CHAPTER – I
INTRODUCTION

1. Introduction

Empowerment encompasses all values of life including social, economic, cultural and political dimensions. Every individual has different values in society. Empowerment of the people is strongly influenced by their individual assets (such as land, housing, livestock, savings) and capabilities of all types: human (such as good health and education), social (such as social belonging, a sense of identity, leadership relations) and psychological (self-esteem, self-confidence, the ability to imagine and aspire to a better future). Also important are people’s collective assets and capabilities, such as voice, organization, representation and identity. Emilie, Combaz and Claire McLoughin (2014)\(^1\). Empowerment of individuals can be expressed as awareness and exercise of their rights. Empowerment is also a process of change, not an end state (Malhotra and Schuler, 2005)\(^2\). According to World Bank “empowerment is the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. Central to this process is actions, which both build individual and collective assets, and improves the efficiency and fairness of the organizational and institutional context, which govern the use of these assets”. Women are integral part of the society. It is necessary that women are considered equal partners in progress with men. It is then that only all-round development and harmonious growth of a nation would be possible. Hence empowerment of women is a holistic concept. Empowerment of women encompasses social, political and economic aspects. Empowerment of women should be a key asset of all social development programmes (World Bank, 2001).

Economic empowerment provides a scope for poor people to think beyond immediate daily survival and to exercise greater control over both their resources and life choices. For example, it enables households to make their own decisions around making investments in health and education, and taking risks in order to increase their income. There is also some evidence that economic empowerment can strengthen vulnerable

groups’ participation in the decision-making. For example, microfinance programmes have been shown to bolster women’s influence within the household and marketplace. The evidence also suggests that economic power is often easily ‘converted’ into increased social status or decision-making power Emilie, Combaz and Claire McLoughin (2014)\(^3\).

Economic empowerment of women entails gradually increasing control of poor women over the entire economic process and not merely as producers of some products and services which are otherwise controlled through other intermediaries. Women Economic empowerment of women is the magic potion that boosts both gender equality and wealth and well-being of a nation (Rae Lesser Blumberg 2005)\(^4\). Economic empowerment of women is the ability to make and act upon economic decisions which will result in their sustained living standards and the potential for advancing economically (Golla, Malhotra, Nanda and Mehra 2011)\(^5\).

Entrepreneurship development among women is the foundation stone for economic empowerment of women. A woman as an entrepreneur would be more independent economically and she is free to take decisions. Women entrepreneurship is the most powerful tool to eradicate their problems of unemployment and vulnerability. Economic active of women lead to sound economy of the nation. Women are normally confined to their homes to just child-bearing and child rearing roles. In a democratic system of government, women participation in all development activities is desirable. They have been in the forefront in economic and social activities. Women have been an active economic political and ritual partner with man. Increase in women’s education, industrialization and urbanization, has resulted in social acceptance, mobility, political and social movement and changes in the value system. So, educated women have taken to certain careers and it has become on established fact that women have been stepping out of their traditional status.

Entrepreneurship had been the domain of men for a long time. But education among women has lead to employment among both men and women. Hence micro entrepreneurship is the best route for eradication of unemployment of women.


1.1 Concepts in of Entrepreneurship Development

There are several concepts while trying to understand the term entrepreneurship development in several dimensions. Each of them is briefly explained. Entrepreneurship Development has three components and they are interconnected.

<table>
<thead>
<tr>
<th>Entrepreneurship</th>
<th>Entrepreneur</th>
<th>Enterprise</th>
</tr>
</thead>
<tbody>
<tr>
<td>↓</td>
<td>↓</td>
<td>↓</td>
</tr>
<tr>
<td>Process</td>
<td>Person</td>
<td>Object</td>
</tr>
</tbody>
</table>

While ‘entrepreneur’ refers to a person; ‘entrepreneurship’ refers to the function or process. The entrepreneur is a business leader and the functions performed by him/her in relation to that business is entrepreneurship. The medium of exhibiting the skills of entrepreneurship by the entrepreneur is the enterprise.

1.1.1 Meaning of Entrepreneurship

Entrepreneurship means different things to different people and can be viewed from different conceptual perspectives. However, in spite of the differences, there are some common aspects, like risk taking, creativity, independence and rewards. Schumpeter described entrepreneurship as a process and entrepreneurs as innovators who use the process to break the existing system of production and organisation through new combinations of resources and new methods of production and trade.

