

CHAPTER – VI

SUMMARY, FINDINGS, CONCLUSION AND SUGGESTIONS

Urban Women micro-credit entrepreneurs in the developing world make a large and often unrecognized contribution to the economic and social development of any countries. The number of micro-credit entrepreneurs, especially urban women, grows in response. They are offering a wide range of goods and services to satisfy the demand of the rising number of urban consumers. The number of households headed by females is rising everywhere and presently accounts for at least 25 percent of all families. Urban women turn to micro-credit entrepreneurial activities to provide a living for themselves and their family.

The present study carried out with some specified objectives, but the main objectives are to analyse the social and economic status of Urban Women micro-credit entrepreneurs, and to assess the overall performance of Urban Women micro-credit entrepreneurs. Thiruvannamalai Town was selected as the study area where Urban Women micro-credit entrepreneurs were considerably more in number. A sample of 300 women micro-credit urban entrepreneurs were randomly selected in the study area. The required necessary data collected through personal interview, using an interview schedule. Analysis and interpretations were made carefully in order to obtain, clear picture of the problems and prospects of micro-credit urban women entrepreneurs in Thiruvannamalai Town.

The overall impact of Urban Women owned micro-credit business enterprises is significant. Their business stimulates economic growth, provide services and more importantly, generate income for a population increasingly affected by unemployment and poverty. Many vital social services are now provided by urban women-owned micro-credit entrepreneurs in the study area.

There is a growing trend in Urban Women micro-credit entrepreneurs in Thiruvannamalai Town. This reflects the greater opportunities for personal initiative, creativity, and leadership quality that are available to urban women who found their own micro-credit entrepreneurs in Thiruvannamalai Town.

The main challenge for Urban Women micro-credit entrepreneurs in Thiruvannamalai Town is not only to set up successful business but to establish efficient voluntary associations that actively participate in the policy making process during the current economic transition. There are various Urban Women micro-credit entrepreneurs' federations in Thiruvannamalai Town providing training to start micro-credit enterprises especially for urban women. However, such federations or training centres are private owned, so it is suggested that government can also establish more such training centres in order to develop entrepreneurial skills for urban women. The initiative for establishing such programme is based on several assumptions.

1. Few of the Urban Women micro-credit entrepreneurs who assumed the risk of starting their own business benefit from programmes designed to increase their capabilities and skills in running a micro-credit business venture.

2. Few micro-credit business urban women have access to updated information about available financing schemes and how to apply for them.
3. Many women in the region are seeking economic independence but, few of them have the courage or the proper knowledge to create their own business enterprises.
4. Very few micro-credit women entrepreneurs in the study area are aware that they could help themselves and contribute to the policy making process by establishing their own effective associations.

The study found that urban women micro-credit entrepreneurs are satisfied with their enterprises in the study area. They choose to start an enterprise due to financial constraints, wished to make career in the field and for a sense of independence. One more thing observed that women are more devoted and committed to their work. And the major findings of the study are clearly stated given below:

Findings

1. The age profile of urban women micro-credit entrepreneurs in Thiruvannamalai Town reveals that the overwhelming majority of the urban women micro-credit entrepreneurs are in the age group of 31-40 years. The study reveals that, when the children are grown up and women can possibly think of business even if it involves part time work.

2. The study revealed that, nearly 88 percent (i.e. 264 urban women micro-credit entrepreneurs out of 300) were Hindus, while Christians and Muslims constituted 8 percent and 4 percent respectively. It is obvious that the majority constitute higher percentage.
3. The caste-wise break up reveals that, the Backward Caste plays the dominant role, i.e. 56 percent followed by 34 percent of most backward caste. Forward caste and others constitutes 8 percent and 2 percent respectively. The reason for the dominant role of backward caste is that they obviously having a sound economic and social background.
4. Regarding the marital status 86 percent (i.e. 256 urban women micro-credit entrepreneurs out of 300) were married. It is observed that the reason for the married women is they are in the age group of 31-40 and also their husband would have motivated them to start a micro-credit business enterprise.
5. It is noted that out of the 300 respondents, 58 percent (i.e. 174 women) of the urban women micro-credit entrepreneurs had family income below Rs.2000 per month followed by income of Rs.2001-2500, very few had the family income of above Rs.3501 (i.e. 16 percent). It is observed that the urban micro-credit women entrepreneurs earning of considerable monthly income by the way of establishing a micro-credit business enterprise in the study area.

