

A STUDY ON SELF EMPLOYMENT WITH SPECIAL REFERENCE TO WOMEN ENTREPRENEURS IN COIMBATORE CITY

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Abstract:

The entrepreneurship is a key to national development. Nurturing an individual's natural spirit of entrepreneurship is a powerful key to economic development, which takes its major share in developing countries. Small and medium enterprises provide enormous employment opportunities to people. Entrepreneurship may be regarded as a powerful tool for economic development of a predominantly agricultural country like India. Since independence, small-scale entrepreneurship programme has contributed significantly to the economic growth.

India is a developing country. The attitude of women is not as rigidly unfavorable as it was once and women are trying hard to establish themselves as entrepreneurs. The year 1975 was declared as the international year for women. Efforts were brought to promote self-employment and participation of women in rural industry, development of appropriate technology, changing the role of financial institutions, etc.,

Key words: Woman Entrepreneur, Self-employment and participation of woman in rural Industry.

INTRODUCTION:

Entrepreneurship is the ability to perceive an opportunity, the foresight to see scope for its exploration, the courage to undertake the initiative and during too taken risks. The spirit of enterprising transforms ordinary men into entrepreneurs and ideas into economic realities. The origin of women entrepreneurship in India geared up only in last three decades. An entrepreneur is capable of organizing resources to overcome challenging ventures out of which he derives high level of satisfaction. Entrepreneurship refers to the skill of organizing

new economic enterprises, managing them, in valuing risks. The Indian society has not bothered to pay due attention to appreciate and involve its women members in the promotion of its economic development. When both men and women work together and contribute for the economic development, no doubt that the national economy will develop at a faster rate.

Mr. M. Visveswaraya, one of the great industrialists in his book, "Prosperity through industry", listed the following seven M's necessary for modern enterprises. They are (i) men, (ii) money, (iii) materials, (iv) machinery, (v) motive power, (vi) market and (vii) management.

These seven factors should be brought together by an entrepreneur to achieve the objectives, which he has set for himself. The entry of entrepreneurs into the field of economy makes the nation not only prosperous but also empower individuals by providing employment opportunities.

An attempt is made in this study to understand the role of entrepreneurs in economic development.

1.1 Objective of the Study

- (1) To know the support scheme available to women entrepreneurs;
- (2) To study the socio-economic background of the women entrepreneurs at Palakkad District;
- (3) To analyze the factors influencing women entrepreneurs to start own business; and
- (4) To identify the problems of women entrepreneurs in the area under study.

1.2 WOMEN ENTREPRENEURSHIP – AN OVERVIEW

According to Government of India, a women entrepreneur is defined as "an enterprise owned and controlled by a women having a minimum financial interest of 51% and giving at least 50% of the employment generated in the enterprise to women".

Women entrepreneurs are opposing the conditions of employing more than 50% of women workers. They point out that this condition is discriminatory. Enterprises set up by women should be provided with incentives and support on the basis of ownership and management characteristics and not linked with employment of women.

1.3 Functions and Role of Women Entrepreneurs

Like a male entrepreneur, a women entrepreneur must perform the following five functions.

- 1) Exploring the prospects of starting new enterprises.
- 2) Understanding of risks and economic uncertainties.
- 3) Introducing innovations.

- 4) Co-ordination, administration and control.
- 5) Routine Supervision.

1.4 Growth of Women Entrepreneurship

In recent years women have made tremendous progress in different walks of life and are competing successfully despite of the biological, social, psychological and economic barriers. This has been possible due to education, political awakening, urbanization, legal safeguards, social reforms etc., In India, women entrepreneurs constitute a negligible proposition of the total entrepreneurs as attitudinal constraints, social traditions and kingship system inhibit the emergence of women entrepreneurs. Traditionally women enterprises are the extension of activities 3ps viz. Pickles, Powder and Papad making. The traditional cottage or basket making women entrepreneurs face problems and constraints like illiteracy, lack of information, fear to take risks, lack of experience and training, feeling of insecurity etc., In addition there are structural constraints in the form of inequality.

