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Strengthening Economic Potency by Women Entrepreneurs: A Case Study of Belagavi

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ABSTRACT

In the global economy of the 21st century, international trade will be a key source of economic growth and development. Recent surveys conducted in several countries by the National Foundation of Women Business Owners (NFWBO) indicate that women-owned firms involved in the global marketplace have greater revenues, are more optimistic about their business prospects and are more focused on business expansion than women-owned firms that are domestically oriented. Obviously, expanding into international trade can pay off for women-owned firms. However, it is not clear that smaller enterprises are benefiting from these potential as much as larger firms. In connection with the above here an attempt has made to study the role of women entrepreneurs in economic development.

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Introduction

Entrepreneurship in India has considered to be male dominative. However, in cycle with a changing socio-cultural environment and an increase in educational opportunities, women have started recognizing their inherent talents and business skills. With the help of various governmental and non-governmental agencies, growing numbers of women are joining the ranks of entrepreneurs. However, in the existing familial and societal setup, entrepreneurial women are overburdened and find it increasingly difficult and challenge to a women to startup an entrepreneurship. Today's world is changing at a startling pace. Political and economic transformations seem to be occurring everywhere - as countries convert from command to demand economies, dictatorships move toward democracy, and monarchies build new civil institutions. These changes have created economic opportunities for women who want to own and operate businesses. Today, women in advanced market economies own more than 25% of all businesses and women-owned businesses in Africa, Asia, Easter Europe, Latin America and India are growing rapidly.

In some regions of the world, transformation to a market economy threatens to sharpen gender inequality. Some of these changes are simply the legacy of a gender imbalance that existed prior to political and economic reforms. Other changes reflect a return to traditional norms and values that relegated women to a secondary status. As countries become more democratic, gender inequalities lessen; thus, offering a more productive atmosphere for both sexes. This paper examines how women entrepreneurs affect the economy of a nation, why women start businesses, how women's business associations promote entrepreneurs, and to what extent women contribute to international trade.

Women's business associations play a vital role in identifying appropriate and/or emerging sectors where women entrepreneurs can succeed. The areas that are likely to take off quickly during a nation's market revitalization are public relations, transport, delivery, producing and marketing

consumer goods, commercial banking, financial services, insurance, and other service-related industries. In this process, women business owners are innovators, job creators, and providers of economic security. As owners of small and medium-sized enterprises (SMEs) women can also supply multinational companies with ideas, inventions, technology, raw materials, supplies, components, and business services. Ultimately, female business owners will be recognized for who they are, what they do, and how significantly they impact the global economy. Change is afoot in the global economy and it is bearing a woman's face.

Concept of Women Entrepreneurship in India

Women constitute around half of the total world population. So in India also, they are regarded as the better half of the society. In traditional society, they were confined to the four walls of houses performing household activities. In modern societies they have come out of the four walls to participate in all sorts of activities.

The global evidences buffers that women have been performing exceedingly well in different spheres of activities like academic, politics, administration, social work and so on. Now, they have started playing into industry also and running their enterprises successfully.

Women have a unique position in the society. Real development cannot take place if it bypasses women, who not only represent one half of a country's population but also the kernels around which societal revolution take place. Entrepreneurship enhances financial independence and self-esteem of women. Around 50% of India's population is women, yet business spheres such as trade, commerce and industry is still considered a male preserve. Entrepreneurial were has also been predominantly a man's world in India, are women. Among the states Gujarat, Maharashtra, Karnataka and Kerala have more women entrepreneurs and also these states concentrate in the development of women entrepreneurs.

Indian women are in no way inferior in all walks of life and they can be good entrepreneurs as men in the country.

Therefore, it is essential to exploit the potential 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 organizations. It is important for these people on the limitations faced by the women and plan supporting system to enhance the women entrepreneurs in India.

India's Strategy of Economic Development

India's economic development strategy immediately after Independence was based primarily on the Mahalanobis model, which gave preference to the investment goods industries sector, with secondary importance accorded to the services and household goods sector (Nayar, 2001). For example, the Mahalanobis model placed strong emphasis on mining and manufacturing (for the production of capital goods) and infrastructural development (including electricity generation and transportation). The model downplayed the role of the factory goods sector because it was more capital intensive and therefore would not address the problem of high unemployment in India. Any increase in planned investments in India required a higher level of savings than existed in the country. Because of the low average incomes in India, the needed higher levels of savings had to be generated mainly by restrictions on the growth of consumption expenditures. Therefore, the Indian government implemented a progressive tax system not only to generate the higher levels of savings but also to restrict increases in income and wealth inequalities. Among other things, this strategy involved canalization of resources into their most productive uses. Investments were carried out both by the government and the private sector, with the government investing in strategic sectors (such as national defense) and also those sectors in which private capital would not be forthcoming because of lags or the size of investment required (such as infrastructure). The private sector was required to contribute to India's economic growth in ways envisaged by the government planners. Not only did the government determine where businesses could invest in terms of location, but it also identified what businesses could produce, what they could sell, and what prices they could charge.

