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Entrepreneurship and Gender: A Case Study of Micro Enterprises in Aizawl District, Mizoram

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Abstract:

This paper discusses about the women entrepreneurship in Aizawl district, Mizoram. It is based on a sample study of 406 entrepreneurs covering rural and urban areas of Aizawl district, Mizoram. The study revealed that only 15.3% of the entrepreneurs are women. There is a common view that there is no significant difference between men and women entrepreneurs so far as the need for achievement, independence, economic gain and leadership are concerned. The problems of entrepreneurs are more or less similar both for men and women and hence there is no need of giving weightage on the problems of women entrepreneurs. But this view will no longer hold good. Women are perceived as less entrepreneurial than men. It is generally accepted that there are such problems which are very critical for women entrepreneur. This paper brings out, inspite of men and women entrepreneurs having common entrepreneurial problems, the need for giving weightage for the promotion of women entrepreneurs.

Keywords: Entrepreneur, entrepreneurship, micro enterprises, female entrepreneurs.

1. Introduction

The coming out of women entrepreneurs in any society may be attributable to three situations – force, chance and ambitions. Some women come into entrepreneurial activities due to force of circumstances and some others enter into this activity merely by chance. There are some others who aimed at becoming entrepreneurs and they take up entrepreneurial activity intentionally (Choudhury, 2000).

The development of an economy can be measured not only in terms of Gross Domestic Product (GDP), per capita income and wage but also in terms of effective participation and utilization of the capabilities of both men and women as an effective human resource potential (Mary, 1996). The economic role of women cannot be isolated from the total framework of development. Equal participation of women is a pre-condition for the development of not only the women but also the country as a whole.

Women constitute almost half of the total population in the world. But their representation in gainful employment is comparatively low. In most countries, average earnings of women are lower than those of men (Jerinabi, 1998). Women entrepreneurship is an emerging reality and the concept of ‘women as entrepreneurs’ is becoming a global phenomenon today. According to the Global Entrepreneurship Monitor (GEM), women represent more than one-third of all people involved in entrepreneurial activity and are likely to play an even greater role when informal sectors are considered (Minnuti *et al.*, 2005). Women businesses are continuing to demonstrate economic power worldwide. According to the GEM report, 8.9% of women are involved in entrepreneurship across the globe.

In India, as per the Second Census of Small Scale Industries (1990), women-owned enterprises comprise 7.69% of all the small scale enterprises, it was 12.5% in North Eastern Region (NER). According to the Third Census of Small Scale Industries (2001-02) 10.1% of the entrepreneurs were women. As per the Fourth Census of Micro, Small and Medium Enterprise (2006-07), women enterprise constitute 7.36%. The enterprises actually managed by women was 9.46%.

Mizoram is a small landlocked state in the NER of India. The economy of the state is highly agrarian, but suffers from slash-and-burn *jhum* or shifting cultivation and poor crop yield. The state occupies a great strategic importance within the north eastern corner of India due to its long international boundary with Myanmar and Bangladesh. However, it is one of the most industrially backward states in India and has been notified as ‘no industry state’ due to non-existence of large and medium enterprises (Economic Survey: Mizoram, 2007-08). Only micro and small enterprises exist in Mizoram. Development of industries in the state is an uphill task as the investors remain fearful to invest here due to its topography, small size market, entry restrictions, low end infrastructure and such other related factors. Although Mizoram is considered as a peaceful state and opportunity exist, lack of vision and will to explore the opportunities hampers the industrial development.

The disadvantages due to topographical and geographical condition of the state, coupled with underdeveloped infrastructure and transport bottlenecks, are the main hurdles for the first generation entrepreneurs to move towards industrialisation. The growth and performance of the manufacturing sector has been poor. The state has witnessed a low scale of migration of workforce from agriculture to non-agricultural sector. Business activities like tailoring, furniture making, automobile repairs, steel making, bakery, handloom weaving, blacksmithy, etc, account for 80% of the total number of micro business enterprises in the state. There is little scope for big enterprises and as such micro enterprises dominate the industrial scenario acquiring a prominent place in the socioeconomic development of the state. More than 60% of the population depends on agriculture for their livelihood, mostly by practicing shifting cultivation (also known as *jhumming*). However, the share of agriculture to the GSDP was hardly 7% (Economic Survey: Mizoram, 2013-14).

There is discontentment among the farmers community, they do not want to remain in the traditional sector and are very much keen to find out an alternative occupation to support the growing needs of their expanding family members (Laskar, 2010). Therefore, the micro enterprises have specific role to play in the context of the economy of Mizoram. This sector requires less amount of capital and low level of technical skill. The vast natural resources and local raw materials can be utilised more efficiently by strengthening the micro enterprises in the state, thereby creating employment opportunities mainly to the underprivileged people, women and local artisans, which in turn, would help in realising the planned goal of inclusive development.

