

An empirical study on women entrepreneurship in small scale industries

Vidhu Gaur

Assistant Professor, Strategy and General Management
Management Development Institute Gurgaon, India

Keywords

Women, Entrepreneurship, Socio-economic, Small-Scale Industries (SSI)

Abstract

Despite making up over 50% of the nation's total population (48%) and contributing only 34% to economic growth, women's participation in that process is limited. To develop a meaningful career for themselves, women are now taking on entrepreneurial roles. Although small in size, the small enterprises have had a significant impact on the Indian economy by helping to decentralise resources from the male to the female side, making them better suited to employing women.

The present study aims "to identify the socio-economic factors that limit women's entry into entrepreneurship and those that adversely affect their performance". Additionally, it highlights the fact that institutions have created specialised programmes for women entrepreneurs and how, particularly in recent years, these programmes have improved the socioeconomic circumstances of women entrepreneurs.

Introduction

Any society's status and treatment of women are a barometer of its level of civilization. Women should be treated equally with men in the development process. Women are primarily responsible for their families' survival, yet they are often ignored and devalued since they are seen as inferior. Family has emerged as a key source of support since it enables women to participate appropriately in the production sector and also has market inclinations in this area. When a woman has more power, it is not uncomfortable for another person to lose power or have less authority. On the other hand, a woman's capacity for decision-making will confidently impact her family's behaviour if she is empowered.

Indian women have not had the anticipated success in society. Until the position and role of women are improved, the country won't be able to have an edge over other countries.

Although small in size, small-scale enterprises are important to the Indian economy. Small-scale industries (SSI) are crucial to the nation's industrialization. It is seen as a very important way to stop a small number of people from having too much economic power and to spread out economic power and income more evenly across the country.

Entrepreneurs have been credited for starting and supporting the socioeconomic growth of every nation on the globe. They are proof that nations with a disproportionately larger number of entrepreneurs in their population have advanced more quickly than nations with a lower proportion of entrepreneurs in their population. Entrepreneurs see innovation as a chance to take advantage of a situation, "mobilise resources and managerial abilities, and take calculated risks to create markets for new goods, procedures, and services".

Numerous government studies and financial institutions have discussed how barriers like family responsibilities and a lack of proper psychological makeup on the part of women themselves influence women entrepreneurs in small companies and force them into unfavourable environments. However, limitations, in particular the absence of short- and long-term loan facilities, continue to be the key area of concern for policymakers. The government indeed spends a lot of money on programmes to help women, but their effectiveness is limited. Since this is the case, it is important to understand how these elements affect the growth of women's entrepreneurship.

The concept of female entrepreneurs

"Women entrepreneurs are individuals or groups of individuals who start, plan, and manage a company". Women who invent, copy, or adopt a business activity are referred to as "women entrepreneurs" in terms of the Schumpeterian idea of innovative entrepreneurs.

A women's entrepreneur, according to the definition given by the Indian government, is "an business owned and managed by a woman, with a minimum financial investment of 51% of the capital and providing at least 51% of the employment produced in the firm to the female labour force."

The Current Status of Indian Women Entrepreneurs

Since the turn of the twenty-first century, rising industry, urbanisation, and social laws have all impacted women's position in India. Over time, a lot more women are going to college, getting technical training, and getting professional degrees. Also, a lot more women are working.

"With the growth of education and awareness, women moved from the kitchen, handicrafts, and traditional cottage industries to non-traditional higher levels of occupation." The need for women to undertake specific entrepreneurial training programmes that allow them to launch their own companies has also received considerable weight from the government. Banks and financial institutions have also established specific cells to support female entrepreneurs. Despite the fact that many women's entrepreneurship ventures continue to be a greatly underserved industry, this has helped women entrepreneurs return to the economic scene in recent years.

Literature Review

The issues and obstacles experienced by women entrepreneurs in India were outlined by Singh and Raina (2013), who also analysed the policies of the Indian government on behalf of women. Women business owners in India were the primary focus of this research. Women entrepreneurs are on the rise in contemporary India, according to the study's findings. Indian women, it was noted, have carved out a niche for themselves in a traditionally male-dominated field. It was another piece of evidence that Indian women can successfully balance personal responsibilities with professional obligations.

