

WOMEN ENTREPRENEURSHIP IN INDIA (A CASE STUDY IN ANDHRA PRADESH)

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Abstract

In India, entrepreneurship among women is of recent origin. Socio - economic background is an important factor that influences the woman to start their business. Money is not the sole objective among woman entrepreneurs to enter in to the business. The studies relating to woman entrepreneurs in rural areas further reveal that training and awareness regarding different agencies have proved beneficial for women entrepreneurs in building confidence. Since entrepreneurship development involves provision of additional channels of funds in the form of working capital and credit, training, management skill etc., DWCRA with an entrepreneurial development of women provides all these inputs by considering women as critical to development. This intervention aims at not only raising the income of rural women of poor households, but also enabling organized participation of groups in the programme of credit, skill training and infrastructure support for self employment in groups who cannot take up economic activities, individually as their own.

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. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries, which have lesser percentage of them

in the society. They discover new sources of supply of materials and markets and establish new and more effective forms of organisation. Entrepreneurs perceive new opportunities and seize them with super normal will power and energy, essential to overcome the resistance that social environment offers².

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. Provision of economic opportunities for women can also improve the social, educational and health status of women and their families. In advanced countries, there is a phenomenon of increase in the number of self - employed women after the World War II. In U.S.A, women own 25 per cent of all business, even though their sales on an average are less than two - fifths of those of other small business³. In Canada, one-third of small business is owned by women and in France it is one - fifth.

A similar trend is noticed even among the developed nations in Asia. Women constitute 40 per cent of the total workforce in these countries⁵. It has been seen that women outnumber men by at least two times particularly when it comes to starting business in China. There are over five million women entrepreneurs constituting one-fourth of all the entrepreneurs in China⁶. In Japan to a similar trend has been noticed. Unfortunately, the trend in India does not go along the same lines. The 1991 census shows that the proportion of enterprises setup and run by women in India was approximately a fraction of one per cent⁷.

The total number of women in India is a whopping figure of 526 million. This female population is larger than the combined total populations of Canada, USA and the Russian federation. Unfortunately a very small percentage of the woman population belonging

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to the elite, educated and upper - middle class especially in the cities, has been exposed to issues on Women's roles, career options and jobs. At the same time women are under - represented in government and decision - making positions. At present, less than eight per cent of parliamentary seats, less than six per cent of cabinet positions and less than four per cent of seats in High Courts and the Supreme Court are occupied by women less than three per cent of administrators and managers are women. The not - so - fortune sister of the glam doll urban and rural women consumer battle their day with inadequate wages, poverty, female feticide, sexual harassment, lack of education and job skills, HIV infection etc.

The emergence of women on the economic scene as entrepreneurs is a significant development in the emancipation of women and securing them a place in the society, which they have all along deserved. The hidden entrepreneurial potentials of women have gradually 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 represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. Among these reasons for women to run organized enterprises are their skill and knowledge, their talents and abilities in business and a compelling desire of wanting to do something positive.

What makes their arrival as well as achievements even more significant and commendable are the struggles they have to put up, frustrations they have to experience and the multiple handicaps they have to overcome to emerge as entrepreneurs at the early stage and subsequently achieving success in business at the stage of managing their enterprises.

Status of women freedom depends on economic conditions even more than political. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else, and dependents are never free. These were the ideas of Pandit Jawaharlal Nehru, the first Prime Minister of India, who vividly highlighted the importance of economic

independence of women. These views are antagonistic to the laws of Manu written early in the Christian era which stress the need to control women because of the 'evils' of female character. The following lines reflect the age-old idea of keeping women dependent.

A woman is never independent. In childhood a female must be subjected to her father, in youth to her husband, when her lord is dead to her sons. A woman must never be independent.

