CHAPTER-3
RESEARCH METHODOLOGY

3.1 Problem Statement

Economic development is the result of contributions of the working population, both male and female in any economy. No country can achieve its potential without adequately investing in and developing the capabilities of women as they constitute almost half of the population in the world. Constitution of India has provided equal status to men and women. They are equal members of society with equal rights. Women feel same concern for one’s and family’s economic well-being as man do. In India, the Planning commission, central and state governments recognize that women should be in the mainstream of economic development. In particular, the development of micro enterprises for women is seen as an appropriate way to eradicate poverty at the grass roots level by generating income. Industrial policy of the government of India has highlighted the need for entrepreneurship programmes for women to enable them to start small scale enterprises.

The entry of women into business is a recent development in the orthodox and traditional socio cultural environment of Indian society. Many of the traditional occupations open to women are mainly based on caste and creed and the nature of self-employment is based on the standard of living. The hidden entrepreneurial potential of women has gradually been changing with the growing sensitivity to the role and economic status in the society. The economic status of the women is now accepted as an indicator of a society’s stage of development and therefore, it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long-term objectives of the development programmes for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due recognition has to be accorded to the role and contribution of women in the various social economic, political and cultural activities.

The policy makers are forced to recognize women as an emerging force. With the objective to ensure development and economic empowerment of women the
Government of India introduced the concept of “gender budgeting” in budget for the year 2005-2006. In the Union Budget 2012-13, Ministry of Women and Child Development was allotted Rs.18,500 crore, an increase of 15 percent at current prices as compared to Rs.16,100 crore during 2011-12 to ensure that government’s policies and programmes actually receive the finances to make these commitments effective. It is estimated that women entrepreneurs comprise 15.27 percent of the total MSME entrepreneurs in India. State wise information shows that share of Haryana out of this is only 0.68 percent. Within state profile shows that in Haryana women entrepreneurs are 4.38 percent of total MSM Enterprises. A key issue therefore is whether women entrepreneurs face specific problems.

In a study (Carter and Cannon, 1992) it is found that like young entrepreneurs, women may have particular problems with raising finance and may have had less chance than most men to accumulate the confidence, skill and contracts necessary to start and run a successful business. In addition, gender discrimination by finance and support providers, customers or employees may be an issue. Some previous researches have suggested that it is more difficult for women to raise start-up capital and business finance than men. A woman is also more likely to encounter credibility problems when dealing with bankers.

Amidst all these backdrop information, analysts raise a number of valid questions on the participation of women in entrepreneurial activities. In a study it was found that 87.07 percent of women owned SSI units are unregistered in India. There has been reasonable doubts that the actual number of women enterprises may be far less as many women registered enterprise are for name sake only. The survey of the literature has also led us to believe that there is a need to conduct a study of women entrepreneurs in Haryana. With this view the research is needed to find answer for the same general question viz: what is the status of women entrepreneurs in Haryana in terms of growth, development, problems, factors motivating entrepreneurship including strengths, weaknesses, etc.?

The present study is an attempt to examine the motivational factors for women entrepreneurs and problems in their growth and development in India with special reference to Haryana State as women entrepreneurship growth in this region is slow and negligible. At regional level, a few research studies have been conducted relating to
women entrepreneurs. The present study proposes to fill the gap in existing literature with a purpose to gain a deeper and better understanding onto this relatively recent phenomenon of women entrepreneurship.

In view of the above, the present study titled, “A Study of Women Entrepreneurship Development in Haryana” has been conducted.

This chapter discusses the research methodology of the thesis. It explains in detail the need of the study, objectives and data base. It also discusses the statistical techniques used to analyze the data along with limitations of the study. The theme of the present research problem is chosen with the objective to find out basic motivational factors for women to start and run the enterprises, to identify the basic problems affecting women entrepreneurs in Haryana, India.

3.2 Objectives and Hypotheses of the Study

The study was aimed to achieve the following objectives:

1. To document existing policies, programs, institutional networks and the involvement of support agencies in promoting women entrepreneurship;
2. To bring out the key motivational factors promoting entrepreneurship among women;
3. To analyze the major personal strengths and weaknesses of women entrepreneurs;
4. To identify problems unique to women in setting up and running their enterprises; and
5. To provide recommendations on how to promote and strengthen the potential for enhancing women entrepreneurship in India

The study was intended to test the following hypotheses:

1. The proportion of women entrepreneurs in various age groups, education level, type of activity, family background and family structure are same in various divisions of Haryana.
2. There is a no significant difference between the views of women entrepreneurs according to different demographic factors for the main reasons to venture into entrepreneurship.
3. There is no significant difference between the views of women entrepreneurs according to different demographic factors about the main motivational factors to run their enterprise.

