they are FGWE their morale is high, they are positive and confident to bounce back in their business. They are also ready to explore the opportunity made available due to outbreak of COVID 19. It is observed that during this abnormal circumstance their family support remained same to stimulate their confidence.**

**Key Words: Entrepreneurship, First Generation Women Entrepreneurship (FGWE), COVID -19, Pandemic outbreak, Family Support.**

## 1. INTRODUCTION

World around is facing the pandemic crises caused due to a virus Covid-19 a deadly virus, which has brought all the nations in the world on their foot. The developed countries could not escape from the clutches of corona virus. Due to the spread of this pandemic, the increased number of cases of people affected by it has brought the situation of lockdown in all the countries of the world. Lockdown means complete shutdown where millions of people confined to their homes, where school, colleges, shops, workplace, business unit, and transport are completely closed. It means where in all the economic activities brought to standstill.

At one end where it was necessary to imposed lockdown in order to save the life of people, at the same time this had hit the economy of the various countries very badly. It has disturbed the social, religious, political, economic and financial structure of the countries around the world and brought the situation of 'global recession'. According to International Monetary Funds (IMF), the global economy is expected to shrink by over 3% in 2020- the steepest slowdown since the Great Depression of the 1930's. Developed countries like USA, UK, Russia, France, Italy, Spain, have been affected largely by coronavirus. These advanced economies have been hit harder and all together; they are expected to grow by -6% in 2020. The developing country like India has also not escaped from the attack of Covid -19 and since 21<sup>st</sup> March 2020, the first phase of lockdown was called on, and the economic recession of the country started. The World Bank and Rating agencies had initially downgraded Indian's growth for fiscal year 2021 with the lowest figure India has seen in three decades since India's economic liberalization in the 1990's. The impact of covid-19 has been so strongly felt that there has been a sharp rise in unemployment, supply chain has been disturbed, government income decreased,

tourism totally collapsed, and consumer activities are reduced.

Entrepreneurship is also one area, which is deadly affected due to the outbreak of pandemic. Since past few years, India has been giving lot of emphasis on starts up and with the outbreak of Covid-19, it has given a devastating blow to the new business also. Women Entrepreneurship is also the area where a very lot of initiatives were taken for their development and there was a growth of many new generation women entrepreneurs, who came up with new innovative ideas of business. This has also been affected by Covid-19.

First Generation Women Entrepreneurs are the ones who have started their enterprise on their own without having any business background. They have started business out of all odds and with a high level of risk. Being a women entrepreneur, it becomes more difficult for them to start any business on their own due to family pressure, financial stress, and societal taboos. Out of all these circumstances, many new generation women entrepreneurs have started their business successfully in past few years. However, due to the prevailing crises that India is facing due to Covid-19, these FGWEs are again facing challenges to bring their business back to routine.

In India, majority of the FGWEs are in unorganised sectors. Lockdown has affected everyone in the entire sphere; these women are also not aloof from it. As said earlier, these women have started their business out of all odds, through this research the researcher wanted to analyze how Covid-19 has affected the FGWE business, how is their family attitude towards their business now and how are they going to cope with this crisis in the coming future.

## 2. OBJECTIVES

- To study the effect of Covid-19 on the FGWE business
- To study the challenges that they will face post Covid-19 in their business
- To review and analyze attitude of family during and post lockdown period

## 3. STATEMENT OF PROBLEM

Worldwide everyone has felt the pinch of Covid-19 lockdown, whether it is a developed country or underdeveloped country, a big business unit or a small shop. All are facing the problem in their business, but as these are the FGWEs who have started their business with a lot of hard work, obviously the Covid-19 impact is going to be different for them. This situation must have not only affected them financially in business only but also emotionally and mentally at family level, therefore researcher thought to study its different dimension.