Women are often described as the better half of man. But the actual condition of women in the world does not tally with this description. In no country have women achieved equality with men. Of the world's 1.4 billion poor people it is estimated that nearly 70 per cent are women. Between 75 and 80 per cent of the world's 30 million refugees are women and children. Educational backwardness is a major reason of women lagging behind men. Of the world's one billion illiterate adults, two thirds are women. Two-thirds of the 150 million children worldwide who are not in schools are girls.⁸

On the other hand history also records that women in Vedic age have played an important part in religious and social functions. The position of wife was an honored one as no religious ceremony could be performed by the husband alone. The third millennium B.C. Harappan and Mohanjodoro culture indicates that Indian women enjoyed a comparatively high status, which surpassed that of contemporary civilizations in ancient areas, Mesopotamia or Egypt. The Rigveda too provides evidence to prove the concept of equality of women with men as regards the access to knowledge, even to the knowledge of the absolute. There have always been outstanding women who have risen alone despite the constraints of their time. Unfortunately, due to social, economic and political changes later on women lost their position in education and other fields. Economically women became completely dependent on men.⁹

Although a lot has been done to ameliorate the condition of womankind, "International Women's Day", which falls on March 8, reminds us every year that much more needs to be done to ensure a better deal for the female half of the

humanist. The fourth world conference on women held in Beijing in 1995, resulted in agreement by 189 delegations on a five year plan to enhance the social, economic and political empowerment of women, improve their health, advance their education and promote their reproductive rights. Over 100 countries have announced new initiatives to further the advancement of women as a result of Beijing conference. The 1979 UN convention on the elimination of all forms of discrimination amongst women, often described as the bill of rights for women, has now been ratified by 154 countries.

“When women move forward, the families moves, the village moves”. These words of Pandit Jawaharlal Nehru are often repeated because it is an accepted fact that only when the women are in the mainstream of progress can any economic and social development be meaningful.

In India from the very beginning, women have been managers of the kitchen and have solely dominated the area of household activities. So deep has been the impact of this, that the general attitude of the people about women entrepreneurs is that they are makers of pickles, papads, masalas, and other household goods. Today non - traditional enterprises are easily managed by women and are done so excellently with them as the decision - makers. They are flourishing well as leading consultants, publishers, exporters of machinery, manufactures of electric goods, exporters of garments, designers, interior decorators and the like.

The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in society. Women are increasingly being conscious of their existence, their rights and their work situation. And yet the middle class strata women have accepted their role and are not ready to alter for fear of a social backlash. Today, woman entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. Among the reasons for women to run organized enterprises are their

skill and knowledge, their talents and abilities in business and a compelling desire of wanting to do something positive.

Over the last few decades, while women have come forward to establish their own enterprises, their numbers remain few and far between. The entrepreneurial world is still male dominated. In developed countries women tend to perform secretarial or low-level managerial jobs in the corporate sectors - indeed, less than five per cent of senior management portions are held by women in the USA. In developing countries such as India even in the small-scale sector, less than seven per cent of the enterprises have been set - up by women. But probably what is noteworthy is that women have plunged into the field of entrepreneurship and have been found effective in emerging social, economical role. Women had been a manager since long, from the time the concept of living in a family emerged. She had been an entrepreneur within the four walls where she was innovative in terms of budgeting with the limited income resources used the waste material for making some useful products. With the changing role that women accepted ever since mid- eighties, the role of entrepreneurship amongst women has gained a considerable importance.

The 1991 Industrial Policy has envisaged special training programmes to support women entrepreneurs. Accordingly women entrepreneurs are receiving training through Entrepreneurship Development Programmes (EDPS) conducted by various institutions and organizations both at central and state levels. The Small Industries Development Organisation (SIDO), with its field offices all over the country has been carrying out development programmes for women entrepreneurs and is providing technical schemes for setting up of SSI units. In view of the changing outlook for the promotion of women enterprises, the SSI Board in 1991 revised the definition of women enterprises by omitting the condition of employing 50 per cent of women workers. This provided a boost to women entrepreneurs to take up business and avail all facilities / concessions as are applicable to a SSIs.

“Women in business” is considered a recent phenomenon in India. The fact that almost half the population of this large country comprises of females while businesses owned and operated by them constitute less than five per cent is a reflection on social, cultural as well as economic distractions in the decades of development.¹² Indeed, women’s participation in economic activity and production of goods and services is far greater than formal statistics might reveal, since much of it takes place in the informal sector as also in the households.

