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Macro Level Analysis of Women Entrepreneurship

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Abstract:

“When woman moves forward, the family moves, the village moves and the nation moves”. These words of Pandit Jawaharlal Nehru are often repeated because it is an accepted fact, that only when women are in the main- stream of progress can any economic and social development be meaningful. Awareness amongst women has definitely led them to participate in work. The decadal trends of work participation ratio of Indian women has revealed that while it was 14.22 percent in 1971, it increased to 19.67 percent in 1981 and 22.73 percent in 1991 and 25.60 percent in 2001. As per the census of India (2001) about 127.22 million women constituting 25.6 percent of the total female population of India are employed, majority of them are in rural areas. Women entrepreneurs presently comprise about 10 percent of the total number of entrepreneurs in India. The pace of modern economic growth provides an ample scope for expansion of employment opportunities for women. Macro level analysis of my paper depicts that women comprise near about 50 percent of the total population but only 10 percent of the women are working in industry, service and trade sectors, which is very less but it exactly matches with the micro level analysis as well.

Keywords: *women entrepreneurs, economic and social development, macro level analysis, micro level analysis*

1. Introduction

It is observed that from pre-history to Indus Valley Civilization of Harappa and Mohenjo-Daro women in India were found to have enjoyed equal status with men. Gandhi observed, “Women Power” has abundant potentiality and could be used most advantageously for rehabilitation. It was a matter of pride that in the dawn of the 20th century, the Indian women was far more advanced than many of her counterparts in the western countries. The right of women to be employed in India has been duly recognized under Articles 16(1) and 16(2) of the constitution ensuring equal opportunities to them without discrimination on the ground of sex.

2. Review of Literature

While a good number of studies have so far been conducted on different dimensions of entrepreneurship by the scholars of diverse discipline such as economics, sociology and psychology, the studies on women entrepreneurs are not many. The fact that women entrepreneurship in India is a grey area as only recently Indian women have started entering the manufacturing field. Though the number of women in the service, and professional sectors is now not small but business sector is still terribly underrepresented.

Vinzey’s study (1978) is one of the earlier studies done on women entrepreneurs in the country. The study, which covers fifty odd industrial units of Delhi, brings out some useful and meaningful conclusions, regarding social, psychological and economic problems of women entrepreneurs.

Iyer’s book “Women Entrepreneurship: Challenges and Strategies” (1991) is a good piece of work on women entrepreneurs which attempts to identify problems that women have to face as entrepreneurs and suggests that strategies to remove them.

Prasen and Sanchitra Devi (1997) in their studies of business women of Manipur have found that a number of women’s organizations have motivated and encouraged women to become entrepreneur and to start their own businesses.

Dr. Indira Mishra (2000) in “Poor Women-Loan and Employment” has thrown light on the role of women in Indian economy. Mrs. Mishra is of the opinion that economic activities of women improve their social status in the society

Basant Desai (2004) is his book “Dynamics of Entrepreneurial Development and Management” has described the position of the development of women entrepreneur in foreign countries. According to Mr. Desai, the number of women entrepreneurs during 1977 to 1983 in USA increased by 56 percent

2.1. Women as Entrepreneurs

Women carry out a double burden of work as they cope out entirely with domestic work and childcare, in addition to their full involvement in their income causing activities. Everywhere women work longer hours than men. Women have as much potential as men to contribute to the overall economic and social development of our county. Awareness amongst women has definitely led them to participate in work. The decadal trends of work participation ratio of Indian women have revealed that while it was 14.22 percent in 1971, it increased to 19.67 percent in 1981 and to 22.73 percent in 1991 and to 25.60 percent in 2001. As in other spheres, Indian women have not lagged behind even in economic and industrial activities. A woman leads one of the biggest shipping companies, and

some of our biggest trading and export houses have women at the helm of affairs. Garment and handicraft exports are primarily in the hands of women, whether as designers or fabricators.

The contribution of the exclusive women's co-operation- Shri Mahila Griha Udyog Lijjat Papad to the production and marketing within the country and abroad of food products is a unique example of the Indian women's contribution to exports.