According to A.H.Cole, “Entrepreneurship is the purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or organize, a profit oriented business unit for the production or distribution of economic goods and services”.
Table: 1.1 Meaning of Entrepreneurship

<table>
<thead>
<tr>
<th>E</th>
<th>Endurance or Energetic</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>Negotiation</td>
</tr>
<tr>
<td>T</td>
<td>Time Management/Team man /Tactical /Total commitment</td>
</tr>
<tr>
<td>R</td>
<td>Risk bearing ability / resourceful / Responsible</td>
</tr>
<tr>
<td>E</td>
<td>Ethical / emotional stability</td>
</tr>
<tr>
<td>P</td>
<td>Patience or perseverance or passion or problem solving</td>
</tr>
<tr>
<td>R</td>
<td>Realistic / result oriented</td>
</tr>
<tr>
<td>E</td>
<td>Effective communicator</td>
</tr>
<tr>
<td>N</td>
<td>Networking ability</td>
</tr>
<tr>
<td>E</td>
<td>Excellent planner</td>
</tr>
<tr>
<td>U</td>
<td>Understands how to administer and organized / unambiguous</td>
</tr>
<tr>
<td>R</td>
<td>Real innovator</td>
</tr>
<tr>
<td>S</td>
<td>Service or Strength or sources</td>
</tr>
<tr>
<td>H</td>
<td>Hard working</td>
</tr>
<tr>
<td>I</td>
<td>Involvement</td>
</tr>
<tr>
<td>P</td>
<td>Positive / personal satisfaction</td>
</tr>
</tbody>
</table>


**Meaning of Women Entrepreneurship**

Women Entrepreneurship is the act of creation of business by women and they grow in economic strength and get good position in society. Women Entrepreneur means women have to lead new organization and provide jobs to women as women entrepreneurs.

According to Government of India woman entrepreneurship is “enterprise owned and controlled by a women having a minimum financial interest of 51 percent of the capital and giving at least 51 percent of the employment generated in the enterprise to women”.

1.1.2 Meaning of Entrepreneur

‘The word entrepreneur is derived from the French word *entreprendre*. It means to “undertake” i.e.; individuals who undertake the risk of a new enterprise. According to Oxford English Dictionary (1933) entrepreneur is “one who undertakes an enterprise especially a contractor acting as intermediary between capital and labour”.

According to J.B. Say, “Entrepreneur is a person who searches for change, responds to it and exploits opportunities. Innovation is the specific tool of an entrepreneur”.

According to international Labour Organization (ILO), “Entrepreneurs are people who have the ability to see and evaluate business opportunities, together with the necessary resources to take advantage of them and to initiate appropriate action to ensure success”.

1.1.3 Meaning of Enterprise

Enterprises are economic organisations using all types of resources to produce goods / services to satisfy the needs of different sections of the society. A business organization is an individual or group of people that collaborate to achieve certain commercial goals. Some business organizations are formed to earn income as for profits owners. Other business organizations, called nonprofit, organization are formed for public benefit purposes. These businesses often raise money and utilize other resources to provide or support public programs.

According NSSO (National Sample Survey Organization), “An enterprise is an undertaking engaged in the production and / or distribution of some goods and services meant mainly for the purpose of sale, whether fully or partly. An enterprise may be owned and operated by a single household or by several households jointly on a partnership basis, or by an institutional body. A household enterprise is one which is run by one or more members of a household or run jointly by two or more households on partnership basis irrespective of whether the enterprises is located in the premises of the household or not. In other words, all proprietary and partnership enterprises are household enterprises”.

According to Micro, Small and Medium Enterprises (MSME) Act, 2006, Enterprises are classified into classified two sectors based on activity namely Manufacturing and Service. There are three classifications as per level of investment in manufacturing and services enterprises namely micro-enterprises, small enterprises and medium enterprises. The definition of these three classifications is given in Table 2.
Table 1.2: Classification of Enterprises as per MSME Act 2006

<table>
<thead>
<tr>
<th>Classification</th>
<th>Manufacturing Enterprises</th>
<th>Service Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>Rs. 25 lakh</td>
<td>Rs. 10 lakh</td>
</tr>
<tr>
<td>Small</td>
<td>Rs. 25 lakh to Rs.5 crore</td>
<td>Rs.10 lakh to Rs.2 crore</td>
</tr>
<tr>
<td>Medium</td>
<td>Rs.5crore to Rs.10 crore</td>
<td>Rs.2 crore to 5 crore</td>
</tr>
</tbody>
</table>

Source: Report of the Fourth All India Census on MSME (Micro, Small and Medium Enterprises), 2006-07, Government of India.

1.2 Historical Background of Entrepreneurship

The Indian entrepreneurship has been divided into two sections, viz. Entrepreneurship during pre-independence and post-independence

Entrepreneurship during Pre-Independence

The Indian entrepreneurship existed in early period before of Rig-Veda when metal idols handicrafts existed in the society. The people were organized in a particular type of economic and social system. The village life was in no way dominated by the towns. Caste-based division of workers consisted of village community comprising of farmers, artisans, weavers, carpenters and goldsmiths. They traded in commodities and carried on money-lending business. Manufacturing sector did not develop in India until 1850 due to weak communication and transportation systems. The urban industries were well organized and were flourishing at the end of 19th century.

Towns acted as commercial centers and the life there was much different from the village. There existed a large variety of occupation and trades in the towns which entered wider market. Entrepreneurship existed among the artisans in cities like Banaras, Allahabad, Gaya, Puri and Mirzapur which were established on the bank of rivers because mostly rivers provided the transportation facilities.

