



## **ROLE OF WOMEN ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT OF JHARKHAND**

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'Women entrepreneur' is a women or group of women who initiate, organizes and runs an economic activity with the motive of profit. Government of India has defined Women Entrepreneurs based on women participation in equity and employment of a business enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women. In addition to the general problem faced by women worldwide, Indian women entrepreneur's problems are attributed to social and cultural factors. Cultural and social traditions play a major role in determining who becomes an entrepreneur and often inhibit women from starting their own enterprise. Though, there are many obstacle in the way of women entrepreneurship, the percent of women entrepreneurship has increased over period, from 7.19 % in 1992-93 to 10 % in 2000-01 and in 2010-11 it reached to 13.72 %inspite of their near stagnation in work force participation i.e. 22.3% in 1992-93, 25.7% in 2000-01 and in 2010-11 being 25.5%. Jharkhand a naturally rich state but has low economic development with high degree of poverty (49%). Since its inception, job creation in the government sector is not taking place due to socio- political reasons. Private jobs has its own limitation. Although state GDP(12.1%) is more than national GDP (7.6%), the PCI of Jharkhand is only 62.92 % of national PCI in the year 2015-16. Women entrepreneur development in the state is required as it plays important role in the economic development. The women entrepreneurs in the state in 2001 was only 3.71%. Jharkhand has large opportunities of increasing women entrepreneurship which would add and enhance the rate of socio economic development in the state.

**Key words:** Women, Entrepreneurship, Economic Development

### **INTRODUCTION**

Entrepreneurship is the key to economic development. A country without entrepreneur cannot develop even though other resources such as land, labour and capital are available to it. Entrepreneurship is the ability to combine new technology or ideas or innovation in such a way that could generate some goods and services to increase satisfaction of consumer. So as to respond to their changed demand. For an economist, entrepreneur, the risk taker, is the fourth factor of production along with land, labour and capital. But to a sociologist entrepreneurship is community specific, like in India, Gujratis and Sindhis are very enterprising. Still others feel that entrepreneur are innovators who come up with new ideas for products, markets or technique. (Mahajan 1143-1148). Thus entrepreneurs shape up the economy by creating new avenues of work and help in economic development. Development has economic, social and political dimensions and is worthless without the development and participation of women who constitute half of the population. Traditionally entrepreneurship was considered a male dominant activity but in past three decades women entrepreneurship has gained momentum.

### **Concept of Women Entrepreneurship**

'Women entrepreneur' is a women or group of women who initiate, organize and run an economic activity. Government of India defined women Entrepreneurs based on women participation in equity and employment of a business enterprise owned and controlled by a women, having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women. Therefore women entrepreneurs are confident, innovative and creative women

who are capable of achieving self-economic independency either individually or in collaboration. (Sharma 9-14).

### **Status of Women Entrepreneurship in India**

Of late, Indian women have freed themselves from the control of patriarchal society and have successfully established themselves as entrepreneurs, though it varies from state to state and their access to opportunities also very. In India women access to education is generally very poor for various regions related both to demand side and supply side. According to Census 2011, literacy rate in India was 73%, with male literacy 80.9%, and female literacy only 64.6%. It shows a gap in educational achievement. (Pratiyogita Darpan 29). Consequently they have low work force participation in the formal sectors and as a result women move towards self-employment. NSSO report 2011 shows that male labour force participation in rural area was 53% and in urban it was 53.8% while female labour force participation was only 25.5%, rural labour force participation being 30% and urban labour force participation 15.4%. (Kurushetra 36). Women are thus still largely captured in the 4 walls of their homes.

India has been ranked among the worst performing countries in the area of women entrepreneurship in Gender Focus Global Entrepreneurship Survey, released in July 2013 by PC Maker Dell and Washington based consulting firm, Global Entrepreneurship and Development Institute (GEDI). Of the seventeen countries surveyed India rank 16th, just above Uganda. As per the 3rd All India Censes of Small Scale Industries, only 10.11% of the micro and small enterprises were owned by women and only 9.46% of them were managed by women. On the other hand, women owned enterprises are increasing globally. (Mahajan 1143-1148).