1.5 Schemes Available in General all Over India

The fifth five-year plan gave priority for fulfilling the minimum needs of the people. The sixth five-year plan importance to build the basic infrastructure facilities that could guarantee a better quality of life in the urban and rural areas. There was a general shift from the concept of welfare to the concept of development and the sixth five-year plan 1980-85 was designed to reduce unemployment. Like men, unemployment became increasing among the women folk who occupies 50% of the population. However, there are additional facilities incentives available for women in order to motivate them and to bring them in the main stream of industrial development and such schemes and facilities and organizations offering such facilities are

1. Prime Minister Rozgar Yojana (PMRY)
2. Women Entrepreneur Development Programme scheme (WEDP)
3. New Anna Marumalarchi Thittam (NAMT):
4. Khadi Village Industrial Corporation Scheme: (KVIC)
5. The National Alliance of young entrepreneurs
6. National Commission for Women
7. Indian Council of Women Entrepreneurs
8. National Commission on Self Employed women in the informal sector
9. World Association Women Entrepreneurs (WAWWE)
10. Associated Country women of the world
11. Small Industries Development Organisation: (SIDO)

12. National Small Industries Corporation Limited
13. The Small Industrial Development Bank of India (SIDBI)
14. Commercial Banks
15. State Government and their Specialized Institutions
16. Women Entrepreneurs Development Programmes

2. ANALYSIS OF WOMEN ENTREPRENEURS

The business undertaken by the women entrepreneurs of Coimbatore District were grouped into three categories, namely, Shop & Trade, Production units and Services units. The category – Shop & trade include the entrepreneurs running business like petty shop, vegetable vendors, sweet stall & bakery, mess & hotel and readymade garments. The Production units consist of masala & vadagam, pickle making, coffee powder making, phenol making, candle making, betel nut, agarpathi. The Services units consist of (i) tailoring, beauty parlour, computer & printing canter, book binding, Xerox and laundry. A sample of 90 respondents representing 30 from each category had been chosen for this study. The nature of business to be set by women entrepreneurs depends upon many factors like family background, education, and attitude, special training acquired etc.

Table 1
Nature of Business Undertaken by the Respondents

| Nature of business | Type of Business | No. of Respondents | % |
|--------------------|----------------------------------|--------------------|--------|
| 1. Shop & Trade | (i) Petty shop | 7 | 23.33 |
| | (ii) Vegetable vendors | 7 | 23.33 |
| | (iii) Sweet stall & Bakery | 3 | 10.00 |
| | (iv) Mess & Hotel | 8 | 26.67 |
| | (v) Readymade Garments | 5 | 16.67 |
| | Total | 30 | 100.00 |
| 2. Production unit | (i) Masala & Vadagam | 10 | 33.33 |
| | (ii) Pickle Making | 7 | 23.33 |
| | (iii) Coffee Powder Making | 3 | 10.00 |
| | (iv) Phenol Making | 2 | 6.67 |
| | (v) Candle Making | 4 | 13.33 |
| | (vii) Betel nut | 2 | 6.67 |
| | (vii) Agarpathi | 2 | 6.67 |
| | Total | 30 | 100.00 |
| 3. Service unit | (i) Tailoring | 9 | 30.00 |
| | (ii) Beauty Parlour | 5 | 16.67 |
| | (iii) Computer & Printing Center | 5 | 16.67 |
| | (iv) Bookbinding | 3 | 10.00 |
| | (v) Xerox | 6 | 20.00 |
| | (vi) Laundry | 2 | 6.66 |
| | Total | 30 | 100.00 |
| Total | | 90 | |

Source: Primary data

Table 1 brings out the nature and type of business undertaken by the sample respondents. It can be seen that sale of ready garments (26.67%) dominates the other

business under shop and trade category where as sweet stall and bakery business is the minimum constituting 10 percentage of the sample respondents. In Production category masala powder & vadagam preparation and also pickle making ranks top constituting 56.66 percentage; coffee powder making, phenol making, candle making, betel nut, agarpathi production all together contributes 43.43 percentage.

In Service category Tailoring ranks comprising 30 percent of the respondents, followed by beauty parlour business (20%) and the remaining 50% of the respondents are doing other business.

Thus it is found that, masala powder & vadagam preparation and tailoring were the highest among the sample women entrepreneurs chosen for study since such works can be undertaken at home itself along with other domestic works.

Factors influencing Women Entrepreneurs

Many factors influence women to enter in to business- some factors may forcefully compel women to undertake business; some may motivate them to enter in to business and some may encourage them to carry out their own business.

It was identified that the factors compelled the respondents to undertake entrepreneurship are poor economic condition, lack of employment opportunity, large family size and dependency situation.

The factors motivated the respondents are desire for earning, desire to prove one's ability, desire to be independent, motivation given by family members, desire to earn social status, and to make use of the time available.

The factors encouraged the respondents to carry on own business is identified as previous work experience, government subsidy on loan to entrepreneurs, family co-operation and availability of resources.

Table 2Factors to start Own Business

| Sl. No. | Factors | Number of Respondents | % |
|--------------|--------------------------------|-----------------------|---------------|
| 1 | Poor economic condition | 27 | 30.00 |
| 2 | Lack of employment opportunity | 42 | 46.67 |
| 3 | Large family size | 12 | 13.33 |
| 4 | Dependency situation | 9 | 10.00 |
| Total | | 90 | 100.00 |

Source: Primary data

Table 2 indicates the factors forced the respondents to start business of their own. It was found that 46.67 percentage of the respondents were compelled to undertake entrepreneurship due to non-availability of other job opportunities; 30 percentage of the respondents were forced to undertake self-business due to poor economic status. 13.33 percent of the respondents were had to undertake self-business because of their large family size and 10 percent due to dependency situation because of loss of earning member in their family.