1850 saw major economic and commercial development in India. The British developed private enterprises in banking, insurance, steams ships, plantation and coal mines. The railway was introduced in India in 1853 and it successfully transformed the Indian economy. After 1850 the manufacturing sector emerged at the latent consequence of East India Companies advent in India. In 1854, C.Davar established a Cotton textile manufacturing unit in Mumbai.
Entrepreneurship during Post-Independence

After independence in 1947, the Government of India made a tremendous difference to the industrial landscape.

The First industrial policy of 1948 announced three important measures.

- Balanced economic power between private and public sector.
- The spread of entrepreneurship from existing centers to other cities, towns and villages.
- Identify large number of industrially potential people across varied social strata.

Industrial Policy 1991 emphasized growth of small scale sector in the economy. The first generation entrepreneurs were encouraged through training and entrepreneurship development programmes (EDPs). Women entrepreneurs received support through special training programmes. The new word of the policy was ‘competition’ and not ‘reservation’.

According to the Industrial Policy August 2000, the small scale units could get themselves registered with directorate of industries and district industries centers in the state government. The registration included the women entrepreneurs also, MSME Act 2006 included micro, small and medium industries.

1.3 Women Entrepreneurship in India

Women in India have not been treated on par with men in all fields of life i.e. social, economic and political. Women are always made to depend on men folk in their family and outside throughout their life. The Indian society has been male dominated where women are treated as subordinates and executors of the decisions taken by the male members. Society in India has always considered women as woe and unwanted burden. Women are by and large suppressed, oppressed and their freedom and rights are violated in many ways. Indian women, especially belonging to the poorer section and rural areas suffer from illiteracy, poverty, ill health, malnutrition, unemployment. They are also confronted with different types of violence resulting in psychological complications and misery, blighting the lives of millions of women in India. Majority of women were engaged in non-traditional activities in un-organized sector like pickle and papad, handicrafts, handloom and cottage based industries. Women were paid low wages due to low level of skill,
technology and productivity both in rural and urban areas. Traditionally in India, women’s activities were confined to bringing up children and maintaining the family. A kind of male dominated social order made them weak in business activities. This was the result of deprivation of the women in social spheres such as education and economic spheres such as access to economic resources – land, housing, etc.

In the 1980s, the gender and development approach (GAD) had influence on women’s perspectives on development. Economists observed that women’s participation in economic activities played an important role in the development of the nation. As Nehru said, “when women move, forward, the family moves, the village moves and the nation moves”. Income generated from activities of women gives better economic status to women. Economic status gives way to social status and thereby empowerment. It is believed that economic strength is the basis of social, political and psychological power in the society. This could be achieved through economic empowerment of women by active participation in the development process. Women entrepreneurs can help in gaining economic independence and empower their social status. Empowerment of women enhances their status and leads to integration of women in nation building and economic development.

Factors which directly force women to start their own ventures are called push factors. There are many push factors viz. insufficient family income, dissatisfaction with salaried job, difficulty in finding work and family responsibilities etc. Pull Factors are those that directly attract women to start enterprises. Desire for wealth, power and social status, co-operation and support of family members etc. are the most important pull factors. To acquire economic independence leading to empowerment is the main pull factor for the women to start their own venture.

For all working women, work life balance is a critical element between the family and employees/staff at her enterprises. Balancing the two is challenging for women entrepreneurs in India ESCAP (2005). According to Global Entrepreneurship Monitor (GEM data 2007) women entrepreneurs in India account for 9.66% of total women entrepreneurs in south Asia.

The government of India lays emphasis on the issue of women entrepreneurship in each of its five year plans. The Sixth Five year plan (1980-1985) laid special emphasis on the issue of women entrepreneurship and the steps were undertaken. In 1985, the
Government of India established a national level standing committee on women entrepreneurs with a motive to promote women entrepreneurs in the country. Planning commission in Ninth five-year plan (1997-2002) made significant changes for women entrepreneurs - Firstly, “empowerment of women, secondly “Convergence of Services”. The Tenth Fiver-year plan (2002-2007) started “empowering women as the agent of socio-economic change and development”. According to the tenth five year plan guidance, empowering women started through social, economic and gender justice. The 12th five year plan gave support for “women entrepreneurs owning small and micro enterprises to establish exhibition centers for display and sale of products. Under this activity, each woman entrepreneur should contribute 65% of the total cost and remaining 35% will be assisted by the Government”, (MSMEs 2012-2017).

In 1966, the federation of India women entrepreneurs (FIWE) was established with a motive of attaining economic empowerment. The national policy for “empowerment of women” (2001) states that it aims to “Empower the women in order to bring Socio-economic change and development”. The new industrial policy has stressed the need for conducting a special Entrepreneurship Development Programme (EDP) and other Programmes for supporting and promoting entrepreneurial skill with special focus on women. Government of India supports women entrepreneurship through number of programmes and providing financial assistance. The entrepreneurship development plays a vital role to discover an investment opportunity. This involves taking of risks and making necessary investments under uncertainties. It helps to innovate, plan and facilitate to take strategic decisions to increase productivity.

