

Utilization of The Support Schemes By Women Entrepreneurs in Chidambaram Town

Dr. S. SHANTHI
Assistant Professor,
Department of Economics,
Periyar Government Arts College, Cuddalore

ABSTRACT

Gandhiji emphasized that women should be self dependent in social and economic fields. Women constitute nearly 50 percentage of Indian population. They are predominantly employed in agricultural sector. But their participation in the industrial sector was almost negligible when compared to men. The role of women in the entrepreneurship was also scarce. Real economic growth is possible only by the involvement of women in industrial and entrepreneurship development. Having realized the importance and role to be played by women in the national development, the seventh five-year plan declared are New Industrial Policy, which highlighted the need for the conduct of special entrepreneurship programme for women with the objective of small industries started by the women. The present study aims to find out the Utilization of the Support Schemes by Women Entrepreneurs in Chidambaram Town. A samples of 80 respondents selected randomly were studied. Primary data were collected by using a structured interview scheduled. All the respondents were asked the some questions in the same fashion and they were informed the purpose of study. Percentage analysis and Percentage analysis, Cross tabulation analysis and Chi-square test were applied to test the hypotheses. The findings and observations are the result and outcome of the interpretations made during the study of analysis.

Keywords: Women entrepreneurship, Utilization, Support Scheme and Demographic variables

INTRODUCTION

Women occupy equal proportion of the total population of India. In Hindu scriptures women are described as the embodiment of Sakthi, the superior power, but in practical they have been treated as the weak and dependent. In an age of equality women are still far from being treated as equal partners in society which is dominated by men. But in recent years women have come in forefront in different walks of life and are competing with men in

starting and running their enterprises despite the social, psychological and economic barriers. This has been possible because of education, political awakening, logical safeguards, urbanization social reforms, etc.,

Entrepreneur is defined as the person or group of persons who innovates, organized and operates a business enterprise. According to Schumpeter "An entrepreneur is an innovating individual who introduces something new in to the economy". Sometimes people just imitate the technology and techniques innovated by others. In economically backward, countries, attempting to industrialise, an imitating entrepreneur is nevertheless a potent change production figure. He can set in motion the chain reaction, which leads to cumulative progress. So in the Indian context, an entrepreneur is more than an adopter and imitator rather than an innovator. A woman who innovates or imitates and adopts an economic activity is called woman entrepreneur. Government of India stipulates the following conditions for women entrepreneurship.

The later part of the condition is discriminatory. The enterprise setup by women should be provided with incentive and support on the basis of their ownership and management skills. Functions and Role of Women Entrepreneurship. Women entrepreneurs perform the following five functions: a. Explore the prospects of starting new enterprise. b. Capacity to assume risk and handling of economic uncertainties. c. Introduction of innovation and new technologies. d. Co-ordination, administration and control. e. Routine and effective supervision.

The women entrepreneurs should have thorough knowledge about the business. She should assume risks as the business have ups and downs at times of economic uncertainties. She should accept changes and adopt innovation to suit the latest demands. She should co-ordinate the production, administration and marketing wings of the enterprise for better achievement. Effective supervision and control is essential for the day to day running of the business. Women are more easily undertake the following three types of industrial enterprises: 1. Operate purely as a sub-contractor of raw materials provided by the customer. 2. Manufacture of an item of the long or short order of another enterprise usually a large-scale unit. 3. Manufacture items for direct sale in the market. The first two types of enterprise are generally called as ancillaries. Women entrepreneurs can produce both consumer goods and intermediate goods, which are usable in the production of other articles.

