

“WOMEN ENTREPRENEURSHIP IN ASSAM”

With special reference to Sivasagar

A project Report

Submitted to the Dibrugarh University for the partial fulfillment of the requirement of B.Com 6th Semester course curriculum in Commerce Stream



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Session : 2019-20**

WOMEN ENTREPRENEURSHIP IN ASSAM: THE MOTIVATIONAL FACTORS UNDERPINNING AND THE OPERATIONAL PROBLEMS

A. ABSTRACT

Entrepreneurship plays an important role in developing and contributing to the economy of a country. It is related to the rapid industrialization. In India, entrepreneurship development has been accepted as a strategy for achieving the twin objectives of promoting entrepreneurship and also speeding up rapid industrialization. Indian women of today have taken many strides towards business ownership. The broad classification of women business owners include women who establish, inherit, or acquire a business; women who start businesses with spouses or business partners but are either at the forefront or behind the scenes; and finally, women who start fast-growing or part-time or slow-growing firms. Although earlier researches on women entrepreneurs have suggested that significant differences existed between female and male entrepreneurs. However, more recent studies have shown that there are far more similarities than differences between women and men entrepreneurs in terms of psychological and demographic characteristics. A series of researches have also shown that the workforce of women-owned businesses tend to be more gender balanced than the workforce of men-owned businesses, although women business owners are more likely to hire women. This study was carried out as the role of women entrepreneurs has gained significance in today's environment. Women, who succeed as entrepreneurs, are risk taking personalities. The women entrepreneurs have their own identity in the world of entrepreneurship as most of them are capable of fully identifying themselves in their new economic role in the society. The study was based on primary information collected from field and the study highlighted the factors that have motivated women entrepreneurs in starting an entrepreneurial career with that of the encountered problems.

B. INTRODUCTION :

An entrepreneur can be defined as one who initiates and establishes an economic activity or enterprise. Entrepreneurship thus refers to the general trend of setting up of new enterprises in a society (Begum, 1993). The International Labour Organization (ILO, 1984, cited in Islam and Aktaruzzaman, 2001) defines an entrepreneur as a person with a set of characteristics that typically includes self-confidence, result oriented, risk taking, leadership, originality and future oriented. Khanka (2002) referred to women entrepreneurs as those who innovate, imitate or adopt a business activity. Given that entrepreneurship is the set of activities performed by an entrepreneur, it could be argued that being an entrepreneur precedes entrepreneurship.

Entrepreneurs play a very important role in the socio-economic welfare of the country. They identify needs of the business; purchase the other factors of production and coordinates with them for some productive purposes. They are the innovators, researchers and risk takers of the company. Due to mixed economy in India, both public and private entrepreneurship exist here. Large scale sectors are in public entrepreneurship and the middle and small scale sectors are in private entrepreneurship. In order to develop entrepreneurship in India, Government of India has stepped towards Entrepreneurship Development Programmes.

Further entrepreneurship plays a vital role in developing and contributing to the economy of a country. It is related to the rapid industrialization. In India, entrepreneurship development has been accepted as a strategy for achieving the twin objectives of promoting entrepreneurship and also speeding up rapid industrialization. During the last two decades, Indian women have entered the field of entrepreneurship in greatly increasing numbers. With the emergence and growth of their businesses, they have contributed to the global economy and to their surrounding communities. The routes women have followed to take leadership roles in business are varied. Yet, most women business owners have overcome or worked to avoid obstacles and challenges in creating their businesses. The presence of women in the workplace driving small and entrepreneurial organizations creates a tremendous impact on employment and business environments.

Women entrepreneurs may be defined as the women or a group who initiate, organize and operate a business enterprise. Women constitute almost half of the population in the world. But their representation in gainful employment is comparatively low. But the global evidences supports that women have been performing exceedingly well in different spheres of activities like academics, politics, administration, social work and so on and now they have started plunging into industry also and running their enterprises successfully. Indian women business owners are changing the face of businesses of today, both literally and figuratively. The dynamic growth and expansion of women-owned businesses is one of the defining trends of the past decade, and all indications are that it will continue unabated. For more than a decade, the number of women-owned businesses has grown at one-and-a-half to two times the rate of all businesses. Even more important, the expansion in revenues and employment has far exceeded the growth in numbers.

The result of these trends is that women-owned businesses span the entire range of business life cycle and business success, whether the measuring sticks is revenue, employment or longevity. This strengthens the view that all Governmental programs and policies should target at strengthening women's entrepreneurship in their native lands.

1. RURAL WOMEN ENTREPRENEURSHIP:

The phenomenon of women entrepreneurship is largely confined to metropolitan cities and big towns in India. Most of the women entrepreneurs also operate small scale units. However, women entrepreneurs are also found in the rural areas too. A rural women entrepreneur is a women or a group of women who undertake to organize and run an enterprise in a rural area. The supply of rural women entrepreneurs may be classified into the following categories.

1. Women who take to entrepreneurship because of dire economic activity.
2. Women who take to entrepreneurship because they had the family background tradition in some skill or trade, hence they would like to have extra money for themselves and their families.
3. Women, who take it up because they have certain personality characteristics such as need for achievement, need for power and influence, etc.
4. Women who take it up as leisure time activity.