Women entrepreneurs in Tanzania's Dar es Salaam city were the focus of a SWOT analysis conducted by Benard and Victor (2013). A random sampling method was used to choose a sample of 130 female entrepreneurs for the research. The survey identified the demand for economic autonomy as a key strength of female business owners. Women's ambition to be their own boss was also highlighted as a key opportunity. It was also discovered that most female entrepreneurs fail due to a lack of education and that the burden of caring for children at home poses the greatest danger.

B. Siddappa (2012) analysed the results of four randomly chosen SHGs and drawing conclusions about the positive or negative effects that forestry has on women's empowerment. It was discovered in his research that the women who benefited from his programme saw an increase in their sense of self-worth, which in turn led to an enhancement of their skill set, which ultimately helped them achieve more economic autonomy and social standing.

This research aims to explore methods and policies that might create an enabling environment for women entrepreneurs in India, as explained by the author, Hina Shah (2013). Its goal is to provide a collection of ideas that policymakers may use to encourage the flourishing of women-owned businesses and entrepreneurial endeavours. Despite being a significant driver of economic development, women's entrepreneurship in India has gotten little governmental attention until now. The study drew on secondary sources and previous studies, while primary data was gathered through a structured questionnaire administered to 63 female entrepreneurs in 12 different states across India. In addition, case studies of thriving female entrepreneurs were done, and the data they yielded helped shape the study's examination of the context in which female entrepreneurs work and the obstacles they confront. Combining work and family life is a struggle for the vast majority of women entrepreneurs, and the research reveals that sociocultural factors are a significant obstacle to women's entrepreneurship. The survey found that just a tiny percentage of women had sought aid via government schemes and programmes, with the vast majority of support coming from informal sources. The research finishes with several suggestions for improving conditions for women business owners in India.

According to Gnanadhas and Jesurjan (2011), the most common motivations for women to start their own businesses are the following: the desire for financial independence; the desire to work for someone rather than stay at home; the desire to pursue a personal interest; the desire to be proud of one's wealthy creation; the desire to carry on a family business; the desire to be sensitive to a business opportunity; the lack of available jobs in the area; the lack of financial resources; the desire to support a family; the desire to support a family; the desire to be the

According to a study conducted by L. Marulasiddappa (2015) "76% of respondents had obtained a loan from one or more sources like financial institutions, money lenders, or friends and family, but 24% of respondents completely depended on their own investment", into the government and institutional support for women entrepreneurs. Moreover, he proposes that women business owners get instruction on relaxation techniques, techniques for coping with stress, gender equality, and the like. Women need to be empowered on all fronts, including psychologically, ethically, socially, economically, educationally, and politically, so it is essential that women get training in activity coordination, with the finest instruction coming from courses on entrepreneurial resource planning.

The research by Abdel Hafiez Ali and Ali Yassin Sheikh Ali (2013) sought to answer the question, "Why do Somali women join into entrepreneurship?" by examining the demographics of Somali women who had chosen this path. According to the findings of this cross-sectional survey done using a questionnaire, women entrepreneurs in Benadir are driven by a desire for financial independence, professional fulfilment, and autonomy. Somali women business owners in the Benadir area should have access to microfinance initiatives as a means of obtaining capital for their enterprises.

According to Savita Joshi (2013), women's entrepreneurship is crucial to a country's economic and industrial success. Since women make up over half of the population, encouraging their participation in the business world is crucial to any country's efforts to prosper economically. The primary needs for industrial growth are promoting women in business and providing high-quality business development services. Women are becoming a significant economic factor that policymakers cannot ignore. Approximately 13%–14% of India's projected total of entrepreneurs are women, and that figure is expected to expand each year. Current statistics suggest that in only five years, female entrepreneurs will make up 20% of the workforce. In India, the SSI industry has been a driving force behind the rise of successful female entrepreneurs.

According to P. Naga Jyothi's (2014) research, entrepreneurship is essential to national progress. Human resource development, including the promotion of female entrepreneurship, is crucial. The plight of the working woman and the rights of women generally have been brought to the forefront of public consciousness. Now more than ever, women may be found at the top of their chosen fields, whether it be as a stay-at-home mom, a professor, a lawyer, a scientist, a politician, a pilot, an engineer, or It's true that women are better equipped than men to run households, but that begs the question: If she can run a household well, why can't she run a company well, too? However, women's economic performance varies widely among nations. In India, particularly in rural regions, the number of women who start their own businesses is shockingly low. The article discusses what the government is doing to help women succeed in business. It also talks about the position of women entrepreneurs and the problems they face when starting their businesses in today's competitive market.

