

## The Socio - Cultural and Economic Effect on the Development of Women Entrepreneurs (With Special Reference to India)

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**Abstract:** This study has been conducted to understand the Socio-Cultural and Economic effect on women Entrepreneur especially in Allahabad district of India. Half of the total population is represented by Women but in industry and other entrepreneurial activities, they are in few numbers. After analyzing the data it was found that most of the women entered into the entrepreneurship around the age of 39 and above. This gives an impression that women entrepreneurs by the age of thirties become independent of their family responsibilities and left with no work. Almost every woman opted for the business related to beauty-parlour and law. Educational background of the women entrepreneurs also seems to be quite impressive, as most of them have completed their studies up to graduation. Most of them have found to be doing household works before starting their business. They were not doing any other service or private jobs. This could be due to their responsibilities of household works and issues of raising children. The type of business which most of them are running is of shop. This can be mainly due to the reason as before entering into business they were indulged in their household works. Most of them sell their products on the regional level. This shows that they are gradually stepping forward and try to spread their business so that it can flourish. The reason which majority of them has given to start a business was social factors. They need encouragement and support from their families, social circles and most importantly the government. Government should make initiations to provide financial supports to women entrepreneurs.

**Key words:** Cultural, economic, employment, government, social, women entrepreneurs

### INTRODUCTION

Entrepreneurship is the practice of starting a new organization or a business. One who begins it needs to have confidence and competence in order to meet unforeseen and adverse conditions. In the words of Schumpeter, "an entrepreneur is a person who is willing and able to convert a new idea and invention into a successful innovation". The Government of India has introduced the concept of women entrepreneurs on the basis of their equal participation and employment of a business enterprise. Entrepreneurial activities are substantially different depending on the type of organization that is being started. It forces "creative destruction" across markets and industries, largely responsible for dynamism of industries as well as the economic growth. As entrepreneurs there are certain functions, which are required by women entrepreneurs to perform. Frederick Harbison has talked about five functions of women entrepreneurs:

- Exploration of the prospects of starting a new business enterprise.

- Undertaking of risks and the handling of economic uncertainties involved in business.
- Introduction of innovations.
- Coordination, administration and control.
- Supervision and leadership.

Women in India enter into business mainly for two types of factors i.e. pull and push factor. Pull factor refers to the process in which women are encouraged to start an occupation or venture with an urge of doing something independently. Whereas push factors refers to the process in which women are compelled to take up their own business in order to tackle-up their economic difficulties as well as responsibilities. In India, Most of the women are now showing their preferences towards the entrepreneurship rather than going into the fields of professional as well as various service. Women are choosing both the traditional (toy making, pickle making, candle making, etc.) as well as the non-traditional (garment shop, beauty-parlour, computer-training, school management, etc.) activities and are performing well. Unfortunately, there has been found a difficulty to eradicate completely the evil conception of male

dominated society at that time when India has reached on the moon. The women entrepreneur development is influenced by many complicated factors including social, economical, cultural and physiological prevailing everywhere in the society. Generally, women opt for micro-enterprises than major enterprises because of certain unavoidable factors and issues like, limited capacity, low level of confidence, little access to technical information, poor local market conditions, less access to capital, etc. Indian women are now proving themselves by excelling in every field and surpassing men far behind.

In India, women who try to play the entrepreneurial role, generally have to face the environmental constraints. There are the chances for having high rate of failure for the one who is starting a business at the cost of his own effort and risk. Thus, this rate of loss might go even higher in the case of women who have to face the business, family and social problems. Consider the case of Kerala as the highest literate state where the women are getting the full chance of showing their skills and proficiency. Such an environment is beneficial and suitable for the growth and development of women entrepreneurs. Thus, this shows that women should be properly guided and encouraged to enter into business. This approach will help in the increment of their motivation level. Training approach is important for helping women in non-traditional, high skill, male dominated activities and also to build-up the confidence among women to meet their requirements (Kirve and Kanitkar, 1993).

Training to develop good entrepreneurial skills is useful and essential to women (Padmavati, 2002; Sathyasundaram, 2004). The Government should also provide them with financial, marketing and training assistance so that women can start-up their business. Thus, in order to bring upliftment in the quality and work skill of the women entrepreneurs they should be given proper training and support. The objectives of this paper are;

- To find out the degree of effect of Socio-Cultural and Economic factors on women Entrepreneur
- To understand the behavior of Women as Entrepreneur
- To find out future prospect for prospective women Entrepreneurs
- To understand and give solution to the problems of Women Entrepreneur

In this study, a sample of women entrepreneurs was selected for the present study from the Allahabad district of Uttar Pradesh. In this project, interview questionnaire was employed to evaluate the socio-cultural and socio-economic effect on the development of women entrepreneurs. This questionnaire consisted of 32

objective type questions (Five-point scale) covering the social as well as the economic aspects of women entrepreneurs' lives. This study was conducted in during the end of 2008.