2. Review of Literature

In this section, an attempt has been made to review some important studies concerning the gender perspective of the entrepreneurs in India and abroad.

Mathur and Anamika (1987) found that men and women do not differ significantly with regard to innovative trait and internal focus of control. They also found that women are in no way inferior to men in terms of intelligence, fore sight, curiosity and healthy sense of self.

A study conducted by Holly Butner and Benson Rosen (1993) in USA found that banks and financial institutions historically viewed women entrepreneurs as more doubtful propositions than men, often discriminating subtly or overtly in lending practices. They also found that characteristics normally attributed to successful entrepreneurs were commonly ascribed to men than to women.

A study conducted by Hussain, (1994) portrayed the constraints faced by women entrepreneurs in relation to their characteristics and the model for success in entrepreneurship. To make the climate and style of functioning of all support system congenial for women entrepreneurship, the study suggested that support agencies should be staffed with female workers. This will help to improve women entrepreneurs' access to the support system, thereby favourably change the existing self sphere system and resource system directly and indirectly. This will, in turn, exert positive influence on the conducive socio-sphere system.

Sivalognathan (2000) pointed out that the problems faced by women entrepreneurs in India are inequality, low wages, inadequate training, government policies, exploitation by middlemen, low mobility, social attitudes, lack of education, and low need for achievement.

Shailendra Singh and Saxena (2000) revealed that women entrepreneurs in eastern U. P struggle against many odds such as traditional culture, low economic opportunity, low special accessibility, and the personal characteristics namely shyness, lack of achievement motivation, low risk taking, low educational level, unsupportive family environment, lack of information and experience, problem of liquidity and finance.

Kalyani and Chandralekha (2002) observed that the socioeconomic and demographic characteristics have a significant impact on the involvement of women micro entrepreneurs, particularly when it comes to the enterprise management. Many of them do receive help from their family members in carrying out various works.

Manimekalai (2002) mentioned that entrepreneurship is not confined to any particular stratum of society, sex or race. The entrepreneurial women still constitute only a small percentage of the total self-employed population in developing countries. The major problems faced by these women were lack of funds for initial investment, lack of knowledge of procedures for acquiring loans, non-implementation of existing policies, etc.

Dhameja, Bhatia & Saini (2002) revealed that women are entering the field of entrepreneurship in increasing numbers and they do so in the face of many obstacles. Despite numerous barriers, they demonstrate a strong determination to succeed. They contribute to bring prosperity to themselves, their families and to the economy in general. Business ownership provides women with the independence they crave for. The society also needs to undergo an attitudinal change with regard to the role of women as entrepreneurs.

The above studies attempted to understand the involvement, performance and problems of women in entrepreneurship. The policy recommendations which are applicable to these studies may not be necessarily suitable for Mizoram, which prompted the researchers to take up the present study.

3. Objective, Data and Methodology

The objective of this paper is to study the gender perspective of entrepreneurship in micro enterprises in Aizawl district, Mizoram. The study covers a diverse range of micro enterprises in Aizawl district. Since it is an exploratory study, it is mostly based on primary data collected from the entrepreneurs of micro enterprises. As per the Third Census of Small Scale Industries (2001-02), there were 2718 registered small scale industries in Mizoram, out of which 2027 were in Aizawl district (1914 were in Aizawl urban and 113 were in Aizawl rural). Precisely, all these enterprises constituted the population from which the sample for the purpose of the present study had to be chosen. Since it is an exploratory study, it is mostly based on primary data collected from the entrepreneurs. The size of the

sample was fixed at 20% of the enterprises in Aizawl district. Accordingly, a total of 406 tribal enterprises (383 enterprises in Aizawl urban and 23 enterprises in Aizawl rural) was covered. Then the sample was drawn by using random sampling technique. However, in the course of identifying the sample enterprises in the field study, it was found that some of the enterprises were either non-functional or closed units. In such instances, those sample units were selected randomly again. Another practical problem faced at the time of selection of sample units was relating to the nomenclature used in the records held by the Directorate of Industries, government of Mizoram. In these records 'micro enterprises' and 'small enterprises' were not differentiated because such data was based on the nomenclature used prior to the enactment of the MSMED Act 2006. Hence the researcher had to take the difficulty of eliminating 'small enterprises' from the list with a view to confine to only 'micro enterprises'.

	Districts	Working units in rural	Working units in urban	Total
1	Mamit	20	16	36
2	Kolasib	13	100	113
3	Aizawl	113	1914	2027
4	Champhai	79	101	180
5	Serchhip	17	56	73
6	Lunglei	20	142	162
7	Lawngtlai	3	36	39
8	Saiha	2	86	88
	Total	267	2451	2718

Table 1: No. of registered enterprises located in Mizoram: District-wise

Source: Compiled from Third Census of Small Scale Industries in respect of Mizoram, Directorate of Industries, Government of Mizoram, p -1.

