

## SMALL-SCALE BUSINESSES BY WOMEN ENTREPRENEURS IN THANE CITY: A STUDY

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### ABSTRACT

*Normally women entrepreneurship is found in the extension of their kitchen activities. Few of them venture into services industry relating to hospitality, catering, educational services, consultation or public relations, beauty clinics, etc. Study is an attempt to understand the deciding factors for women entrepreneurs while choosing their business or entrepreneurial activity. Research is based on primary as well as secondary sources. Sample survey method is used to collect data from 93 women entrepreneurs in Thane city. Findings reveal that push factors are more powerful than pull factors for women entrepreneurs while deciding their business or entrepreneurial activity in Thane city.*

**KEYWORDS:** *Women Entrepreneurship, Services Industry, Entrepreneurial Activity.*

### Introduction

Traditionally, women in India are generally found in low productive sectors such as agriculture and household activities. The Planning commission as well as the Indian government recognizes the need for women to be part of the mainstream of economic development. Women entrepreneurship is seen as an effective strategy to solve the problems of poverty and gender inequality as India's GDI rank is 103 (2004). Women entrepreneurs may be defined as a "Woman or a group of women who initiate, organize and run a business enterprise". Normally, women entrepreneurship is found in the extension of their kitchen activities, mainly in preparing commercially, Pickles, Papads and Powder. Few of them venture into services industry relating to hospitality, catering, educational services, consultation or public relations, beauty clinics, etc.

Present study is an attempt to understand the deciding factors for women entrepreneurs while choosing their business or entrepreneurial activity and is based on sample survey method, surveying 93 women entrepreneurs from Thane city. Research paper is divided into five sections, namely introduction, literature review, research methodology, finding of the survey and concluding section, titled as discussion and conclusion.

### Literature Review

**Sharma Yogita** in her paper titled 'Women Entrepreneur in India' listed economic factors as the reason for women entrepreneurs to choose the activity which they are engaged in to. According to her it pushes them to be on their own and urge them to do something independently. Women prefer to work from their own work residence. Difficulty in getting suitable jobs and desire for social recognition also according to her motivate them towards self-employment.

**Bowen & Hisrich, (1986)**, compared and evaluated various research studies done on entrepreneurship including women entrepreneurship. It summaries various studies stating that female entrepreneurs are relatively well educated in general but perhaps not in management skills, high in internal locus of control, more masculine, or instrumental than other women in their values, likely to have had entrepreneurial fathers, relatively likely to have been first born or only children, unlikely to start business in traditionally male dominated industries and experiencing a need of additional managerial training.

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## **Research Methodology**

### **Objective**

- To understand why the selected sample of women entrepreneurs have chosen the current business or entrepreneurial activity that they are engaged into in Thane city.

### **Hypothesis**

- Push factors are more powerful than pull factors for women entrepreneurs while deciding their business or entrepreneurial activity.

### **Data Collection and Analysis**

Research is based on primary as well as secondary sources. Sample survey method is used to collect data from 93 women entrepreneurs in Thane city. Data is collected pertaining to their age, education, year of setting up, whether the business is established by them or is inherited, amount of fixed investments, source of funding, their monthly income and expenditure besides source of labour used by them. Surveyed women entrepreneurs in Thane city were asked to rank the valid reasons for them to choose the current activity that they are engaged into.

The sample consists of women entrepreneurs engaged in different activities like making of pickles, papads and spices, poli bhaji kendras, canteen, laundry and beauty services, tailoring, clothing, teaching, grocery, jewelry, xeroxing, retailing to highly skilled activities like medical clinics. Collected data was analysed using simple statistical tools. The secondary information has been collected from different books, articles from different journals, periodicals and websites.

### **Findings of a Survey**

The findings of survey are as follows:

About 70 percent of the sample consists of women in age group 31-50 years. About 85 percent of women entrepreneur's education is up to class twelfth. 72 percent of the sample is engaged in service oriented activity where as 28 percent are in to production. 77 percent reported to be same business or current activity for more than 10 years. 97 percent of women entrepreneurs surveyed have established businesses by themselves and the remaining have inherited their businesses. About 70 percent have invested less than fifty thousand in fixed capital (excluding premises), and 70 percent are also owners of the premises from where they operate. Top three sources of finance reported by them were self-funding, followed by funds from family and friends and bank loans. Total monthly earnings reported were less than fifty thousand rupees. When asked about their monthly spending pattern, about 75 percent reported spending less than 20,000 rupees on household needs and about 90 percent reported reinvestment up to rupees 20,000 per month.