6. The study found that the out of 50 urban women micro-credit women entrepreneurs 30 percent of them (i.e. 15 enterprise) were making food products, followed by herbal products constituting 12 percent. Laser printing, garment manufacturing, stuff toy making, Household necessities and ornaments, and cosmetics constitute the same share of percentage i.e. 6 percent. The study revealed that the food products enterprises are playing a vital role in generation of income and employment of urban micro-credit women entrepreneurs in the Thiruvannamalai town.
7. It is observed that out of 300 respondents 74 percent of them had run their micro-credit enterprises in their own building and 26 percent of them were run their enterprises in rented building.
8. The study revealed that only 30 percent of the urban micro-credit women entrepreneurs out of 50 urban micro-credit women entrepreneurs had prior experience in their same field before starting the enterprise. And 70 percent of them had no prior experience in the field before starting the enterprise.
9. It is observed that 60 percent of the urban micro-credit women entrepreneurs were exposed to various entrepreneurship developments training from various training institutes. And 40 percent of the urban micro-credit women entrepreneurs were not under gone any kind of training before or after starting the enterprise.

10. The study revealed that out of 300 respondents 70 percent of them were not employed before starting the enterprise, 30 percent of them were employed earlier. So, the study reveals that the Micro credit business activities are generating employment especially for urban women.
11. It is found that 60 percent of them were started their enterprise with their own finance and 40 percent of them were started with the help of loans from financial institutions. It is observed that commercial banks playing a major role in providing financial and other assistance to beginners in the entrepreneurship development field. And also it is obvious that the financial institution has a definite role to play in this field.
12. It is noted that out of 300 respondents, 80 percent of them were sole proprietorship and only 20 percent were having partnership in their micro-credit enterprise.
13. The study revealed that the expansion of the units, maintaining better standard of living, education, fostering good health and acquiring property were the goals reported by 80 percent of the respondents.
14. It is observed that 78 percent of the urban micro credit women entrepreneurs are taking their own decision in planning. Regarding the operational decision 84 percent are making their own decision. The decision making practices in marketing the

product were mostly taken by the husbands i.e. 50 percent. Out of 50 urban micro-credit women entrepreneurs 52 percent of the urban micro-credit women entrepreneurs taking their own decision to purchase their raw materials for their micro-credit enterprises and 42 percent of the decision were made by their husbands.

15. It is found that an analysis of the decision making practices of the entrepreneurs revealed that women play a major role in planning, operation, marketing and purchasing of raw materials.
16. A greater majority had expressed 9.30 a.m. to 1.00 p.m. and 5.00 p.m. to 8.00 p.m. as their peak working hours. Time management of peak load was possible in the enterprise by working for extra hours, proper planning and proper allocation of work to others. Use of labour saving devices and following work simplification techniques helped them to manage peak load at home.
17. The study observes that 66.35 percent of the urban micro-credit women entrepreneurs had experienced physiological fatigue at their enterprise. The factors that lead to fatigue at enterprise were mainly raw material problem and marketing problems. At an average of 71.5 percent of urban micro-credit women entrepreneurs had experienced psychological fatigue at their enterprise. The factors that lead to fatigue at enterprise were

mainly labour problem and planning problem. Psychological fatigue was experienced by majority of women in accounting at their enterprise.

18. The study revealed that 70 percent of the entrepreneurs spending below 50 thousand as rent / tax per annum. Only 6 percent were constitutes above 50 thousands. And 9 percent of them were not paying any charge in the form of rent/tax.

Below 50 thousand expenditure for raw materials constitutes 56 percent and 44 percent were above 50 thousands.

It is revealed that 40 percent of the enterprise giving salaries / wages below 50 thousands per annum. 26 percent of the entrepreneurs were not spending for salaries / wages because they do not have employees in their enterprise.

19. It is observed that at an average of 21.86 percent enterprise preparing their annual budget below 50 thousands and only 8.28 percent were an average of above 50 thousands. It is noted that at an average of 27 enterprise were not making annual budget at their enterprise, this is because of they are mostly a micro level growing enterprise.

20. The study found that 52 percent (out of 300 respondents) of the women entrepreneurs earning a sum of rupees up to 5000 in a month from their own enterprise. The income group of 5001 –

10,000 constitutes 20 percent of the women entrepreneurs. The study revealed that from the above discussion the women entrepreneurs are earning a considerable monthly income by involving them as a self employed persons.