## RESULTS AND DISCUSSION

The study was done in order to focus on the socio-economic and socio-cultural impact on the development of women entrepreneurs. Demographic details of women entrepreneurs, with respect to socio-economic and socio-cultural information, were projected (Table 1).

After analyzing the data it was found that (80%) of women entered into the entrepreneurship around the age of 39 and above. This result is consistent to another study in which it was found that women entrepreneurs started their business or venture at the age of 35 (Hisrich and Brush, 1986).

This gives an impression that women entrepreneurs by the age of thirties become independent of their family responsibilities and left with no work. So, this is the time in which they can think of some innovative ideas or to give certain direction to their lives. They try to spend their time into some productive work, which came into the form of starting some business. Almost every woman opted for the business related to beauty-parlour and law. Probably this is the profession, which they could easily be able to manage and work efficiently. Educational background of the women entrepreneurs also seems to be quite impressive, as most of them have completed their studies up to graduation.

Figure 1 shows that now every woman is concerned towards her education as this helps her to use intelligence and think in a practical way for her own benefits. Taking into the consideration the educational background of their husbands 56% of them have done their graduation. This also helps us to understand they have become aware of the benefits of education and their responsibility towards their wives. Thus, they provide support to their wives in starting a business. Now, they understand that only if both the persons work would better be able to provide their children better education and basic facilities. This would lead to prosperity and happiness.

Most of them have found to be doing household works before starting their business. They were not doing any other service or private jobs. This could be due to their responsibilities of household works and issues of raising children. Most of the women entrepreneurs are having the experience of 5-6 years, which implies that they are well settled in their business, and working well (Fig. 2).

From their data we have come to know that their main source of income is their husband's salary. The type of business which most of them are running is of shop. This can be mainly due to the reason as before entering

Table 1: Mean and standard deviation of women entrepreneurs' socio economic and socio cultural Development.

	N	Mean	S D	SEM
Age	80	39.9500	11.83205	1.32286
Venture	80	4.9000	2.96648	0.33166
What is your highest level of education completed?	80	3.7000	1.06021	0.11854
What is the highest level of education completed by your spouse?	56	3.4286	0.73502	0.09822
What were you doing immediately before running this business?	80	2.0000	0.95467	0.10674
How much experience you had related to this business?	80	3.2500	0.83439	0.09329
What is your household's main source of income?	80	2.9000	1.38345	0.15467
How do you market your products?	76	3.0000	0.65320	0.07493
What is the kind of your business?	80	4.1500	0.57589	0.06439
How many people are working in your business?	76	2.0000	1.60000	0.18353
Where do you sell your products / services?	72	2.3889	1.68302	0.19835
Who help you to establish the business?	72	3.5556	1.54636	0.18224
What were the main reasons that made you decide to start this business?	72	2.1111	1.29523	0.15264
When you started this business, whom did you, received moral support from?	68	2.1176	0.97014	0.11765
When you started this business, from whom did you receive financial support?	68	1.7059	1.02300	0.12406
What problems did you encounter in starting this business?	72	2.7222	1.56747	0.18473
Have you registered formally?	64	1.0000	0.00000(a)	0.00000
How much corporate income tax do you pay?	4	1.0000	0.00000(a)	0.00000
How do you expect your business to perform in the coming year?	72	1.8333	1.07468	0.12665
What percentage of your monthly income from this business contributes to your household income?	72	3.7222	1.20120	0.14156
What is the average number of hours/day that you spend for the business?	72	2.5556	1.47169	0.17344
What is the average number of hours/day that you spend with your family/ in your household?I	76	3.8947	0.30893	0.03544
While you are working for your business, who is taking care of your children?	56	3.1429	0.99870	0.13346
Do you have a separate bank account only for business purposes?	72	1.9444	0.52779	0.06220
What aspects make it more difficult for women to access a formal loan with a bank or Micro Finance Institution?	72	2.4444	0.83731	0.09868
Did you receive any support from any small business development service providers during and after starting your business?	72	2.0000	0.00000(a)	0.00000
Are you the first female member of your family who started a business?	72	1.5556	0.50039	0.05897
What was the response of your family when you entered into this business?	72	1.8889	0.74220	0.08747
How do you think that doing business has affected your social image in the society?	72	1.2778	0.45105	0.05316
Based on your experience, do people take women entrepreneurs seriously?	72	1.2222	0.41866	0.04934