As education spread and compulsions for earning have grown more and more women have started to go out of the homes and opt either for wage employment or self employment / entrepreneurial career. In case of woman, however, handicaps to entry into business ownership have been for too many given the traditional, conservative, orthodox Indian society. The process of breaking many of these shackles has been rather slow. However, changes have started taking place as far as role of women in economic development is concerned and strides have been made by women in setting up and managing business; a fairly large number has ‘graduated’ out of the initial phase of going out of the home to work for somebody. Employment to self - employment has been a noticeable phenomenon in the emergence of new women entrepreneurs. Many of them not only own small business but have set up and run manufacturing enterprises. Which is ultimate in the entrepreneurship movement. And by doing so successfully, they have unquestionably established the fact that women can be as capable and successful entrepreneurs as men in business and industry.

And yet, the society at large continues to suffer from a various misconceptions (myths) apprehensions and suspicions about women entrepreneurs in business and industry. This is the result of inadequacies of literature about Indian women in business and industry. The dearth of documentation, information and publications about women entrepreneurs has allowed a stereo type image of women in business to persist. Typically women have been portrayed as those undertaking business of predictable lines - the papad - pickle

manufacturing, knitting and tailoring, readymade garments, herbal, medicines manufacturing, etc. Indeed, a large number of Indian women are engaged in such supplementary income generating activities. The base of most such activities has been ‘home’ and those have been direct or indirect extensions of the usual household chores of an Indian woman, something a woman is good at in the kitchen or as a housewife.

But despite these numerous barriers and tangible obstacles women are, entering in to the field of business in increasing numbers. What makes their arrival as well as achievements even more significant and commendable are the struggles they have to put up, frustration they have to survive and the multiple handicaps they have to overcome to emerge as entrepreneurs at the entry stage and subsequently achieving success in business at the stage of managing their enterprises.

The women entrepreneur of today is neither a rare orchid nor a voiceless heroine with playback support rather she embodies a compelling urge for self-expression, which needs encouragement from everyone concerned with the progress of the nation.

STUDIES CONDUCTED AT NATIONAL AND INTERNATIONAL LEVEL

Studies conducted in Poland highlights that women entrepreneurs are involved in traditional and non-traditional business. However they are successful because of the formal training they took before the start of the business. In Jamaica, women have been involved in areas, which require less capital and extension of household activities. Household responsibility plays a significant role in choice of economic activity. Comparative studies of women entrepreneurship in India and U.K. reveals that the share of women entrepreneur in business is relatively more in U.K. than in India since better facilities are available to women in U.K. In both the countries family responsibility is the main concern faced by them.

Woman enterprise

A woman entrepreneur is an adult who owns and runs an enterprise, especially a commercial one, often at personal financial risk. A recent ILO-Indian study of woman entrepreneurs gave the definition of women's enterprise as 'a small unit where one or more women entrepreneurs have not less than 50 per cent financial holdings.'¹³

The concept of women entrepreneurship is becoming a global phenomenon playing a vital role in the business community. In India women have made a comparatively late entry into business scenario mainly due to the orthodox and traditional socio-cultural environment. Although women face various problems in the process of establishing, developing and running their enterprise, nevertheless, their scope of development is very high in India, especially in rural areas with more women making development - oriented programme viz. Development of Women and Children in Rural Areas, (DWCRA) launched in and being implemented in 1982-83. In what follows, an attempt is made to analyze the success of such a scheme in terms of its survival, growth and development of women entrepreneurs and identify the problems faced by the women entrepreneurs.

Woman Entrepreneurship in India

Around 50 per cent of India's population is women. Yet, business spheres such as trade, commerce and industry, is still considered a male preserve. Entrepreneurial work has also been a predominantly a man's world in India. This is based on the fact that only seven per cent of the total entrepreneurs in India are women.

Indian women are in no way inferior to men in all walks of life and they can be as good entrepreneurs as men in the country. Therefore, it is essential to exploit the potentials of Indian women. Women's participation in trade, industry and commerce, requiring entrepreneurship, is still poor mainly because of the problems associated with their gender roles. Therefore, promotion of entrepreneurship and economic empowerment of women poses a

challenge to the government, funding agencies and non-government organisations. It is important for these people to focus on the limitations faced by the women and to plan supporting systems to enhance the women entrepreneurship in India.