The latest available information on occupational pattern of female employees in private and public sectors of our country reveals that the female share employment in the occupational division and related worker's in public sector accounted for 47.9 percent which was the highest in comparison to 32.2 percent female share of employment reported in 'professional technical and related workers division' and 15.15 percent female share of employment found in 'production and related workers, transport equipment operators and labourers occupational group'. The participation of women into administrative, executive and managerial group of occupations was found to be of the order of 8.0 percent in this sector. The occupational division of 'sales workers' of women was found to be 1.6 percent, which was the lowest of all the occupational divisions in public sector. In private sector, the employment of women in the occupational division of 'professional, technical and related workers' accounted for 27.1 percent, which was the highest. The second largest occupational group of women in this sector was 'service worker's which constituted 12.2 percent. The lowest occupational group represented by women in this sector was 'administrative, executive and managerial worker's group which constituted 3.3 percent of their total employment.

2.2. Women Labour in India

Women constitute a significant part of the work force of India but they lag behind men in terms of level and quality of employment. The Census of India 2001, has registered 25.60 percent of female population as workers numbering 127.22 million in absolute terms out of a total female population of 496 million. The majority of women workers are employed in the rural areas. Amongst rural women workers, 87 percent are employed in agriculture as labourers and cultivators. Amongst the women workers in the urban areas, 80 percent are employed in unorganized sectors like household industries, petty trades and services building and constructions, etc. The employment of women in the organized sector (both public & private sectors) as on 31st March, 2002, was about 4.935 million. This constitutes of 17.8 percent of the total organized sector employment in the country. The distribution of women employees in major industries reveals that community, social and personal services sectors continued to absorb the majority of women employees. The lowest employment of women was noticed in electricity, gas and water sectors, in factory and plantation establishment women workers constituted, 10 percent and 5 percent respectively of the total workers in 2000. In mine establishments, women workers constitute 5 percent of the total workers in 2000. The main focus of the policies of the Government with regard to women labours has been to remove the handicaps under which they work, to strengthen their bargaining capacity, to improve their wages and working conditions, to enhance their skills and to open up better employment opportunities for them.

2.3. Female Workforce in Informal Sector

According to the findings of 61st round of the survey by the National Sample Survey Organization (NSSO) on "Informal Sector and Conditions of Employment in India", the share of female workforce in the informal sector (both proprietary and partnership enterprises) in urban India has declined by 5 percent points between 1990-2000 and 2004-2005. This fall is largely due to decline in employment in proprietary female enterprises. In urban India, the proportion of female casual labourers declined by nearly 3 percentage points, from 72 percent in 1990 to 69 percent in 2004-2005. Among male casual labourers, the proportion increased by nearly 11 percentage points during the same period. However, in rural areas, rise in proportion of casual labourers has been observed for both males and females. For females, the rise has been slightly higher.

Between 1999-2000 and 2004-2005, although the overall increase in the proportion of informal workers in the non-agricultural sector was around 7 percentage points in rural and 4 percentage points in urban areas, there were many sectors where the employment of 10 percent has risen more than All-India figure. Such industrial divisions in rural India were community, social and personal service activities, transport, storage and communications. It is worth noting that this NSSO survey conducted during July 2004 to June 2005 had included 79,306 rural households and 45,374 urban households spread over 8,128 villages and 4,602 blocks.

2.4. Women Workforce in Rural Areas

The country may be marching towards development and getting increasingly globalize, but when it comes to the lot of almost half its population-women-conditions are still far from encouraging for their growth and development. Despite increased globalization and hence job creation, there has been a shocking decline in the number of women working outside homes in the rural areas.

According to the 58th Round Survey of NSSO, the female workforce participation rate in rural areas declined to 281 per thousand to 299 in the 55th Round. In urban areas, while there was an increase in the number of working women, it was very marginal-from 139 to 140 per thousand.

It has been acknowledged that though women constitute 49.65 percent of the country's total population, they still continue to suffer many disadvantages compared to men. These could be in areas such as literacy rates, labour participation rate and earnings. While the survey does list eight broad initiatives being taken to improve women's lot in India, no time frame or specific goals have been set for ensuring that women are not discriminated upon.