WOMEN AND ENTREPRENEURSHIP IN INDIA

In India women constitutes 56% of total unemployed and 60% of rural unemployed. Today women in India have entered many unconventional fields. The social prejudice added to this various social changes like growth of industrialization, urbanization, education etc resulted in women taking up new roles, gained employment and also women started industries and started business. Women's role in national development has been realized and seventh five-year plan included a chapter on women development detail plan of action for integrated women development. Special entrepreneurship programs for women were started to enable women to start small-scale industries, which will give women representation in those fields. Various push and pull factors like professional challenge need for better economy etc, lead to the opening of new enterprises by women. Today we find that women have proved her role in all fields of society. She has also entered business starting new enterprise, employing people and contributing to the economic development of the country. The seventh (1986 – 1990) and eighth five – year plans (1991 – 96) also had provisions to encourage women entrepreneurs. Out of total 940.98 million people in India, in the 1990s females comprise 437.10 million representing 46.5 percent of the total population. There are 126.48 million women workforce (representing 28.9 percent of the female population), but as per 1991 census, only 1,85,900 women accounting for only 4.5 percent of the total self – employed persons in the country were recorded. Majorities of them are engaged in the unorganized sector like agriculture, agro – based industries, handicrafts, handlooms, and cottage – based industries. Participation of women as industrial entrepreneurs, however, is comparatively a recent phenomenon – commencing from 70s onwards. There were more than 2,95,680 women entrepreneurs claiming 11.2 percent of the total 2.64 million entrepreneurs in India during 1995 – 96. This is almost double the percentage of women (5.2%) among the total population of self – employed during 1981. Of this, majorities were concentrated in low – paid, low skilled, low technology and low productivity jobs in the rural and unorganized sector, 90% (79.4 million) women workers were in the rural areas as against only 10% (8.6 million) in urban areas. Only .5 million women workers were in the organized sector – a mere 12.4% of the total employed.

During the Eighth Five Year Plan, the number of SSI's expected to rise from 1.7 million to 2.5 million, adding 0.8 million in the 5 year period or 1.60 lakh every year. The rough estimate showed that amongst the SSI entrepreneurs approximately 9% were women entrepreneurs. Their participation, however, is increasing. Considering the trend, women

participation in another five years was 20% more, raising the number of women entrepreneurs to about 5,00,000. Therefore, one could aim at developing at least 3,50,000 women entrepreneurs during Eighth five – year Plan through training and other development efforts. The present rate of 30% success in EDP training was likely to go up to 45% with growing experience and improved techniques of training and follow up.

Based on this assumption, for getting 3.5 lakh women entrepreneurs it was necessary to train and support about 7.78 lakh entrepreneurs during the Eighth Five Year Plan. Entrepreneurs particularly in district and rural areas were likely to be developed for small business. Even assuming a very modest target of 335 women entrepreneurs per district, the number of women entrepreneurs would have come to 1,42,375 per years. These women were to be given training in self – employment/entrepreneurship of shorter duration as well as some training in trade and skill areas. In order to mobilize such percentage of women entrepreneurs, a number of activities such as motivational drive, preparation of information material; conduction training; creation of women industrial estates/areas/sheds; creation of common marketing exposition centers; training of trainers/promoters; and use of mass media, etc. are required. Combined effect of all these is bound to accelerate the process of women entrepreneurship development.

Having realized the importance of the role to be played by women in the nation's development, in the Seventh Five – Year Plan, a special chapter on women's development has been included and it details the plan of action for "Integration of women development". The new Industrial Policy of Government of India has specially highlighted the need for conducting special entrepreneurship programs for women, which would be in the nature of product/process oriented courses meant for women entrepreneurs to enable them to start small scale industries. It further adds that the objective of this course is to give representation to women in the field of small industry development with a view to uplifting their status in the economic and social fields. Some recent researches conducted indicate that several women are now willing to become entrepreneurs due to various factors. The women entrepreneurs choose a profession as challenge and adventure with an urge to do something – new liking for business and to have an independent occupation. The other category of women takes up business enterprises to get over financial difficulties and responsibility is thrust on them due to family circumstances. However, the latter category forms a negligible percentage of the total women entrepreneurs.

REVIEW OF LITERATURE

Murray & Macmillan (2015) in their research article entitled, “Entrepreneurship: Past Research and Future Challenges” concluded that the contributions and shortcomings of past entrepreneurship research can be viewed within the context of six research design specifications: purpose, theoretical perspective, focus, level of analysis, time frame and methodology. The authors suggest a unifying definition of the field of entrepreneurship. The recent trend toward theory driven research that is contextual and process oriented is encouraging. It is time for entrepreneurship researchers to pursue causality more aggressively. Exploratory studies that are not theory driven should be discouraged unless the topic is highly original. Implications for practicing entrepreneurs are discussed.

