

WOMEN ENTREPRENEURS AND ECONOMIC DEVELOPMENT

**(A STUDY ON WOMEN ENTREPRENEURS OF KARBI ANGLONG DISTRICT OF
ASSAM)**

A thesis submitted to Assam University in partial fulfilment of the requirement for the degree of
Doctor of Philosophy in Commerce

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2017

Summary and Conclusion

7.1 Introduction :

Women entrepreneurs play an important role in the economic development of a nation. It can be through the creation of employment opportunities, export promotion, and positive change in the income and expenditure of the household. The present study, which is micro level study, has been conducted with the objective to evaluate the contribution of women entrepreneurs in economic development of the family. It is also widely agreed among the academicians and policy makers that several factors are responsible for women entrepreneurship development. Hence, this study attempts to analyse the role of entrepreneurship promoting agencies, perceptual differences between women entrepreneurs and entrepreneurship promoting agencies, etc.

As shown, the present study has seven chapters. The analyses and interpretations which are based on the findings of field survey have been shown in chapter three, four, five and six respectively. In chapter one of the present studies, an introductory background of the present study is given. The objectives, hypotheses, research design which has been followed in the present study are clearly written in this chapter. The existing literature on women entrepreneurship has been reviewed and research gap has also been drawn in the second chapter. In the third chapter, the socio-economic condition of women of Karbi Anglong district and how it has influenced the women entrepreneurs in the district is analysed and brought out. The chapter shows the background of the women entrepreneurs, socio-economic factors

that motivate them to become entrepreneurs are examined. Entrepreneurship promoting agencies play an important role in women entrepreneurship development. The roles played by such agencies towards women entrepreneurship development in Karbi Anglong are examined in chapter four. In chapter five, the economic contribution of women entrepreneurs towards family is analysed and the perceptual differences and gap between women entrepreneurs and entrepreneurship promoting agencies of the study area towards problems and prospects of entrepreneurial growth are found out in chapter six. In the present chapter (seven), which is the last chapter of the present study, the major findings, scope of future research, etc. are presented.

7.2. Major Findings

From the present study it is found that most of the women entrepreneurs enter into entrepreneurial activities after getting married. Schedule Tribe population has the highest number of women in performing the entrepreneurial activity in the study area. Majority of the women are from joint family; all the women entrepreneurs under study area are able to read and write and are educated in terms of modern education system. Majority of the women entrepreneurs are involved in manufacturing sector. Women have become entrepreneurs because of various reasons; however, the desire to attain economic independence has been the most important motivational factor to start the entrepreneurial activity. Maximum numbers of women entrepreneurs are from families that belong to below poverty line. Half of the total respondents have started their entrepreneurial activity from their own source of funds. Majority of the enterprises owned by women are located in urban areas. It has also been found that majority of the women entrepreneurs (58) get moral support from their families. Only a few number (33 percent) of the women entrepreneurs have family business background. The descriptive statistics test result shows that except two variables,

(caste and family occupation background), there is less variation in all the socio economic variables. *Hence, the working hypothesis that the socio-economic conditions of women do not help to pursue and continue entrepreneurship in Karbi Anglong district is rejected.*

It is found that the promoting agencies like District Rural Development Agency (DRDA), Micro Small & Medium Enterprise–Development Institute (MSME-DI), Handloom & Textile do not provide financial assistance to women entrepreneurs during the study period; however, trainings were conducted for women to take up entrepreneurial activities. Langpi Dehangi Rural Bank (LDRB) and State Bank of India (SBI) provide financial assistance to women entrepreneurs. Handloom & Textiles department and Jirsong Asong provide other assistance such as supply of raw materials like looms and yarns to poor weavers; Jirsong Asong also provides livestock to women entrepreneurs like piglets, she-goats, etc. It is found that Promoting Agencies organise entrepreneurship development programme for women entrepreneurs of the study area. Langpi Dehangi Rural Bank (LDRB) and State Bank of India (SBI) organise financial literacy trainings for women, including women entrepreneurs. The findings also show the support which is not given to women entrepreneurs, though there are such provisions in the promoting agencies of the study area. These points are:

a) Not even a single promoting agency reimburse ISO-9001-2000 (QMS) certification fee.

