Women Entrepreneur and Women Empowerment - A Study with reference to Leather Goods Making Women in Vellore City

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ABSTRACT

Women entrepreneurs have been socially, economically, politically and institutionally empowering is the real women empowerment. Women are entering into the business and make the commercial goods for consumption and involving in marketing for their goods advertisements and sales. They are also involved in major functional management aspects. Women and financial inclusion are the emerged inherent concepts in the world economy. Recently, commercial banks in India are targeting the micro-credits in a larger level of disbursements that have been taken place due to the genuine repayment during the corporate willful default of repayment at a major portion of the credit. The government of India and RBI are articulated and gave instructions to the commercial banks to provide and to concentrate the women entrepreneurs through various modes of plans, policies, projects, and visions. Many problems are associated with the production, distribution, quality and control. Purchasing of raw materials from the local agents and other merchants in the field of leather, and produced leather goods are to be transported to the agents and retailer which is a challenge to the women entrepreneurs. Finally, the marketing of finished goods and the profit on the goods is very meager while the products are the maximum retail price. The agents and marketers are not giving the best price to the women entrepreneur leather items. This study attempts to analyze the perception of Women Entrepreneurs, Women Empowerment at micro and small women leather manufacturing units in Vellore district.

Keywords: Women Entrepreneurs, Women Empowerment.

1. INTRODUCTION

Women and financial inclusion are the emerged inherent concepts in the world economy. Recently, commercial banks in India are targeting the micro-credits in a larger level of disbursements that have been taken place due to the genuine repayment during the corporate willful default of repayment at a major portion of the credit. The government of India and RBI are articulated and gave instructions to the commercial banks to provide and to concentrate the women entrepreneurs through various modes of plans, policies, projects, and visions. The national economy is the prime objectivity of every individual of the nation, in that sense, women entrepreneurs’ contributions to the national economy and the leather goods’ manufacturing particularly in Vellore district of Tamil Nadu is majorly exported the leather goods. The present study is about the reasons behind women entrepreneurship in the field of leather goods making, their development, problems, and traits of their own business. The researcher has enrooted the women entrepreneurs how entered into the leather business and what is their development, problems faced and what is their mindset at present of individual characters on their business capabilities. In that juncture, the researcher developed the concepts of reasons, development, complications, and traits of women entrepreneurs.

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goods for consumption and involving in marketing for their goods advertisements and sales. They are also involved in major functional management aspects.

WOMEN ENTREPRENEURS GROWTH IN INDIA

Now-a-days women are stepping forward in many fields. And the amount of women entrepreneurs are increasing day by day compared to men. According to the US IRS, women are the faster-growing groups are women entrepreneurs. Small shops and companies like beauty parlors, trucking firms, construction firms, textile mills, etc. it is also known in a survey that compared to developed countries, the developing countries have higher women enterprises growth. And also it is been recorded that the growth rate of women enterprises in Malaysia is 24 %, in North America is 38%, in Indonesia, it is 42%, in the Philippines it is 36% and in Thailand, it is 30%.

It is been said by the UNO that the period of 1978-1985 was known as the “Decade for Women”. International bodies are attracted by the problems faced by women in the different economic field. In a preparatory meeting held at Vienna by UNIDO in November 1978 on the topic of “role of women in industrialization in developing countries”. It discussed various difficulties and problems faced by women in different economic problems.

Women Work Participation in Global Level

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>31.6</td>
</tr>
<tr>
<td>USA</td>
<td>45</td>
</tr>
<tr>
<td>U.K</td>
<td>43</td>
</tr>
<tr>
<td>Indonesia</td>
<td>40</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>45</td>
</tr>
<tr>
<td>Brazil</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Women Entrepreneurs in India

TABLE NO 1

The growth of women entrepreneurs in India cannot be seen to be better than in other nations. From the above table, one can understand that Sri Lanka and the USA is ranked first with 45 %, the UK is ranked second with 43 %, Indonesia ranks in the third position with 40 %, Brazil ranks in the fourth position with 35% and finally, India stands in the fifth position with 31.6 %. It is understood that India has to focus more on women employment.