Need and importance of women entrepreneurs

It is imperative to note the participation of women in economic activities as self-employed individuals. Many of the traditional occupations open to women were mainly based on caste, creed and the nature of self-employment based on the standard of living. Presently, women are generating employment for themselves in an unorganized sector and another category of women who provide employment for others.

The country needs to mobilize and utilize fully all its resources including human resources. The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of a society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long-term objectives of the development programmes for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due recognition has to be accorded to the role and contribution of women in the various social economic and political and cultural activities.

Factors influencing women entrepreneurs

The following are the major factors influencing the women entrepreneur.

- Economic independence.
- Establishing their own creative idea.
- Establishing their own identity.
- Achievement of excellence.
- Building confidence.
- Developing risk-taking ability.

- Motivation.
- Equal status in society.
- Greater freedom and mobility

The concept of developing women entrepreneurship lays emphasis of the productive utilization of women labour force to generate income and output. The programme for developing women entrepreneur would make a dent to alleviate poverty. The Sixth Five Year Plan for the first time highlighted the problem of women integration in economic development in India and emphasized need to expand women employment in the household sector by providing adequate support in the areas of technology upgradation, training, credit, raw material requirements and development of financing loans. For this purpose, sincere efforts have been taken under various plans, policies, programmes for the development of women entrepreneurship since 1990's.

The DWCRA groups (also known as SHGs) is considered as a viable organisation of the rural poor particularly women for delivering micro credit in order to undertake entrepreneurial activities. Some of the studies on these groups particularly those managed by women successfully demonstrated how to mobilize and manage thrift activities, appraise credit needs, enforce financial discipline, maintain credit linkages with banks and effectively undertake income generating activities etc.¹⁶ These studies also showed that the poor as a group are quite creditworthy and repayment of loan is quite satisfactory.

Women Entrepreneurship in AP: A case SHGs

The scheme, Development of Women and Children in Rural Areas (DWCRA) launched in 1982-83 (presently called as SHGs), inaugurated an era for systematically organizing women in groups for providing them opportunities of self-employment on a sustained basis. Several thousands of rural women from the length and breadth of the country participate in this programme and they have taken up a number of trades under DWCRA banner.

Since entrepreneurship development involves provision of additional channels of funds in the form of working capital and credit, training, management skill etc., DWCRA with an entrepreneurial development of women provides all these inputs by considering women as critical to development. This intervention aims at not only raising the income of rural women of poor households, but also enabling organized participation of groups in the programme of credit, skill training and infrastructure support for self employment in groups who cannot take up economic activities, individually as their own.

CONCLUSION

The main objective of the scheme is to improve the economic, health, educational and social status of rural women by providing them assistance and creating employment opportunities. The specific objectives of the scheme are:

1. To help and promote self-employment among the rural women, who are below the poverty line, by providing skill training in vocations which are acceptable to the beneficiaries, by encouraging productivity in their existing vocations and by introducing new activities hitherto undertaken;
2. To organize the beneficiaries in groups, activity-wise and promote economic and social self-reliance.
3. To generate income for the rural poor by creating avenues for production of goods and services;
4. To organize production enhancing programmes in rural areas; and
5. To provide for care of the children of the workingwomen by providing an improved environment, care and food by establishing crèches / balwadis.

The programme called for formation of groups of 10-15 women who could collectively engage in an activity. One woman amongst the members functions as the group organizer who helps in the choice of activity, procurement of raw materials, marketing of products etc.

A revolving fund of Rs. 15,000/- (subsequently increased to Rs.20, 000/-) was made available to

each group for credit and administrative needs. The programme is implemented by the District Rural Development Agency (DRDA) at the district level. SHG is the only programme of its kind, which aims at empowering the rural poor women by inculcating entrepreneurial skill. It seeks to encourage collective action in the form of group activities, which are known to work better than individual efforts.

Self-employment is emerging to be a very important source of livelihood for women in Asia and South East Asia. This is due to paucity of employment opportunities. There is an additional factor that many types of paid employment are felt to be more suitable to males than females.

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