

Chapter 10

Policy Recommendations, Summary and Conclusion

10.1 Policy recommendations:

The study of women entrepreneurs in unorganised sector of Vasai Taluka brings out that women face number of constraints and challenges. Globalisation in its process along with challenges has brought various opportunities for these women. In order to grab these opportunities following suggestions and recommendations are made.

Women business in unorganized sector generates sustainable and quick income with low investment in short period. It helps in solving the problem of unemployment and poverty reduction. Thus it is necessary to increase their productivity and sustainability through various measures. There are four pillars that can support and promote women entrepreneurship. They are .Government, NGOs, Banks and Family and Society.

Government plays a crucial role in determining growth and development of women business. It can help women entrepreneurs by providing infrastructure facilities, training, networking facilities, aid and subsidies. NGOs can play a crucial role in creating awareness among women and motivate them to undertake entrepreneurial activities. It can provide guidance, look after implementation of government schemes and create association for women entrepreneurs. Banks can become back bone of women entrepreneur development. They can provide special financial assistance for women entrepreneurs at initial stage and for expansion. They can promote financial education among women and create awareness about importance of banks in their development. Family and society needs to create conducive

environment for promotion of entrepreneurship, provide support system, create social security and above all should change their attitude towards women entrepreneurs.

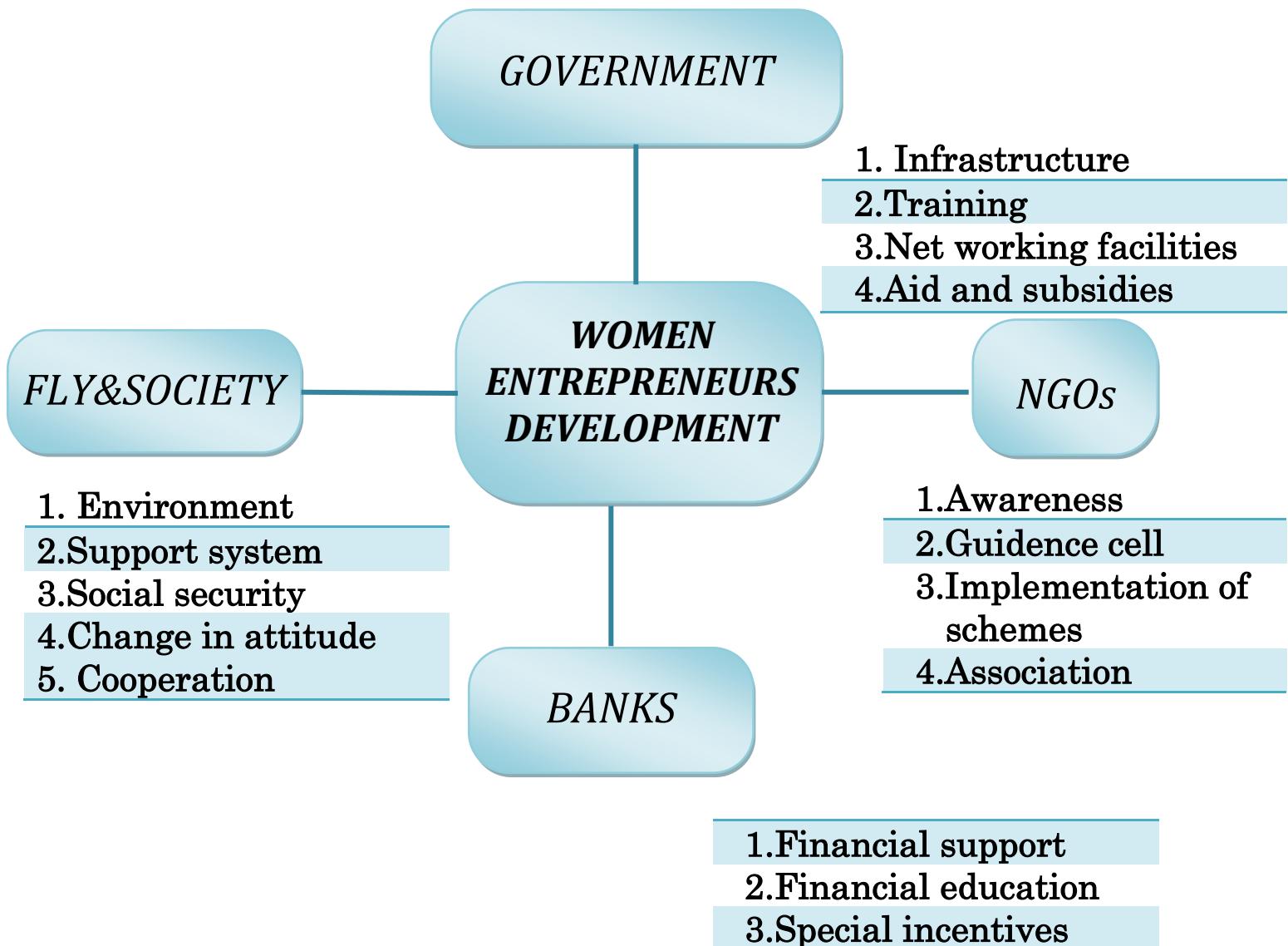
Only motivating or promoting to start business is not enough. It is necessary to have follow up programme to check the progress and growth of business. Thus a special cell with initiative of NGOs should be set up. This cell will assist women entrepreneurs to overcome their day to day business problem. This support system will bring certain level of security among women. It will provide a platform for women to share their business problems and help them in confronting the same.

