Chapter - I

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1.1 INTRODUCTION

A recent international study found that women from low to middle income countries (such as Russia and the Philippines) were more likely to enter early stage entrepreneurship when compared to those of higher income countries (such as Belgium, Sweden and Australia). A significant factor that may play a role in this disparity can be contributed to the fact that women from low income countries often seek an additional means of income to support themselves and their families. Overall, 40 to 50 per cent of all small businesses are owned by women in developing countries.

Alternatively, this may also be due to the fact that, in western business practices, it is not seen as beneficial to exhibit feminine traits. While eastern businesses tend to follow methods based around mutual respect and understanding, western business expectations are for business leaders to be more ruthless, headstrong and less sensitive or respectful.

"In the grab for power women use whatever means available to them, whereas a man would take a club to his opponents head a woman is more likely use other less forceful and more subversive measures. Let us just own it we have different weapons in our arsenal."
Even though female entrepreneurship and the formation of women business networks is steadily rising, there are a number of challenges and obstacles that female entrepreneurs face. One major challenge that many women entrepreneurs may face is the traditional gender-roles society may still have on women. Entrepreneurship is still considered as a male-dominated field, and it may be difficult to surpass these conventional views. Other than dealing with the dominant stereotype, women entrepreneurs are facing several obstacles related to their businesses.

In general, women have lower personal financial assets than men. This means that for a given opportunity and equally capable individual, women must secure additional resources compared to men in order to exploit the opportunity because they control less capital. A question that has developed into its own sub-field in the women’s entrepreneurship literature is if women have a harder time getting finance than men for the same business opportunity.

A specific solution for solving women’s difficulties for obtaining financing has been microfinancing. Microfinance is a financial institution that has become exceptionally popular especially in developing economies.

Woman is a fascinating subject for study. Forming roughly half the human race since creation, the status of women has not yet been clearly defined. Nor, down the ages, does history narrate the evolution of her rights and duties. Speculations in regard to the evolution of primitive society stress two divergent views. Some adduce that primitive society evolved from a
primordial state of mother right. They stress the incidence of matrilineal social forms in the primitive world where social groups were defined by relationship traced through the mother which provided also a certain degree of female dominance. On the other hand others emphasis the almost universal subordination of women in primitive and ancient societies. In pursuing the subject of male or female dominance in primitive times one can easily get lost in conflicting hypotheses and confusing theories. In primitive society we could, however, distinguish a fundamental division of labour under which men fought, hunted and went to sea and women engaged in less dangerous and more circumscribed occupations. This basic division of labour illustrates most aptly the forces which probably operated to give human society its orientation toward a division of activities between men and women.\(^1\) It is probably this sentiment that Charles Kingsley has immortalised in his words “Men must work and women must weep.” Nevertheless, every known economic system has utilised and presumably required the work of women and women obviously need work both for their maintenance and for their happiness as human beings and members of society.

Marx declared that social progress can be measured with precision by the social position of the female sex. When the prevailing spirit of an era has been liberal, humanitarian and rationalistic, women’s rights have been extended and in periods of counter revolution restrictions are intensified.

\(^1\) Encyclopaedia of the Social Sciences Vol. VIII, pp. 439-40.
Especially in modern times political and economic revolutions have embraced or have been political and economic revolutions have embraced or have been reflected in the struggle for women’s rights.² Perhaps the most insistent and aggressive of women’s struggles for their rights has been, particularly in the West, the struggle for the franchise; and many feminists came to regard the franchise as a goal to which all else was subordinate. While the struggle for women’s civic rights was going on, significant advances were made throughout Western Society in the status of women, particularly in the case of the property rights of married women, in the Laws of divorce and in women’s educational and professional opportunities. We are however, more concerned with their struggle for economic rights and with the social and economic status of women in modern society.