b) Though there are provisions for trainings like skill upgradation, computer literacy training and project preparation training for women entrepreneurs, not a single promoting agency has conducted such trainings. It is found that though there

are many marketing assistance provision like buyers-sellers meet, sub-contract exchange, export promotion, packaging, yet none of the promoting agency has actually implemented such marketing assistance in the study area. It is found that networking is done by DRDA, DICC, MSME-DI and Jirsong Asong; infrastructure is provided by Handloom & Textiles department. Raw materials like looms and yarns are supplied to the poor weavers by Handloom Textiles department and Jirsong Asong. Jirsong Asong also provides livestock to SHGs like piglets, she-goats, etc. On the other hand, none of the promoting agency under the study area provide expert consultancy to women entrepreneurs, which is one of the important components of entrepreneurship development. Though there are various forms of support which can be provided by entrepreneurship promoting agencies, their support to women in Karbi Anglong district is found to be very limited. Hence, *the working hypothesis which has been developed to test the women entrepreneurship promoting agencies in Karbi Anglong district do not provide adequate support to women for pursuing and continuing entrepreneurship is accepted.*

For some of the women entrepreneurs, monthly income has increased considerably after engagement in entrepreneurial activities. It is found that 48 percent of women who had monthly income of less than Rs 5000 cannot increase their income even after becoming an entrepreneur. The finding shows that 24 percent women can earn Rs 5, 000 to 10, 000 monthly after becoming an entrepreneur and only 2 percent of women can earn Rs. 20, 000 to Rs 25000 after becoming an entrepreneur, which was absent among the respondents before taking up entrepreneurial venture. As women's income increases, their financial support to their respective family also increases, but at a very slow pace. It is also found that there is a change in annual savings of women before and after they become entrepreneurs. Employment

generation is one of the important variables to measure economic growth of a country. It is found that after becoming entrepreneurs, 79 percent women could provide employment between 1–3 people; and 2 percent women could provide employment to 10 and above people. The findings show that women entrepreneurship is an important means of women empowerment. The hypothesis testing result by using descriptive statistics reveals that there is very little change in income and financial support to family even after becoming entrepreneurs. *Hence, the working hypothesis ‘the contribution of women entrepreneurs of Karbi Anglong district for the economic development of their respective families, which is measured in terms of income generated and contributed to the corpus of the total family income is very less’ is accepted.*

The findings also show that there are perceptual differences between women entrepreneurs and entrepreneurship promoting agencies of the study area with regard to educational qualification of women entrepreneurs, social problem, economic problem, marketing problem, etc. Majority of the women entrepreneurs perceive ‘large amount of paper formalities’, ‘delay in government department’ as other major problems, whereas the entrepreneurship promoting agencies do not think so. Hence, the working hypothesis that there is perceptual gap between women entrepreneurs and entrepreneurship promoting agencies with regard to problems and prospects of entrepreneurial growth in Karbi Anglong, district of Assam is accepted.

7.2 Overall Conclusion

It is a known fact that entrepreneurs are important agents for economic development and through entrepreneurship development, women can increase their income level; hence, consumption level may also be increased. There are many studies which show the drastic change in income and savings of women after

becoming entrepreneurs. The findings of the study, however, contradicts that there is little change in the income and savings of women after becoming an entrepreneur. Here, the overall conclusion is drawn from the findings and analyses.

Though there are a good number of studies on various aspects of women entrepreneurship, there are hardly any studies with regard to women entrepreneurs of remote areas like Karbi Anglong districts (now Karbi Anglong is divided into two districts) of Assam.

The socio-economic condition has a great impact on moulding the women to become entrepreneurs. Since Karbi Anglong is one of the most backward districts, women entrepreneurship is required to utilise available resources and provide employment opportunities to the unemployed section of the society. Promoting women entrepreneurship development can only be possible when there is favourable environment for entrepreneurs. Such environment can be created when all the stakeholders of the society including Government, NGO's and various promoting agencies for entrepreneurship development are aware of the importance of the entrepreneurship development and encourage the entrepreneurial talents as well as activities.