Information from the sample entrepreneurs was collected in 2014 by administering a schedule. Data were collected at the place of work of the entrepreneurs. The data thus collected were further supplemented by unstructured interviews with the entrepreneurs. The sample units, drawn on the basis of random sampling technique, fall under seven groups of business activities as follows and 58 enterprises were selected from each group.:

- Food items: This includes enterprises engaged in food items and other related products like milk and milk products, biscuits, bakery, etc.
- Wooden: This group includes enterprises engaged in making and repairing wooden objects and structures, cane and bamboo products.
- Repair services: All types of repair services including small electronic items to big machinery.
- Steel/Metal: This includes the enterprises engaged in making, fabricating, repairing, constructing or manufacturing steel structures.
- Printing/Publication: This group includes those engaged in all types of printing and publishing activities.
- Handlooms: The enterprises who engage in weaving of clothes and their sale in the market through middlemen or directly to the customers are included in this group.
- Tailoring: All enterprises involved in sewing of clothes made of cotton, wool, and even in embroidery are included in this group.

4. Discussion

In a traditional Mizo society, a female child is engaged herself in many of the household activities. On the other hand, the male child had no duty at home. While the men concentrated themselves on defence of the village, hunting and clearing forest for cultivation, it is the duty of women to look after the domestic affairs. It is her duty to cloth all her family members. At the *jhum*, the greatest part of weeding and harvesting had been done by women. The activity of pottery is also extremely left to the domain of women. All such works she used to do without the help of men. There used to be a sharp gender division in traditional Mizo society. The status of women in the earlier Mizo society was economically and socially very low. In the earlier days, women were seldom given political and administrative responsibilities. A woman may bear all the responsibilities of running the family and make a major contribution in the economic pursuits of the family. But they could not have any substantial share in important family decisions. From early childhood, a daughter has no share in the property of her father. Her responsibility is to become a true housewife. On the contrary, a boy is taught his duties and responsibilities towards his village and community from childhood. Even today despite their outstanding contributions, the Mizo women have no place in the higher administration of the church organisations (*Mizo Women Today, 1991*).

The British Christian missionaries opened schools and encouraged people to take up western education. With the inception of autonomous district called Mizo Hills District in 1952, job opportunities in government services increased. The few educated women were employed in government jobs. This opened a new era for female education. The importance of education was realised and the conservative attitude towards female education waned. Mizo women are now coming up in almost every sphere of human activities. They are in no way considered inferior in any field to their male counterparts.

In order to enforce their position and status in all walks of life, a voluntary organisation was set up in 1974 named *Mizo Hmeichhe Insuihkhawn Pawl* (Mizo Women Federation). But this is the association of Mizo women in general. Unfortunately there is no separate or specific association meant for women entrepreneurs in Mizoram. But in other parts of India, some organisations/associations are set up to promote women entrepreneurs. Andhra Pradesh Women Cooperative Finance Corporation is an example. Besides, associations of women entrepreneurs are also formed in some states. These are – Association of Women Entrepreneurs of Karnataka, (AWAKE), Bangalore; Association of Lady Entrepreneurs of Andhra Pradesh (ALEAP), Hyderabad; Self Employed Women's Association, (SEWA), Ahmedabad; North East Women Entrepreneurs Association, (NEWEA) etc. These associations have taken steps for the promotion of women entrepreneurs in their respective places. However, the only association in Mizoram is The Mizoram Entrepreneurship Network (MEN), in which any entrepreneur can become a member, irrespective of gender. In Mizoram the impact of the developmental activities on women during the post independence period is significant. The role and status of women in Mizoram has undergone notable changes with improvement in literacy and awareness that comes along with development and changes in the social and economic life. Female population constitutes a strong force in Mizoram and the proportion of female workers in work participation show an improving trend like the rest of India. This could be due to an absolute increase in the number of male and female workers in all the areas. Increase in female workers may be counted for a growth in the literacy rate and also due to greater social awareness among the people, to seek monetary value for the services rendered. In this background, it was thought prudent to examine the participation of women in entrepreneurship in micro enterprises in Aizawl district, Mizoram.