Woman’s work has been of much significance and value able from pre-historic times. Even when ‘Adam delved and Eve spun’ woman was not a ‘drone’ in the household but an active ‘bee’ and had distinct economic functions to perform. Primitive society offers many instances of vigorous work in hunting and in cultivation by the female. With the evolution of an agricultural economy the women’s role became more real and defined. In Great Britain, for example, “In the economy by which the family was provided with food and clothing before the Industrial Revolution, women’s share was definite and visible. Women spun and wove in their houses, brewed the ale, looked

² Ibid., p.442
after the pigs and fowls; their functions, if different from those of their husbands, were not less important."³ Cooking for the male members of the family, assisting them in the tending of cattle, the care of children and generally looking after the household was the assignment in life for women. It still continues to be so in agricultural societies in many parts of the world including this country.

In Great Britain, under the guild system, although girls were seldom apprenticed to the guild trades, marriage to the member of a guild conferred upon a woman her husband’s rights and privileges as his assistant or partner and she shared in the social and religious life of the guild. As a widow she continued to control and direct the business which she had inherited from her husband.⁴

The beginning of the modern industrial era starting with the Industrial Revolution witnessed a tremendous change in the character of work assigned to women. As the technological changes of the Industrial Revolution transformed the processes of production, the women of the urban proletariat and many of the artisan class were drawn into the factories, mills and mines as unskilled wage earners. The majority of women found it necessary to work outside the household in order to augment the family income. The leisure which the Industrial Revolution brought to a relatively small number of women of the upper classes was made possible in part by the labour of the women of the

³ J. Hamoond and B.Hammond. The Rise of Modern Industry, p.242
⁴ Encyclopaedia of the Social Sciences Vol. VIII, p.444
proletariat. One result of the Industrial Revolution was that many of the tasks formerly undertaken in the home were removed to the factory. The family income now had to be expended on the purchase of goods formerly made in the home. When the increased cost of living necessitated earnings supplementary to those of the chief wage earners, it was deemed preferable that the daughters and young children should work for wages. At the same time, industry, seeking to keep down costs of production in order to keep up profits, offered only this supplementary wages to the daughters, while the wages of men were reduced to a level which made it necessary for the daughters to work. Women thus came to occupy the position of marginal workers in the new economy. “The employment of women in countries of industrial capitalism has thus been a development arising neither from society’s requirement of women’s work in industry nor from women’s inherent need for work, but in the main from the desire of enterpreneurs to utilise cheap labour for profit making purposes.”

Working women, however, acquired a certain element of power within family councils by virtue of their contributions to the support of their families. Their employment away from home increased their personal contacts and released them to some extent from domestic controls and thus modified male dominance within the family.

5 Ibid., p.444  
6 Ibid., Vol VIII, p.453  
7 Ibid., p.444
The transition from work at home to work in the factory was not, however, a smooth one for women. Although they could adapt themselves to their new conditions, they could not visualise the tremendous changes in their social and economic life brought about by modern industrialisation. The factory system destroyed a great body of significant custom throwing the workers into an unfamiliar world where they had neither experience nor tradition to help them. In the early stages of industrial development women and child workers were victims of long hours, insanitary conditions of work and low wages. In fact the beginnings of sociological investigations can be traced to the sweated conditions prevailing in trades where women and children were largely employed. The instinct of chivalry in man urged him to run to their rescue. Thomas Hood in his ‘Song of the Shirt’ depicted the sad plight of women employed in clothing factories:

Present day protective legislation was initially devised to protect working women and children. This is true of India also where for three decades of factory legislation, from the first Factories Act in 1881 to the Act of 1911, the law only dealt with the hours and conditions of work of women and children. The hours and conditions of work of women before they were brought under regulation were hard. The worst conditions were in the cotton gins and presses. One witness stated before the Factory Commission of 1885. “The ginning season lasts about eight months, about five of which the hands work 5

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8 Philip Taft : Economics and Problems of Labour, p.247
A.M. to 10 P.M. and the remaining three months they work day and night. The hands are mostly women. Gins and presses never stop for meals; as a rule the hands take their meals at the gins, and he has often seen them taking their food and supplying the gins at the same time. He has often seen them supplying the gins thus mechanically three parts asleep, and a child at the breast sucking one minute, and throwing cotton in the machine the next. They go on working day and night until they are completely worked out... The women would have worked 23 out of 24 hours... The women are looked on as part of the gins and they belong to the establishment.'

The conditions in coal mines were in some respects worse than in factorise. Though the hours were not excessive, women and children were working at all hours of the night.