SD = Standard Deviation; SEM = Standard Error Mean

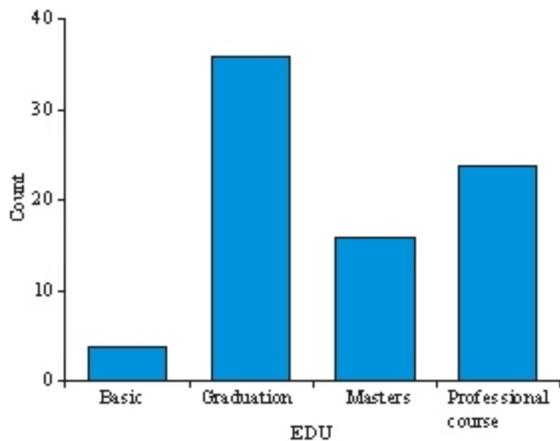


Fig. 1: Mean percentage of women entrepreneur educational background

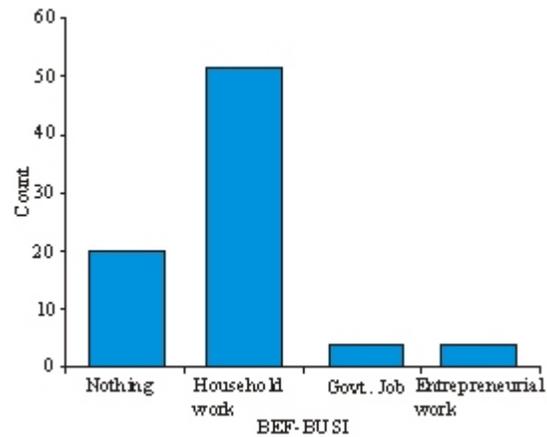


Fig. 2: Mean percentage of women entrepreneurs type of business

into business they were indulged in their household works. So, after a certain amount of gap immediately joining some service or private jobs would have felt by them little difficult and therefore they had opted for opening the shop. The number of workers they had

between 5 to 10. This implies that due to having small-scale enterprises and limited earnings women preferred to keep up to 10 workers (Fig. 3). Most of them sell their products on the regional level. Fig. 4 shows that they are gradually stepping forward and try to spread their

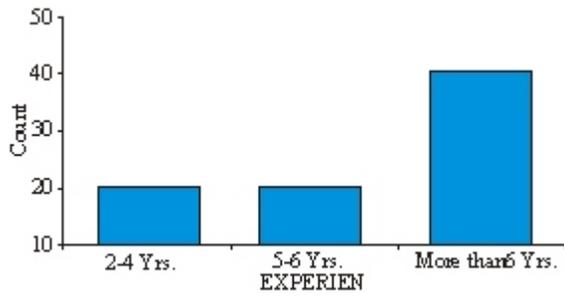


Fig. 3: Mean percentage of women entrepreneurs business experience

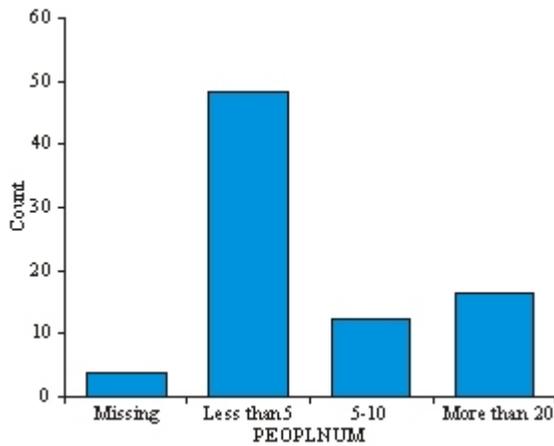


Fig. 4: Mean percentage of number of workers

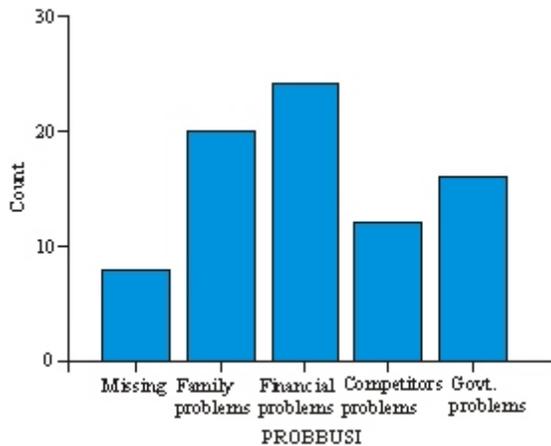


Fig. 5: Mean percentage of types of problems women entrepreneurs are facing in their business

business so that it can flourish. The reason which majority of them has given to start a business was social factors. This means that they want to have some recognized and respected position in society and this feeling bounded them to start a business. The hindrances, which they had faced, were mostly the societal. Because still, in Indian culture it is considered to be a very bold step if some

