

**A STUDY ON SOCIO-ECONOMIC BACKGROUND OF WOMEN  
SMALL & MEDIUM ENTREPRENEURS IN ANDHRA PRADESH  
(A CASE STUDY OF COSTAL ANDHRA PRADESH)**

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**ABSTRACT**

Women were the first humans to taste bondage. She was a slave before slavery existed. Inferiority can largely be attributed to her sexual peculiarities. Man has always played the role of a Lord; as a result his physical and mental development took place at a good pace befitting his occupation and field of interest. On the contrary, the overall growth of women remained stunted. By sheer custom, even the most ignorant men have been enjoying superiority over women, which they do not deserve. Women were denied the benefit of education. They had no opportunities to develop their natural capacities and became helpless, illiterate, narrow minded and peevish. Of the world's one billion illiterate adults, two-third is women.

In recent years, economically, women have been making progress, but still men enjoy a larger share of the cake. In India although women constitute approximately 50 per cent of the total population, entrepreneurial world is still a male dominated one.

**Keywords:** Women entrepreneurs, Self-employment, Socio-economic.

**Introduction:**

The general attitude of the people about women entrepreneurs is that they are makers of pickles, papads, masalas and other household goods. But today non-traditional enterprises are easily managed by women and are doing so excellently as the decision makers.

Women are entering the fields of business and they face numerous barriers and tangible obstacles. They have to overcome the struggles and frustrations and handicaps to emerge as entrepreneurs and to achieve success in business. When it comes to competition, women have to fight on the same footing as men. Survival and growth come from individual competencies and skills and not from concessions given to women entrepreneurs.

Women entrepreneurs in India have to cope with various socio-economic problems. Society's attitude and support are the major determinants of women's entrepreneurial success. The social and cultural roles played by women may place an additional burden on them. As a part of their social binding, women have to perform household duties with simultaneously operating as business owners. A woman entrepreneur is expected to perform the role of wife, mother daughter, daughter-in-law and businesswoman.

Women entrepreneurs face difficulty in getting finance which is a critical resource for venture creation. Women believe that lending practices of banks and Government funding agencies were too restrictive for them. They used their own personal savings to start their business. Though women are equally qualified as men to succeed as entrepreneurs, they suffer from two distinct disadvantages as compared to men, namely, lack of confidence in their own abilities and society's lack of confidence in women's ability.

There are several research studies in the subject of self-employment and small business ownership. Most of the studies have concentrated upon the male-owned enterprises. Hence, the researcher has made an attempt to analyse the role of women entrepreneurs in small scale industries in costal Andhra Pradesh.

**Review of Literature:**

Sexton, D.L., & Bowman, U.N. (1991) have made attempts to distinguish an entrepreneur from a bread-winning businessperson. Krishna, K.V.S.M. (2003) consider an individual to be an entrepreneur if he/she exhibits a high propensity for growth. Cliff, J.E. (1998) views growth propensity as one's desire to grow and change in future as well as his/her self-perceived power to achieve the same. As such, size and growth are typically used as criteria for evaluating organisational success. Carter, N. M., Williams, M., & Reynolds, P. D. (1997) and Bussey, K., & Bandura, A. (1999) have made Women, however, conceive their businesses differently from the way men do which women have different socialization experience which might shape varied strategic choices among themselves such as their prior professional experience and social network affiliation. Brush, C.G. (1992) and Cliff, J.E. (1998) have different approaches to venture creation and business growth expectancies. Johnson, S., & Storey, D. (1993) shows that women-owned businesses are no more likely to fail than men-owned. Cooper, A., Gimeno-Gascon, F.J., & Woo, C. (1994) reported that women perform less well on quantitative measures such as job creation, sales turnover and profitability since women do not enter business for financial gain but to pursue intrinsic goals (for example, independence, and the flexibility to run business and domestic lives). Lerner, M., Brush, C., & Hisrich, R. (1997) identified women are deemed to assess success in relation to their achievement in attaining personal goals (i.e. self-fulfillment, goal attainment etc.). Cooper, A., Gimeno-Gascon, F.J., & Woo, C. (1994) found that differences in initial capital and goals explain the poorer performance in growth and survival of women-owned businesses.