Following are the measures recommended for the promotion and development of women entrepreneurs in Vasai Taluka:

Infrastructural measures:

- It is necessary to develop essential infrastructural facilities such as special industrial areas for women, providing galas or sites to women at affordable rates for those engaged in manufacturing as well as marketing.
- Other infrastructure provisions include proper transport system, regular supply of electricity and communication network.
- Most of the businesses of respondents were related to perishable products like vegetables and fish. Proper storage and warehouse facilities should be constructed through initiative of local government. This will help to store the excess stock and reduce the wastage considerably

Figure 10.1
Strategies for Promoting Women Entrepreneurs



Government measures:

- There are many government programmes for development of women entrepreneurs. But there is lack of awareness about these programmes among women. It is necessary to gear up the work of communicating these programmes to women and make them aware about the facilities available for them. This can be done through local announcement. WCD has very important role to play in this respect.
- Government schemes are mostly for BPL women while women belonging to APL families despite being financially weak remain outside these schemes. Large number of women are not in a position to take advantage of training institutes of the government. Training should be need based and organised at the local level.

NGOs related measures:

- Government department at village and Taluka level should cooperate with local NGOs and support them in the promotion of development programmes for women entrepreneurs
- In fact there is a need for an independent agency/board for the women entrepreneurs to address the problems of women and give recommendations to the government.
- Networking among women entrepreneurs should be developed in Vasai Taluka through WCD in collaboration with NGOs. This will increase their interaction and can create support for one another.
- Vasai Taluka has a well developed industrial zone which has big business houses. Linking small businesses with big industries will provide them with regular work.

Opportunities for contractual/subcontracted business with larger manufacturers need to be explored.

Training measures:

- Low level of training and professionalism has become an obstacle for the women. But women do not even realise the need of training. Thus creating awareness of the need for the training among the women is essential.
- Women have very less or no experience of running business. It is necessary to provide basic knowledge of business operations. Basic understanding related to accounting, marketing, management skill etc. should be taught to these women. Organising special training camps is very necessary.
- Most of the traditional businesses are losing their demand and women are facing problem of sustainability. These women should be given orientation about new avenues or alternate business which would help them to earn more.

Banks related measures:

- Banking habit is low due to lack of awareness, access and low incomes. Banks need to reach out to women entrepreneurs. Special camps may be organised for the same. Women entrepreneurs need to be encouraged to borrow from the bank extensively.
- Banks should conduct financial literacy programmes in village to teach poor women about importance of banking, motivate them to open account, provide information of banking facilities etc.

- Women entrepreneurs should have easy availability of fund for their initial investment and also for their day to day business expenses i.e. for working capital. It will give them stability and also facilitate the expansion of their business.
- Loans to women entrepreneurs in the unorganised sector should be emphasised as the priority area for the initiatives of the banks while reaching out to this sector. Easy processing of loan at concessional rates will enable these women to stabilise and expand their business.

Supportive measures

- Adequate and regular supply of raw material is another requirement which needs to be looked into.
- Availability of worker is one more important issue. At gram panchayat level a cell for registration of workers needs to be set up urgently. This will enable both the employers as well as the unemployed workers.
- Product quality in unorganised sector is not upto the mark to attract customers. Thus special efforts have to be made by the women to improve quality through innovation and modernisation of their business. There is need of introducing advanced technology in the business.
- Food processing units should be started especially for agricultural and fishing business. These will increase the opportunities for women in business and help to reduce excess supply during season and shortage or scarcity during off season. It will also help in better utilisation of resources like fish and vegetables.