Thus the strategy of economic development in India meant (1) direct participation of the government in economic activities such as production and selling and (2) regulation of private sector economic activities through a complex system of controls. In addition, the Indian economy was sheltered from foreign competition through use of both the "infant industry argument" and a binding foreign exchange constraint. Imports were limited to goods considered essential either to the development of the economy (such as raw materials and machines) or to the maintenance of minimal living standards (such as crude oil and food items). It was further decided that exports should play a limited role in economic development, thereby minimizing the need to compete in the global market place. As a result, India became a relatively closed economy, permitting only limited economic transactions with other countries. Domestic producers were sheltered from foreign competition not only from abroad but also from within India itself. Over time, India created a large number of government institutions to meet the objective of growth with equity. The size of the government grew substantially as it played an increasingly

larger role in the economy in such areas as investment, production, retailing, and regulation of the private sector. For example, in the late 1950s and 1960s, the government established public sector enterprises in such areas as production and distribution of electricity, petroleum products, steel, coal and engineering goods. In the late 1960s, it nationalized the banking and insurance sectors. To alleviate the shortages of food and other agricultural outputs, it provided modern agricultural inputs (for example farm machinery, irrigation, high yielding varieties of seeds, chemical fertilizers) to farmers at highly subsidized prices (World Economic Indicators, 2001). In 1970, to increase foreign exchange earnings, it designated exports as a priority sector for active government help and established, among other things, a duty drawback system, programmes of assistance for market development, and 100 per cent export-oriented entities to help producers export (Government of India, 1984). Finally, from the late 1970s through the mid-1980s, India liberalized imports such that those not subject to licensing as a proportion to total imports grew from five per cent in 1980-1981 to about 30 per cent in 1987-1988 (Pursell, 1992). However, this partial removal of quantitative restrictions was accompanied by a steep rise in tariff rates. This active and dominant participation by the government in economic activities resulted in the creation of a protected, highly-regulated, public sector-dominated economic environment. Along with this government domination of the economy, India soon faced not only some major problems in its overall approach to development, particularly in the area of industrialization (Ahluwalia 1985), but also a dramatic increase in corruption in its economy. Finally, like any other growing economy, the Indian economy faced a number of serious sectoral imbalances, with shortages in some sectors and surpluses in others.

Significance of the Study

Today, women entrepreneurs play an important role in creating job, wealth and innovation across the countries. This is quite evident from the reports of the Global Entrepreneurship Monitor Study. Any research study that examines the challenges and how these were overcome by women entrepreneurs assumes greater importance given the rising population of women entrepreneurs. Woman entrepreneur should carefully study that problems like concept of business problems, reasons for arising such problems and how to beat business crises and problems and also try to overcome from such problems permanently. On this ground, the present study assumes a great importance to study on problems and prospects of women entrepreneurship.

Statement of the Problem

India is striving for economic development for that entrepreneurship contributes a major portion. At the same time there coexists the entrepreneur's failures and sickness due to inadequate finances and marketing problems. Failure has become a major concern and taking serious proposition. In India, it is mainly women's duty to look after the children and other members of the family. Her involvement in family leaves little energy and time for business. Married women entrepreneurs have to make a fine balance between business and home. Their success in this regard also depends upon supporting husband and family. Without the support and approval of her husband, Women entrepreneurs cannot succeed. There arises a role conflict with family members and hinders the entrepreneurial activities. This ultimately affects the development of women entrepreneurship. Hence the

research entitled “**Strengthening Economic Potency by Women Entrepreneurs: A Case Study of Belagavi.**”

Review of Literature

Many scholars have shown a great interest on different issues on entrepreneurship. However, here an attempt is made briefly to review the earlier studies conducted by different scholars. **Parthasarathy and Kalyani (1995)** studied the economic impact of women's thrift and credit society. This study was focused on access to credit, cost of credit, savings, production and quality of life. The studies indicated the performance and the approaches of credit programmers in India. **B. S. Navi (2014)** studied the problems and prospects of women entrepreneurs. It was concluded that, women in India are no longer an abla and remain confined to within four walls of house. They are playing important role in developing countries and contributing to entrepreneurial activities. **Huntley (1985)** used a case study approach to explore the life events and experiences that had influenced women to choose entrepreneurship as a career alternative and found that they were determined, hardworking and self-confident. **Robert and Fuldop (1993)** made a study of 50 women entrepreneurs in Hungary to determine their characteristics and motivations. The results revealed that most of them were married, and majority of them were from the middle class with the most frequently mentioned occupations of their mothers being house-wife, professional, technical or blue-collar worker. **Candida and Bird (1996)** made an exploratory study, and found that the successful women entrepreneurs possess traits such as innovative realism, flexibility, action orientation, changing and inspirational. **Vinze (1987)** studied the women entrepreneurs of India, reports that women lacked confidence to start their own ventures; social pressure restricting freedom of movement, society's lack of confidence in women and financial organization not encouraging the women entrepreneurs are the reasons for women's unwillingness to come forward to take up entrepreneurship.