21. The study revealed that having realized the potentialities inbuilt in them and also the financial burden pressing on them and the desire to give better education to their children forced them to start an enterprise.
22. It is found that the independency i.e. freedom of women entrepreneurs forced them to start an enterprise i.e. 70 percent. It is observed that freedom factor plays a dominate role in forming the women to establish an enterprise.
23. It has been found that maximum assistance i.e. 52 percent was availed in the form of finance from the commercial banks. The second most commonly bought assistance was technical at pre and post establishment period i.e. 16 percent. Assistance in the form of raw material (12 percent) machinery and equipment (10 percent) and marketing (10 percent) were availed only by a few women entrepreneurs. Excessive burden of work and responsibility and difficulty in handling technical financial and managerial activities are the major constraints faced by women entrepreneurs among general and personal constraints.

24. The study observed that 72 percent of the women entrepreneurs had faced constraints in the arrangements of finance during the inception period, followed by 66 percent of the women entrepreneurs had faced inadequate infrastructural problem. It is found that the required finance and adequate infrastructure are the two major things in establishing and developing an enterprise.
25. The study revealed that 80 percent of women entrepreneurs faced constraints in getting money from buyer after credit sales. 66 percent of the women entrepreneurs had faced constraints in lack of marketing experience and slackness in demand. It is observed that marketing is an vital component of development for any product. And also observed that marketing is one of the major problem of women entrepreneurs. It is found that 40 percent of women entrepreneurs had faced constraints in lack of supply of raw materials for continuous production. It has been found that labour and raw material constraints is not a serious problem of women entrepreneurs when compare to others.
26. The study revealed that ineffective consultancy services non-availability of modern technologies lack of technical know-how about the unit and difficulty in maintenance and repairing machinery are the constraints faced by women entrepreneurs in technology. It is revealed that only less number of entrepreneurs had facing this problem but for many entrepreneurs it was not a big problem.

27. It is observed that under the financial constraints 90 percent of the women entrepreneurs encounter limited working capital followed by 72 percent of the women entrepreneurs had faced lack of funds for fixed assets. It has been found that most of the women entrepreneurs did not expect financial assistance from commercial banks and other financial institutions. This is because most of them started enterprises with their own finance.

Suggestions

The results of the study show that micro-credit women entrepreneurs in the study area faced a number of problems, difficulties and constraints. The following suggestions are recommended to overcome the problems;

1. Banks and financial institutions must come forward to support and motivate them to start the units.
2. Financial help should be provided to the respondents by government as well as non-government financial agencies as it removes their difficulty in procuring loans.
3. Sources of power supply should be raised for the respondents. The power supply should be regular in general for the micro-credit enterprises being run by the respondents in the study area in particular. The government should provide power at low rate and other facilities related with electricity to those units, which are started and operated by micro-credit women entrepreneurs.

4. Besides fiscal effort the entrepreneurship development agencies should create awareness among them regarding various loan schemes launched by the government from time to time.
5. Respondents have also communicated several financial problems in relation to non-availability of finance and their release in time. The attention of government and non-government organizations need to be drawn in rectifying these problems by making liberal assistance and gearing up the various facilities for enhancement of the status of enterprises.
6. The respondent Women entrepreneurs should be provided with special training and development programs for developing their innovative instincts.
7. Micro-credit women entrepreneurs are to be encouraged by making an easy procedures in getting loans without greater difficulties. This will invite more number of new micro-credit women entrepreneurs in general and in the study area in particular.
8. Micro-credit enterprises required only short period Entrepreneurial Development training programme. Many women micro-credit entrepreneurs had benefitted through this programme. So Government should introduce the Entrepreneurial Development Training Programme right from the school level especially for girl students. This will induce the girls

to start their micro-credit enterprises, those who are unable to continue their higher studies or drop outs from the school level may be given chances to create their own employment.

9. Government bodies should offer more guidance and counseling to the new micro-credit women entrepreneurs at least in Thiruvannamalai District. At present, State Government and Central Government are conducting Entrepreneurial Development Training Programmes (EDP) only in a very limited centres in Thiruvannamalai District. This should be decentralized.
10. More utilization of women power in micro-credit enterprises will augment employment potential in the study area. This will accelerate additional job opportunities especially for unemployed and under employed.
11. Greater attention should be paid to organize federation for micro-credit women entrepreneurs, all over the states in general and district level in particular, this would help them in many ways.
12. There should be more encouragement for women micro-credit entrepreneurs involvement in productive activities. So this would lead to more production due to their perfection and dedication in business activities.