**Objective of the Study:**

This study is carried out to analyse socio-economic background and status of women entrepreneurs in small and medium Scale Industries in costal Andhra Pradesh.

**Methodology:**

The present study is based on both primary and secondary data. Primary data have been collected by conducting a survey among 200 sample women entrepreneurs of small scale medium industrial units in costal Andhra Pradesh. Secondary data have been collected from books, journals, newspapers, periodicals, reports, internet and unpublished records of District Industrial Centers of costal districts

**Sampling Design:**

As on March 31, 2011, the total number of registered small-scale industries runs by women entrepreneurs in costal Districts are 1012. For the purpose of the survey, 20 per cent of the samples were selected. Sample industries were selected by using random sampling technique.

The primary data for this study have been collected from sample women entrepreneurs in costal Districts during the period from January 2011 to March 2011.

**Age-Wise Classification of Women Entrepreneurs:**

Women entrepreneurs in small –scale industrial units in scostal Districts are of different age groups. Table 1 shows the age-wise classification of women entrepreneurs.

**TABLE 1 : Age-wise Classification of Women Entrepreneurs**

S. No.	Age	Number of respondents	Percentage of total
1	Up to 20 Years	13	6.5
2	20-40 Years	120	60.0
3	40-60 Years	55	27.5
4	Above 60 Years	12	6.0
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data.

Data depicted in Table-1 reveals that 6.5 per cent of the respondents are below 20 years of age. Those who are in between 20 and 40 years of age and between 40 and 60 years are 60 per cent and 27.5 per cent respectively. Women entrepreneurs who are above 60 years, accounted for 6 per cent. More than two-thirds of the women entrepreneurs are below 40 years of age. This has been due to the fact that they are free from family commitments at that age.

**Community-Wise Classification of Women Entrepreneurs:**

Women entrepreneurs belong to different communities such as forward, backward, SC/ST, etc. Data presented in Table-2 reveals the classification of sample women entrepreneurs on the basis of their community.

**Table 2: Community-wise Classification of Women Entrepreneurs**

S .No.	Community	Number of Respondents	Percentage of Total
1	Forward	24	12

2	Backward	144	72
3	Most Backward	23	11
4	Scheduled Cast/Scheduled Tribe	9	5
<b>Total</b>		<b>200</b>	<b>100</b>

Source: Primary Data.

Table-2 reveals that 12 per cent of the respondents belong to the forward community and 72 per cent belong to the backward community. Those from most backward community and scheduled caste and scheduled tribe communities form 11 per cent and 5 per cent respectively. Nearly three-fourths of the women entrepreneurs in East Godavari District (72 per cent) are from backward community. It indicates the eagerness of the women from backward community to come up in life by starting their own enterprises.

### Classification of Women Entrepreneurs on The Basis of Marital Status:

Based on the influence of the Indian social customs and norms in respect of women, the researchers started with the supposition that marriage would affect women turning as entrepreneurs. But, the data show the other way.

**Table 3 Classification of Women Entrepreneurs on the basis of Marital Status**

S. No.	Marital Status	No. of Respondents	Percentage to Total
1	Married	128	64.0
2	Unmarried	37	18.5
3	Widow	30	15.0
4	Divorcee	5	2.5
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

Data shown in Table-3 reveals that among the 200 respondents surveyed, 64 per cent are married and 18.5 per cent are unmarried. Widows and Divorcees accounted for 15 per cent and 2.5 per cent respectively. Nearly two-thirds of the women entrepreneurs (64 per cent) are married. Since wants are unlimited, a single member earning cannot fulfill the needs of a family. Hence, women are faced to supplement the income of the family to maintain a reasonable standard of living.