In her work, Preeti R. Rajguru (2014) addresses whether an individual's knowledge and skills are sufficient to take risks and handle the pressures of creative practice. From the perspective of economic growth, educating women in India about entrepreneurship is a crucial step. Although more women than ever are college educated, most of those with a degree still choose secure employment over business ownership. They have tremendous potential to become entrepreneurs, but they do not pursue the field as a job for various reasons (including a lack of knowledge about the field, poor confidence in their abilities, and an aversion to taking risks). Therefore, educational institutions may help nurture women's entrepreneurialism. Therefore, this article aims to argue for the need to provide women with an education in entrepreneurship to foster the development of prosperous female business owners.

J. Krithika (2014) found that gender plays a significant role in women's health. He suggests that the growth plans be built around three main points: more money, better marketing skills, and more advanced technology.

Objective

The objective of the study is “to identify the socio-economic factors that limits the women to entry into Enterprenurship and those adversely affect their performance”.

Methodology

The study is based on both secondary and primary data. In the macro approach various elements of women Enterprenurs, will have been examined with the help of secondary data. While evaluating the women Enterprenurship in small scale industrieswomen Enterprenurship survey method has been adopted.

Study Area: Present study is focusing its attention on women enterprises in Delhi/NCR.

Respondents: Women entrepreneurs of SSI were picked randomly without prejudice.

Sample size: “A sample size of 300 was chosen at the beginning of this study. But only entirely completed questionnaires have been taken into consideration, which totals of 215”.

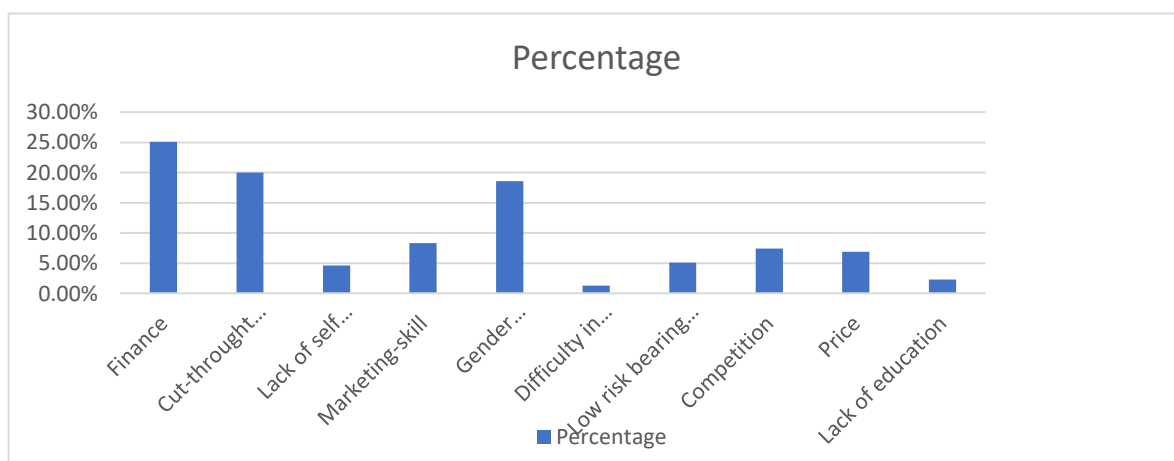
Sample Design: Primary data has been collected by using multi stage sampling technique.

Data Coding: The researcher used simple technique of percentage and averages and applied Likert scale and women empowerment index as well as composite index. MS Excel has been used for both data coding as well as data transcription.

Data Analysis

Table-1 :Women Enterprises Problems faced in SSI Unit

“Sl. No.	Problems	No. of respondents	Percent”
1	“Finance	54	25.11
2	Cut-throught competition	43	20.0
3	Lack of self confidence	10	4.6
4	Marketing-skill	18	8.3
5	Gender Discrimination	40	18.6
6	Difficulty in procurement of raw materials	03	1.3
7	Low risk bearing Capacity	11	5.1
8	Competition	16	7.4
9	Price	15	6.9
10	Lack of education”	05	2.3
	Total	215	100.0