- Use of telephones and mobiles was very common among respondents. However its use in business was very minimal. It is necessary to create awareness about use of information technology in business to increase their business network. This will help women to capture large market and will create more demand for business.
- Special programmes for appreciating women entrepreneurs for their contribution and success should be conducted at village level. This will motivate the business women as well as it will promote idea among young girls.
- Inviting successful women entrepreneurs in village for guiding women will provide a platform to share their problems, help in finding a solution for the problems and it will also help in motivating them further.

Other measures:

- Lack of record of women entrepreneurs in unorganised sector with government officials is main obstacle in preparing schemes for them. Thus there is an urgent need to maintain records. This can be done by a registration system. Gram panchayats in rural areas and Panchayat samitis in urban may be entrusted with this task.
- There is a need of creating awareness related to undertaking entrepreneurial activity to raise their income level especially among the young age group. Schools and colleges should conduct entrepreneurial oriented courses. Information related to government schemes promoting entrepreneurial development should be given to them right from high school level. This would create an urge to select something creative by utilising local resources which would result in employment generation.

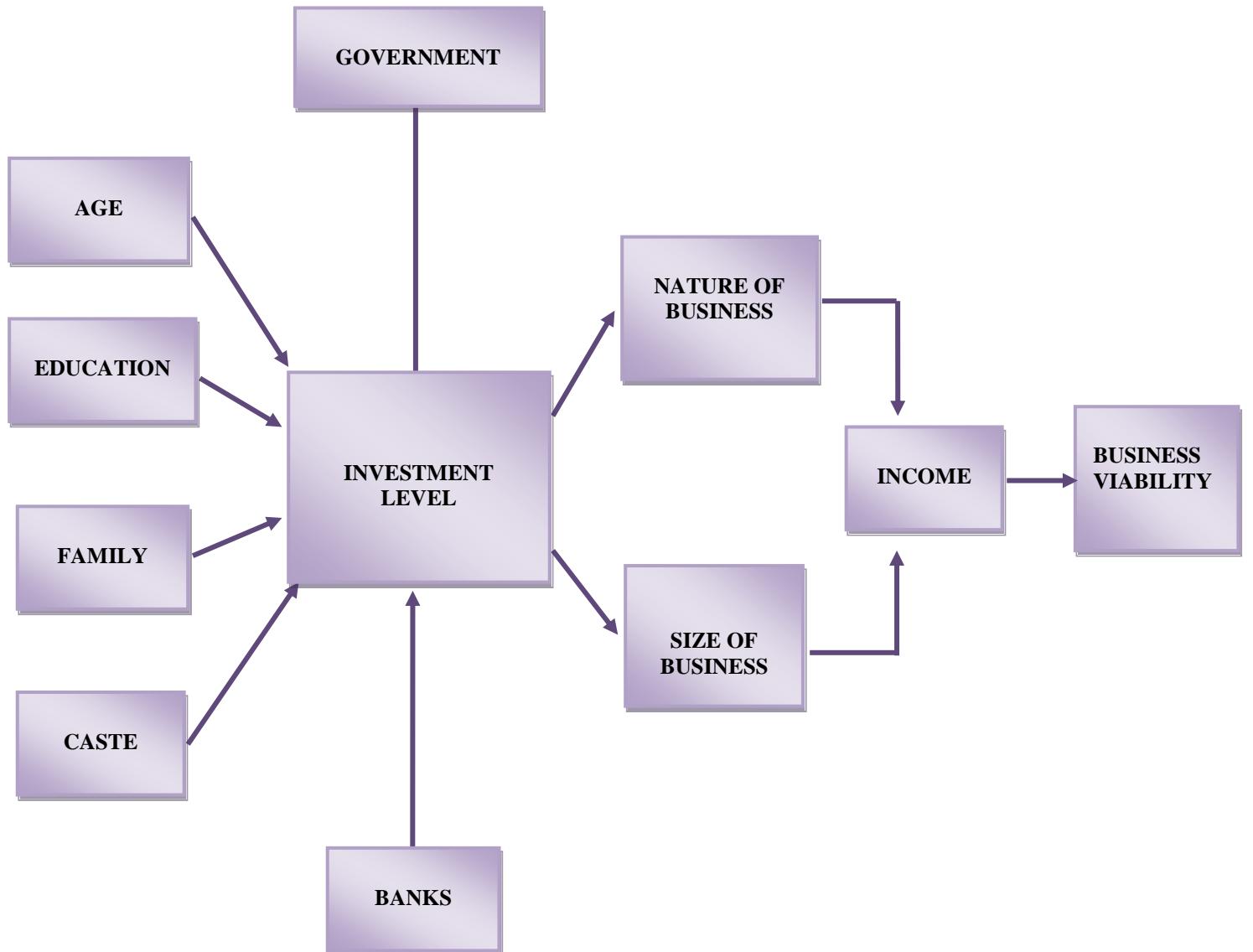
- Computer, IT related and other consultancy services are upcoming areas and are most popular amongst young educated women. Awareness of business opportunities related to these areas should be created.