## 4. CONCEPTUAL FRAMEWORK:

- **Entrepreneurship:** It is a process where an entrepreneur comes up with a new innovative idea, undertakes risk and is always ready to exploit opportunity
- **First Generation Women Entrepreneur (FGWE):** FGWEs are the ones who start their business on their own without having any business background in the past.
- **Covid-19:** Coronavirus disease 2019 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The virus primarily spreads between people during close contact, most often via small droplets produced by coughing, sneezing, and talking.
- **Pandemic Outbreak:** A pandemic is a disease outbreak that spreads across countries or continents. It affects more people and more lives are put at risk than an epidemic
- **Family Support:** The support that family members extend to their loved ones and stand with each

other in good and bad times, for undertaking business activities.

5. HYPOTHESIS:

- H0: Nature of business does not have a significant effect on the priorities to be addressed first in business post Covid-19 situation
- H1: Nature of business has significant effect on the priorities to be addressed first in business post Covid-19 situation
- H0: Family support and morale of the FGWE are independent of each other
- H1: Family support and morale of the FGWE are dependent on each other

6. DATA COLLECTION

This research paper is based on primary data and secondary data. With the help of questionnaire data is collected from 40 FGWE who are engaged in various activities like food processing, caterings, beauty parlor and fashion designing.

7. DATA ANALYSIS AND INTERPRETATION

1. Age of Respondents:

Table 1

Age	Frequency	Percentage
20 to 30 years	1	2
30 to 40 years	23	58
40 to 50 years	14	35
50 to 60 years	2	5
	40	100

**Interpretation:** The analysis of the above data shows that more 58% of the FGWE are in the age group of 30 to 40years while 35% of the responds are in the age group of 40 to 50 years. The data shows that maximum women are young matured enough to handle the crises that occurs in business and are ready to bounce back in their business.

2. Nature of Business:

Table 2

Nature of business	Frequency	Percentage
Manufacturing	20	50
Service	13	33
Trading	7	17
	40	100

**Interpretation:** 50% of the FGWE are engaged in manufacturing business, while 33% of the women are engaged in providing services and 17% of the women entrepreneurs are into trading business.

3. Family Pattern:

Table 3

Family	Frequency	Percentage
Joint	28	70
Nuclear	12	30
	40	100

**Interpretation:** 70% of the FGWE belongs to joint family, while 30% belongs to nuclear family. Majority belongs to joint family which show that financial responsibilities have been shared by the family members, which has reduced some burden of the FGWE. At the same time as all other member of the family, especially

the working members are aware about problems and challenges, which is instrumental to financially. This has significant relived FGWE.

#### 4. Business Experience:

Table 4

Years	Frequency	Percentage
1-5years	15	38
5-10years	17	43
10-15years	7	17
15-20years	1	2
	40	100.00

**Interpretation:** 43% of the FGWE have started their business since last 5 to 10 years, it mean that they have a well flourished business, while 38% percentage of FGWE have started their business before years back, they are in process of stabilising their business in market. Most of the FGWE are into this business since 5 to 15 years therefore these women are experienced to judge market condition and are able to adjust with Covid-19 circumstances.

#### 5. Impact of Covid-19

Table 5

Response	Frequency	Percentage
Yes	33	83
No	4	10
Can't Say	3	7
	40	100

**Interpretation:** 83% of the respondent replied that they are affected by the outbreak of Covid-19 while 10% of them are not affected as their business came under the category of most essential items While 7% of the FGWE still cannot conclude whether they are affected by pandemic or not due to uncertainty and less experience.

#### 6. Impact Analysis

Table 6

Area affected	Frequency	Percentage
Finance	11	28
Availability of raw material	0	0
Supply of goods to customer	2	5
Management of employee	6	15
All the above	21	52
	40	

**Interpretation:** From the above data it revealed that more than half (52%) of the respondents has been affected very badly due to lockdown in almost all the area of business, may it be finance, availability of raw material or management of employee or supply of final goods to the customer. 28% of the respondent's business has been affected financially. Whereas 15% of the women has felt the problem of managing employees as many employees/ labours have left their job and went back to their hometown.