The women-owned businesses in SSI Units are dealing with a lot of difficulties. A selection of them is shown in table 1. 25.1% of the 215 respondents reported having financial difficulties, indicating that the "banking institutions' financial resources were insufficient to manage the SSI units". The business of women SSI units is being negatively impacted by the severe cut-through competition that 20.0% of respondents are experiencing from their closest competitors, who are luring clients by offering goods and services at prices that are competitively cheaper than their counterparts. 4.6% of respondents lack bravery or trust in their own SSI units, which is hindering the growth of their businesses. Today's women-owned businesses desperately need such skills for survival, and 8.3% of them have been striving to improve their marketing forecasting skills in their units. 18.6% of respondents reported having issues with gender discrimination, which suggests that despite the units' willingness to provide their services, men do not use them since the units are run by women. 1.3% of respondents reported having trouble procuring raw materials in a timely manner, and 5.1% reported having trouble finding the guts to deal with unexpected "risks in their businesses, particularly pricing risk, financial risk, and administrative risk". 7.4% of respondents reported that they were subject to intense competition from their opponent's organisation, which discouraged the weak units in the research area. 6.9% of respondents have been facing the issue of illiteracy because they do not possess the required qualifications in their units. Finally, "the 2.3 respondents have been facing the issue of high cost in their units, which is leading to a high price compared to the counterpart units and such an atmosphere affecting the business improvement".

Family Support to respondents

A significant social institution is the family. The following table examines the family support for women-owned businesses. Based on the results, we concluded that this institution provides strong support for women-owned businesses. The average score of this institution among the 215 respondents was 6.87 out of 10, and the percentage of support was 68.7.

Out of 10,

28 women respondents gave score of 7.5.

111 women respondents gave score of 7.0.

71 women respondents gave score of 6.5.

5 women respondents gave score of 6.0.

Support from the Banking

The 215 respondents Support from the Banking "average score was 4 out of 10, and the banking support provided to the chosen women-owned businesses was 47.7% (table 3). This indicates that the institution's support is modest".

Table 2: Support from the Banking

"Women units	X individual given score out of 10	average total score and percentage of the support"
"28	X7.5	210"
"111	X7.0	777"
"71	X6.5	461"
"5	X6.0	30"
215	X6.75	68.7 %

(1478/215=6.87 therefore 68.7 Percent)

Out of 10,

"177 women respondents gave score of 5.

27 women respondents gave score of 4.0.

11 women respondents gave score of 3.0".

Support from the Government

Table 3: Support from the Government

"Women units	X individual given score out of 10	average total score and percentage of the support"
"177	X5.0	885"
"27	X4.0	108"
"11	X3.0	33"
215	4	47.7%

Another organisation that helps, the government is one that was instrumental in the formulation of laws that encourage women-owned businesses and are aiding the general growth of women SSI units. The 215 respondents' average government support rating was 4.1 out of 10, translating to a 46 percent . Table 4 demonstrates that the government's assistance to the 215 borrowers is below 50%; as a consequence, the government's assistance to the respondents was low. It has been noted that the advantages of the government initiatives have not reached the targeted recipients to the intended degree. Furthermore, the beneficiaries have voiced their displeasure with government officials who consistently take advantage of government measures.

(1026/215=4.77 therefore 47.7 Percent)

Out of 10,

49 women respondents gave score of 5.5.

129 women respondents gave score of 4.5.

24 women respondents gave score of 4.0.

10 women respondents gave score of 3.5.

3 women respondents gave score of 3.0.

Marketing Assistance

Another type of support needed by women-owned businesses to establish their own SSI units in the market is marketing assistance. This is because, without the market's assistance in the form of purchases of ISB products or services, only the women-owned businesses are able to stand on their own, and the success of the SSI units is ultimately due to this market assistance. As a result, the 215 respondents' overall average score for marketing support was "5 out of 10, and this institution's support was 56.4 percent, which is modest (Table 5)". The family support score was the highest of the four institutional support outcomes, followed by "the marketing institutions' support for the women's SSI units and the remaining government institution scores," which were both extremely low (below 50%). One of the key institutions affected by all of these outcomes, the government, has been conclusively shown to gain from different government programmes via various groups of "higher-level government officials and non-officials", up until and unless the government checks for leaks of this kind.