Women in Indian Industry, as elsewhere, were assigned those occupations which did not call for any particular skill or those for which they showed special aptitudes such as reeling and winding in the cotton and feeding and receiving in the roving department in the jute textile industry. By long usage these occupations came to be regarded as “women’s jobs” and men often thought it infra dig to work on these jobs. Customs and traditions restrict in a large measure industrial occupations for women. Prof. Pigou has stated: “There are a number of occupations in which the value of the marginal net product, and, therefore, the wage, of women’s work would, if women were

9 Dr. Buchanan : The Development of Capitalistic Enterprise in India, pp.304-5.
10 Ibid., p.307
admitted to them, be larger than it is in occupations where they are in fact engaged; but they are excluded from these occupations by tradition and custom. When new occupations such as the working of typewriters and telephones, are introduced, or when old occupations are transformed by the introduction of new types of machinery, women are, indeed, generally offered a free field. But in occupations which men have for a long time been accustomed to regard as their own, even though under present conditions women could adequately pursue them, tradition and custom frequently exercise a powerful excluding influence.”

The first World War changed some of the conceptions regarding women’s capacity to work. “In the war period of theory that women’s capacity and physical strength limited their range of occupations, which had been used to justify lower wages and exclusion from skilled trades, was discredited in the face of the feverish desire of industry to produce for the war. Women were drawn into men’s work in production and began to handle machines which they had never operated before and to take part in many new tasks in the heavy industries, in metal trades, in engineering trades and in transportation”. The second World War accentuated the importance of the role which women could take in economic activity outside the occupations assigned to them by custom and usage. “First in thousand and then in tens and hundreds of thousands young

12 Encyclopaedia of the Social Sciences, Vol. VIII, p.455
and not so young women voluntarily entered industry or agriculture “substituting” themselves for men who were taken into the armed forces.”

Political ideologies, no doubt, play a very significant part in the role assigned to women. Under the Fascist rule in Italy and Germany a new social philosophy of women’s status and functions was built up for removing women from competition with men for the insufficient jobs available during the industrial depression. This philosophy demanded that women should recognise wifehood and motherhood as their great contribution to society and that they should therefore remain at home. On the other hand the policy of the Soviet Union related women on an equal basis with men, as workers, to the whole system of production with the objective of raising the standard of living of all workers. Women’s work at home which was hitherto unpaid for was organised as an integral part of the national economy for the purposes of raising standards of living and freeing women from uncompensated drudgery.

We cannot, however, ignore the fact that, compared to men, women workers are in many respects handicapped on account of their physical structure and social and psychological backgrounds. A recent survey conducted in Canada brought out the following significant facts. (i) on an average women are only 85 percentage as heavy as men and have only 60 percentage as much physical strength. Therefore they cannot lift or hold as heavy weights; (ii) women are built on a smaller anatomical scale than men. Because of this,

machines built to the scale of men often require excessive reaching or stretching on the part of women and the height of the work bench is often unsuitable; (iii) usually women are more vulnerable than men to situations in industry which produce fatigue. Many women have home responsibilities before and after work which cause excessive fatigue; (iv) women are ill more frequently and lose more time from work than men; and (v) women with young children and pregnant women are at a disadvantage from the point of view of employment. In their study of the Law and Women’s Work the I.L.O has described some of the special problems arising out of women’s employment. “The employment of women has certain special aspects which can be considered apart. There are, for example, the consequences in the field of labour of the physical differentiation between men and women. Women is generally less resistant to physical strain. So that when she engages in manual work she is exposed to special dangers which threaten not only herself but also future generations. Moreover, the social position of women is very different from that of other workers. By custom and tradition she is responsible for the management of the home; in addition to her occupational task, there are a multitude of domestic tasks which she assumes; house-keeping, the care of children and the repair of clothing for members of the family. A first consequence of this is that the working woman would inevitably be overworked and would ruin her health if certain measures of social protection were not taken; in the second place her attention is to some extent distracted
from the collective interests of the workers, and in particular, she shrinks from the extra effort involved in taking an active part in the trade union movement. In addition, the fact of the woman’s time being divided between her occupational work and her numerous domestic tasks, which at times make particularly heavy and urgent demands on her strength, often makes her economic activity unsuitable and reduces her occupational value and her ability to defend her interests as a worker.”