The survey found that the number of women employed in the organized sector both public and private stood at 4.95 million on March 31, 2002, which is about 18.1 percent of the total organized sector employment in the country. While the least number of employed women work in sectors such as finance, insurance, and real estate (5.2 percent), the maximum is employed in community social and personnel services (56.5 percent). Manufacturing sector employed 20.6 percent women followed by 9.4 percent in agriculture and

allied occupations. The survey found that the proportion of women in organized sector employment is higher in states with higher female literacy.

2.5. Need to Develop Women Entrepreneurship

The different Entrepreneurship Development Programmes are started by the Government of India to enhance the role of women in the economic development. They are discussed as follows:

2.6. Schemes Launched by Central and State Government for the Development of Women.

- Prime Minister's Rozgar Yojna (PMRY)
- Jawahar Rozgar Yojna
- Innovative and Special Employment Scheme
- Employment Assurance Scheme (EAS)
- Self-Employment to the Educated Unemployed Youth (SEEUY)
- Nehru Rozgar Yojna
- Mahila Samridhi Yojna
- Mahila Coir Yojna
- Raj Rajeshwari Mahila Kalyan Yojna
- Indira Mahila Yojna
- Support to Training and Employment Programme for Women (STEP)
- National Policy for the empowerment of Women
- Employment and Income Generation-cum-Production Units (NORAD)
- National Resource Centre for Women
- Panchdhara Yojna
- Apni Beti Apna Dhan Yojna
- National Commission for Women

2.7. Rural Area Development Scheme

- Rural Unemployment and Poverty Elimination Programme.
- Swarnajayanti Gram Swarozgar Yojna. (SGSY)
- National Rural Employment Guarantee Programme (NREGP)
- Sampoorna Grameen Rozgar Yojna (SGRY)
- Rural Employment Generation Programme
- Rural Women Development and Empowerment Project
- Jawahar Gram Samridhi Yojna (JGSY)
- Rural Landless Employment Guarantee Programme (RLEGP)

2.8. Urban Area Development Scheme

- Swarna Jayanti Sahari Rozgar Yojna (SJSRY)
- Urban Unemployment and Poverty Eradication Programme
- Schemes for Integrated Development of Small and Medium Towns (IDSMT)
- Scheme of Infrastructural Development in Mega Cities
- Self-Employment Programme for the Urban poor (SEPUP)
- Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP).

2.9. Financial Assistance Rendered for the Development of Women Entrepreneurs

- Cent Kalyani of Central Bank of India Credit Schemes
- Small Industries Development Bank of India (SIDBI)
- National Bank for Agricultural and Rural Development (NABARD)
- Rashtriya Mahila Kosh (National Women Fund)
- Regional Rural Banks (RRBs)

2.10. Institutions Providing Support for the Development of Women Entrepreneurship in India

- Federation of India Women Entrepreneurs (FIWE)
- Consortium of Women Entrepreneurs of India (CWEI)
- Federation of Ladies Organization (FLO)
- Women's India Trust (WIT)
- Development of Women and Children in Rural Areas (DWCRA)
- Self-Employed Women Association.

- Association of Women Entrepreneurs of Karnataka (AWAKE)

2.11. Grass Root Entrepreneurs through Self-Help Groups

A scheme for entrepreneurship is the Self-Help Groups (SHGs), which enables the rural poor to earn their own livelihood besides participating in the process of development. The SHG Scheme has been extensively used by voluntary agencies for a long time but it has been incorporated in the conventional development programme only recently. As of now, there are 2,60,000 SHGs in India of which 20,000 are in Madhya Pradesh alone.

In a SHG, the women are organized into small groups. The group meets regularly, initially for awareness generation. After selecting a specific project, some of the members of the group leave for training. Regular and timely attendance at meetings becomes very important at this stage and the quantum of weekly saving is decided upon. Each member is expected to contribute and participate. The initial contribution is made either by an NGO, or a funding agency or the Government.

The role of NGOs is vital and a brief review of the credit-based NGO activities suggests that they can be classified into four categories:

- NGOs which act as financial intermediaries between government schemes and poor.
- NGOs which lend directly to the poor
- NGOs which promote self-help thrift and savings groups.
- Non-Government Cooperative banks for the poor.