Though the condition of women entrepreneurship is poor in the country, heartening to note that there is steady increase. The percentage of women entrepreneur has increased over the periods in spite of their near stagnation in work force participation as can be examined from the following table:

**Table-1 : Work Force Participation and Women Entrepreneurship (in %) in India in Selected Years**

Year	Work Force Participation	Women Entrepreneurship
1992-93	22.3	7.69
2000-01	25.7	10
2010-11	25.5	13.72

*Source: World Bank Report 1995 and NSSO Report 2011*

### **Barriers to Women Entrepreneurship**

Women entrepreneur worldwide face problems, many of them as reported by American women managers, are common to those faced by Indian business women. In addition to the general problem faced by women worldwide, Indian women entrepreneur's problems are attributed to social and cultural factors. Cultural and social traditions play a major role in determining who becomes an entrepreneur and often inhibit women from starting their own enterprise. (Raju and Bhuvanewari 20-22)

Bowen & Hisrich (393-407), compared & evaluated various research studies done on entrepreneurship including women entrepreneurship and observed that female entrepreneurs are relatively well educated in general but perhaps not in management skills. They are unlikely to start business in traditionally male dominated industries & experiencing a need of additional managerial training. Some of traits observed in women entrepreneurs are internal locus of control, more masculine or instrumental than other women in their values, likely to have had entrepreneurial fathers, relatively likely to be first born or only child.

In Indian society women are regarded as subordinate to men regardless of their age or educational level. Even when they own and run enterprise, they face additional problems. In Indian culture the traditional role of women i.e. looking after household affairs, bringing up children, and looking after the elderly and cooking food are still their primary responsibility. They thus face a conflict between their traditional and working role.

For a women entrepreneur the process of starting and opening new enterprise can be difficult. The greatest obstacle to women entrepreneur in India is 'being women' coupled with this are male dominant society, less mobility, social and cultural obstacle, responsibility of family and children, lack of education, lack of financial facility, shortage of raw materials, lack of management skill, lack of risk bearing capacity, lack of decision making ability, exploitation by middle man, lack of entrepreneurial ability, less legal information, lack of infrastructure facility, corruption, lack of self-confidence, tough competition with male culture.

Emergence of entrepreneurship in any society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society. Since Indian society is multistartified, inter and intra variations exists between rural and urban areas, among religious classes, religion which led to variations in their entrepreneurial activity too. This can be examine in the light of finding of study conducted by Raju and Bhuvaneswari (20-22). The observation of the study shows that women literacy is highest (87.86%) in Kerala with highest proportion of women population (51.5 %) has highest percent of women enterprise managed by women (30.37%) but percent of women entrepreneur is only 19.7%, whereas Meghalaya has highest percent of women entrepreneurs 33.03 % having women population 49.35% with women literacy rate 60.41%. Jharkhand has 48.48 % of women population with women literacy rate 39.38 %, hold 15.48 % enterprises managed by women but only 3.71 % of women entrepreneurs. Thus no link was found between women entrepreneurship and literacy and sex ratio.

### **Women Entrepreneurship in Jharkhand**

Jharkhand, the 28th state of India is blessed with natural resources. The total population of the state is 3.3 crores as per census report 2011 out of which 28 percent is tribal. The state is one of the backward state of the nation. The majority of population live in rural areas whose main occupation is agriculture but the state of agriculture is also poor. As per the NSSO 55th round (1999-2000), 49 percent of the population were poor. Since its inception job creation in the government sector is not taking place due to socio political reasons. Private industries are not establishing in the state due to the land acquisition problem and other hurdles. Under these circumstances job seekers are either migrating or taking job in private sector: organized or unorganized. Private jobs have its own limitations like exploitative nature, job insecurity, long duty hours, less pay etc. The following table gives some information on the socio-economic conditions of the State compare to India which are relevant in this context.

**Table -2 : Selected Demographic and Economic Traits  
(in %) of Jharkhand and India**

	Year	Jharkhand	India
Literacy rate	2011	66.41	73
Women Literacy Rate	2011	55.42	64.6
Male Literacy Rate	2011	76.84	80.9
Sex Ratio	2011	948	943
GDP growth rate at constant price	2015-16	12.1	7.6
PCI at constant Price	2015-16	54140	77432
% in National PCI	2015-16	69.92	100

Source: Census Report 2011, Jharkhand Economic Survey 2016-17

The above table reveals that the state has low literacy rate (66.41%) as compared to India (73%). The condition of women literacy (55.42%) is very poor in the state as compared to men (76.84%). Literacy gap also being more in women as compared to men with reference to national level also indicates the poor condition of women in the state. However, the state GDP growth rate at constant price in the year 2015-16 was 12.1 % while the national GDP growth rate was only 7.6 %. Financial year 2015-16 has been exemplary in many senses for Jharkhand. Not only has growth for the fourth year in succession remained impressive, but also has been wide spread across the sectors, regions and societies. The state has been marked third in the "ease of doing business" next only to Gujarat and Andhra Pradesh. Many new progressive and growth promoting measures and policies have been taken up by the government both by state and central. But inspite of higher growth rate, the Per Capita Income of Jharkhand was only 69.92 percent of national PCI in the year 2015-16.