Marriage also proves a great obstacle in the way of women’s employment. Prof. Pigou observes; “Women, looking forward as they do, to matrimony and a life in the home, are not trained to industry as men are and do not devote to it that period of their lives when they are strongest and most capable. Thus between the age periods of 18-20 and 25-35 there is a great decrease in the percentage of women who are engaged in wage earning occupations, and this is due no doubt to the withdrawal of many of them at marriage.” Again : “There are many jobs one might teach women to do, but it does not seem worth while to risk a quarrel with the men, when you know that, the brighter a girl is, the more likely she is to go off and get married just as she is beginning to be of some use.”

Women’s work and women’s employment, thus, raise several social and economic problems. Whether the women’s place is in the home, in the field, in the factory or in the Council Chamber – the sociologists should

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17 Economics of Welfare, p.564
18 Ibid., p.508.
answer; whether they should be paid equal wages for equal work – the economists and industrialists should determine; whether work in factories and mines is deleterious to women’s health – the medical profession should examine and decide. The present report is modest in purpose and scope. It seeks only to present some of the salient facts arising out of women’s employment in important industries in India and to discuss their wages and conditions of work as far as information is available.

The advent of economic reforms coupled with women-specific policy initiation and society’s attitudinal changes have together enabled a significant number of Indian women to venture into the traditionally male bastion of entrepreneurship. This became possible because there is a growing realization among the economists, policy makers and academicians that the current phase of accelerated economic growth witnessed in the country, cannot be sustained without the participation by all the sections of the society including womenfolk. Moreover, to bring in and sustain further doses of economic reform, the country needs to fully mobilize and utilize all its human resources. There is also an increasing understanding that the economy cannot afford to leave the vast reservoir of women’s skills and talents untapped for long. Thus, the participation of women in the economic activities became necessary not only from the social point of view but from the economic perspective too.

Till a few decades age, the dominant view held by the society was that women ought to confine themselves to housekeeping, child nurturing and such
similar activities. Later on, they gained a limited freedom to engage themselves in soft careers like teaching, social service, art, craft, music, etc. Nevertheless, entrepreneurship, profit making and wealth creation activities remained forbidden terrain for Indian women. In fact, the presence of biased inheritance laws of a patriarchic society, the complications due to dowry system and other disadvantageous social situations have all contributed to their pathetic condition and obstructed their socio-economic progress, thereby, seriously affecting the financial independence of women in undertaking entrepreneurship.

But the later developments like increase education, industrialization, social and occupational mobility, better exposures, changes in life style and value system, the emergence of nuclear families, westernization, politico-social’ movements, changes in the value system, urbanization and economic necessities coupled with contemporary women’s desire to be independent, their ego for achievement, their desire to get economic power and compulsion have all created a positive environment for women to take up entrepreneurship in India.

Moreover, the accelerated economic growth experienced by the Nation in recent years too created a plethora of opportunities for women to become successful entrepreneurs. Women specific intervention strategies introduced by the state in the form of awareness creation, skill training, and accessibility to
financial resources also provide the necessary impetus to have women entrepreneurship in a significant way.

Women entrepreneurs today form an important segment in Indian society as they account for one tenth of the Indian entrepreneur universe of 1.3 million small scale industries and 9.1 million registered small and medium enterprises. Many women lately realize that the life is not worth it if they do not unleash the entrepreneur within them. In fact, the percentage of women entrepreneur is steadily growing with their new found ability to conquer the numerous traditional barriers and long-held socio-cultural mindsets.

1.2 STATEMENT OF THE PROBLEM

The new trend of participation of women in the economic development process has emerged more recently with women venturing as entrepreneurs and contribution to the economic progress of the nation.

However, the success of enterprising women in different fields is often mixed and their performances are generally less than their capabilities. This is due to the fact that their problems are diverse and the challenges are unique. There are several reasons for the existing but definite gap between the present status of women entrepreneurial activity and their real potentiality.