2. CHARACTERISTICS OF WOMEN ENTREPRENEURSHIP:

Indian women of today have taken many strides towards business ownership. The broad classification of women business owners include women who establish, inherit, or acquire a business; women who start businesses with spouses or business partners but are either at the forefront or behind the scenes; and finally, women who start fast-growing or part-time or slow-growing firms. Although earlier researches on women entrepreneurs have suggested that significant differences existed between female and male entrepreneurs. However, more recent studies have shown that there are far more similarities than differences between women and men entrepreneurs in terms of psychological and demographic characteristics. The dominant predictors of success in case of women entrepreneurs are work experience and years of self-employment.

Generally, women view their businesses as a cooperative network of relationships rather than as a distinct profit-generating entity. This network extends beyond the business into the entrepreneur's relationships with her family and the community. Certain cross-cultural studies on women entrepreneurs have reported that their management styles emphasize open communication and participative decision-making, and their business goals reflect a concern for the community in which the business operates.

The majority of women business owners operate enterprises in the service sectors, whereas the majority of male business owners operate enterprises in non service sectors, particularly manufacturing. Women are not only achieving economic independence and wealth creation for themselves, but through job creation, they are also providing opportunities for others, particularly for other women.

A series of researches have shown that the workforce of women-owned businesses tend to be more gender balanced than the workforce of men-owned businesses, although women business owners are more likely to hire women. Put simply, an investment in women's entrepreneurship is an investment in the economic independence and well-being of all women.

This study was carried out as the role of women entrepreneurs has gained significance in today's environment. Women, who succeed as entrepreneurs, are risk taking personalities. The women entrepreneurs have their own identity in the world of entrepreneurship as most of them are capable of fully identifying themselves in their new economic role in the society. The study

has highlighted many factors that have motivated women entrepreneurs in starting an entrepreneurial career. The Government schemes, incentives and subsidies have stimulated and provided support measures to these women entrepreneurs.

C. OBJECTIVES OF THE STUDY:

1. To find out the motivational factors that persuade these women to become entrepreneurs.
2. To find out their level of awareness regarding different incentives.
3. To study the types of problems they have encountered in order to reach the level of success.
4. To discover the operational problems they are facing.
5. To provide suitable suggestions for future improvement.

D. METHODOLOGY:

The study aims to test the status of rural women entrepreneurs with special reference to some selected locations at Tinsukia district of Assam. The study was carried during June-July, 2012. A structured questionnaire was prepared for the purpose of data collection covering the various aspects of the study and purposive sampling was applied to select 70 (seventy) successful women entrepreneurs to whom questionnaires were distributed and collected and later data so obtained has been tested. These women entrepreneurs were running *Beauty parlours, P.C.Os, Candle factories, Tailoring, Knitting and embroidery, Jute bag & carpet* manufacturing enterprises. The secondary information had been collected from books, journals and websites. The results arrived from the study do not reflect the views of the total population of successful women entrepreneurs. However, the results are indicative of the general trend in the motivation, identity and problems faced by the successful women entrepreneurs in the study area.

E. ANALYSIS AND INTERPRETATION:

1. A majority (52.2%) of the respondents were between the ages of 30-40 years.
2. From the sample, it was inferred that 78.3% were married, 8.3% were divorced, 8.3% were widows, 5% were single and these women entrepreneurs maximum (50%) were graduates too.

3. Of the total sample, the majority (63.3%) belonged to nuclear families. When analyzed on the basis of number of children, the majority (84.2%) had upto three children.
4. Data clearly indicates that despite the common belief that joint families would more supportive to women who want to branch off on their own and enter businesses, the researchers found that it is the nuclear family that has produced more successful entrepreneurs. This may be due to fact that in a nuclear setup, the women has an equal say and is more open to new ideas.
5. 45% of the children of these respondents were in the age group of 11-20 yrs. As children at this age does not required consistent attention so it provide these women engaged to doing something worthwhile to keep themselves busy and productive.
6. An analysis of the occupation backgrounds of the families-parents, in-laws and husbands occupation were also collected for study purpose. It is interesting to note that, while majority (44.6%) of the respondents originally came from service background, 41.4% were mostly married to business families and the husband occupation was also businesses for 43.5% of the respondents. Having lived in business environment after marriage, it seems that it became easier to these women to take new businesses rather taking any other vocations.

F. MOTIVATIONAL FACTORS FOR WOMEN ENTREPRENEURSHIP:

The reasons for which women enter into business seems quite different from that of men to become entrepreneurs which has been reflected in this study. In order to arrive at an objective assessment, the respondents ranked 15 (fifteen) possible motivating factors in the order of priority. The first 3 (three) ranks were taken for score purpose. The reason ranked first was given 3 (three) points, the second received 2 (two) points and the third received 1 (one) point. It is evident from the study, most of women entered into business "*to keep busy*", and this factor ranked 1st amongst the motivational factors followed y the desire "*to fulfill ambition*", "*to pursue own interest*" was ranked 3rd, followed by "*by accident or circumstances beyond control.*" The above ranking indicates an interesting assemblage of reasons and factors that motivated the respondents. The research on entrepreneurship has provided that "*the need to excel and achievement*" and "*the ability to take calculated risks*" are the prime factors that motivate people. However, this study indicates different things from the accepted pattern of thinking. "*Keeping*