The pace of entrepreneurship development in the district is not yet developed as compared to other districts of the state. This is due to several factors – like lack of infrastructural development, and entrepreneurial motivation, insurgency problem, existing social system. However, there exist perceptual differences between entrepreneurship promoting agencies and women entrepreneurs in this regard. It is clearly depicted in chapter six. The existing industrial structure in the district consists mainly of micro and small scale industries like ginger unit, citronella oil extraction

unit, dairy food production unit, rice and flour mills, cotton ginning mill, coal mining, limestone mining, pottery and brick-making, stone crusher, saw mill, plywood making, handloom and textile, *gur khandsari* manufacturing, fruit preservation and processing, carpentry, blacksmith, RCC pipe and ring-well making, ice-cream manufacturing unit, wooden furniture manufacturing unit, etc.

Hence, it can be concluded with the following statements that:

- (a) The socio-economic condition of women helps to pursue and continue entrepreneurship in Karbi Anglong district;
- (b) the contribution of women entrepreneurs of Karbi Anglong district for the economic development of their respective families, which is measured in terms of income generated and contributed to the corpus of the total family income is very less;
- (c) though, there are many studies which show the drastic change in income and savings of women after becoming entrepreneur, the findings of the study, however, contradicts that there is little change in the income and savings of women after becoming an entrepreneur;
- (d) the women entrepreneurship promoting agencies in Karbi Anglong district do not provide adequate support to women for pursuing and continuing entrepreneurship; and,
- (e) there exist perceptual gap between entrepreneurship promoting agencies and women entrepreneurs with regard to entrepreneurial growth in Karbi Anglong district of Assam.

7.3 Suggestions and Policy Recommendations

The following suggestions and recommendations are forwarded based on the findings of the study.

The success of entrepreneurial promoting programmes also depend on proper selection, proper training, making suitable organisational arrangement for disseminating information, putting efforts to impart more technical and practical training and providing full assistance in preparation of project reports and meeting their financial requirements, and also follow-up actions by both Government and Non-Government Organisations. Hence, the central and state governments engaged in entrepreneurship development should have co-operation, liaison and closer working relationships.

Women entrepreneurs in backward and rural areas like Karbi Anglong district need special assistance from Government and NGOs. Marketing assistance, financial assistance, technical guidance, good transport facilities, information regarding different types of projects and schemes need to be provided. Such measures would strengthen the movement of women entrepreneurs. With such Government and Non-Government Organisations support and assistance, there is possibility of women to take up more entrepreneurial activities; it will also help women entrepreneurs to contribute income to their families which in turn leads to increase in the national economy. Some specific suggestions for different stakeholders are put forward here.

(a) For Entrepreneurship Promoting Agencies

1. The entrepreneurship promoting agencies should make an effort to provide basic facilities to promote women entrepreneurs in the district – establishment of industrial estates are strongly suggested in this regard.

2. Awareness on the importance of entrepreneurship development through media like talks on radio, television, conferences, seminars and other related activities should be organised to educate and encourage entrepreneurial activities among women in Karbi Anglong.
3. The promoting agencies should provide trainings on financial literacy, managing enterprises, market feasibility, upgradation of skill, etc. to the women entrepreneurs for the entrepreneurial growth.
4. The promoting agencies should provide easy procedures with regard to paper formalities, rules, regulations, delay in official procedures etc. for seeking assistance, subsidies, concession, relief etc.
5. The entrepreneurship promoting agencies should have a positive attitudinal change in the minds of their officers dealing with the entrepreneurial finance so that they adopt helpful postures from the pre-sanction stage and are able to win the confidence of credit customers.
6. The promoting agencies should support the entrepreneurs by providing information on the types of enterprise that can come up in the district. This will help new entrepreneurs in selection of the right kind of projects and locations.
7. Karbi Anglong district is endowed with various natural resources, which are available for investment opportunities. For the exploitation of these available natural resources, matching support is required from Government as well as the Banking Institutions in the form of providing needed infrastructural facilities and financial assistance from the banks.
8. The development of Industrial Sector in Karbi Anglong District is not up to the mark in spite of tremendous scope for development of this sector in the

district. Hence, a specific policy should be framed for women entrepreneurship development.

9.) The credit requirements of the district are determined with active involvement of all concerned in the credit planning exercise at the Blocks or District level to ensure flow of credit to different sector based on properly accessed potentials. While implementing the target, the banks should carry out special duties periodically to ascertain the position regarding the implementation of these guidelines and is expected to introduce the innovative measure to ensure compliance wherever necessary.
10. Banks are supposed to improve their quality of advances to the entrepreneurial growth through better project assessment. The banks should also provide timely rehabilitation to potentially viable units, which get into difficulty.