Ramchandran & Ramnarayanan (2016) in their article entitled, “Entrepreneurial orientation and networking: Some Indian evidence” concluded that the findings of a study undertaken to see whether or not PI entrepreneurs showed greater networking behavior, and if so, to look at the nature of these networks and the purposes for which they were used. Sixty-seven cases of small-scale entrepreneurs published in two Indian business journals constituted the data. In order to know the pioneering innovative orientation of entrepreneurs covered, independent professionals rated the cases on the presence or absence of ten types of innovations including the Schumpeterian innovations.

Hamilton (2017) in a famous paper, estimates that U.S. entrepreneurs have both lower initial earnings and lower earnings growth than in paid employment, with a median earnings differential of 35 percent for individuals in business for 10 years. The differential persists across three alternative measures of self-employment earnings and across industries, and cannot be explained by selection of low-ability employees into self-employment.

Korunka et al. (2017) survey and compare 314 nascent entrepreneurs and 627 new business owner-mangers in the European Union, mostly drawing from German-speaking countries, and find that those who become successful (self-assessed) displayed a medium risk-taking propensity. It is possible that while the high risk-takers are not the most successful, some degree of risk-taking propensity is helpful toward business success. This hypothesis of a non-monotonic relationship between risk tolerance and firm performance is worthy of study in larger samples.

Nancy & Thomas (2018) in their study “Entrepreneurial Orientation among the youth of India: The Impact of Culture, Education and Environment” indicated on the

Expanding the level of entrepreneurial activity within all nations is an increasingly important political and economic goal, especially for developing countries. Literature suggests that culture, education and environment play key roles, yet these attributes vary greatly across nations. This study explores the level of interest in entrepreneurship among what may be India's next generation of entrepreneurs, namely undergraduate business students, and draws comparisons with students enrolled in the US. Despite a combination of social structures and cultural values within India that historically constrained entrepreneurship, a number of efforts in recent years seem to have significantly shifted the national mindset regarding entrepreneurship, particularly among India's youth who were found to demonstrate a significantly higher level of interest in starting new ventures than their US counterparts.

Objectives of the Study

1. To study the socio economic characteristics of the respondents in entrepreneurship in the study area.
2. To examine the changing trends of women in the society, particularly their entry to business.

Methodology

The primary data were collected from the sample respondents. Primary data were collected from the sample women entrepreneurs with a pre test, structure interview schedule. Secondary data were collected from Books, Records, Magazines, Annual Report of District Industries Center and District Rural development Agencies for the study. To collect the data from the Institution questionnaires were used. Women entrepreneurs were as selected on the basis of actively functioning entrepreneurs in the study area. Total entrepreneurs were selected through simple random sampling method. The total number of respondents were finalized was 80 in Chidambaram Town. The data thus collected were classified tabulated, analysed and interpreted with the help of Chi-Square test.

ANALYSIS AND DISCUSSIONS

Table No. 1

Age Wise Classification of Women Entrepreneurs

| Age | No. of women entrepreneurs | Percentage |
|-----|----------------------------|------------|
|-----|----------------------------|------------|

| | | |
|----------|----|--------|
| 21 – 30 | 17 | 21.25 |
| 31 – 40 | 29 | 36.25 |
| 41 – 50 | 22 | 27.50 |
| Above 50 | 12 | 15.00 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table reveals that the age wise classification of the respondents. The women entrepreneurs those who are in the age of 31-40 is very much interested to start business. The classifications are classified into 21-30, 31-40, and 41-50 and above 50. Out of 80 respondents 36.25% respondents are in the age group of 31-40 and 27.50% of respondents are in the age group of 41-50 and 21.25% of respondents are age group of 21.30 and the balance of 15% are the age group of above 50.