13. An important measure to increase marketing facilities for their products, State should buy certain products from these micro-credit women entrepreneurs. This will be of much help for them. This leads others to enter into the field of productive activities and enhance their income.
14. State should organize frequent exhibitions for micro-credit enterprise's products to promote sales.
15. Formalities relating to issue of credit to their concerns should be liberalized.
16. Wide publicity should be given for the Micro-credit Women Entrepreneurial Development Training Programmes. Information relating to Micro-Credit Women Entrepreneurial campus known only to the highly literate people. It should be popularized to others also.
17. State can publish weekly magazine exclusively for women micro-credit entrepreneurs. This will guide them in buying raw materials, adopting of new techniques, marketing and availability of loan facilities, totally it will help them in all spheres of their business activities.
18. There should be more financial assistances by other Non-institutional financial concern and financial institutions apart from institutional finance. This will attract more women micro-credit entrepreneurs to join in the venture.

Strategic implications for fostering micro-credit women entrepreneurship in Thiruvannamalai District

Thiruvannamalai District (Tamil Nadu) has traditionally been a society with low participation of women in the economy. But the fact remains that women represent nearly 50 percent of the total population, and it is crucial to encourage women's role in the economy at every level. After independence of our country, the Government of India and Tamil Nadu found that on the one hand industrial development was confined to a few developed cities and on the other it was concentrated in the hands of a few top business houses. At present, women's entrepreneurial role is limited in the large-scale industries and technology-based businesses. But even in small-scale industries, the women's participation is very low. Thus the government decided to promote entrepreneurial activities among women through various incentives in order to alleviate poverty. The following are the key strategies that can help to foster women micro-credit entrepreneurship in the study area;

1. Spreading awareness about government policies and regulations regarding business and industry among the respondents in the study area.
2. Government should review the existing regulatory framework like the working of Entrepreneurship Development Institute of India (EDII) and make necessary modifications to incorporate steps for spreading women entrepreneurship in the study area.

3. The administrative hurdles should be reduced especially for the respondents in the study area.
4. There should be a provision for easy and subsidized financing for micro-credit women's entrepreneurial projects from state level institutions like Small Industries Service Institute (SISI) and state finance corporations (SFC).
5. Government agencies should facilitate the entry of the respondents from rural areas into the projects where high growth is expected by providing them necessary assistance.
6. In order to encourage micro-credit women entrepreneurship in the study area, the Thiruvannamalai District, government should provide incentives under industrial policy.
7. The government should provide the right type of infrastructural facilities and other financial incentives in the study area through cooperative banks, commercial banks, and regional rural banks operated under NABARD leading to the emergence of entrepreneurial class in the study area that can lead to women micro-credit entrepreneurial growth in Thiruvannamalai District.
8. Special incentives, tax rebates, duty cuts, interest subsidy, and subsidized land and machinery can be provided to encourage women in emerging sectors.

9. Special recognitions and awards can be instituted for women participating in such targeted micro-credit enterprises.
10. Higher education incentives for the respondents in the study area and advanced training programs for development of management skills among the respondents, and setting up of polytechnics and industrial institutes for micro-credit women entrepreneurs are the key thrust areas to strengthen the micro-credit women's entrepreneurial talent through education and training. Counseling in entrepreneurship through women oriented NGOs, cheap micro-financing, and bank support for new micro enterprises launched by women entrepreneurs, and privileged infrastructural support such as priority in land allotment and administrative approvals can also promote the cause of micro-credit women entrepreneurs substantially in the study area.

Conclusion

Though the economic growth accelerates the primary, secondary and tertiary sections of Tamil Nadu, there are certain variations in the development process of the districts of the state. When turbulent conditions often occur in the backward districts, the tertiary sector, especially, Self-Help Groups lend their support for the upliftment of women in the districts. Women micro-credit entrepreneurs, in spite of many structural and technological constraints, are able to sustain themselves by their

entrepreneurial skills and efficiency. They are providing employment to sub-marginal groups of the society and acting as valuable facilitation of micro-credit finance.

The study indicates that women have additional qualities such as creativity and perseverance which, help them in starting micro-credit business enterprises and successfully manage them. On the other hand, they still need awareness, proper guidance, encouragement, skill and knowledge. More technical training programmes are of the need of the hour for the rural and urban women entrepreneurs in the society.

This study concludes that if women are to be successful as leaders in any business in general and micro-credit business activities in particular, then, they are going to help themselves by building strong networks and associations to serve as their tools. Effective Governmental intervention is needed to strengthen the micro-credit institution in general and women entrepreneurs in particular. It would greatly relieve them from the clutches of poverty, unemployment and subjugation.