The Self-Help Groups bank linkage programme continued to be the main micro-finance model by which the formal banking system reaches the micro-entrepreneurs (including farmers). Launched in 1992 as a pilot project, it has since proved its efficacy as a mainstream programme for banking by the poor who mainly comprise the marginal farmers, landless labourers, artisans and craftsmen and others engaged in small business like hawking and vending in the rural areas. The main advantages of the programmes are timely repayment of loans to banks, reduction in transactions costs both to the poor and the banks, doorstep "saving and credit" facility for poor and exploitation of the untapped business potential of the rural areas. In all 498 banks (50 commercial banks, 96 amalgamated RRBs and 352 cooperative banks) are actively participating in the programme. As on December 31, 2007, bank loan of Rs. 20114 crores were availed of by 30.51 lakh SHGs. The average bank loan availed of per SHGs and per family amounted to Rs. 65,924 and Rs. 4,708 respectively. The outreach of the programme has enabled an estimated 427 lakh poor households to gain access to micro-finance from the formal banking system.

3. Findings

Findings are as follows:

- The number of women entrepreneurs is highest in service sector followed by industry and trading activities as is evident that 37 percent of women entrepreneurs are engaged in service sector, 35 percent of women entrepreneurs are in industries and 28 percent are engaged in trading activities.
- It has been observed that 72 percent of the women entrepreneurs are Hindus, 12 percent are Sikhs and 08 percent are Muslims and Jains. Christian representation is very dismal.
- It has been observed that before coming in present occupation only 25 percent of women were employed and about 75 percent of women were unemployed. Thus, it shows that maximum number of women were unemployed before coming in present occupation.
- It is clear from the analysis of age construction regarding women entrepreneurship that maximum number of women entrepreneurs lies in the age group of 25-40 (41.05 percent) followed by the age group of 40-45 (40.5 percent) and 10.5 percent at the age of more than 55 years. A very small number of women entrepreneurs falls at the age group of less than 25 years.
- It has been found that the number of graduate women entrepreneurs was 27.5 percent while the number of post graduate women entrepreneurs is 25 percent. The number of trained women entrepreneurs is 40 percent. It is clear that majority of women entrepreneurs are highly qualified and trained. Trained women entrepreneurs qualify easily for selection in Government schemes and for loans from banks. Women entrepreneurs are of the opinion that the training before or after the establishment of industrial units help them to establish their business well and conduct it properly.
- Only 4 percent women entrepreneurs have been seeing the help regularly whereas about 52 percent of women entrepreneurs had reported that they contacted the agencies for the help occasionally. As many as 44 percent of women entrepreneurs informed that they had never made use of such services. Interestingly quite a large number of women entrepreneurs did not have any knowledge of such agencies.
- It has been discovered that the entrepreneurs under study have a moderate aspiration level. On a zero to hundred scale of aspiration level, men's score was 48.5 and women entrepreneurs had scored 42.8. Men entrepreneurs are relatively more ambitious than that of women entrepreneurs but the difference between the two happened to be nominal. The aspiration level here had been measured in terms of the perception and inclination of the entrepreneurs to expand and multiply their business, the level of commitment and utilization of the capacity and the available resources financial or otherwise marketing space and many other such entrepreneurship related activities.
- Women entrepreneurs are spending their time marginally lesser than that of men entrepreneurs. The former is spending 8.30 hours, whereas 9.30 hours are spent by the latter. The women entrepreneurs reported that they had to leave the place of business a little earlier as they have to look after some responsibilities of normal routine back at home.

- It is evident that 56 percent women entrepreneurs are the establishers of their units while 40 percent are running the units established by their husbands. About 4 percent of women entrepreneurs are the owners of the business concerns which were established by the persons other than their husbands. They were generally father of fathers-in-law. Thus, about 60 percent of women entrepreneurs in the field were not the initiators but were only looking after the units.
- The women entrepreneurs are marketing their output largely in local market as is evident that 42 percent of the women entrepreneurs market their products at the city level followed by 30 percent at the district level, 20 percent at state level and only 8 percent at the national level. This is due to the lack of awareness among women and lack of communication and transportation facilities. Thus, efforts should be made to encourage the women entrepreneurs to market their output in organized markets at national level so that they may get the appropriate price and earn reasonable profit.
- About 26 percent of women entrepreneurs had experienced difficulty in running their business because they had to carry out their household responsibilities side by side.