India has approximately 7 lakh villages were more than 70% of its population lives. 56% of the male and 33% of the woman make up the labor force in the rural industry. Women are fighting for entrepreneurial liberty in India, although more than 60 years after independence have ended. They are still facing different socio-economic issues.

A tiny percentage of total entrepreneurs are women entrepreneurs in India. Attitudinal limitations, social traditions and kinship system have hampered the development of female entrepreneurs. Indian females have largely contributed to household sectors due to the absence of technical understanding and low competition from males. The spread of education and increased awareness are important.

Despite the tiny amount of such units, females are starting units to produce solar cookers, television, capacitors, electronic ancillaries, and tiny foundries. Several government agencies and voluntary organizations such as Mahila Mandal and so on have accelerated the development of
women entrepreneurs in the nation. Indian females have become more career-oriented, more economically autonomous and more successful.

But now, with modernization, urbanization, and education and business development, the situation is changing rapidly. Thus, women's jobs possibilities have dramatically risen.

From Table 1.2 above it is revealed that TN is first out of the complete amount of registered units in India. With regard to the number of female entrepreneurs in India, the 1st place went to Uttar Pradesh, 2nd place by TN. From the table, it is recognized that Tamil Nadu took more measures to enhance women entrepreneurs' growth and development in Tamil Nadu.

2. REVIEW OF LITERATURE

Swarnalatha K and Anuradha R. K. (2016) validated their point of view relating to problems of women entrepreneurs as a patriarchal society, absence of entrepreneurial aptitude, quality of EDPs, marketing problems, financial problems, family conflicts, credit facilities, shortage of raw materials, heavy competition, and high cost of production. They concluded that the most important challenges faced by new entrepreneurs include developing the vision and business idea, raising capital for startup, assembling a business team, finding the right business location, finding good employees, finding good customers, dealing with competition, unforeseen business challenges and expenses, lack of support, negative mindset, lack of marketing facilities, lack of infrastructural facilities etc. So it is necessary to overcome these challenges in order to conduct an efficient business. Self-help groups of women entrepreneurs to mobilize resources and pooling capital funds, in order to help the women in the field of industry, trade and commerce can also play a positive role to solve this problem.

Anindya Mitra and Sujit Kumar Paul (2017) stated that the upward movement of craftsmen and women in the handicraft value chain has been a very important phenomenon which strengthened the handicraft industry. This also ensured a more equitable distribution of profit within the various factors of the handicraft industry. Further, the handicraft value chain has become more gender-sensitive as the majority of the entrepreneurs are women, which increased the proportion of women stakeholders in the handicraft industry. Overall, the entrepreneurial transformation has helped to promote a more sustainable handicraft value chain.

Kesavan N. and Sangeetha R. (2017) expressed that women entrepreneurs are highly concentrating on the innovation and initiative strategies in their business are expressed. But they are given less importance to planning and determinations and hard work. The education is having a highly significant association with the women entrepreneurial traits is proved here. There is a positive correlation between location and determination and hard work and planning. Hence, human relations, decision making and achievement perspectives are the most determinants of the women entrepreneurs’ trait.

Käthe Schneider (2017) stated that entrepreneurial competencies are critical for entrepreneurial success. There is still considerable uncertainty concerning entrepreneurial competencies of female entrepreneurs. He found that the factor of entrepreneurial competencies is a theoretical construct that includes clusters of skills, characteristic adaptations and identity. He concluded that the entrepreneurial competencies predict the entrepreneurial performance consisting of the dimensions of economic performance, individual performance and societal contribution enhanced by the dimensions of quality of performance, customer satisfaction and productivity.
Ludmila Kozubíková et al, (2017) stated that new businesses arising at the market usually operate in the sector of small and medium-sized enterprises and account for a significant part of the whole global economy. Not only is the success of a start-up company, but also its sequel within the SME sector significantly influenced by entrepreneur's personality. They have concluded that the education of the entrepreneur appeared to be a reason for statistically significant differences twice. Firstly, in personality trait is "risk-taking" and secondly in personality trait "optimism". Graduated entrepreneurs realized the importance of financial risk statistically more often than others.