7. Impact on Sales

Table 7

Response	Frequency	Percentage
Yes	32	80
No	6	15
Can't say	2	5
	40	100

**Interpretation:** 80% of the respondents agree that sales have been decreased of product/ service since lockdown due to covid-19, while 15% respondents are of opinion that due to essential product and services there is no impact.

8. Post lockdown estimates (about bringing business back on track)

Table 8

Response	Frequency	Percentage
Yes	13	33
No	3	7
Can't Say	8	20
It's difficult	16	40
	40	100

**Interpretation:** Above data revealed that 40% of the responded think that it is going to be difficult for them to start their business again and bring back on track, while 33% of the respondents are confident enough that they will bounce back and start their business and bring it to the same height post lockdown.

9. Post Covid-19 priority area

Table 9

Response	Frequency	Percentage
Finance	12	30
Resuming production	5	12
Manpower	12	30
Market	11	28
	40	100

**Interpretation:** Lockdown has affected few businesses financially and hence 30% of the women have said that arranging finance in particular working capital which is very important for any business needs to be looked for. Lots of labours have gone back to their hometown 30% of the FGWE forced to look for the new works force to start their work and 28% of the FGWE will try to capture the market which they have lost during lockdown.

10. Impact on Morale

Table 10

Response	Frequency	Percentage
Affected	14	35
Not much affected	5	13
Not affected	15	37
Can't say	6	15
	40	100

**Interpretation:** In spite of the adverse effects of Covid -19, 50% FGWE respondents are positive that once the lockdown is lifted, they will be starting their business similar to pre Covid-19, 47% of the women moral is affected as they are worried about the challenges that they are going to face in post Covid-19.

## 11. Work Life Balance

Table 11

Response	Frequency	Percentage
Highly stressed out	5	13
Stressed out	14	35
Neutral	19	47
Less stressed out	1	3
No stress at all	0	0
No Response	1	2
	40	100

**Interpretation:** 48% of the women are highly stress out during this lockdown period as they have a fear of how to handle business after lockdown and the financial burden, whereas 47% of the respondents are neutral and are capable of maintaining work life balance.

## 12. Post Covid-19 priority area

Table 12

Response	Frequency	Percentage
Finance	12	30
Resuming production	5	12
Manpower	12	30
Market	11	28
	40	100

**Interpretation:** Lockdown has affected few businesses financially and hence 30% of the women have said that arranging finance in particular working capital which is very important for any business needs to be looked for. Lots of labours have gone back to their hometown 30% of the FGWE forced to look for the new works force to start their work and 28% of the FGWE will try to capture the market which they have lost during lockdown.

## 13. Impact on Family Support

Table 13

Response	Frequency	Percentage
Yes	6	15
No	27	68
Can't say	7	17
	40	100

**Interpretation:** Family support is always important for any women to start business. 68% of the respondent's family are giving the same support to them which they received earlier. The attitude of the family members over a period has changed. Even when these women have received a setback in their business due to lockdown their families decided to stand strong with them, 15% respondents have found that family members attitude changed, 17% are not vocal or finding out difficult to conclude, whether their family attitude has change or not.

14. Family support: Before, during and after lockdown

Table 14

Response	Frequency	Percentage
Yes	32	80
No	4	10
Can't say	4	10
	40	100

**Interpretation:** Data revealed that 80% of the respondent's families are very support in the lockdown period. It is very inspiring to see that the families are extending the same support and help to these FGWE which is very important for them to bring their business back on track.

8. HYPOTHESIS TESTING:

Hypothesis 1:

H0: Nature of business does not have a significant effect on the priorities to be addressed first in business post Covid-19 situation

H1: Nature of business has significant effect on the priorities to be addressed first in business post Covid-19 situation

Nature of business and area to be addressed first

Nature of Business	Which area will be addressed first?				Total
	Finance	Resuming Production	Manpower	Market	
Manufacturing	4	5	8	3	20
Service	4	0	2	7	13
Trading	4	0	2	1	7
Total	12	5	12	11	40

Chi-square Test

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.847 <sup>a</sup>	6	.031
Likelihood Ratio	15.242	6	.018
Linear-by-Linear Association	.249	1	.618
N of Valid Cases	40		

a. 9 cells (75.0%) have expected count less than 5. The minimum expected count is .88.