1.4 Entrepreneurship and Economic Development

Entrepreneurship development is a very crucial factor for the acceleration of economic growth of any country and women entrepreneurship development is an essential part of human resource development. Particularly, micro entrepreneurship has been able to create job opportunities among women. Micro entrepreneurship leads to strengthening the women empowerment and minimizing gender inequalities. The potential of micro entrepreneurship is to harness the talents, capabilities and energies of people to create a vibrant economy is increasingly being recognized in developing countries. Micro entrepreneurship is not only enhancing national productivity and generates employment but also help to develop economic independence, personal and social capabilities for women.
In developing countries micro enterprises is an important means of earning income for women. It has also provided suiting jobs with their family responsibility and household work.

Entrepreneurship plays a very important role in economic development of any state / country. In the 18th century, Adam Smith (1776), the classical economist, assigned no significance to entrepreneurial role in economic development in his monumental work “An enquiry in to the nature and causes of the wealth of nations”, published in 1776. But, Schumpeter (1934), visualized the entrepreneurs as the key figure in economic development. Arson and Smelser (1956) says that entrepreneurship leads to economic development, and increased output of capital. According to Bema (1960), entrepreneurs constitute the main spring of development of underdeveloped regions. Mcclelland (1961) says that ‘personality aspect of entrepreneurship of some people with high achievement motivation come forward to behave in an entrepreneurial way to change the stationary inertia, as they would not be satisfied with the present status that they have in the society. According to sayigh (1962) entrepreneurship is the necessary dynamic force. According to Harbison (1965), the prime movers of innovations are entrepreneurs.

India is a developing country hence, it is necessary to decentralize industrial structure for the removal of regional imbalances in economic development. Entrepreneurship plays an important role to achieve balanced regional development. Government of India strongly realized about the premium role of entrepreneurship in economic development. MSME Act 2006 also helped women entrepreneurs significantly. Women entrepreneurial activity results in increased consumption, production and welfare leading to better quality of life.
1.5 Significance of the Study

Entrepreneurship is the backbone of national progress. A country cannot achieve higher levels of development without entrepreneurship. The role of entrepreneurs is significant in the development of the economy of any nation. There are different programmes and strategies for entrepreneurship in all countries. Entrepreneurs create wealth through different business activities in the society. Government has formulated policies to empower the people in the nation. Economic empowerment is considered top priority among all type of empowerment of the people. The changing socio-economic and political environment has encouraged women to enter into entrepreneurial activities. According to millennium declaration, gender equality and the empowerment of women is essential to eradicate poverty, hunger and diseases (2000-2005).

Family managed business is also an important component of entrepreneurship development and has contributed significantly in India. Nearly 95 percent of the firms in India are family business. Family business has also played an important role in the economic development of the nation. Any strategy aimed at economic development will be log-sided without involving women who constitute half of the population. No nation can economically develop where gender inequality exists. So gender equality and economic development go hand in hand. The policy makers and planners have become absolutely aware of the economic significance of women’s productive activities and the nature of their contribution to income generation. It has been firmly established that women are vital and productive contributors to the national economy. In India entrepreneurial culture has to be promoted in a large way. Then only larger number of women entrepreneur can actively participate in income generation activities.

In 2006, Programmes of MSMEs, Government of India brought out many schemes for women entrepreneurship. The present study explores the impact of micro entrepreneurship of women on their empowerment. The study also looks at various dimensions of entrepreneurship namely registered, un-registered, rural and urban; trading, manufacturing and service sector. The Study also examines issues of freedom, strength, and self-identity among women. This study also investigates self-employment and self-sufficiency of women through micro entrepreneurship. Micro entrepreneurship enhances ways and means for empowerment of women in all aspects of life. They are engaging in
productive ventures by utilizing local resources and skills which lead them to financial
development. The socio-economic status through micro entrepreneurship is necessary for
healthy society.

1.6 Researchable Issues

1. What is the link between women entrepreneurship and economic empowerment in
   a regional setting
2. How effective are women entrepreneurship development programmes in the
   achieving the same.
3. What are the unique advantages of micro enterprises in women empowerment.
4. Are there any differences in rural and urban based micro enterprises in terms of
   women empowerment.

1.7 Statement of the Problem

Majority of the workforce, both men and women are in the unorganized sector. According to National Commission for Enterprises in the Unorganized Sector (NCEUS) 2005 reports that out of the 485 million persons employed in India, 86% or 395 million work in the unorganized sector. The characteristics of unorganized sector is the insecurity in terms of number of days of employment available, the wage rates paid especially to the women, the working conditions, etc. The second best alternative to wage employment in the unorganized sector is self-employment. Self-employment is an important factor in economically empowering the women. Thus this study attempts to understand the extent of economic empowerment obtained by women through business entrepreneurship. Business can be classified as manufacturing, trading and services type of enterprises. However, the challenges of running these different types of enterprises especially for women are different, depending upon the access to various economic and social resources by the women. Thus, this study tries to compare the performance of women entrepreneurs across the three types of enterprises namely trading, manufacturing and services.