78 percent of the sample reported having received no help from government for setting up of their business, and other were helped by government in terms of workshops and training programmes organized by government. Only 32 percent use hired labour in their business, with employment generation for up to 20 labourers. Only 48 percent reported their business to be registered.

Surveyed women entrepreneurs were asked about the reasons for choosing their current activity or business, where they were asked to rank only the valid reasons from the ten choices given, which consists of both push and pull factors. The reasons were low family income, job dissatisfaction, low salary offered by job, difficulty in finding job, need for flexible working hours, lower educational level, attainment of sense of independence, sense of self fulfillment, entrepreneurial drive and desire for wealth/power and social status by them.

47 percent reported low family income as the most important reason for them to choose their current business activity, followed by 10 percent reporting it to be second most important reason. For 31 percent low family income is not the valid reason while choosing their business activity.

54 percent of the women entrepreneurs surveyed do not consider job dissatisfaction as the valid reason while taking decision about their business activity. Whereas for 38 percent job dissatisfaction is in top four reasons while choosing their business activity.

32 percent of the women entrepreneurs surveyed consider low salary offered by job in the top four valid reasons while taking decision to choose the current activity. Whereas for 54 percent of the sample surveyed low salary offered by job is not the deciding factor.

41 percent of the surveyed entrepreneurs consider difficulty in finding a job in the first four reasons while choosing current entrepreneurial activity. Whereas for 52 percent of the sample surveyed, it is not a valid reason.

31 percent of the surveyed women entrepreneurs need flexible working hours and consider it in the top four reasons while choosing their present activity. For 52 percent of the surveyed women entrepreneur flexibility in working hours is not the valid reason.

33 percent of the surveyed women entrepreneurs consider lower educational attainment in first four valid reasons while choosing current activity. Whereas for 55 percent of the women entrepreneur surveyed their lower educational attainment is not the valid reason to choose the present activity.

Entrepreneurship helps fulfill sense of independence. They were asked whether that is important reason for them, to this 40 percent agreed choosing present activity as it helps them attain sense of independence, and rated it in first four reasons. Whereas for 43 percent of the sample surveyed it is not valid reason.

Attaining a sense of self-fulfillment is considered as one in the top four important causes by 30 percent of the surveyed entrepreneurs. Whereas 56 percent of the sample surveyed does not consider it as valid reason while choosing their current activity.

Only 16 percent of the women entrepreneurs surveyed considered accomplishment of entrepreneurial drive as the valid reason while choosing their present business. 73 percent of does not consider it as the valid reason.

For 70 percent of the surveyed women entrepreneur desire for wealth, power and social status is not a valid reason while choosing their current business or activity. Whereas desire for wealth, power and social status has motivated only 19 percent of the women entrepreneurs, who considered it in the top four important causes while choosing their current business or activity.

### **Discussion and Conclusion**

Various push and pull factors influence decision of women entrepreneurs while deciding their business of entrepreneurial activity. Results of the analysis shows that push factors like low family income, job dissatisfaction, difficulty in finding job, low salary offered by job, need for flexible working hours and lower educational attainment were more powerful while choosing their current business or activity for women entrepreneurs. Whereas pull factors like attainment of sense of self fulfillment, satisfaction of entrepreneurial drive and desire for wealth, power and social status have not emerged to be very strong factors. This validates hypothesis.

Economic growth and development depends upon successfully utilizing one's workforce, both male and female. Despite its recent economic advances, India's gender balance for entrepreneurship remains among the lowest in the world. Improving this balance is an important step for India's development and its achievement of greater economic growth and gender equality. Unlocking female entrepreneurship will promote a broader dynamic economy. Appropriate support and encouragement from the society, family and government can make these women entrepreneur a part of mainstream of national economy and they can contribute much more to the economic progress of India.

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