Table No. 2

Educational Status Wise Classification of Women Entrepreneurs

| Educational Status | No. of women entrepreneurs | Percentage |
|--------------------|----------------------------|------------|
| Below SSLC | 8 | 10.00 |
| Secondary Level | 24 | 30.00 |
| Technical Level | 20 | 25.00 |
| Collegiate Level | 28 | 35.00 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table reveals that the educational status of respondents out of 80 respondents 30% belongs to secondary level education. 45% belong to collegiate level, 25% of respondents have technical level education and the balance 10% belongs to below SSLC level.

Table No. 3

Motivational Sources for Selection of Business

| Motivational Sources | No. of women entrepreneurs | Percentage |
|----------------------|----------------------------|------------|
| Self Interest | 8 | 10.00 |
| Friends & Relatively | 12 | 15.00 |

| | | |
|----------------------------|----|--------|
| DIC Office | 22 | 27.50 |
| Other Govt. Institution | 28 | 35.00 |
| Non-Government Institution | 10 | 12.50 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table reveals that the motivations sources for selection of business. Out of 80 respondents 10% of respondents belongs to self Interest, 15% of respondents induced by friends and relatives 27.50% by DIC Office, 35% of respondents are induced by other Government Institutional and 12.50% of respondents are to induced by Non-government Organization.

Table No. 4

Motivational Sources and Reason for Starting Business

| Motivational sources/Reason for starting business | Self interest | Friends & Relatives | DIC Office | Government Institution | Non Government Organization | Total |
|---|---------------|---------------------|------------|------------------------|-----------------------------|-------|
| Economic condition | 0 | 1 | 2 | 0 | 1 | 4 |
| Spouse influence | 1 | 8 | 0 | 0 | 2 | 11 |
| Better standard of living | 4 | 2 | 3 | 3 | 3 | 15 |
| Career Ambition | 1 | 1 | 15 | 14 | 0 | 31 |
| No particular reason | 2 | 0 | 2 | 11 | 4 | 19 |
| Total | 8 | 12 | 22 | 28 | 10 | 80 |

(Source: Primary Data)

Testing of Hypothesis:

For studying the association of reason for starting business and motivational sources of women entrepreneurs, mentioned table a hypothesis is framed to test the association of two attributes reason for starting business and motivational sources is discussed by using chi-square test.

Null Hypothesis:

The association of reason for starting business and motivational sources of women entrepreneurs may be independent.

The test statistic is,

$$x^2 = \frac{\sum(O - E)^2}{E} \approx x^2 \text{ distribution with } (R - 1)(C - 1) \text{ d.f. at 5\% level.}$$

Where R & C are number of rows and columns respectively.

The Calculated chi-square value = 29.708

The table value of chi-square at 5% level of significance = 9.488.

Since the chi-square value is greater than chi-square table value, our hypothesis is rejected.

Result:

It is concluded that among the women entrepreneurs reason starting business and motivational sources are dependent with each others. This implies that the reason for starting business and motivational sources are jointly help the women entrepreneurs to start the business.

Table No.5
Size of Investment

| Investment size | No. of women entrepreneurs | Percentage |
|-------------------|----------------------------|------------|
| Up to 50,000 | 48 | 60.00 |
| 50,000 – 1,00,000 | 18 | 22.50 |
| Above 1,00,000 | 14 | 17.50 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table indicates the investment size of business. Out of 80 respondents 60% of respondents belong to upto Rs.50,000 investments. 22.50% respondents belong to Rs.50,000 to Rs.1,00,000 and 17.5% responds belong to above Rs.1,00,000.

Table No. 6
Borrows Fund

| Level of Borrow | No. of women Entrepreneurs | Percentage |
|-----------------|----------------------------|------------|
| Nil | 30 | 37.50 |
| Below 25000 | 9 | 11.25 |
| 25000-5000 | 13 | 16.25 |
| Above-5000 | 28 | 35.00 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table indicates the borrowed find raised by respondents. Out of 80 respondents 37.50% are not raised any borrowing from others. 11.25% are not raised any borrowing from others. 11.25% are raised below Rs.25,000. 16.25% are raised Rs.25,000 – Rs. 50,000 and 35% of respondents are raised Rs. 25,000 – Rs. 50,000 and 35% of respondents are raised fund above Rs.50,000.