Factors Motivated the Respondents to start own Business

Factors Motivated the Respondents to start own Business is given in table 3.

Table 3Factors Motivated the Respondents to start own Business

| Sl. No. | Motivational Factors | Number of Respondents | % |
|--------------|-----------------------------------|-----------------------|---------------|
| 1 | Desire for earning | 34 | 37.78 |
| 2 | Desire to provide job opportunity | 8 | 08.89 |
| 3 | Desire to be independent | 20 | 22.22 |
| 4 | Inducement of family members | 12 | 13.33 |
| 5 | Desire for social status | 16 | 17.78 |
| Total | | 90 | 100.00 |

Source: Primary data

Table 3 gives the factors motivated the respondents to start own business. It could be seen from the table that a maximum of 37.78 percentage of the respondents were motivated to undertake entrepreneurship to fulfill their desire for earning; 22.22 percent of the respondents aspired to be independent; 17.78 percent of the respondent were motivated due to their desire to enjoy social status by being a member in trader association like to be a member of Chamber of Commerce and 13.33 percent of the respondents were motivated by the inducement of family their members and 08.89 percent of the respondents were motivated by their desire to provide job opportunities to people.

Factors Encouraged Respondents to start own Business

Factors Encouraged Respondents to start own Business is given in table 4.

Table 4 Factors Encouraged Respondents to start own Business

| Sl. No. | Encouraging Factors | Number of Respondents | % |
|----------------|----------------------------------|------------------------------|---------------|
| 1 | Previous work experience | 8 | 08.89 |
| 2 | Government subsidy & guidance | 55 | 61.11 |
| 3 | Family co-operation | 10 | 11.11 |
| 4 | Availability of resources & time | 17 | 18.89 |
| Total | | 90 | 100.00 |

Source: Primary data

Table 4 reveals the factors encouraged the respondents to start own business. It was observed that, Government subsidy & guidance had encouraged 61.11 percent of the respondents; availability of resources & time had encouraged 18.89 percent of the respondents and previous work experience and co-operation of family members had encouraged about 20 percentage of the respondents.

Problems of the Women entrepreneurs under study

Women entrepreneurs faced many problems while doing the business. For purpose of analysis the problems were grouped into three categories namely – financial problems, production and marketing problems and social problems.

Financial problems include problems relating to amount of loan rate of interest, repayment period, security for loan, and formalities to be undergone for getting the loan.

Production and marketing problems relate to problems like seasonality work, shortage raw material, shortage skilled labour lack of storage facilities, waste of product, channel of distribution and competition for products.

Social problems include the problems of dual role to be played being women, lack of family support in running the business, lack of accessibility to information relating to technology and marketing inequality in the society and changes in government policy.

Problems in Rising Finance for Business

Problems in Rising Finance for Business is given in table 5.

Table 5 Problems in Rising Finance for Business

| Sl. No. | Problem Aspect | Number of Respondents (Out of 90) | % |
|---------|--------------------------|--------------------------------------|-------|
| 1 | Inadequate Loan amount | 25 | 27.77 |
| 2 | High Rate of Interest | 30 | 33.33 |
| 3 | Limited Repayment Period | 15 | 16.66 |
| 4 | Security Insisted | 22 | 24.44 |
| 5 | Lengthy formalities | 10 | 11.11 |

Source: Primary data

Table 5 indicates the problems of respondents in raising finance for business 27.77 percentage of the respondents, 25 number reported that the loan amount given was inadequate both bank loan and borrowings from moneylenders. 33.33 percentage of the respondents (30 number) opined that rate of interest charged was high and this comment especially from respondents who borrowed loan from moneylenders. 16.66 percentage of the respondents had the feeling that the repayment period was short. 24.44 percentage of the respondents reported that security was demanded for granting loan which day did not have. 11.11 per cent of respondents, 10 number reported that lengthy procedure has to be followed for getting loan.

Problems in Production and Marketing

Problems in Production and Marketing is given in table 6.