Today Indian economy is facing crisis of slow growth rate in industrial sector. Employment generation is not keeping pace with the need for the same. Women face lot of constraints in the labour market. Increasing educating level among women has increased number of women seeking employment. This has created problem of educated unemployed on large scale. Hence developing entrepreneurship among women has become indispensable under these circumstances. Thus motivating women to take entrepreneurial activities will help government to achieve double benefit of raising employment level and empowerment of women. Also it will help in accelerating growth and development at grass root level. Women who are willing to work and due to personal or family responsibility is not able to go out for job should be providing with employment through entrepreneurship. This will be a holistic step towards equal opportunity of work and will help in enhancing their empowerment.

10.2 Summary:

The types and size of women businesses in unorganised sector of Vasai Taluka were largely governed by the level of investment. It was revealed that investment level in large number of the business was very low. There were 92.33% women whose investment was less than Rs. 1,00,000. Nearly 82% women reported that they faced difficulty in raising fund for business in initial period. While conducting day to day business operations more than 50% women faced financial problem for their working capital and expansion of business. This had largely

Figure 10.2
Structure of Women Business in Unorganised Sector



affected the selection and size of business in initial period. Most of the respondents selected traditional business which required low capital investment. Further shortage of funds forced women to retain small size of business. Government assistance and availability of bank credit facility for the respondents were very low. There were only three women who had received benefit of government schemes. In case of banks' support only 15.35% respondents had taken loan from bank for purpose of business. It was observed that there were 40.67% respondents who did not have account in bank. None of the selected respondents were aware of banks' schemes for women entrepreneurs' development and only one woman was aware of government facilities. No special efforts were taken by the banks to create awareness about micro credit schemes among the women. Only SHGs in area were provided with bank related information that too with the initiative of the NGOs. Other women who were not members of SHGs were left out of the stream. Majority i.e. 84.65% women had relied on informal source for their investment. Significant number i.e. 22.82% women had started the business by utilizing their savings.

However there was close relation observed between age, education, financial status of family and caste with level of investment of the business. In case of age of women, it was seen that there was inverse relationship between age and investment level. Investment level of young women was high compared to that of elderly women. In case of education there was direct or positive relation between investment and education. It was seen that higher educated women had invested more compared to that of lower educated women. Family's financial status was another major factor in determining investment level of women. It too had direct relation to investment level. Respondents belonging to higher income group had more investment while women who belonged to lower income had low investment.

Similarly it was observed that investment level of respondents from open category was high and reserved category women was low.

Since majority of the respondents were from low and middle income families their investment level was low. It was observed that due to low investment many women had selected local traditional business. The type and size of business had direct relation with level of income. Large number of the respondents were in traditional businesses which were over crowded. They had to face problem of acute competition in market. Further many women businesses were seasonal and faced problem of lack of proper infrastructure, storage facilities, irregular supply of material, excess supply during season etc. All these factors affected their income. The income level was very low. Important information revealed during study was that the income earned by women was less but the level of profit margin in some business was high. Thus inspite of high profit margin in business, women earned less income. This was purely because the size of business was very small. This low level of income resulted in slow growth of business. The income level affected viability of business. It was seen that most of the respondents i.e. 65.33% were for moderately stable period (above five years) in business but were earning very low income. They carried business at subsistence level. There was continuity in business for years but the growth and development of business was negligible.