Table 4: Marketing Assistance

"Women units	X individual given score out of 10	Average total score and percentage of the support"
"49	X 5.5	269.5"
"129	X 4.5	580.5"
"24	X 4.0	96"
"10	X 3.5	35"
"03	X 3.0	9"
15	4.1	46 %

(990/215=4.60 therefore 46 Percent)

Out of 10,
 "118 women respondents gave score of 6.0.
 58 women respondents gave score of 5.5.
 27 women respondents gave score of 5.0.
 9 women respondents gave score of 4.5.
 3 women respondents gave score of 4.0".

The degree of empowerment in women enterprises

Table 5: Degree of empowerment in women enterprises

"women units	X individual given score out of 10	average total score and percentage of the support"
"118	X 6.0	708"
"58	X 5.5	319"
"27	X 5.0	135"
"9	X 4.5	40.5"
"03	X 4.0	12"
215	5	56.4 Percent

($1214.5/215=5.64$ therefore 56.4 Percent)

The advancement of the country in general and the success of women-owned businesses in particular depend on the integration of women's growth and their empowerment. Women's empowerment is a process that deals with the sources and organisation of the SSI units' power. The process of empowerment has to be effective on both group and individual level. Poor women cannot overcome all obstacles on an individual level; they can only do it together. As a result, it is argued that women ought to organise and enlist the aid of political forces. It requires procedures for maintaining the varied gains, control over resources, and equitable involvement in decision-making. Since the units now more than ever need particular attention, organising women via the creation of women's business organisations is necessary.

The non-profit organisation is a crucial tool for empowering women. forming organisations of low-income women in order to profit from their success. The organisation helps women gain the self-assurance and expertise they need to elevate their standing and influence societal perceptions of women. After the organisation was established, the ladies felt more confident and were better able to interact with others, including their well-wishers. In contrast to the formerly uneven environment, they now feel equal to others.

"The empowerment index, which is based on a five-point Likert scale, was used to gauge the degree of empowerment".

Ten factors were utilised to determine the degree to which women are competent to make decisions for themselves, indicating "their degree of agreement or disagreement with each variable. Strongly agree- two , agree- one, uncertain- zero, disagree- two , and strongly disagree- one".

The frequencies for the various options for each variable were then counted. After multiplying each frequency by its corresponding point value, the total score was divided by the overall number of women-owned businesses. Thus, "the empowerment index was shown. The composite index was created by dividing the empowerment index by the number of factors (10)".

"To analyse the extent of women empowerment the following decision criteria was used".

"Zero and below zero = no empowerment.

Between zero and below 33.33 = low empowerment.

Between 33.33 and 66.67 = Moderate empowerment.
Above 66.67 = High empowerment.”

Table -6 :Women Empowerment Index

“Sl. No.	Empowerment	SA	A	NO	D	SD	“EI”
1	“Self confidence	65	67	48	19	16	66.20
2	Social Status	67	66	46	21	15	68.25
3	Mobility	61	65	43	27	19	56.64
4	Involvement in public	66	68	48	17	16	70.02
5	Awareness in legal & political Activities matters	51	54	48	32	30	28.49
6	Decisionmakinginfamily	63	67	43	25	17	61.35
7	Hea1th&Hygiene	65	66	49	17	18	65.10
8	Leadership	58	56	48	32	21	45.43
9	Communication	67	68	54	10	16	73.82
10	Creativity”	65	64	41	25	20	58.02
Composite index							59.332

The following table shows that the composite index for empowering women through business was 59.33, which is below the 66.67 threshold. Based on this finding, its concluded that the respondents only had a moderate amount of empowerment. The average indexes among the variables ranged from 28.49 at the lowest to 73.82 at the highest. The variable communication had the greatest average index (73.82) while political and legal awareness had the lowest average value (28.49%). Women-owned businesses give their employees plenty of opportunity to voice their opinions, especially during association meetings. This is the primary driver of “moderate empowerment in the field of communication.” Six of the ten factors, or more than 60.34, indicate a high level of empowerment. One variable, or less than 33.33, indicates a “low level of empowerment (awareness in legal & political Activities matters).” According to the respondents, the primary reason they are not interested in learning about legal and political issues is the mental strain brought on by their dual responsibilities to their family and the SSI unit.

Conclusion and Suggestions

It may be said that “the degree of women's empowerment attained via the SSI units is modest since the composite index for SSI women's empowerment was lower than 66.67”. However, the process of empowerment is ongoing and will take some time. It is hoped that in the near future, the women's SSI units will be required to perform at a high level.