Table 6 Problems in Production and Marketing

| Sl.No. | Problem Aspect | Number of Respondents (Out of 90) | % |
|--------|----------------------------|--------------------------------------|-------|
| 1 | Seasonality of work | 24 | 26.66 |
| 2 | Shortage of skilled labour | 11 | 12.22 |
| 3 | Lack of storage facility | 16 | 17.77 |
| 4 | Channel of distribution | 24 | 26.66 |
| 5 | Competition | 15 | 16.66 |
| 6 | Low profit margin | 17 | 18.88 |

Source: Primary data

Table 6 reveals the problems of the sample women entrepreneurs relating to production and marketing of product or service. 26.6 percent of the respondents reported that they could find job only during the seasons due to the seasonal nature of business and hence they were job less during off-seasons. Lack of storage facility became a problem for 17.77 percentage of respondents; distribution channel was the problem for 26.66 of the respondents; 16.66 percentage of the respondents reported that competition for sale of products was the problem for them 18.88 respondents felt their they could not get adequate profit margin.

Social Problems of the Women Entrepreneurs

Social Problems of the Women Entrepreneurs is given in table 7.

Table 7 Social Problems of the Women Entrepreneurs

| Sl. No. | Problem Aspect | Number of Respondents (Out of 90) | % |
|---------|---------------------------|--------------------------------------|-------|
| 1 | Lack of family support | 17 | 18.88 |
| 2 | Dual role to be played | 25 | 27.77 |
| 3 | Lack of accessibility | 15 | 16.66 |
| 4 | Inequality in the society | 12 | 13.33 |
| 5 | Government policy | 8 | 08.88 |

Source: Primary data

Table 7 brings out the social problems of women entrepreneurs of the district. 27.77 percent of the respondents reported that they found it difficult, as they have to play dual roles in managing the house and business. 18.88% of the respondents reported that they suffer due to lack of support from their family. 16.66% of the respondents felt that they do not have adequate access to knowledge of marketing and about the position of other entrepreneurs doing similar type of business and few respondents regretted about the inequality between men and women prevailing in the society.

3 FINDINGS AND SUGGESTIONS

3.1 FINDINGS

From the foregoing discussion on the women entrepreneur in Coimbatore District, the following the main findings could be inferred.

1. It was found that 46.67 percent of the respondents were compelled to undertake entrepreneurship due to non-availability of other job opportunities; 30 percent of the respondents were forced to undertake self-business due to poor economic status. 13.33 percent of the respondents were had to undertake self-business because of their large family size and 10 percent due to dependency situation because of loss of earning member in their family.
2. It could be seen from the table that a maximum of 37.78 percentage of the respondents were motivated to undertake entrepreneurship to fulfil their desire for earning; 22.22 percent of the respondents aspired to be independent; 17.78 percent of the respondent were motivated due to their to enjoy social status by being a member trader association like to be a member of Chamber of Commerce and 13.33 percent of the respondents were motivated by the inducement of family their members and 08.89 percent of the respondents were motivated by their desire to provide job opportunities to people.
3. It was observed that, Government subsidy & guidance had encouraged 61.11 percent of the respondents; availability of resources & time had encouraged 18.89 percent of

the respondents and previous work experience and co-operation of family members had encouraged about 20 percentages of the respondents.

4. 27.77 percentage of the respondents, 25 number reported that the loan amount given was inadequate both bank loan and borrowings from money lenders. 33.33 percentage of the respondents (30 number) opined that the rate of interest charged was high and this comment especially from respondents who borrowed loan from moneylenders. 16.66 percent of the respondents had the feeling that the repayment period was short. 24.44 percentage of the respondents reported that security was demand for granting loan which day did not have. 11.11 percent of respondents, reported that lengthy procedure has to be followed for getting loan.
5. 26.6 percent of the respondents reported that they could find job only during the seasons due to the seasonal nature of business and hence they were job less during off-seasons. Lack of storage facility became a problem for 17.77 percentage of respondents distribution channel was the problem for 26.66 of the respondents; 16.66 percentage of the respondents reported that competition for sale of products was the problem for them. 18.88 respondents felt their they could not get adequate profit margin.
6. 27.77 percent of the respondents reported that they found it difficult, as they have to play dual roles in managing the house and business. 18.88% of the respondents reported that they suffer due to lack of support from their family. 16.66% of the respondents felt that they do not have adequate access to knowledge of marketing and about the position of other entrepreneurs doing similar type of business and few respondents regretted about the inequality between men and women prevailing in the society.

3.2 Suggestions & Recommendations

Entrepreneur may market their product by forming a cooperative society, which will look after marketing of their product.

1. When women come forward to reduce the burden of earning, men should share their family work so as to relive women to concentrate on business.
2. Women should improve their social movements as that of men to gain knowledge on marketing of products, competitors' position, pricing etc.

3.3 Conclusion

The new economic policy of Indian has also highlighted the need for entrepreneurship development for women so that they may start their own business. But it is the women who should come forward breaching the socio cultural barriers to take up self-employment. Women have got enormous capacity and will power to accomplish the desired works. India will attain the elevated status of developed country when men and women together work and contribute or the development.

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