Priyadarshini S and Rabiyathul Basariya S. (2018) mentioned that the prospective schemes for the development of women entrepreneurs such as trade-related entrepreneurship assistance and development scheme for women, Micro & Small Enterprises Cluster Development Programme (MSE-CDP): a) Existing Clusters, Credit guarantee fund scheme, Help for Entrepreneurial and Managerial Development, and Dena Bank to support India's women entrepreneur. They also mentioned the problems are persisted in India to the women entrepreneurs are Financial Problems, Scarcity of Raw Material, Stiff Competition, Production Problems, Family Ties, Lack of Education, Male-Dominated Society, and Low Risk-Bearing Ability. They concluded the already concluded viewpoints of Sanjukta Mishra, (2009), Meenu Goyal and Jai Parkash (2011) and Ananthi S. (2016) as revealed above.

Marisetti Sindhuja et al., (2018) mentioned the challenges faced by women entrepreneurs such as problem of finance, scarcity of raw materials, stiff competition, limited mobility, family ties, male-dominated society, low risk-bearing ability, patriarchal society, illiteracy, family support, balance between work and home, women: not to be taken seriously, lack of exposure, lack of self-confidence, risk-taking, and safety. They concluded that the Women constitute almost half of the population in India but they are not enjoying their freedoms, equalities, privileges, rights as equal as males.

2. STATEMENT OF THE PROBLEM

After referring the previous studies in the field of women entrepreneur development, the researcher has conceived the problems. The social factor is making hindrance to the financial assistance in the form of security, reliability and recoverable capacity which is determined through the spouse assurance and their guarantee. The commercial banks are giving loan to the women entrepreneurs after the recommendations and consideration of DICs with proper guidelines given by the MSME, Ministry of Government of India and the state government. Despite, the banks are not interested to give loans to small segment people, but are interested to provide the financial investments to large corporate industries and sectors. Many problems are associated with the production, distribution, quality and control. Purchasing of raw materials from the local agents and other merchants in the field of leather, and produced leather goods are to be transported to the agents and retailer which is a challenge to the women entrepreneurs. Finally, the marketing of finished goods and the profit on the goods is very meager while the products are the maximum retail price. The agents and marketers are not giving the best price to the women entrepreneur leather items. This study attempts to analyze the perception of influencing micro and small women leather manufacturing entrepreneurs’ development in Vellore district.
3. OBJECTIVES OF THE STUDY

1. To analyse the association of socio-economic characters and reasons behind the women involved in leather industries in Vellore district.

2. To examine respondents perception pertaining to identify the influencing factors of leather goods making women entrepreneurs’ development and problems.

3. To examine the impact of identified factors on leather goods making women entrepreneurs’ development and problems in Vellore district.

4. METHODOLOGY

The research design of a study provides a blueprint mapping on the construct and operational features of the study. This empirical study has adopted quantitative research type to identify the variables, to drawn theoretical discussions and to make library survey, i.e., a collection of literature from past studies. The study applied qualitative research techniques for expressing the characteristics of samples, i.e., Women entrepreneurs’ bank loan borrowing practices, nature of assistance received from DIC and their perception towards it. The study is purely based on secondary data. District profile which is collected as secondary data from various sources.

5. LIMITATIONS OF THE STUDY

1. Most of the women entrepreneurs are not opined openly to their assets and liabilities details. As per the researcher consideration and observation on the visit, the details have been made as per the options mentioned in the schedule. It comes to bias is possible.

2. The findings of the study are not generalized and applicable to other women enterprises.

3. The findings of the study may vary on the basis of time, place, zone and even country.

6. WOMEN ENTREPRENEUR IN VELLORE

“In Vellore District, SIDCO Industrial Estates are located at Katpadi, Ranipet, Mukundarayapuram, Vannivedu and Arakkonam. Sipcot Industrial Complex, Ranipet Phase I at Mukundarayapuram and Phase II & III located at Ranipet, Walajah taluk. It is located near Andhra, Karnataka and Tamil Nadu Border is located in the Leather processing belt of Tamil Nadu. Vellore is among the top 10 contributors to GDP of the State, it contributes USD 3.8 billion in GDP of Tamil Nadu. The service industry has been playing a vital role in the economy of this district. It has contributed 56% to the district's GDP in 2011-12. Tertiary and Secondary sector is growing at the rate of 10.5% & 9%. The investments have been observed to be happening in Trade, Hotel & Restaurants, Banking & Insurance, Real estate, Construction and Manufacturing.”