### Classification of Women Entrepreneurs of The Basis of Literacy Level:

Entrepreneurship is not the exclusive privilege of the educated. There are successful women entrepreneurs who are not even well-educated. Women entrepreneurs in small-scale industries are not required to have any specific education qualification. Hence, their educational qualifications differ.

**Table 4: Classification of Women Entrepreneurs of the basis of Literacy Level**

S. No.	Literacy Level	No. of Respondents	Percentage to Total
1	Illiterate	13	6.5
2	School Level	118	59.0
3	College Level	57	28.5
4	Technical	12	6.0
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is inferred from Table-4 that 6.5 per cent of the sample respondents are illiterates. Those who have studied up to school level account for 59 per cent. Those who are graduates and possessing technical qualification are 28.5 per cent and 6 per cent respectively. Majority of the women entrepreneurs (59%) have studied only up to school level.

**Classification of Women Entrepreneurs on The Basis Of Type of Family:**

A woman has more time for herself, if she is in a nuclear family. It encourages her to enter into entrepreneurship. In contrast, a woman in a joint family has many limitations. Most of her time is spent in household activity. The way in which she utilizes her spare time is subject to the attitude of the family elders. Due to these factors, entrepreneurship is rare among the women in joint families.

**Table 5: Classification of Women Entrepreneurs on the basis of Type of Family**

S. No.	Literacy Level	No. of Respondents	Percentage to Total
1.	Nuclear	126	63
2.	Joint	74	37
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

Data presented in Table-5 reveals that 63 per cent of the respondents belong to nuclear families and 37 per cent have come from joint families. Nearly two-thirds of women entrepreneurs (63%) in coastal Andhra Pradesh are from nuclear families. Entrepreneurship requires full devotion and dedication to their jobs, which are possible only in respect of women from nuclear families.

**Classification of Women Entrepreneurs of The Basis of Persons Having Control over The Business:**

Social and cultural values of conventional society in India limit the role of women to the family as house wives or mothers. There is a doubt that the women-owned business is not actually operated and controlled by them because in most of the cases, only their names are used by male entrepreneurs.

**Table 6: Classification of Women Entrepreneurs on the basis of Persons Having Control over the Business**

S. No.	Persons having control in the Business	No. of Respondents	Percentage to Total
1	Self	78	39.0
2	Husband	62	31.0
3	Brother-in-laws	14	7.0
4	Father	13	6.5
5	Sons	12	6.0
6	Father-in-laws	11	5.5
7	Brother	6	3.0
8	Son-in-law	4	2.0
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is inferred from Table 6 that in the case of women entrepreneurs running the small-scale industrial units in coastal districts, 39 per cent of the units are controlled by women entrepreneurs and 31

per cent of the units are under the control of their spouses. Small scale industrial units of women entrepreneurs which are under the control of their brother in-laws, father and son account for 7 per cent, 6.5 per cent and 6 per cent respectively. Small-scale industrial units under the control of their father in-laws, brother and son in-laws amount to 5.5 per cent, 3 per cent respectively.

**Mode Of Decision Making In The Business:**

The management of a business unit, the success depends on timely decisions. Women entrepreneurs in making decisions can adopt different modes depending on the situations.

**Table 7 : Details of Business Decisions –making**

S. No	Decision	No. of Respondents	Percentage to Total
1	Consulting family members	99	49.5
2	Independent decision	67	33.5
3	Consulting employees	19	9.5
4	Professional advice	15	7.5
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is learned from data given Table-7, that 33.5 per cent of the respondents have taken independent decisions. 49.5 per cent and 9.5 per cent of entrepreneurs take decisions in consultation with their family members. Those who seek professional advice in decision-making amount to 7.5 per cent. In costal Districts, majority of the women entrepreneurs take business decisions after consulting their family members. This shows their confidence in their family members.