	Gender	No. of entrepreneurs	%
1	Male	344	84.7
2	Female	62	15.3
	Total	406	100.0

Table 2: Gender of the entrepreneurs
Source: Primary data

Table 2 shows that out of 406 entrepreneurs in the present study, only 15.3% (62 out of 406) were females and the remaining 84.7% (344 out of 406) were males. In the advanced countries there is a phenomenal increase in the number of self-employed women after Second World War. In the United States (U.S) women own 25% of all businesses, even though their sales on an average are less than two-fifth of those small businesses. In Canada one-third of small businesses are owned by women. In France, it is one-fifth. In the United Kingdom (U.K) since 1980, the number of self employed women has increased three times (Prasad and Venkateswara Rao, 1998). It is obvious that the sample women entrepreneurs in the present study had been struggling because they had to look after their family, and simultaneously face the rigors of an entrepreneurial career, especially during the initial stage. The ambition to contribute to the family is also one of the motivators for their entry into business. Some of the women entrepreneurs said that they want to supplement income of husband/family mainly for meeting children's education expenses. Compared to the national average, the high participation rate of women in the present study proves that Mizo women of today are becoming more competent, ambitious, and confident to exploit their entrepreneurial talents and opportunities. The need for an independent living was another reason behind the entry of these women into business. The unseen entrepreneurial potentials of women have been changing with the growing sensitivity to the role and economic status in the society. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today, women entrepreneurs are exploiting new avenues of economic participation. Among the reasons for women to run organised enterprises are their skills, knowledge, talents, motivation from family members and abilities in business and a desire to do something new and positive.

The enterprise-wise classification of the on the basis of male and female is shown in Table 3. It can be seen from the table that handlooms account for 53.4% of women entrepreneurs. Only in handloom activity, the number of women entrepreneurs is more than male entrepreneurs. It can be said that the potential for developing women entrepreneurs in this line of activity is very high because all other enterprises are dominated by male entrepreneurs. 34.5% of the female entrepreneurs were engaged in tailoring. In a study conducted by Ramaswamy and Jyoti Kumar (2010) in Thenzawl handloom cluster also revealed that 95.8% of handloom weavers in the cluster were females. It can be inferred that women entrepreneurs were not interested in business activities like wooden, repair services, steel/metal and printing/publication as their participation rate was also very low. Normally male entrepreneurs have advantages in managing businesses such as wooden, repair services, steel/metal and printing/publication.

	Business activity	Gender		
		Male	female	Total
1	Food items	55 (94.8)	3 (5.2)	58 (100.0)
2	Wooden	56 (96.6)	2 (3.4)	58 (100.0)
3	Repair services	57 (98.3)	1 (1.7)	58 (100.0)
4	Steel/Metal	55 (94.8)	3 (5.2)	58 (100.0)
5	Printing/Publication	56 (96.6)	2 (3.4)	58 (100.0)
6	Handlooms	27 (46.6)	31 (53.4)	58 (100.0)
7	Tailoring	38 (65.5)	20 (34.5)	58 (100.0)
	Total	344	62	406

Table 3: Gender of the entrepreneurs: enterprise-wise distribution

Note: Figures in brackets indicate percentage.

Source: Primary data

5. Conclusion and Recommendation

In Mizoram the impact of the developmental activities on women during the post independence period is significant. The role and status of women in Mizoram has undergone notable changes with improvement in literacy and awareness that comes along with development and changes in the social and economic life. Female population constitutes a strong force in Mizoram and the proportion of female workers in work participation show an improving trend like the rest of India. With regard to the gender composition among the entrepreneurs in the study, it was found that 84.7% of them were males and the remaining 15.% of them were females. However, handlooms is female dominated activity as majority of them (53.4%) were females. Moreover, the composition of females in tailoring is also significant as almost 34.5% of them were females.

As revealed by the study, less than one-fifth of the sample entrepreneurs are women. This indicates that there is a need to encourage women entrepreneurship in the state of Mizoram. For this purpose, it is suggested that separate cells should be created in various entrepreneurial support organisations. These cells should be managed by women officials. In addition, the state government should also give special incentives to women entrepreneurs for a certain period of time. The government should also evolve schemes of assistance exclusively meant for women entrepreneurs. It is also suggested that the government should adopt a separate policy for micro enterprises in line with the policy for small and medium enterprises indicating financial support, marketing support, infrastructure support, training support etc. This will provide considerable impetus for the growth of micro enterprises. Collateral security should be dispensed away with in case of women entrepreneurs because women have hardly any property or other assets in their name to be guaranteed as collateral. Banks and financial institutions should provide adequate and timely finance to women entrepreneurs without any prejudices. It is suggested that there should be a minimum target of loan to be disbursed to women entrepreneurs. It is desirable for potential women entrepreneurs to acquire formidable educational qualifications (at least graduation) before venturing into entrepreneurship because education acts as a powerful tool to break the barriers of successful entrepreneurship. It is also desirable for potential women entrepreneurs to acquire a few years of experience in the line of activity they intend venturing into. This would give them an insight into the functioning of a business enterprise and will therefore prepare them to better face the challenges ahead in the start up and management of their enterprises.

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