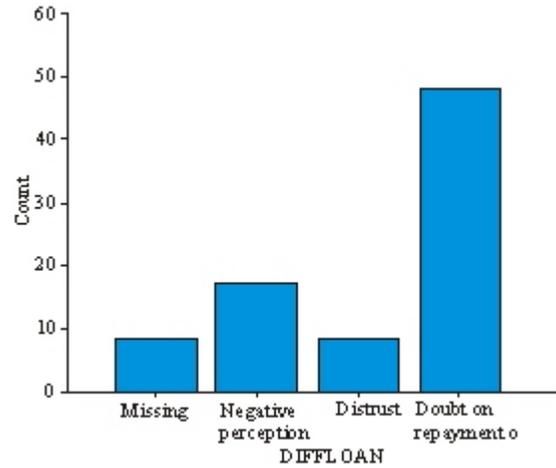


Fig. 6: Difficulty women entrepreneurs are having in getting loan for establishing their business

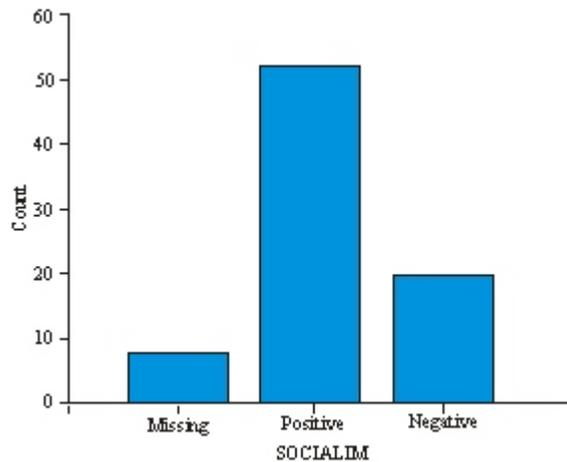


Fig. 7: Direction of social limitations faced by women entrepreneurs while starting a business

women starts her business or work. Rather they are questioned from various perspectives. Though such a negative attitude of people is declining but in a gradual manner. 64% of women were formally registered.

This presents a responsible and careful image of women. They are quite aware of the law and order and willing to follow them. On questioning that how would they expect their business to perform in the coming year, most of them responded in terms of good. This shows that they are doing well and also being profited from their business, which gave them a sight of success in the future. Most of the women reported of having up to or above 50% of their business contribution on their household income.

From Fig. 5, which gives an idea that their family members or husbands are quite supportive. Instead of making use of their income they give freedom to them to use their money according to their willingness. The

number of hours, which they spent on their business, was around 8 or 12 h. This amount of time is quite satisfactory and sufficient according to the market timing of Allahabad where markets open around 11 O'clock and close at 9 O'clock. Similarly, the amount of time, which they spent with their family, is more than 12 h. Thus, it shows that they make a balance between the work and family. They are quite committed to both and know about their responsibilities and how to manage them. They keep their children in the childcare facility center as both the husband and wife work and most of them are having a nuclear family. Though the women are not willing to keep their children in a child care centers but are forced due to safety reasons. For their business purpose they do not keep a separate bank account.

On asking that due to what factors they face difficulties from getting loans from banks they pointed the issue of having distrust on the women entrepreneurial ability. This is a fact there are lot many formalities which they are required to go through before getting loans (Fig. 6).

They positively described that after starting a business their social image had become quite effective and strengthened. People do give preferences and importance to their opinions and regards them (Fig. 7).

Thus, it can be explained from the above findings that women are trying to attain and occupy their real position in the society. They are getting quite aware of their rights and values. They are aimed at creating a definite goals and aims. They are also trying to extend their business to higher level in order to achieve success and appreciations

from everybody. They are also putting their hands on professional as well as school management related works. They need encouragement and support from their families, social circles and most importantly the government. Government should make initiations to provide financial supports to women entrepreneurs.

## CONCLUSION

The major issues for considering are to make definite improvement in the condition of women entrepreneurs. This can only be done if they are given proper training by some managerial organizations to excel in the field of entrepreneurship. They should be encouraged and supported financially as well as socially comprising of families, society and the government.

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