**Classification of Small Scale Industrial Units on The Basis of Location:**

The enterprises run by women in costal Districts are both in rural and urban areas.

**Table 8: Classification on the basis of Location of Small Scale Industrial Units Run by Women Entrepreneurs**

S. No	Location	Number of Units	Percentage to Total
1	Rural	123	61.5
2	Urban	77	38.5
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is observed from data given in Table-8, that 61.5 per cent of the enterprises are located in rural areas and 38.5 per cent of the units are located in urban areas. Nearly two-thirds of the enterprises (61.5%) are located in rural areas. This has been due to availability of land and labour very cheaply.

**Classification of Enterprises on The Basis of Place of Operation:**

Women have to play dual role both in the family and business. It will be easy for them to look after their business and their family if the working place is nearer to their home place.

**Table 9: Classification of Enterprises on the basis of Place of operation**

S. No.	Place of Operation	Number of Units	Percentage to Total
1	Nearer to Residence	98	49.0
2	Home-based	49	24.5
3	Residential Area	33	16.5
4	Industrial Estate	20	10.0
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

Data depicted in Table-9, reveals that 49 per cent of the units are located near to the residence of women entrepreneurs and 24.5 per cent of the units are home-based. Those enterprises which are located in the residential areas and industrial estates account for 16.5 per cent and 10 per cent respectively. Nearly half of the enterprises (49%) run by the women entrepreneurs in coastal Districts are located nearer to their residences.

**Classification of Enterprises on The Basis of Nature of Business:**

A small-scale industrial unit can be for either manufacturing products or providing services. Table 10 shows the classification of enterprises on the basis of their nature of business.

**Table 10: Classification of Enterprises on the basis of Nature of Business**

S. No.	Nature of Business	Number of Units	Percentage to Total
1	Manufacture	164	82.00
2	Service	36	18.00
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is inferred from Table 10 that 82 per cent of the units are manufacturing units and 18 per cent of the units are service oriented. More than three-fourths of the small-scale units (82%) run by women entrepreneurs are in manufacturing activity.

**Classification of Enterprises on The Basis of The Type of Organization:**

Small-scale units are of different types such as sole trader concern, partnership firm and private limited company. Table 11 presents the classification of enterprises on the basis of type of organization.

**Table 11: Classification of Enterprises on the basis of the Type of Organization**

S. No	Type of Organization	Number of Units	Percentage to Total
1	Sole proprietorship	148	74.00
2	Partnership	50	25.00
3	Private Limited Company	2	1.00
<b>Total</b>		<b>200</b>	<b>100.00</b>

It is seen from Table-11, that 74 per cent of the sample units are functioning as sole proprietorship organizations and 25 per cent are partnership firms. Enterprises functioning as private limited company account for only one per cent. Nearly three-fourth of the enterprises (74%) runs by women entrepreneurs

belong to sole trader type. This has been due to the fact that starting of sole trader organizations are easy unlike partnership firms and the joint stock companies where lot of legal formalities are to be complied with.

**Classification Of Enterprises On The Basis Of Mode Of Starting The Business:**

A business may be started either afresh or by acquiring an existing one. It is interesting to know how women entrepreneurs in costal Districts started their business. Table 12 reveals the classification of enterprises on the basis of their mode of starting.

**Table 12: Classification of Enterprises on the basis of Mode of Starting**

S. No	Literacy Level	No. of Respondents	Percentage to Total
1	Newly started	116	58.00
2	Inherited	35	17.50
3	Taken on Lease	20	10.00
4	Sick Units Purchased	19	9.50
5	Acquired from Partners	10	5.0
<b>Total</b>		<b>200</b>	<b>100.00</b>

Source: Primary Data.

It is inferred from Table-12, data shown in that 58 per cent of the entrepreneurs started their units afresh and those inherited from their family account for 17.5 per cent. Industries started on lease and sick units acquired account for 10 per cent and 9.5 respectively. Enterprises acquired from partners amount to 5 per cent. Majority of the enterprises (58%) run by women entrepreneurs in costal Districts are newly started.