It is heartening to note that the sex ratio (948) is better than the national level (943). This large demographic dividend must be tapped in order to promote development of this backward region. They have to be brought out of the four walls, educated, trained, and given social support to enter the work force. Thereafter, in the light of scarcity of job opportunities, they need to be provided all necessary support to start their own business. Women Entrepreneurship in the state will flourish only if they are provided education, support in the family, and support from spouse, finance, management skill, training, infrastructure is developed by the government etc.

Seeing the vast scope for promoting entrepreneurship in the state, both government and non-government organizations have entered the field. At present, the Government of India has over 27 schemes for women operated by different departments and ministries, some common to both genders are Integrated Rural Development Programme (IRDP), Khadi And Village Industries Commission (KVIC), Training of Rural Youth for Self-Employment (TRYSEM), Prime Minister's Rojgar Yojana (PMRY), Entrepreneurial Development programme (EDPs), Management Development programmes, Trade Related Entrepreneurship Assistance and Development (TREAD), NGO's Credit Schemes, Micro & Small Enterprises Cluster Development Programme (MSE-CDP), National Banks for Agriculture and Rural Development's Schemes etc. Some exclusively for women are, Women's Development Corporations (WDCs), Assistance to Rural Women in Non-Farm

Development (ARWIND) schemes , Working Women's Forum, Indira Mahila Yojana, Indira Mahila Kendra, Mahila Samiti Yojana, Mahila Vikas Nidhi, Micro Credit Scheme, Marketing of Non-Farm Products of Rural Women (MAHIMA), Rashtriya Mahila Kosh, SIDBI's Mahila Udyam Nidhi, Mahila Vikas Nidhi, SBI's Stree Shakti Scheme, Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP) , Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains' , NABARD-SEWA Bank project, Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support. (Goyal and Prakash 195-207)

Apart from these, the State Government of Jharkhand has also taken certain policy initiatives as mentioned in the Jharkhand State Industrial Policy 2001(89) for development of women entrepreneurship in the state. Some of these are the State Government appreciates the need for entrepreneurship development among the local youth. Entrepreneurship Development Programmes (EDPs) are being organized with special focus on Weaker sections/ SC's/ ST's/ Minorities/ Women and technically qualified entrepreneurs engaged in traditional crafts like pottery, blacksmithy, carpentry, shoe making, fisheries, weaving, bangle making, etc. on priority basis. NGO's and Industries Associations are being involved in this task. Course on EDP's is being integrated into the curriculum of various training and vocational institutes. The Government plans to set up an autonomous Entrepreneurship Development Institute with active support from the leading management/training institution on self-supporting basis for developing quality infrastructure facilities for imparting entrepreneurial training. Apart from these, the District Level Committees under the Deputy Commissioners pays special attention to the women entrepreneurs and regularly reviews the progress.

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women in establishing their own entrepreneurship. The number of NGO's are working in this field, Udyogini being one of them. Among other initiatives, Udyogini, in support of PACS (Poverty Area Civil Society Programme) has introduced lac enterprise model in Gumla district during 2013-15. In two and half years it has successfully mobilized and build up capacities of 8184 women from 185 villages belongings to 27 Panchayat of Kamdara, Gumla, Basia, Palkot and Sisai Block. To understand the impact of project run by Udyogini's Goad (47-49) has done an endline study, which consists 600 household of Gumla Districts. The findings of the study reveal that the project has multiple impact on target-group women. Their condition has improved. The door step training given to women has empowered them to carry out majority of work which was earlier conducted by men. Their living conditions has improved, they have started making savings, educations among children has increased, respect for women has increased, and they take expenditure decisions too. Findings from targeted and control group shows that interventions of NGO has improved the condition of women and enhance their entrepreneurship ability.

Education is not an obstacle in women entrepreneurship. A study on impact of HRD interventions on women entrepreneur development in Jharkhand was conducted by Sinha, Sen and Pathak (108-119). The sample of sixty two women entrepreneurs of Dhanbad district of Jharkhand state was taken. The findings of the study shows that there is no role of education in starting an enterprise but it plays an important role in improving the entrepreneurial quality and performance of enterprise.

Jharkhand has large opportunities of increasing women entrepreneurship which would add and enhance the rate of socio-economic development in the state. Also, the lack of government job and

limitations of private job suggests that for economic development of the state we have to move for promoting women entrepreneurship.

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