Table No. 7
Period of Repayment

| Repayment period | No. of women entrepreneurs | Percentage |
|------------------|----------------------------|------------|
| Nil | 30 | 37.50 |
| Below 2 years | 11 | 13.75 |
| 2-3 years | 28 | 35.00 |
| 3 years above | 11 | 13.75 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table recovers that Period of repayment of loan. Out the 80 respondents 37.50% of respondents have no time limit for respondent. 13.75% of respondents below 2 years 35% have 2-3 years and 13.75% of respondents below 2 years 35% have 2-3 years and 13.75% of respondents 3 years and above.

Table No. 8
Profit Earned

| Profit | No. of women entrepreneurs | Percentage |
|--------|----------------------------|------------|
|--------|----------------------------|------------|

| | | |
|---------------|----|--------|
| Below 15,000 | 9 | 11.25 |
| 15000 – 25000 | 22 | 27.50 |
| 25000 – 50000 | 38 | 47.50 |
| Above 50000 | 11 | 13.75 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table reveals that profit earned by respondents out of 80 respondents 11.25% of respondents earned a profit of below Rs.15000, 27.50% of respondents earned profit Rs.15000 – 25000, 47.50% of respondents earned profit of Rs.25000 – 50000 and 13.75% of respondents earned profit of Rs. above 50000.

Table No. 9
Problem of Running the Business

| Problems | No. of women entrepreneurs | Percentage |
|--------------------------|----------------------------|------------|
| Shortage of Labour | 15 | 18.75 |
| Shortage of Raw Material | 21 | 26.25 |
| Inadequate capital | 26 | 32.50 |
| Any other problem | 18 | 22.50 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table reveals that the problems of running the enterprise by the women entrepreneurs. Out of 80 respondents 18.75% of respondents face a problem of shortage of skilled labour. 26.25% of respondents have face a problem of shortage of raw material. 32.50% of respondents have a problem of inadequate capital and 22.50% of respondents face any of the problems.

Table No. 10
Utilization of the profit

| Utilization of the Profit | No. of women entrepreneurs | Percentage |
|-----------------------------------|----------------------------|------------|
| Extension of Business | 28 | 35.00 |
| Deposit in Bank/other Institution | 18 | 22.50 |
| Maintenance family | 12 | 15.00 |
| Children's Education | 22 | 27.50 |
| Total | 80 | 100.00 |

(Source: Primary Data)

The table indicated using the profit earned by the enterprises. Out of 80 respondents 35% of respondent's extension of business, 22.50% of respondents deposit in n & other institution using the profit for the purpose of future benefit, 15% of respondents maintained the family and 27.50% of respondents using the profit for children's education.

SUGGESTIONS

The DIC other Govt. Institution should consider impart training programme on processing, fish processing, mushroom cultivation, Masala powder, Mango based Products, Preparation of pickles, Jam and Manufacturing of ornaments flower for exporting to foreign countries. The women may also be trained on the above trades. Readymade garments, tailoring and embroidery work, Manufacturing of loys, pity work, Mat weaving, honey production, simple chemicals, handicrafts, envelop making, printing and binding screen printing, coir products, laminating, agarpathi, coffee grinding etc, are the other type of small industries that can be easily undertaken by women. Part – time training facilities especially for women during afternoon will attract more number of women in business. Service clubs such as lions club, Rotary Club and inner wheel may organize motivational campaign for development of women entrepreneurs. Tamil Nadu government may provide marketing facilities to women entrepreneurs to market their products.

CONCLUSION

The small scale industry has a major role in the country's economy. Together with the village industries, it produced 49 percentage of the total industrial output. In the context of the country's resource endowments, an abundant labour supply and scarce capital and uneven pattern of India's regional development small scale industries, with its relatively low capital intensity, high employment generation and potential for dispersal, especially in rural and semi urban areas has a crucial role to play in the economic advancement of the country. The Women should come forward to undertakes self employment project which are suitable to them, under the small industries sector and they should play vital role in the economic development of the country through industrialization.

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