4. Conclusions

After a detailed study of the subject, the following conclusions have been drawn:

1. The rate of women employment is systematically on the increase. The rate of women employment is greater in urban areas than that of rural areas. The percentage of working women in rural areas is greater than that of urban areas, because a lot of women in rural areas are engaged in agricultural work.
2. Women entrepreneurship programmes are in progress in order to make women independent by giving them more and more employment. With the help of these programmes, women can get employment themselves and create opportunities to get employment for other as well.
3. Women have got jobs through women entrepreneurship schemes. 51.39 percent women entrepreneurs are satisfied with their income and the output and they feel that objective behind their opening the unit has been fulfilled.
4. Since the percentage of satisfied women is 51.39, we can say that nearly 50 percent women are not satisfied with their performance. Thus, an inference can be drawn that women entrepreneurship programmes sponsored by the government and the nationalized banks have only partially been able to achieve the target.
5. Problems related to women entrepreneurship development are the problems of establishing the unit and managing it properly. Choice of the occupation, the attitude of the society towards women, want of capital, the problem of venue, lack of information regarding raw material and corruption are the main problems of entrepreneurship.
6. Women entrepreneurship programmes have been successful in giving and creating job opportunities for the poor and low income group women. These programmes have helped them establish their units. With this, women empowerment and women's independence like objectives are being fulfilled. Women are getting equal opportunities. They are contributing in the social and economic development of the nation. Unemployed women are getting jobs but their satisfaction level is very low. Service conditions in the units are tough and facilities are little. Thus, this scenario suggests that these programmes are only partially successful but their future is bright.

5. Suggestions

The development of women entrepreneurship is not satisfactory, but the possibility of its development is sufficiently present. The profitability of these programmes can be increased by increasing the rate of women entrepreneurship development. The following suggestions are given in this connection:

1. Entrepreneurship programmes for rural and urban areas should be launched separately keeping in mind the needs and resources of the local people. These programmes must be advertised and publicized. With this, rural entrepreneurship which will be based on local needs and resources, will develop and local art, craft and skill will be enhanced. This will help stop the tendency of people going to urban areas for employment.
2. The conditions for present women entrepreneurship programmes should be relaxed. For example, the conditions of venue for establishing the unit should be relaxed and the entrepreneur should be allowed to establish the unit anywhere he likes. Likewise, the amount of loan given should be increased so that women can expand their units and offer employment to some more people.
3. There must be a change in the existing programmes of entrepreneurship according to the needs of the people. Many programmes in progress nowadays fail to generate any employment because they are impractical and not according to the need of the hour. The entrepreneurs are also not satisfied with their income.
4. New schemes regarding entrepreneurship programmes should be started according to the resources and needs of the people living in that area. These programmes should be well advertised and publicized. Women entrepreneurship programmes should be included in the text-books at the graduation and post-graduation levels.
5. Employment and entrepreneurship orientation centres should be established in Degree and Post Graduate colleges. Seminars or some other programmes should be launched to motivate, awaken and encourage the girl students so that they are mentally prepared to become entrepreneurs or employees. Exhibitions and workshops should also be organized and the presence of women at these counselling programmes must be ensured.
6. The utility of women entrepreneurship programmes is limited and it should be enhanced. It is necessary for this to spot the problems of women entrepreneurship development and remove them. The various agencies engaged in the execution of women entrepreneurship development programmes must be made sensitive and helpful to the problems of women.

7. In order to motivate and encourage women to become successful entrepreneurs, women entrepreneurship development corners should be established. These corners will orient the women regarding the choice, establishment and management of entrepreneurship. These corners will not only guide women but bring about a better understanding between various agencies and women entrepreneurs. Women should be able to get all the information required in one office so that they do not have to run from pillar to post and are not disappointed.
8. Successful women entrepreneurs must be given due importance and recognition. Their experience should be utilized in encouraging other women. Their entrepreneurship and goods manufactured by them should be publicized and propagated and they should be called to address upcoming entrepreneurs at the seminars or on the radio and television.
9. In order to increase the utility of these programmes training programmes for entrepreneurship development should be started. At these training centers, women must be instructed about the choice of career, preparation of the project, sources to supply of money, raw materials, machines and marketing. This is how the morale of women entrepreneurs will be boosted and they will be able to enhance their risk-taking capacity.

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