The profile of women in the rural and urban areas differs with respect to educational levels, skills, social and cultural backgrounds. These factors affect the performance of the enterprises based on the level of confidence and support, the risk taking ability, etc that the women possess. Thus an attempt is made to compare the
performance of women entrepreneurs in rural and urban areas. Registration of enterprises with the any of the government agencies such as DIC / KVIB, would be advantageous to the women entrepreneurs in providing several support systems. The study proposes to compare the performance of women entrepreneurs between registered and un-registered enterprises.

Women entrepreneurship is the process where women organize all factors of the production, undertake risk and provide employment to others. These entrepreneurial activities of women determine the socio and economic status of women in society. The study concentrates on MSMEs Development Act 2006 to promote micro enterprises for the empowerment of women. The role of entrepreneurship of women is to ensure growth and success of a venture in business environment. The study also aims at growth and trend pattern of women entrepreneurs in India and Karnataka. The study attempts to evaluate the various programmes initiated by the government of India related to the development of women entrepreneurship. A number of schemes and programmes created to promote women entrepreneurship by the government of Karnataka have been analyzed.

According to the Department of Industries and Commerce Bengaluru, Mysuru district is placed seventh in MSME units registration. Majority of women entrepreneurs register their micro enterprises at Department of Industries and Commerce (DIC) Mysuru. The study concentrates on the performance of trade, manufacture and service sector of micro enterprises in the Mysuru district with regard to registered and non-registered women enterprise in both rural and urban area. The major problem of women entrepreneurs is not registering their micro enterprises at DIC Mysuru. Women entrepreneurs are also not able to obtain financial subsidy of the government schemes. Therefore, there is need to undertake a study on the competencies and problems faced by the micro entrepreneurs in Mysuru district and this would help in formulating a specific policy for the development of women entrepreneurship by the government.
1.8 Objectives of the Study

The Present study has the following Objectives
1. To analyze the various programs related to the development of women entrepreneurship.
2. To analyze growth and trend patterns in the development of women entrepreneurs in India and Karnataka.
3. To explain economic empowerment of women through micro entrepreneurship.
4. To analyze the performance of women entrepreneurs in micro enterprises.
5. To compare the performance of women entrepreneurs in rural and urban areas, and across registered and unregistered enterprises.

1.9 Hypotheses for the Study

The following hypotheses have been designed for the present study.
1. Micro Entrepreneurship has positive impact on economic empowerment of women.
2. There is difference in the performance of women entrepreneurs among trading, manufacturing, and services.
3. There is difference in the performance of women entrepreneurs across in rural and urban areas.
4. There is difference in the performance of women entrepreneurs between registered and unregistered women enterprises.

1.10 Methodology of the Study

Data Source
The present study is based on both primary and secondary data sources. It is both descriptive and analytical in nature.

Secondary data
Secondary data have been collected from Indian Economic survey, Journals, Reports, of Chamber of Commerce and Industry, Mysore, Department of Industries and Commerce, District Industries Center (DIC), Women and Child Development Report government of Karnataka, Report of the Fourth All India Census on MSME 2006-2007, Government of India.
Primary Data

The primary data was collected through a structured questionnaire from the women entrepreneurs in all taluks of Mysuru district. There are seven taluks in Mysuru district, i.e., Mysuru, Heggaddevan Kote, Hunsur, Krishnarajanagara, Nanjangud, Piriypatna and Tirumakudalu Narasipur. It was proposed to study the individual women entrepreneurs only.

Sample Size

The study sample includes 480 women entrepreneurs across seven taluks of Mysore district. Multistage Stratified random sampling techniques was used to select the sample across different categories of enterprises from each of the seven taluk in the study area. The study has selected 25 per cent sample from the population (Total Registered Entrepreneurs) each of the taluk based on the information obtained from District Industries Centre, Mysore and is shown in Table 1.3. The detailed stratified sampling across different types of enterprises is given in Table 1.4.

<table>
<thead>
<tr>
<th>Taluk</th>
<th>Mysuru</th>
<th>H. D Kote</th>
<th>Hunsuru</th>
<th>Krishnaraja Nagar</th>
<th>Nanjangud</th>
<th>Piriypatna</th>
<th>T.Narsipur</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>542</td>
<td>175</td>
<td>262</td>
<td>305</td>
<td>282</td>
<td>192</td>
<td>159</td>
<td>1917</td>
</tr>
<tr>
<td>25%</td>
<td>136</td>
<td>44</td>
<td>66</td>
<td>76</td>
<td>70</td>
<td>48</td>
<td>40</td>
<td>480</td>
</tr>
</tbody>
</table>

*Source: DIC (District Industries Center) Mysuru*

According to DIC registration data (2007-08 to 2012-13) the total numbers of women entrepreneurs in micro enterprises are 1917 in seven taluk of Mysore district. 480 women entrepreneurs i.e., 25% of the total women entrepreneurs of the district were selected taken as sample for the present study.
Sampling Method

The study focuses on micro entrepreneurship which plays an important role in economic empowerment of women.