In country like India, women entrepreneurs have to overcome multiple problems to emerge as entrepreneurs and these problems usually differ from business to business. Similarly, women entrepreneurs in our country encounter
a few problems just because they are women. Thus, the complicated, multifaceted gender specific problems of women entrepreneurs require and in-depth, systematic and scientific study of issues concerned with the women entrepreneurs in different business units for finding a feasible solution to their problems.

Finally, to harness their potential and for their continue growth and developments, it is necessary to formulate and action plan and appropriate strategies for stimulation support and for sustaining their efforts in the right direction.

For this purpose of studying the performance and problems of women entrepreneurs, Thanjavur district has been undertaken. The industrial development and entrepreneurial development in Thanjavur district in recent years has necessitated a deeper analysis of emerging women entrepreneurs.

The present study enquires the prospects and problems of women entrepreneurs of various business activities to formulate an action plan for their prosperity and thereby for women entrepreneurial development.

1.3 SCOPE OF THE STUDY

This study gives a detailed account of an analysis of performance of the women entrepreneurs in Thanjavur district. This study differs form other women studies in the following aspects.
Firstly, this study comparatively of Manufacturing, Trading and Service sectors. Secondly, the study analyses the performance of women entrepreneurs in individual units of these three sectors. Based on the analysis an action plan has been formulated and it would be more appropriate to tackle the problems of women entrepreneurs in respective units of the business sectors. This study has lot of scope for further research in women entrepreneurial issues.

1.4 OBJECTIVES

The general objective of the study is to analyse the performance and problems of women entrepreneurs in various sectors of business units in Thanjavur district.

1. To study the socio-economic profile of the respondents namely women entrepreneurs in the study area;
2. To identify the factors influencing the performance of women entrepreneurs in the study units;
3. To compare the performance of women entrepreneurs in various sectors of business viz. Manufacturing, Trading and Service;
4. To analyse the problems and performance of women entrepreneurs in various sectors of business and
5. To study the Socio-economic, financial, production and Marketing problem of women entrepreneurs.
1.5 HYPOTHESES

Based on the above objectives the following working hypotheses have been formulated.

1. Social problems inter alia act as a deterrent in the progress of women entrepreneurs in India.

2. The critical factors which determine the success of women entrepreneurs differ from business to business.

3. Women entrepreneurs in various sectors of business perceive the same traits and characteristics as necessary for success.

4. Conventionally women entrepreneurs tend to be more interested in self fulfillment than in money and power and

5. Awareness level of women entrepreneurs of various financial assistance schemes us independent of the sectors of the business in which they are involved

1.6 LIMITATIONS

1. The first difficulty encountered by the researcher was to find out the universe for the purpose of selecting the sample. The study takes into account the official record of registered women entrepreneurs.

2. But the number of women entrepreneurs who were outside the fold of DIC was not known. The researcher took much initiative to assess the number of non-registered women entrepreneurs.
3. Since the study aims at the performance of individual women entrepreneurs, the group of women entrepreneurs functioning under the fold of SHGs is not included in the study. Only selected units of respective sectors are studies due to the difficulty in collecting information from other units.

4. The women entrepreneurs provided the financial information out of their memory. Some of them purposely concealed their financial information regarding investment, sales, profit etc.

5. Most of the women entrepreneurs depend upon their family members especially their spouses to conduct many of their business activities. This pattern of functioning did not reveal the actual effort and performance of women entrepreneurs.

6. The researcher faced the problem of getting data pertaining to finance because the women entrepreneurs are generally wary of sharing those information. And most of the women entrepreneurs did not give accurate of information due to obvious reasons. The approximate figures given by the women entrepreneurs on financial matters have been analysed.
1.7 CHAPTER SCHEME

The whole thesis is divided into Seven chapters, where in

Chapter I  It deals with the introduction, Scope of the study, need for the study, objectives, hypotheses, statement of the problem and limitations.

Chapter II  It brings out an account of the Concepts and Review of Related Literature.

Chapter III  It presents the profile of the study area, Materials and Methods

Chapter IV  It presents an overview of Women Entrepreneurs

Chapter V  It presents an Analysis and discussion

Chapter VI  It gives findings, suggestions, summary and conclusions.