

An Analytical Study of Socio-Economic Profile of Women Entrepreneurs in India

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I. Introduction

Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. Entrepreneurs have been considered instrumental in initiating and sustaining socio economic development. Entrepreneurs perceive new opportunities and seize them with super normal will power and energy, essential to overcome the resistance that social environment offers. Development of entrepreneurship among women is a major step to increase women participation in the process of economic development. It will speed up economic growth, and provide employment opportunities for women resulted in improving the economic independence, the year 2000 was declared as the year of Empowerment of Women in India and National Policy for Empowerment of Women was formally announced in 2001. The definition of a women entrepreneur promoted enterprise announced in 1978 was modified in the small and tiny enterprises policy of 1991 A women Entrepreneur-promoted enterprises is defined as a Micro, Small or medium, manufacturing or service enterprise managed by one or more women entrepreneurs in proprietary concerns or other forms of organization and in which she/they individually or jointly have a share capital of not less than 51 percent as partners/shareholders/directors of a private limited company members of a cooperative society. The question why women do intend to become entrepreneurs has many answers like women possess aspiration to explore and analyze their talent, they have enthusiasm to face new challenges and create jobs and finally, entrepreneurship is one of the economic activities where women can make significant contributions towards the society.

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WOMEN ENTREPRENEURSHIP DEVELOPMENT IN INDIA:

In India, women's participation in economic activity is common from time immemorial. The role of women has gone through several transitions. It took centuries for women's roles to move in the present direction. There are some regions where women live in a barbarian era, chained and shackled to the social taboos, restrictions and lakshmanarek has of others who frame a code of conduct. At the same time there are other regions where women fight for and win freedom and opportunity to play their roles in anew context with new occupations and a new way of life. As regards the ancient industries of India, family was the unit of production where women played as important role in the production process.

PROBLEMS OF WOMEN ENTREPRENEURS IN INDIA: women entrepreneurs in India face many problems to get ahead their life in business. The major problems faced by women entrepreneurs can be classified under social, financial, organizational, production, marketing and psychological etc. The various problems of women entrepreneurs like patriarchal society, absence of entrepreneurial aptitude, quality of EDPs, marketing problems, financial problems, family conflicts, credit facilities, family conflicts, credit facilities, shortage of raw materials, heavy competition, high cost of production, scarcity of raw material stiff competition, family ties, lack of education, male dominated society, low risk bearing ability, financial problems, production problems, health problems.

NEED FOR THE STUDY: Women entrepreneurship is a growing field around the world. It is on the agenda of most international development agencies and multilateral organizations and is a focus of many foundations and civil society organizations. There is also a growing body of evidence that women approach business leadership and decision-making differently from men, may respond better to targeted educational and training approaches, and bring a different vision and voice to entrepreneurship. Though women entrepreneurs possess good leadership qualities they do face many obstacles influenced by social and financial factors. Hence, the present study gibes as analysis of those barriers and gives suggestions how to overcome.

II. Review Of Literature

Angayarkanni (2010) in her study on “Problems of Women entrepreneurs in India”, revealed that equality in education is the key to meeting other requirements for a culture of peace. Women continue to face barriers to economic empowerment and entrepreneurship. These obstacles include discrimination in education, training, hiring, access to credit, the right to own and inherit property, lower levels of pay, promotion for equal work and greater domestic responsibilities for women.

Dr. Rana Zehra Masood (2011)¹ in his study on “Emergence of women owned businesses in India-an insight” revealed that, India is a male dominated society and women are assumed to be economically as well as socially dependent on male members. The absolute dependence seems to be diluted among the high band middle class women as they are becoming more aware of personal needs and demanding greater equality.

V.Krishnamoorthy and R Balasubramani (April 2014)², identified the important women entrepreneurial motivation factors and their impact on entrepreneurial success. The study identified ambition, skills and knowledge, family support, market opportunities, independence, government subsidy and satisfaction are the important entrepreneurial motivational factors. The study also concluded that ‘ambition’, knowledge and skill’, the ‘independence’ dimensions of entrepreneurial motivational has significant impact on entrepreneurial success.