The enterprises are classified into three sections. They are Trading, Manufacturing and Service. (Table 1.4)

- Under trade section entrepreneurship include Textiles, Retail Shops, Fancy Store
- Under manufacturing section entrepreneurship include Hand embroidery and Dress Designing, Soft toys making, Handicrafts manufacturing, and Food, processing and bakery products.
- Under service sector entrepreneurship include Computer Center, Beauty parlour management, Catering Service and Flour Milling.

Table 1.4 Sample Selections of Women Entrepreneurs by Type of Trade

<table>
<thead>
<tr>
<th>Trading</th>
<th>Manufacturing</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textiles</td>
<td>Hand embroidery and Dress designing</td>
<td>Computer – Centre</td>
</tr>
<tr>
<td>Retail Shops</td>
<td>Soft toys making</td>
<td>Beauty parlour Management</td>
</tr>
<tr>
<td>Fancy Store</td>
<td>Handicrafts manufacturing</td>
<td>Catering Service</td>
</tr>
<tr>
<td></td>
<td>Food processing &amp; Bakery Products</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tailoring</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Condiments and Confectioneries</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Agarbatti Making</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Candle Making</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bricks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Paper plates and cups</td>
<td></td>
</tr>
</tbody>
</table>
Chart 1.1 Depicting Stratified Sampling Method
Figure 1.1 shows the taluk wise distribution of 480 samples in Mysuru districts. In Mysuru taluk, 136 samples were selected and equally distributed between rural and urban areas. In rural area 68 entrepreneurs are selected from registered 22 and non-registered 46 entrepreneurs. Out of 68 rural sample 16 from trade, 39 manufacturing and 13 service sector. In urban area 68 entrepreneurs are selected from registered 36 and non-registered 32. Out of 68 urban samples seven entrepreneurs selected from trading 42 manufacturing and 19 in service sector.

In K.R. Negara taluk, 76 samples are selected and equally distributed between rural and urban area. In rural area five entrepreneurs are registered 33 entrepreneurs are non-registered entrepreneurs. Out of 38 rural samples, 14 are selected in trade, 21 in manufacturing and 3 from service sectors. In urban area 17 entrepreneurs are registered and 21 are non-registered. Out of 38, seven are selected in trade is 20 manufacturing and 11 in service sector.

In the case of Nanjangud taluk, 70 samples are selected and equally distributed between rural and urban area women entrepreneurs. In rural area, seven sample selected in registered and 28 from non-registered. Out of 35 rural samples, five selected in trade, 26 are in manufacturing and four in service sectors. Out of 35 urban samples, 18 are selected in registered and 17 from non-registered. There are seven women entrepreneurs are selected in trading, 19 manufacturing and 9 in service sector.

In Hunsur taluk, 66 samples are selected and equally distributed between rural and urban area. In rural area nine sample selected in registered and 24 from non-registered. In rural samples 10 are selected in trade, 22 manufacturing and 1 service sector. In urban area, 16 sample selected in registered and 17 from non-registered. In urban samples five were selected in trading, 17 in manufacturing and 11 service sector.

In Piriyapatna taluk, 48 samples are selected and equally distributed between rural and urban area women entrepreneurs. In rural area six sample selected in registered and 18 from non-registered. In rural samples, 6 are selected in trade, 16 manufacturing and two service sectors. In urban sample 18 are registered and six from non-registered. In urban samples four are selected in trade, 13 in manufacturing and seven from service sector.
Further, 44 sample are selected and equally distributed between rural and urban area women entrepreneurs in H.D. Kote taluk. In rural area, four sample selected in registered and 18 from non-registered. Out of 22 rural samples 5 are selected in trade, 12 manufacturing and five service sectors. Out of 22 urban samples, 17 are selected in registered and 5 from non-registered. There are 5 are selected in trade, 11 manufacturing and six in service sector.

T.Narasipura taluk 40 samples are selected and equally distributed between rural and urban area women entrepreneurs. In rural area two sample selected in registered and 18 from non-registered. Out of 20 rural samples five are selected in trade, 11 manufacturing and four service sectors. Out of 20 urban samples, 2 are selected in registered and 18 from non-registered. There are 8 are selected in trade, six manufacturing and six in service sector.

Totally 480 women entrepreneurs were selected from Mysuru (136), K.R. Negara (76), Nanjangud (70), Hunsur (66), Piriapatna (48), H.D. Kote (44) and T.Narasipura (40) in Mysuru district of Karnataka.

Analytical tools for secondary data analysis

The study used standard statistical tools for data analysis and interpretation of the secondary data. The various statistical tools used are percentage analysis, average, annual growth rate, coefficient of variation (C.V), ranking method and one way ANOVA and Post hoc tests.