Their empowerment was significantly impacted by the women's SSI units' performance. The majority of respondents were successful in increasing their income and savings to a reasonable level and making contributions to their families' well-being. The good effects can only do so much to improve the lives of the respondents and their families.

Women-owned businesses should start the action plan-making process by focusing on a few key areas: a) setting basic business goals, b) identifying potential business challenges and opportunities, c) identifying the target market and competitors, and d) taking into account and planning all of the operational and financial needs of units to reach their goals.

The Department of Women and Children's Welfare Development must take all necessary steps by formulating the appropriate policies to address the problems of women enterprises. Educational institutions to overcome these problems should develop the necessary training programmes through regular orientation or refresher courses or workshops.

References

- Ali Hafiez A. ,Ali Yassin & Sheikh A. (2013) 'Motivational Factors Of Somali Women Entrepreneurs In Benadir Region', *Asian journal of Research in Social Science&Humanities*, New Delhi,4(1),pp. 48.
- Bharathi V. & Jigalur M.(2013) 'Critical Issues of Women Entrepreneurship with Special reference to specific business units in North Karnataka', *International Journal of Current Engineering and Technology*, Haryana, 27(6), pp.58.
- Benard, M. C., Victor, K. R. (2013) 'SWOT analysis of growth of women entrepreneurs in Dares Salaam',*Academic Research International*, New Delhi 4 (1), pp. 50-58.
- Das.M. (2001) 'Women entrepreneurs form India- problems, motivators and success factors'. *Journal of small business and entrepreneurship*, Ahmadabad,15(4), pp.67-81.
- Dr. Chandrashekhar. (2012). 'Women in Samll Scale Industries : A study of Entrepreneurs,' *IJRESS*, New Delhi, 2(2), pp.6.
- Gnanadhas, M.E. & Jesurajan, S.A. (2011) 'A study on the factors motivating women to become entrepreneurs in Trunelveli district', *Asian Journal of Business and Economics*, New Delhi, 14(6), pp. 6.
- Hina S. (2013) 'Creating An Enabling Environment For Women's Entrepreneurship In India', *Economic and Social Commission for Asia and the Pacific (ESCAP)*, ESCAP South and South-West Asia Office.
- J.Krithika, Dr. B.Venkatachalam. (2014) 'A Study on gender as an issue in women entrepreneurship with special reference to Bangalore', *AEIJST*, Bangalore,2,pp. 67.
- Jyothi,V. & Prasad,G. (2009) 'A Profile of Potential Rural Women Entrepreneurs', *SEDME*, Hyderabad, XX (1), pp. 67.
- L,Marulasiddappa. (2015) *Government and institutional support to women entrepreneurs- A study with a focus on selected districts in Hyderabad Karnataka Region Ph.d Thesis*, Gulbarga University Gulbarga,pp. 230-238.
- Ms.U.Dhanalakshmi1, Dr.K.Rajini. (2013) 'Socio-Economic Status of Micro Women Entrepreneurs in ERODE District', *International Journal of Engineering and Management Research*, Tamilnadu, 3(5), pp.78-81.
- Poonam Vatharkar. (2012) 'A Study of Constraints and Motivating Factors for Indian Women Entrepreneurs in Small Scale Industries', *Intentional Conference on Business and Management*, Phuket - Thailand, pp. 473-488.
- P. Naga Jyothi. (2014) 'Women Entrepreneurship In India', *Abhinav International Monthly Refereed Journal Of Research In Management & Technology*, New Delhi, 3(5), pp. 35.
- Preeti. R. Rajguru. (2014) 'Women Entrepreneurship Education in Higher Educational Institutions: Need of an Hour', *Asian Journal of Multidisciplinary Studies* ISSN: 2321-8819, Hydarbad,2(4), pp. 45.
- Savita Joshi. (2013) 'Entrepreneurship Development of Women In Small Scale Industries In India', *Indian Streams Research*, ISSN 2230-7850, Solapur, 3(11), pp.65.
- Sharma Sheetal. (2006) 'Educated Women, Empowered Women', *Yojana*, New Delhi, 50(12), pp. 52.
- Siddappa, B. (2012) 'Impact of Forestry on SHGs of Karnataka', *UGC funded project report*, Bangalore, pp. 13.
- Singh, A., Raina, M. (2013) 'Women entrepreneurs in micro, small and medium enterprises'. *International Journal of Management and Social Sciences Research*, New Delhi, 2(8), pp 4-8.