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Contingency Coefficient	.507	.031
N of Valid Cases		40	
a. Not assuming the null hypothesis.			
b. Using the asymptotic standard error assuming the null hypothesis.			

**Interpretation:** After applying the chi-square test of independence of two attributes at 5% level of significance calculated chi-square value is 0.031 which is less than 0.05. Based on calculated chi-square value, we reject null hypothesis and the alternative hypothesis is accepted.

It indicates that the nature of the business decides the areas to be addressed on priority basis during post covid-19 situation. These factors are dependent on each other and the correlation between them is statistically significant and is nearly 51%. In case of service industries priority is bringing back our own staff into action, while incase of manufacturing company cost control and minimising overheads is priority over normalising production cycle which clearly indicates areas of priority to be addressed differs from business to business.

Hypothesis 2:

H0: Family support and morale of the FGWE are independent of each other H1:

Family support and morale of the FGWE are dependent on each other

Family support and morale of FGWE in current situation

Is family giving the same support as before	How is the morale currently?				Total
	Affected	Not much	Not affected	Can't say	
Yes	13	3	10	6	32
No	1	0	3	0	4
Can't say	0	2	2	0	4
Total	14	5	15	6	40

Chi-square test

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	10.554 <sup>a</sup>	6	.103
Likelihood Ratio	11.362	6	.078
Linear-by-Linear Association	.215	1	.643
N of Valid Cases	40		

a. 10 cells (83.3%) have expected count less than 5. The minimum expected count is .50

Symmetric Measures

		Value	Approx. Sig.
Nominal by Nominal	Contingency Coefficient	.457	.103
N of Valid Cases		40	
a. Not assuming the null hypothesis.			
b. Using the asymptotic standard error assuming the null hypothesis.			

**Interpretation:** After applying the chi-square test of independence of two attributes at 5% level of significance calculated chi-square value is 0.103 which is higher than 0.05. Based on calculated chi-square value, we accept null hypothesis and the alternative hypothesis is rejected. With the strong support of the family, the morale of



these FGWE remained high. In some cases marginally it is affected due to other reasons like fear of failure, increase gap between expectation and actual performance etc. The loving and supportive family and caring attitude is the backbone of survival of these business activities.

## 9. CONCLUSION

Where world is bearing the pinch of lockdown carried due to Covid-19, these FGWE are not exception to this. Their business has been affected, their sales have decreased, and production has come to stand still due to non-availability of either raw material or manpower. As a FGWE they have a fear that they have to start their business again facing various challenges as they faced in earlier stage of start-ups and bring back to that level which they have achieved after so much of struggle and this is where they are finding their morale down. In spite of all this their family members are extending them same support which they have given earlier. They understand the situation that the whole world is facing this problem and their daughter or daughter in laws business is not different from it. So, they understand the market conditions and hence are supporting them. This is what is motivating these new generation women even in the crisis's situation. For any women to do anything on their own is not possible without family support and that is what these women have received. Infact there are women who think that lockdown has given them the break to think something more innovative in their business. This shows the positive attitude that a woman always has in every situation. Many are of the view that though there are challenges, but they can be converted into opportunities. One of the FGWE who was into organic farming grabbed the opportunity and started selling organic vegetables online. Lockdown has certainly rejuvenated them to think out of the box, and that is what our government is now expecting to do i.e. '*atmanirbhar bharat*'. To conclude the data reveals that the FGWE though are new in the business world and have got some setback in business due to lockdown, but most of them are positive enough and are ready to explore the new market which India is going to develop post Covid-19.

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