Annual Growth Rate (AGR)

It is calculated by taking the arithmetic mean of the growth rate over two annual periods. Measurements of year-on year growth.

\[
AGR = \frac{\text{Current year} - \text{Past year}}{\text{Past year}} \times 100
\]
Co- Efficient of Variation

Co-efficient of variation has been defined as the percentage of the standard deviation to the mean. It should be noted that higher the variability the greater would be the co-efficient of variation must be low. Co-efficient of variation may be calculated with the help of standard deviation and mean.

\[
\text{Co-efficient of variation} = \frac{\text{Standard Deviation}}{\text{Arithmetic Mean}} \times 100
\]

Compound Annual Growth Rate (CAGR)

Compound Annual Growth Rate (CAGR) is geometric progression ratio that provides a constant rate of return which is also a useful measure of growth over multiple time periods. Growth rate is obtained using initial period and ending period.

This can be written as follows:

\[
\text{CGR} = (\text{LOGEST(Select the Series)} - 100)
\]

Statistical tools for primary data analysis

The data were classified, tabulated and analyzed keeping in view the objectives of the study by using simple statistical tools such as frequency, percentages, cross tabulation and paired sample ‘t’ test and index is used to test the hypotheses.

Cramér’s V

Cramér’s V is a statistic measuring the strength of association or dependency between two (nominal) categorical variables in a contingency table. Suppose that the null hypothesis is that X and Y are independent random variables. The chi- squared statistic \( \chi^2 \) can be computed. Then,

\[
\text{Cramér’s V is defined to be: } V = V(X,Y) = \frac{\chi^2}{n \min(M - 1, N - 1)}
\]
**Economic Empowerment Index**

The economic empowerment of women entrepreneurs can be measured by creating an index using the variables income, saving, expenditure, asset, standard of living, bank account and decision making. The details of calculating the index is given in Table 1.5 and the measuring values are given in Table 1.6.

**Table: 1.5 List of Variables Measuring Economic Empowerment of Women Entrepreneurs**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Descriptions</th>
<th>Criteria</th>
<th>Weight Value</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Income</td>
<td>Enhanced income through micro entrepreneurship</td>
<td>10000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Shows economic empowerment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Conception</td>
<td>Conception expenditure is increasing after starting micro entrepreneurship.</td>
<td>5000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Saving</td>
<td>Savings are increased after starting micro enterprises.</td>
<td>2000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>4 Asset</td>
<td>Improved asset position through micro entrepreneurship.</td>
<td>700000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Shows their empowerment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Standard of</td>
<td>Way of life is changed after starting micro entrepreneurship.</td>
<td>Better</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>living</td>
<td></td>
<td>Good</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Very good</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>6 Type of Bank</td>
<td>Joint accounts are transferred into independent accounts and increases</td>
<td>Joint</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Account</td>
<td>bank transaction.</td>
<td>Independent</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nothing</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>7 Financial</td>
<td>After starting micro entrepreneurship financial decision changes into self-decision.</td>
<td>Usually</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Decision making</td>
<td></td>
<td>Always</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sometime</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>8 Marketing</td>
<td>After starting micro entrepreneurship marketing decision changes into self-decision.</td>
<td>Usually</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Decision making</td>
<td></td>
<td>Always</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sometime</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>51</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In the case of income every 10000 weightage point of 1 score is given to the maximum income observed after micro entrepreneurship is 100000. Accordingly, maximum score is in income is 10.

In the case of conception expenditure every 5000 weightage point of 1 score is given to the maximum expenditure observed after micro entrepreneurship is 50000. Accordingly, maximum is in expenditure is 10.

Regarding the saving every 2000 weightage point of 1 score is given to the maximum saving observed after micro entrepreneurship is 20000. Accordingly, maximum score is in saving is 10.

Considering the assets every 700000 weightage point of 1 score is given the maximum assets observed after micro entrepreneurship is 7000000. Accordingly, maximum is in assets is 10.

In the case of standard of living weightage point of for better is given 1score, for good is 2 and for very good is 3. Hence maximum score is in standard of living is 3.

Regarding the type of account weightage point of for joint account is given 1score, for independent account 2 and nothing is 3. The maximum score is in type of account is 2.

Considering the financial decision making weightage point of for usually is given 1 score, for always 2, and sometime is 3. The maximum score is in financial decision making 3.

Regarding the marketing decision making weightage point of for usually is 1score, for always 2, and sometime 3. The maximum score is in marketing decision making 3.

<table>
<thead>
<tr>
<th>Table: 1.6 Economic Empowerment Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Categories</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Low</td>
</tr>
<tr>
<td>Moderate</td>
</tr>
<tr>
<td>High</td>
</tr>
<tr>
<td>Very – High</td>
</tr>
</tbody>
</table>

Represent that total possible sources for economic empowerment 51 which are converted in to 100% and economic empowerment index classified in to four categories.
Business Performance Index

The performance of the women entrepreneurs can be quantified by measuring the various activities and creating an index using parameters that include profit, training, employment generation, repayment of loan, and location of business. The details of calculating the performance index is given in Table 1.7 and the measuring values are given in Table 1.8.