The leather sector plays a very significant role in the Vellore district industrial map. In the early '80s, this traditional sector has made excellent strides. The district has 1,226 leather units, primarily in Alangayam, Madhanur and Wallajah blocks. In the leather and leather sectors, Vellore District has a dominant presence. The district is vibrant in terms of economic activity with leather and leather-based industrial activity being the prominent ones. The district accounts for more than 37% of the country’s leather export! The government also plays an active role in promoting the same and hence further growth is expected in the leather industry. The district also has a strong presence in the MSME development. The district has seen significant growth in the past few years with around
3000 units established with an investment of $ 51 Million. Some of the prominent MSME clusters are leather, textile and handloom & safety match industries. The district also has 12 large scale and 300 medium scale industries.

7. DISCUSSION

➢ The bank officials, banking knowledge and extension counters are used for the women entrepreneurs’ development. Therefore, commercial banks role towards women entrepreneurs’ development exists in Vellore district.
➢ Family members, friends and the cultural values are induced and have developed the women entrepreneurs in Vellore district is obviously expressed.
➢ Commercial bank and the society, family and friends have helped women, entrepreneurs, to develop their business and are identified from the respondents’ opinion of the study.
➢ The financial problems are prevailing in the Vellore district is identified by the collateral securities against the loan is a very big problem to women entrepreneurs followed by bargaining in financial activities is very difficult for women entrepreneurs. Therefore, financial problems are prevailing in Vellore district women entrepreneurs and are identically identified that has been rectified and managed by the family side.
➢ The raw material problems of the women entrepreneurs are mostly connected with working capital, transporting and warehousing followed by a health issue, quality assessment and experience.
➢ The production problems are persisting in the leather business and the women entrepreneurs are facing technological upgradation problem in the production process and raw material cost is too high.
➢ The marketing problems of the women entrepreneurs are prevailing in Vellore district such as high advertisement cost of leather goods which is increasing the cost of the goods irrational and fixation of prices of the finished goods is competitive with a very lower profit margin.
➢ The human resource problems of the women entrepreneurs are lack of managerial skill and implementation followed by the absenteeism of employees and recruiting male employees.

8. SUGGESTIONS

The followings are the important suggestions as per the opinion of the respondents and findings of the study.

➢ The DIC of the Vellore district should improve the project scrutinizing, financial advice and responses and also the service banks must also render the services belonging to women entrepreneurs.
➢ The bank should relax the rules behind the collateral securities against the sanctioning of credits to the women employees.
➢ In Vellore, entrepreneurs are expecting with government participation leather board to facilitate the women entrepreneurs for a better price and other facilities like an organized system of sales, marketing and raw material purchase.
➢ The working capital requirement of the women entrepreneurs always persisted in the Vellore district and it should be reduced by way of proper training on the banking and financial management skill which they require.
➢ For the production of leather goods, women faced many problems, among these technology upgrade is highly impacted and has influenced the production. The research and development department should organize women entrepreneurs to reduce production problems.
Women entrepreneurs should participate enthusiastically in the training programs conducted by the DICs’ like EDP, and technical knowledge training programs.

In order to develop the skill, they need to improve their self-confidence level. It will help to develop the women empowerment in the country.

The effluents of the leather industries highly pollute the environment by soil, water, air and land. They need a separate drainage system to outlet the leather effluents and chemicals.

9. CONCLUSION

From the above discussion and suggestions of the study and the women entrepreneur’s suggestions and opinion, the researcher has concluded that the women are enforced to join in the leather business by unemployment, gender inequalities and Government motivations. The development of the women entrepreneurs is made out of GovernmentDIC and commercial banks assistances. The problems of the women entrepreneurs are persisted by means of financial and marketing and managerial skills. They are well in their traits on self-confidence and e-commerce. This should be improved. Therefore, the study has fulfilled the need of the stakeholders of the leather industry in Vellore district. The government and politicians should concentrate further on their future development.

10. REFERENCES