Objectives of the Study

1. To study the profile and nature of enterprises owned by women.
2. To evaluate the performance of business enterprises carried by women entrepreneurs.
3. To identify the problems faced by the women entrepreneurs in Belagavi District
4. To seek opinion of women entrepreneurs regarding various issues related to problems of women entrepreneurs.

Sample Design

The size of the women entrepreneurs in Belagavi is very large since detailed study of all the enterprises in different taluks of Belagavi is very difficult and time consuming. Hence, this study has planned to adopt random sampling method and selected Belagavi city for systematize and the study takes responses from the 70 entrepreneurs in and around the city.

Methodology for Data Collection

In order to achieve the above stated objectives the study has planned to be used both primary and secondary sources. The collection of primary data, the survey method was used to collect data. The primary data was collected and gathered through structured questionnaire scheduled for different kinds of entrepreneurs. In addition to that the study also gathered information from handbooks and brochures of District Industrial Centers and “District Statistical Office”. The secondary data has collected from the published sources in

the academic libraries and the handbook of the entrepreneurship, promotion organization like “District Industrial Centers” and the study also used different sources like books, journals, articles, leading papers, “District Statistical Office” and websites.

Scope of the Study

The present study is based on geographical area under the jurisdiction of Belagavi district. The scope of study covers the evaluation of women entrepreneurs and the effects on the economy. The analytical scope is limited to the fulfillment of the objectives. The functional scope is confined to offering to a set of meaningful suggestions for improving performance of women entrepreneurs.

Analysis and Interpretation

Table 1. Classification of Respondents based on Age.

Age group	No. of Respondents	Percentage (%)
Below 30	9	12.85
30-40	45	64.3
40-50	9	12.85
50 and above	7	10
Total	70	100

Source: Field survey

From the above table it is revealed that 12.85% of women entrepreneurs are below 30 years, 64.3% are between 30 to 40 years, 12.85% are of 40 to 50 years and 10% are of above 50 years.

Table 2. Year of establishment.

Establishment period	No. of Respondents	Percentage (%)
Up to 1980	11	15.7
1980-1990	7	10
1990-2000	18	25.7
2000 onwards	34	48.6
Total	70	100

Source: Field survey

Nearly 15.7% of the women entrepreneurs were started their business before 1980, 10% of women entrepreneurs were started their business between 1980 and 1990, 25.7% were between 1990 and 2000 and 48.6% were started from 2000 onwards.

Table 3. Type of Organization.

Type of ownership	No. of Respondents	Percentage (%)
Sole proprietorship	55	78.57
Partnership	15	21.43
Private company limited	0	0
Total	70	100

Source: Field survey

From the above table it is clear that majority of the respondents i.e., 78.57% women entrepreneurs are sole proprietors, 21.43% are partnership firms and there is no private company limited.

Table 4. Production level of the Enterprises.

Production	Initial year		At present	
	No. of women enterprises	Percentage (%)	No. of women enterprises	Percentage (%)
Below 5000	39	55.7	22	31.43
5000-10000	13	18.6	0	0
10000-15000	9	12.85	15	21.43
15000 and above	9	12.85	33	47.14
Total	70	100	70	100

Source: Field survey

Production At the initial year 55.7% women entrepreneurs producing less than 5000 units, 18.6% are producing between 5000-10000 units, 12.85% are producing between 10000-15000 units and 12.85% were producing above 15000 units.

Table 5. Investment Level of the Entrepreneurs in Fixed Capital.

Particulars	First year		At present	
	No. of units	Percentage (%)	No. of units	Percentage (%)
Up to 10000	35	50	11	15.7
10000-25000	15	21.4	13	18.6
25000 and above	20	28.6	46	65.7
Total	70	100	70	100

Source: Field survey

During the initial year 50% among 70 entrepreneurs invested less than Rs.10,000, 21.4% were invested between Rs.10,000 to Rs.25,000 another 28.6% were invested above 25,000. On the other hand, at present just 15.7% of entrepreneurs having fixed investment of Rs. 10,000, 18.6% invested between Rs.10,000 to Rs.25,000, 65.7% were having more than Rs.25,000 investments.

