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An Analytical Study on Women Entrepreneurship Development in Kashmir – Problems and Remedies

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Abstract:

The emergence of globalization has led to the dramatic expansion of small and self-employment sector as an important part of economic development. It has opened new doors for the establishment of women entrepreneurship. Women have been coming forward to start their activities in trade, manufacturing and service sectors. In Jammu and Kashmir, the emergence of women entrepreneurship is comparatively of recent origin. It was under the self – employment scheme started by the State Government after 70's that women entrepreneurship in the state started blooming. Promotion of women entrepreneurship was considered to be an effective means to tackle the problem of unemployment among women. However, the dream could not be realized fully because of certain critical issues. The present paper attempts to analyse and highlight various problems which the growth of women entrepreneurship in Kashmir presently is confronted with. There are four big obstacles in the growth of women entrepreneurship in Kashmir. These are dependence, dominance, discrimination and denial of rights of women. The solution of these problems needs a clear thinking and an effective action at various fronts. The paper also suggests various ways for the promotion of the women entrepreneurship in Kashmir.

Keywords: Women Entrepreneurship, Globalization, Self-employment, Economic Development, Discrimination, Competition, Bottlenecks, Socio-Economic Transformation, Restructure, Re-orientation, Multi-Media, Collateral Security, Momentum

1. Introduction

Globalization has increased the importance of entrepreneurship as an integral part of economic development throughout the world. Women entrepreneurship is a significant subscriber to this economic development. A nation cannot achieve the goal of her socioeconomic transformation without the development of women. The participation and contribution of women in the upliftment of a country cannot be ignored. Today we see that business, trade and entrepreneurship have no longer remained the sole domain of men. In fact, there has been a phenomenal increase in the number of the self-employed women with the advent of globalization. Women not only create jobs for themselves and others, but also provide the society with solution to different management, organization and business problems.

Despite various hardships, women in Kashmir have started to accept the entrepreneurship as a respectable profession. This has changed the mindset of men. The Kashmiri women, who till recent past remained confined in their homes or working in offices and banks, have now achieved new heights in business by establishing their own ventures. The Kashmiri women entrepreneurs have not only achieved financial success but have also helped to put Kashmir on the industrial map. They have made their presence felt on the business scale in the state. From establishing food – processing units, cultivating flowers for foreign markets, setting up of printing press, setting up of educational institutions in the private sector, establishment of retail trade centers, restaurants, laundries, beauty parlors to insurance and manufacturing centers, these women have given their male counterparts a run for their money. As per the data available, the annual turnover of some women entrepreneurs ranges between Rs 5 to 10 million. Some even cater to the requirements of international market. The government on its part is also trying best to encourage women entrepreneurs in Kashmir. The data of the last 3 years show that at least 66 women in District Srinagar alone, are operating registered and functional small scale industrial units while 56 others are in the provisional stages of registration. For the rest of the state, the number of women entrepreneurs could be gauged from the quantum of the loan taken from different financial institutions. During the last 3 years, the women entrepreneurs in the state have taken the financial assistance between Rs. 300 to 350 million from various banking institutions. The other factors which guide and motivate women entrepreneurs in Kashmir include personal attitude, preference, income level, education level, personnel, etc. However, the fact of the matter is that the women in Kashmir have lower rates of participation in entrepreneurial activities than men. The reasons are their dependence, discrimination, dominance, denial of their rights and non – seriousness of state authorities towards their genuine desires and demands associated with the establishment of their own ventures.

2. Review of Literature

The potential of women entrepreneurs has not been realized in an optimal order, even though they are an important source of economic growth and prosperity. Many studies have shown that entrepreneurial activities make women more independent and allows them effectively balance their roles of wives and mothers (Lincoln, 2012; Woldie and Asersua, 2004). Developing women's entrepreneurial capacity would go a long way in harnessing their capability to identify and capitalize on entrepreneurial opportunities within the environment and empower them economically and socially (Shane, 2003)

The women's contribution is said to exist across various economic spheres extending to the wider process of social transformation in transition environments. (Walter et al., 2006)

A UNIDO report of 2001 stresses the wider social impact of women entrepreneurial activity not only to the women themselves but to the wider operating environment. Around one – third of all business in the formal sector is owned by women and they represent the majority of businesses in the informal sector (Adermi et al., 2008, Bardasi et al., 2007)

The women entrepreneurs face several challenges in their business operations as shown by various studies from time to time (Kantor, 1999, Mattis, 2004; Nichter and Goldmark, 2009).