World Bank Group (2014)³: A review of the evidence on the entrepreneurial gender gap and of the impact evaluations of female entrepreneurship programs revealed that support programs have yielded positive outcomes in improving management practices but do not seem to be producing similar results in firm performance in terms of sales, profits, or employment. The review found that women-led enterprises underperform under certain conditions which have to do with social norms, perceptions about abilities and opportunities, and entrepreneurial preferences.

Priyanka Sharma Gurnani(2014)⁴ Women entrepreneurs faced lots of problems at start-up as well as operating stage like, non availability of finance, having to perform dual role one at home and other at work. Technological advancement and information technology explosion have reduced the problems of women entrepreneurs. Along with technological revolution, mental revolution of society is needed to change the attitude of the society and provide women with entrepreneurial platform. More-over with increasing Government and Non-Government and other financial institutional assistance for various women entrepreneurs within the economy there can be significant increase brought about in the growth of women entrepreneurship process.

Prof.Mukesh Ranga, and Priyanka Pradhan (2015)⁵ Using ICTs for women’s entrepreneurship in India is a potentially powerful, but as yet unrealized market opportunity. To fulfil the promise of ICTs for women’s business growth in countries like India, active investment and engagement by the relevant stakeholders is required.

OBJECTIVES: The specific objectives of the study are aimed at:

1. To study the influence of socio-economic factors on entrepreneurial activity of women.
2. To understand the socio-economic factors influencing women entrepreneurs

RESEARCH METHODOLOGY: The present a study is based on simple random sampling. The respondents were contacted through District Industries Centers and MSMES of the sample districts, commissioner of Industries, Andhra Pradesh, and ALEAP etc. In the total number of 800 entrepreneurs, the researcher could contact 556 respondents and received 256 responses in the form of filled in questionnaires. Thus the sample size is 256.

¹ Dr Rana Zehra Masood,, “Emergence of women-owned businesses in Indian insight”, 2011.

² V Krishnamoorthy and R Balasubramani (April 2014) Motivational Factors among Women Entrepreneurs and Their Entrepreneurial Success: A Study, International Journal of Management Research & Business Strategy, Vol. 3, No. 2, April 2014

³ World bank Group(2014), Supporting Growth-Oriented Women Entrepreneurs: A Review of the Evidence and Key Challenges, Innovation, Technology & Entrepreneurship Policy Note sep-2014

⁴ Priyanka Sharma Gurnani (2014) Changing Status of Women-owned Enterprises in India. An Insight, Global Journal of Finance and Management. ISSN 0975-6477 Volume 6, Number 9 (2014), pp. 933-944

⁵ Prof. Mukesh Ranga, and Priyanka Pradhan (2015) ICT Strategies Strengthening Women Entrepreneurs in India, Organisational Studies and Innovation Review, Vol. 1, no.1, summer, 2015.

SOURCES and COLLECTION OF DATA: The source of primary data was women entrepreneurs of the sample districts and the sources of secondary data included various books. Articles from various journals, magazines and various websites related to women entrepreneurship, brochures and reports of different organizations. The secondary data was collected through literature survey and the primary data was collected from the women entrepreneurs through a well structured questionnaire.

ANALYSIS OF DATA: Data analysis has been done with the help of statistical software by using the techniques including frequencies and percentages.

SCOPE OF THE STUDY: Registered women entrepreneurs of Visakhapatnam are randomly selected for the study. The study provides a wide scope to understand the factual status of and treatment provided to women entrepreneurs in the present socio-economic environment.

LIMITATIONS OF THE STUDY:

1. The study is based on sample study will have the limitation of generalization
2. It is assumed that whenever data disclosed by the entrepreneur is true.
3. The sample respondents may fail to articulate their feelings; hence the error of in articulation may creep into the study.

PROFILE OF THE STUDY – VISAKHAPATNAM:

The researcher has considered the Visakhapatnam urban region for the study since Visakhapatnam, also known as Vizag, is the largest city in the state of Andhra Pradesh and the third largest city on the east coast of India (after Chennai and Kolkata). Visakhapatnam has developed into a major economic destination and also proposed —Smart City by central government of India. It has all the sectors like Industrial, Fishing, IT, Pharma, Export & Imports by Sea trade etc. The city was identified as one of the fastest-growing in the world, economically and demographically. Visakhapatnam is also an important tourist revenue generator. Visakhapatnam district is the central hub for industry and education in the state of Andhra Pradesh.