By comparing above two figures we can say that investment initial period increased subsequently at present.

Table 6. Investment Level of the Entrepreneurs in working capital.

Particulars	First year		At present	
	No. of units	Percentage (%)	No. of units	Percentage (%)
Up to 10000	39	55.7	6	8.6
10000-25000	18	25.7	15	21.4
25000 and above	13	18.6	49	70
Total	70	100	70	100

Source: Field survey.

According to the table 6 at the initial year majority i.e., 55.7% of women entrepreneurs having working capital below Rs.10,000, whereas 25.7% have between Rs.10,000 to Rs.25,000, and 18.6% were having more than Rs.25,000. On the other hand, at present just 8.6% were having below Rs.10000, 21.4% were between Rs.10,000 to Rs.25,000 and majority i.e., 70% were having above Rs.25,000 working capital investment.

Table 7. Satisfaction level relating to government policies.

Particulars	No. of Respondents	Percentage (%)
Satisfied	37	53
Not satisfied	33	47
Total	70	100

Source: Field survey

According to the table 53% of the total women entrepreneurs are satisfied with government policies and 47% were not satisfied with government policies they are striving to comply with government policies.

Table 8. Educational qualification of the Respondents.

Particulars	No. of Respondents	Percentage (%)
Up to SSLC	4	5.7
PUC	30	42.9
Graduation	26	37.1
Post-graduation	7	10
Technical	3	4.3
Total	70	100

Source: Field survey

According to the table 5.7% of the women entrepreneurs studied up to SSLC, 42.9% studied PUC, 37.1% studied

graduation, 10% post-graduation and 4.3% were studied technical education like ITI, Diploma and B.E.

Table 9. Training of Respondents after Education.

Particulars	No. of Respondents	Percentage (%)
Trained	26	37.2
Untrained	44	62.8
Total	70	100

Source: Field survey

According to the table it is revealed that just 37.2% of the women entrepreneurs were trained whereas 62.8% have not got the training after their education.

Table 10. Subsidy and concessions to Respondents.

Particulars	No. of Respondents	Percentage (%)
Availed	18	26
Not availed	52	74
Total	70	100

Source: Field survey

According to the above table out of 70 women entrepreneurs only 26% were availed government subsidy and concession, whereas 74% have not availed the same.

Table 11. Problems of women entrepreneurs.

Problems	No. of Respondents	Percentage (%)
Raw materials	11	15.7
Marketing	7	10
Production	6	8.6
Power	6	8.6
Labour	31	44.3
Finance	7	10
Total underutilization	2	2.8
Total	70	100

Source: Field survey

According to the above table 15.7% of the women entrepreneur suffering from supply of raw material, 10% were suffering from marketing and finance problem, 8.6% were facing production and power problem, 44.3% were suffering from labour problem, 2.8% were facing underutilization of capacity.

Table 12. Problems while getting raw material.

Problems	No. of Respondents	Percentage (%)
Scarcity	2	2.8
High price	30	42.9
Low quality	24	34.3
Transportation	14	20
Total	70	100

Source: Field survey

According to the above table, 42.9% women entrepreneurs feel that raw materials were high priced, 34.3% were getting low quality raw materials, and 20% finds that it is difficult to transport raw material and the remaining 2.8% suffering from scarcity of raw materials.

Major Findings

- ✓ Majorities (68.3%) of Women entrepreneurs are 30 to 40 aged and year 2000 onwards 48.6% of enterprises are established.
- ✓ 78.57% of Women enterprises are sole proprietorship in nature.
- ✓ Nearly 44.3% of Women entrepreneurs are facing labour problem, 15.7% of Raw material problem, 10% finance, 10% of marketing, 8.6% of production and power problem.
- ✓ 42% of Women entrepreneurs feel that raw materials are high price.
- ✓ 53% of the women entrepreneurs are satisfied with Government facilities.
- ✓ Majority 62.8% of women entrepreneurs are not got the training facilities after education.

✓ Only 26% of women entrepreneurs avail Government subsidies and concessions.

Conclusion

Equality in education is the key to meeting other requirements for a culture of peace. These include: full respect for the human rights of women; the release and utilization of women's creative potential in all aspects of life; power sharing and equal participation in decision-making by women and men; the reorientation of social and economic policies to equalize opportunities and new and more equitable patterns of gender relations-presupposing a radical of social structures and processes.

Government should offer tax concessions, market subsidies, low interest rate are the push factors with they can join the main stream of national and thereby excel well and gets the capacity of contributing significantly to country's economic progress and even under charging turbulent global business environmental condition. Family members should give full support to their education and to start new business. Females also should be confident about their work. Women entrepreneurs must constantly revisit their goals in the context of their long-term vision.

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