The emphasis of research has been on women generally lacking the requisite human and external resources for starting and developing their own businesses ranging from financial constraints, government policies, infra structure and technology factors, lack of assets, lack of information, competition, tax burden, low level education, work experience, motivation, socio – cultural factors and family responsibility, networking and access to training (carter, 2000; Chen et al., 2002; DTI, 2005; Mordi et al., 2010; Rutashobya and Nchimbi, 1999; Verhueal and Thurik, 2006; Woldie and Adersua, 2004).

The disadvantaged status of women in the society is the result of complex relationship of differential factors stated above operating in the business environment. The women in business around the world share the need for freedom as motivation for starting business in Europe and Asia (Berly and Westhead, 1994; Mcelwee and Al-Riyami, 2003; Moore and Buttner, 1997).

3. Objectives of the Study

The study has been undertaken to achieve the following objectives:

- To examine the current scenario of women entrepreneurship in Kashmir.
- To study various problems and challenges faced by women entrepreneurs in Kashmir.
- To suggest various measures for the development and improvement of women entrepreneurship in Kashmir.

4. Research Methodology

To achieve the stated objectives, both the primary and secondary data have been used. Primary data/ information comprised personnel interviews and discussions held with some of the subjects of inquiry at random. Journals, magazines, research publications, Government reports, Seminar/ Conference volumes and workshop recommendations constituted the secondary source of data for the study.

5. Scope and Limitations of the Study

Owing to the vast scope of the subject, the study has been confined to Kashmir division only. Poor response from the subjects of the study also served as an impediment in the extension of the volume of study.

Besides, due to non – seriousness of authorities, women entrepreneurship in the state is still in infancy and operating almost in an un-organized set up. It is one of the reasons that a full fledged empirical study on the subject could not be conducted.

6. Analysis and Discussion

6.1. Problems of Women Entrepreneurship in Kashmir

It is undoubtedly true that the assistance and incentives being offered at different stages of development, women entrepreneurship development in Kashmir started blooming, but still there is a Plethora of Problems which continues to haunt the growth of women entrepreneurship in Kashmir. The study has revealed that the following bottlenecks act as the major impediments in the development of women entrepreneurship in Kashmir.

6.1.1. Reluctance to Leave Homes Owing to Family Responsibilities

The Kashmiri women are reluctant to establish their business units away from their homes. They favour the establishment of the business units in the vicinity of their homes. This is because a woman, especially a married one, wants to strike a balance between her business and her home. With the result, she becomes unable to make the use of readily available infrastructure in the industrial estates located in Kashmir. Further, women entrepreneurs in Kashmir are hesitant to travel from one place to another because of some peculiar problems like fear of staying out during nights at distant places.

6.1.2. Poor Risk Bearing Power

Women are not only criticized about their ability and role in their business, but also the decision of their family members especially the elders, dominates them. The male ego puts barriers in their progress. This results in their poor risk bearing power and increases their dependence.

6.1.3. Shortage of Finance

Women entrepreneurship in Kashmir also suffers due to inadequate financial resources. The procedure for obtaining loans from banks and other financial institution is a cumbersome job. Women entrepreneurs in Kashmir even face tremendous difficulties in getting the requisite working capital for meeting the day to day financial requirements of their ventures.

6.1.4. Marketing Problems

Another notable problem found with Kashmiri women entrepreneurs is that for the marketing of their finished products, they mostly depend on middle men. The middle men usually exploit them. This results in their ignorance about the market trend. They fail in popularizing their products and winning the confidence of customers.

6.1.5. Stiff Competition

Since women entrepreneurship in Kashmir mostly operates in a unorganized atmosphere, hence it faces a stiff competition not only from the organized industries, but also from male entrepreneurs who are having vast experience of local, national and global markets.

6.1.6. Lack of Managerial Ability and Entrepreneurial Attitude

The women entrepreneurs in Kashmir have a limited managerial ability because of non – existence of any institutional mechanism for their training from the state authorities. It significantly contributes to the growth of their poor entrepreneurial bent of mind, innovation and risk bearing power.

6.1.7. Lack of Awareness and Knowledge

Majority of women in Kashmir are not aware about the technological developments, marketing knowledge, etc. Besides, they do not have proper and sufficient technical and professional training to set up a new venture.