**Problems of Women Entrepreneurs:**

1. The greatest deterrent to women entrepreneurs is that they are women.
2. The financial institutions are skeptical about the entrepreneurial abilities of women.
3. The women entrepreneurs are suffering from inadequate financial resources and working capital.
4. Women's family obligations also bar them from becoming successful entrepreneurs.
5. The interest of the family members is a determinant factor in the realization of women folk business aspirations.
6. Another argument is that women entrepreneurs have low-level management skills. They have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business.
7. The male - female competition is another factor, which develop hurdles to women entrepreneurs in the business management process.
8. Knowledge of alternative source of raw materials availability and high negotiation skills are the basic requirement to run a business.
9. Low-level risk taking attitude is another factor affecting women folk decision to get into business. Low-level education provides low-level self-confidence and self-reliance to the women folk to engage in business, which is continuous risk taking and strategic cession making profession.
10. Achievement motivation of the women folk found to be less compared to male members.
11. Finally high production cost of some business operations adversely affects the development of women entrepreneurs.

**Findings:**

- More than two-third of the women entrepreneurs are below 40 years of age.
- Nearly, three-fourths of women entrepreneurs in Costal Districts are from backward community.
- Nearly two-third of the women entrepreneurs are married.
- Majority of the women entrepreneurs have annual income upto Rs. one lakh only.
- A majority of the women entrepreneurs have studied only up to school level.
- A majority of the women belong to category of first generation entrepreneurs.
- A majority of the women entrepreneurs have experience in business before starting their enterprises.
- More than 80 per cent of the women entrepreneurs have support from their family members in running their business.
- In the small-scale industrial units run by women entrepreneurs, units under the control of women concerned, topped the list, followed by the business run under the control of their husbands.
- Majority of the women entrepreneurs have employment experience before starting the new business.
- A majority of the women entrepreneurs have surplus income form their business.
- Nearly two-thirds of the enterprises are located in rural areas.
- More than three-fourths of the enterprises are manufacturing units.
- Nearly three-fourths if the enterprises belong to sole-trader type.
- A majority of the enterprises run by women entrepreneurs are newly started

**Suggestions:**

For further development of women entrepreneurs in small scale industries in Costal Districts, the following suggestions are given:

1. More attention should be focused on unemployed graduates.
2. There should be a curriculum change along with proper career guidance in women's educational institutions, which will shape the girl students to become capable entrepreneurs in future.
3. Since the number of entrepreneurs from scheduled caste and scheduled tribe communities are very low, awareness is to be created among the scheduled caste and scheduled tribe women, by providing special incentives to start business.
4. Women entrepreneurs should be encouraged to start their enterprises as joint stock companies, rather than as sole trade and partnership concerns to avail the advantage of large scale operations.
5. Women entrepreneurs must keep themselves abreast with the latest development in their respective fields by regularly attending the training programmes and reading relevant literature.
6. Parents of unmarried potential women entrepreneurs should prefer spending money on setting up business rather than giving preference to her marriage.
7. Society needs to change its negative attitude towards women entrepreneurs. Women should be judged based on merits instead of sex.
8. The Government and other promotional agencies should take greater interest in marketing the products produced by women.
9. The Government departments and public sector undertaking should be made to consider purchasing their requirements from enterprises owned by women.
10. The Reserve Bank of India should consider designing special schemes for granting financial assistance to women entrepreneurs without insisting on collateral security and guarantee.
11. A National Bank for Women entrepreneurs should be formed as a 100 per cent subsidiary of Reserve Bank of India to take care of financial assistance to women entrepreneurs.

12. Separate cell could be created exclusively for women.

**Conclusion:**

Ultimately, women entrepreneurship must be recognized for what it is. Nationally, it has great importance for the country's future economic prosperity. Individually, business ownership provides women with independence as they crave with economic and social satisfaction.

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