Visakhapatnam is the largest city, commercial hub and a financial capital of Andhra Pradesh, with a GDP of over \$26 Billion (USD). The prominence of the city got highlighted once again when it figured along with Ajmer and Allahabad during Prime Minister Narendra Modi's US tour. The city is known for heavy industries, steel plant, largest seaport of India and oldest shipyard. It has the only natural harbour of India and headquarters of the Eastern Naval Command of the Indian Navy.

Visakhapatnam has developed into a major economic destination. It has all the sectors like Industrial, Fishing, IT, Pharma, Export & Imports by Sea trade etc. The city was identified as one of the fastest-growing in the world, economically and demographically. Several factors contributed to its economic growth, including the natural harbour, rail, road and air connectivity to national and International destinations. Tourism also plays an important role in generating revenue to the state of Andhra Pradesh, with many tourist spots in and around the city, attracts large number of tourists. Greater Visakha has finally arrived.

SOCIO-ECONOMIC ENVIRONMENT AND ITS INFLUENCE ON WOMEN ENTREPRENEURS: The economic development of any country can be achieved with the planned and persevering business activities facilitated. Entrepreneurship grasps all the opportunities for commercial exploitation through creating employment on one hand and earning profits on the other. In every business enterprises, different environment variables exist internally and externally.

Despite the fact that women's contribution towards the economic growth of the nation is explicit, their association remained unnoticed and unaccounted. Till recently women were kept away from holding decision making positions. Even now, when majority of the industry is managed by women, they do face sarcasm from the male sleety. And our development policies and programs tend not to view women as integral to the economic development process. Indian women no longer remain satisfied as housewives and they have entered into both traditional and non-traditional industries. In spite of the increasing number of women entrepreneurs, their participation remains inconsiderable and their share in the growth of national economy is significantly low, reason being the influence of rigid social attitudes and discriminating treatment towards women. Low mobility, high cost of production, low rate of achievement, shortage of finance, lack of marketing facilities, shortage of raw materials and majorly the fulfillment of dual role at home and work place.

FINDINGS OF THE STUDY: The findings of the study confirm the needs theory of Maslow which states that the entrepreneurial motivation is determined by the social and economic needs of an individual. A few findings emphasizes on individual, psychological or personality reasons, while some portray attention on social and economic constraints.

Only 24 percent of the respondents manage their enterprising units by own, receive and spend income out of their business. It shows that most of the respondents spouses are in the same field which confirms takeover of those women enterprising units by men.

72 per cent of women entrepreneurs do not encompass control over the income out of the business. This implies the entrepreneurship of women raised out of the rigid attitude of male dominated society towards women's capabilities. This patriarchal society compels women to take up the entire burden of family responsibilities on their shoulders.

67 per cent of the respondents spend less time on business reflecting lack of their commitment towards business. For about 33 percent of the women entrepreneurs do not get any kind of help from their family members.

It shows that insufficient economic support for the First and Second generation entrepreneurs do not have problem with pooling initial capital.

Many of the entrepreneurs entered into the field because of push factors mostly had a negative influence and do face more problems such as lack of confidence and acceptance over them by the officials resulting in lack of access to resources including finance. Lack of qualified personnel, technology and finance are the major constraints reported by women entrepreneurs.

III. Recommendations

1. Proper guidance should be provided for women throughout the activity of entrepreneurship, right from initiating the venture, getting finances, and marketing of their products etc.
2. Promotion policies have to be formulated by the government for to take active participation in entrepreneurship
3. Women entrepreneurship development is to be made an exclusive part of curriculum at under graduate and professional education. Proper education, knowledge, exposure when imparted to women, their potentials will be proved to be the highest productive force.
4. Women could be motivated at a higher level to take up equal participation in manufacturing sectors also and they may be encouraged to enter into large scale industries in a great number.

IV. Conclusion

The conclusion is based on the analyses and assessment of the views of the respondents in the course of the study by applying various statistical tools and techniques. The present research study deliberated the personal background and business characteristics of sample respondents. The study also reviewed their intentions to start a business, family issues, access to capital and performance. The key findings of the study confirms lack of financial support and lack of equipment which is creating major impediments to women entrepreneurs in managing their units by exercising the control and authority over resources.

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