However there was vicious circle of low level of activities found among business of women in unorganised sector. As has been shown below it was a vicious circle of poor financial background that led to low investment which in turn led to the small size of the business, low level of income and to the subsistence livelihood. Thus low level trap of activities and income had kept women away from development. The hopeful fact was that

beside low income more than 85% women were working in good profit margin. It was found that 196 i.e. more than 65% women were in business for moderate period (more than five years) and were stable in business. There were 73% respondents who operated business with profit margin above 20%. It shows that there was great potential in these businesses which remained unutilised. If these businesses are expanded women can increase their income. Thus women business had potential of growth. It is necessary to support this business for expansion and diversification.

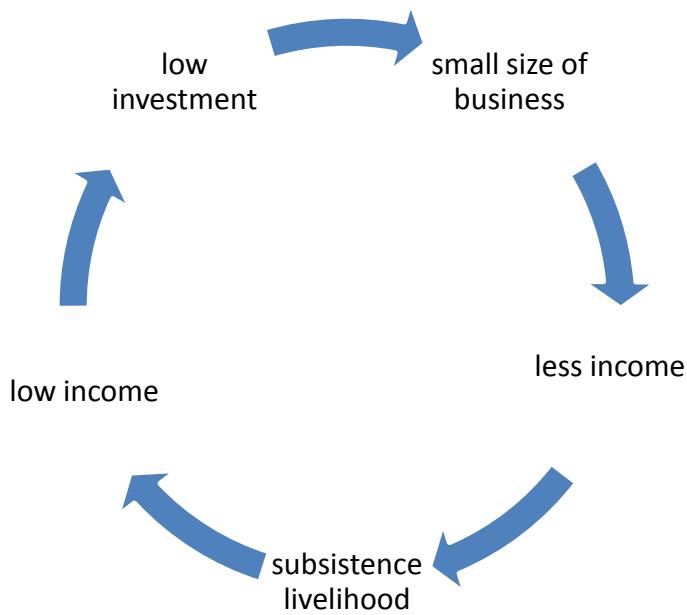


Figure 10.3

Vicious circle of low activities

10.3 Conclusion:

Full and balanced development of the nation and establishment of a just society is possible only when women are provided equal position. But the harsh reality is that even in 21st century women experience low status compared to men and are treated less equal

to them. The socioeconomic development of a nation cannot be fully realised as long as its women are confined to a subordinate position and their talents are unexplored.

Thus entrepreneurship among women is certainly an important source of improving their economic conditions, social status as well as their status within households. Decision to be an entrepreneur is largely governed by socio-economic conditions of the women. Women largely belonging to lower income or middle income group of Vasai Taluka were found in micro business of unorganised sector. This sector provided them easy entry and they could start with low investment. The nature and types of businesses in selected areas were very diverse. There was a mix of traditional and modern business.

These businesses operate under condition of extreme shortage of all types of resources and are outside the ambit of social security. The amount of investment were low which restrict their business to small size. It forced them to use traditional tools and rely on cheap raw material. Lack of skill and professional in business affect their income. They face innumerable problems in business. The production level was low and so the income level was low but there was great potential of growth in some business. Despite of problems many women had made remarkable progress. They had provided much needed support to the financial status of the family.

A mix type of support was expected by respondents belonging to various forms of business. Respondents from home based business on higher proportion needed capital support along with future security, in outdoor business more respondents required guidance and government support, in vending majority of the women wanted marketing support and guidance, in home based cum outdoor business women wanted marketing

and work facility support, in home based cum vending business majority women needed capital support whereas in outdoor cum vending business respondents looked forward for government support.

The pull and push factors both have been responsible for the entrepreneurial initiatives of these women. Looking at the current situation of the economy it is necessary to promote women entrepreneurship and their participation in the development process. Today many management colleges are conducting national and international level seminars on entrepreneurship. They need to focus on developing the training methods for these women. Thus promoting entrepreneurship for women will require even a greater reversal of traditional attitudes than the mere creation of jobs for women. This does not mean that we should wait for societal change to take place first. But it does imply that the efforts of the government as well as that of the other stakeholders should focus on the appropriate policies / programmes and ensure the proper implementation of the same.

10.4 Future scope:

The role of men and women are indispensable in the development process as both being unavoidable part of human society. But women however are unduly discriminated in all walks of life. Women entrepreneurs are playing a very significant role in the development of the country, but at the same time, they are facing disparate problems which are detrimental to the development of women entrepreneurship. Thus, there is need for more specific studies utilisation of income earned, saving and investment pattern of women entrepreneurs using structured questionnaires and appropriate tools, so

that the various aspects of women entrepreneurship could be understood in the larger context. This can provide the impetus for policy makers to strengthen their commitment to the idea of women empowerment and gender equality.