Table: 1.7 List of Variables measuring Performance of women entrepreneurs

<table>
<thead>
<tr>
<th>Variables</th>
<th>Descriptions</th>
<th>Criteria</th>
<th>Weight age Value</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Profit</td>
<td>Profit enhanced through micro entrepreneurship</td>
<td>8000</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>2 Training</td>
<td>More women entrepreneurs starting micro entrepreneurship after training.</td>
<td>Yes, No</td>
<td>0, 1</td>
<td>1</td>
</tr>
<tr>
<td>3 Employment</td>
<td>Number of persons employed</td>
<td>0, 10</td>
<td>1, 10</td>
<td>10</td>
</tr>
<tr>
<td>4 Repayment of loan</td>
<td>Repayment of loan by their earring. Shows their economic empowerment.</td>
<td>Regular and Not – regular</td>
<td>1, 0</td>
<td>1</td>
</tr>
<tr>
<td>5 Place of business</td>
<td>Outside micro entrepreneurship is preferred than home based business.</td>
<td>Outside and Home Based</td>
<td>1, 2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td>24</td>
</tr>
</tbody>
</table>

In the case of profit every 8000 weightage point of 1 score is given the maximum profit observed after micro entrepreneurship is 80000. Accordingly, maximum score is in profit is 10.

Considering the micro entrepreneurship after training weightage point is 0 = 1, 10 =10. Accordingly maximum score is in training 10.

Considering the employment in micro entrepreneurship, weightage point is 0=1, 10=10. Accordingly maximum score is in employment is 10.
With regard to repayment of loans 1 for regular repayment and 0 for not-regular repayment. Accordingly maximum score is in regular payment i.e., 1.

Regarding the place of business, weightage point for out-side business is 1 and home based business is 2. Accordingly maximum score is in place of business 1.

Table: 1.8 Business Performance Index

<table>
<thead>
<tr>
<th>Categories</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>0-25</td>
</tr>
<tr>
<td>Moderate</td>
<td>26-50</td>
</tr>
<tr>
<td>High</td>
<td>51-75</td>
</tr>
<tr>
<td>Very – High</td>
<td>76-100</td>
</tr>
</tbody>
</table>

Represent that total possible sources for performances 24 which is converted in to 100% and performances index classified in to four categories.

Garrett’s Technique

The statistical tool namely, Garrett’s technique and weighted average technique has been used to analyze the data. For each item of ranking, a percentage position is obtained using.

Garrett’s technique: \[ 100 \times \frac{(R_{ij} - 0.5)}{N} \]

- Where \( R \) is the rank of the individual for a particular item and \( N \) is the number of individuals ranked, determine the percent position of each individual.
- From these percentage positions the individual’s score on a100 point scale is obtained for each individual.
- The percentage scores are averaged.
- Based on the percentage average the scores are ranked from the highest to the least. Thus we have the average scores and the ranking of the various factors are obtained.
Paired Sample ‘t’ test

The paired t test is the difference between population means for a pair of random sample whose differences are approximately normally distributed. The pair of samples, each of which are not from normal a distribution, often yields differences that are normally distributed.

$$t = \frac{\bar{d}}{\sqrt{S^2/n}}$$

Where ‘d’ bar is the mean difference, ‘S2’ is the sample variance, ‘n’ is the sample size and t is a Student ‘t’ quantile with n-1 degrees of freedom.

Independent Sample T test

The Independent Sample t test compares the means of two independent groups in order to determine whether there is statistical evidence that the associated population means are significant different. The Independent Sample t Test is a parametric test.

$$t = \frac{\bar{x}_1 - \bar{x}_2}{S_p \sqrt{\frac{1}{n_1} + \frac{1}{n_2}}}$$

$$S_p = \sqrt{\frac{(n_1 - 1)S_1^2 + (n_2 - 1)S_2^2}{n_1 + n_2 - 2}}$$

Where

x1 = Mean of first sample
x2 = Mean of second sample
n1 = Sample size (i.e., number of observations) of first sample
n2 = Sample size (i.e., number of observations) of second sample
S1 = Standard deviation of first sample
S2 = Standard deviation of second sample
Sp = Pooled standard deviation
1.11 Limitations of the Study

- The study area is Karnataka state and Mysuru district only.
- The study is on the women entrepreneurship of micro-enterprises only.

1.12 Plan of the Thesis

The analysis of the study is organized into six chapters. The detail of each of the chapter is discussed as below.

- **The First Chapter** deals with introduction here the details of concord significance of the study, statement of the problem, the focus of objectives, hypotheses for the study, and the methodology adopted in the study.

- **Second chapter** is divided into two sections. The first section deals with review of the literature on study made in the past which are related to the objectives of the present investigation and research gap. Second section deals with theoretical framework related to women entrepreneurship.

- **Chapter three** deals with various programmes and policies related to the development of micro entrepreneurship among women in India and Karnataka.

- **The Fourth Chapter is related to the** growth and trend patterns relating to women entrepreneurs in India and Karnataka.

- **The Fifth Chapter** is related to primary data analysis. In this chapter an attempt is made to study women economic empowerment through business activities. And also study is made on the performance of women entrepreneurs in rural and urban area and registered and non-registered women enterprises in Mysuru district.

- **Chapter Sixth** is present summary, major findings, policy implication and conclusion.