6.1.8. Legal Formalities

Women entrepreneurs in Kashmir, find it extremely difficult to comply with various legal formalities in obtaining licenses for the establishment of their business units as it has been found that the officers at the helm of affairs often raise unnecessary quarries, ask all sorts of humiliating questions and thus create hurdles.

6.1.9. Conflict in Kashmir

The prevailing situation owing to political instability, socioeconomic unrest and turmoil in the valley of Kashmir, is another important obstacle in the growth of women entrepreneurship.

7. Remedies

Keeping in view the problems being faced by the women entrepreneurs in Kashmir, there is a need to restructure and re-orient the system of education, change the mechanism of industrial support, use mass media and take various other steps to popularize and develop the women entrepreneurship in Kashmir.

After interacting with some of the existing women entrepreneurs, the following remedial measures emerged which can be suggested to give a momentum to the growth of women entrepreneurship in Kashmir.

7.1. Conduct of Awareness Programmes

Besides organizing seminars, workshops, conferences at district, tehsil and block levels, the print and electronic media should hold interactive sessions and phone-in-programmes in mother tongue where in experts could provide guidance to the prospective and illiterate women entrepreneurs in the field of finance, marketing etc.

7.2. Providing Training

In order to increase the skill and expertise needed to start and run the enterprises, training facilities should be provided to women entrepreneurs to attract more and more women towards the business sector. For this purpose, women trainers should be engaged as they can prove the best motivators. The training should cover both the theoretical and the practical aspects of entrepreneurship. The practical aspect of the training programmes should focus mainly on specific job-related skills of the trainees.

7.3. Creation of Special Financial Cells

The commercial banks and other financial institutions engaged in providing finance to the industrial establishments in Kashmir must create special cells for providing hassle free finance to women entrepreneurs. Financial procedures should be simplified and relaxation in collateral security should also be provided to the women entrepreneurs.

7.4. Concessional Rate of Interest

The financial institutions should provide finance to women entrepreneurs at special concessional rates of interest. Also the repayment procedure should be made easy. The margin money requirement for women entrepreneurs should necessarily be done away with.

7.5. Proper Supply of Raw–Materials

Women entrepreneurs should be ensured with proper supply of scarce raw – materials on priority basis, keeping in view the gender preference vis–a–vis, her movement and other physical limitations.

7.6. Changing the Social Attitude

It is essential to change the negative social attitude towards the women. The parents need to be made aware of the potentiality of the girls and their role in the family and society. Here the society needs to be broad minded. It should recognize women's capability and competence.

7.7. Setting Up of Marketing Co-Operatives

Women entrepreneurs should be encouraged and assisted in setting up of marketing co-operatives. These co-operatives will help in getting the inputs at reasonable rates to enable the women entrepreneurs to sell their products at profitable prices. This way the middle men can be avoided which in turn will enable these entrepreneurs to derive the full benefits of their ventures. In addition, the State Government should create special marketing cells for women, which would provide guidance to them in purchasing and selling.

7.8. Introducing Entrepreneurship as a Full Fledged Undergraduate and Postgraduate Degree Courses

The State Government should explore the possibility of introducing entrepreneurship as a full fledged Degree Course both at UnderGraduate and PostGraduate levels with emphasis on introduction of need based and market relevant course structures.

8. Conclusion

Women entrepreneurship is gradually gaining momentum in Kashmir. Kashmiri women have the potential to set up and manage business enterprises of their own, successfully. To be more successful entrepreneurs, they need guidance, encouragement and support. Government and NGO's should serve the women entrepreneurs on priority basis. Women in Kashmir should join the mainstream of the state economy and contribute to the state's economic development with the help of their family members, NGO's and the government. In Kashmir, women entrepreneurship development is crucial for ensuring a productive and honourable economic engagement of women. In view of the limited avenues of public sector jobs and insignificant/ shy industrial sector, the only viable and long–term alternative is entrepreneurship development. This calls for total restructuring and re-orientation of the prevailing education system and policies. It is high time for the policy makers, planners, educationists and the society as a whole to rise to the occasion and re-structure the system of education in such a way that the entrepreneurial talent of the students is channelized in a proper direction. It will require a very high degree of commitment and support from the Government functionaries as well as the institutions and the individuals involved in the process.

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