(B) For the Society

1. In Karbi Anglong district, the society is not in favour of taking up entrepreneurship as a career option in spite of being aware that the job situation is saturated. It is felt that person with a job of a decent salary can attract high respect from the society. This attitude of the society towards entrepreneurship, particularly women has to be changed.
2. The social environment coupled with the environment in the family place an important role in the nurturing and development of entrepreneurship. Societies that encourage women to take up entrepreneurship as livelihood will find more entrepreneurs in their midst, compared to those that do not give due regards to that profession. Changing social environment may take time. Nevertheless, efforts in this direction are needed to create more women entrepreneurs.

(3) Frequent *bandhs*, collection of donations, etc. create a constraining atmosphere for entrepreneurs. Hence, such activities should be discouraged.

(5) Status of women should be enhanced by giving them equal participatory role in decision making by the society; thereby, showing due respect to them.

(C) For Women Entrepreneurs

(i) Women entrepreneurs should develop their own management competencies in areas of deficiencies by participating in management programmes, seminars, workshops organized by both Government and Non-Government Organizations and also by forging professional relationship with fellow entrepreneurs who are engaged in the same line of entrepreneurial activities.

(ii) Women entrepreneurs should give due importance on developing positive work culture by identifying the task, maintaining punctuality and discipline in their entrepreneurial activities.

(iii) Women entrepreneurs can conduct periodic market survey either on its own or with the help of expert to find out the trends, tastes and preferences of the customers for the purpose of fixing the competitive price of their products and services.

(iv) Women entrepreneurs should develop proper linkage both with Government departments, higher educational institutions and also NGOs within the district or outside the district for marketing their products and services, because once a linkage is developed, things will be more accessible for marketing.

(v) For improving their performance, women entrepreneurs should give due emphasis on putting innovative ideas into practice that will result in improvement of quality and products and increase turnover. It will ultimately help entrepreneurs to achieve cost reduction, save time and lead to all-round excellence.

(vi) Women entrepreneurs should follow the practice of optimistic business competition at win-win situation, with fellow entrepreneurs to avoid the pessimistic situation arising out of cut-throat competition.

(vii) Those women entrepreneurs who avail loans should repay the loan amount to the bank as per the schedule of repayment of loan so that the bank get themselves encouraged to release more loans to the new women entrepreneurs for starting new entrepreneurial activities.

(viii) Women entrepreneurs should be in search of new avenues of investment on the basis of available resource potentialities of the district so that the available resources are properly exploited.

(ix) Women entrepreneurs should always remain alert to emerging opportunities so that they can assertively and proactively access their potential benefits.

(x) Women entrepreneurs should use the latest and modern technology in their production process.

(xi) The women entrepreneurs should be made aware of the legal rules and procedures available for them. They must be aware of their existing rights, access to judicial relief and redress, removing discrimination through legal reforms and providing legal aid, assistance and counselling.

It is felt by the researcher that the above recommendations and suggestions, directed to the various stake holders, that is, government, organizations, banks and financial institutions, NGOs, society at large and women entrepreneurs will strengthen the existing women entrepreneurship development strategy, and in the process will impart a new momentum to women entrepreneurship development in Karbi Anglong district of Assam.

7.3 Scope for Future Study

Some of the areas which can be considered as scope for further studies are mentioned below:

(A) The present study is limited to only Karbi Anglong district of Assam – a comparative study among the districts may be conducted.

(B) In the present study, only nationalised banks were considered as entrepreneurship agencies. However, there are many private commercial banks in the district. Their roles towards women entrepreneurship development in the district may be examined and a comparative study between the role of private and nationalised commercial banks may be conducted.

(C) In the present study, only organised women entrepreneurs have been considered. However, there are a number of unorganised women entrepreneurs in the district. Hence, a study on unorganised women entrepreneurs may be conducted.

(D) A comparative study on organised and unorganised women entrepreneurs of the district may also be conducted.

(E) Change in the degree of women empowerment is out of the scope of the present study; a study on measuring the degree of empowerment among women after becoming an entrepreneur may be conducted.