4. There is no significant difference between the views of women entrepreneurs according to different demographic factors about the perceived personal Strengths and Weaknesses.

5. There is no significant difference between the views of women entrepreneurs according to different demographic factors for the main problems to start up and run their enterprises.

3.3 Sampling Design

The study was conducted among women entrepreneurs in Haryana state. The sample enterprises are included from both urban and rural areas. Information was gathered from 189 enterprises. For selection of enterprises, different divisions (mandals) are considered. Haryana has four divisions which are divided into 21 districts. The four divisions are: Ambala, Rohtak, Gurgaon and Hisar. Ambala division comprises the districts of Ambala, Kaithal, Kurukshetra, Panchkula, and Yamunanaga; Rohtak division consists of the districts of Jhajjar, Karnal, Panipat, Rohtak and Sonipat; Hisar division consists of districts of Bhiwani, Fatehabad, Hisar, Jind and Sirsa and finally Gurgaon division comprises the districts of Faridabad, Gurgaon, Mahendergarh, Mewat, Palwal and Rewari. Three divisions namely, Ambala, Gurgaon and Rohtak were selected for the survey as these divisions constitute about 93.43 percent of total MSMEs of Haryana (2007-08).

For selecting the women entrepreneurs, offices of District Industrial Centers (DICs), District Haryana Khadi and Village Industries Centers (HKVIC), HARCO Bank, Haryana Gramin Bank and branch managers of some nationalized banks are contacted by the researcher. In the absence of any organized and reliable data relating to women entrepreneurs, efforts have been made by way of discussion with officials of DICs, HKVIC, HARCO Bank, Haryana Gramin Bank and nationalized banks, to know the existence of women entrepreneurs in the respective district(s). It was revealed that the number of active entrepreneurs who have had made investment and / or actively engaged in day-to-day management of a business enterprise can be counted on fingers whereas the cases recommended for financial assistance to women entrepreneurs are
many but in practice they are managed by males on behalf of their better half (wife) or daughters, etc. The officials privately shared that many of the enterprises which are recommended by DICs or HKVICs and financed by the banks as women enterprises are for name sake, on papers only in order to get loan, take subsidy under various government schemes and the benefit of income tax. This posed a serious challenge as reliable data base on women entrepreneurs was not in place. With this constraint, a preliminary list of about 300 women entrepreneurs was prepared. Purposive and snowball sampling techniques were employed to identify the women entrepreneurs in Haryana state. In view of constraints of time and money a sample of 189 respondents from almost all areas of selected three divisions were approached as these respondents agreed to provide the survey data. These 189 enterprises consisted of 70 from Ambala division, 62 from Rohtak division and 57 from Gurgaon division and sector-wise 81 from service sector, 60 from trading sector and 48 from manufacturing sector.

In this study, for considering the women entrepreneurs in the sample certain criteria were strictly followed. These criteria were firstly the women entrepreneurs should contribute at least 51% of the equity capital and actively participate in managerial affairs of the enterprise. As Khadi and Village Industries Board of Haryana has defined a village industry which provide employment at least to a person for every Rs. 50,000/-. Keeping in mind this criterion, the enterprise where total investment exceeds Rs. 50,000/- is considered in the survey. In order to find out the managerial ability of the women enterprises, enterprise which employed minimum two employees was selected. The enterprises which were running at least for the last three years(up to year 2007-08) were considered.

3.4 Data Collection

The nature of this study is to explore and describe the major reasons to start up the enterprise, motivational factors of women entrepreneurs to run the enterprise, perception of women entrepreneurs in respect of personal strengths and weaknesses and problems unique to women in setting up and running up of their enterprise. The survey method was used to collect data and well-structured questionnaire was used as a tool to gauge views of respondents (Appendix-I)

The questionnaire was divided into two sections, the first section was to assess the general profile of the respondents while the second sections comprised of
entrepreneurial profile of the women entrepreneurs which includes the motivational factors, the various problems faced by them and opinions of women entrepreneurs about their perceived personal strengths and weaknesses.

A pilot study was conducted for testing the first stage questions with selected entrepreneurs, taking five from each group. Based on their response the necessary changes were made in the final questionnaire. The secondary data were taken from various books and reports of different agencies engaged in the promotion of entrepreneurship development among women.

3.5 **Tools for Data Analysis**

The data and information collected through the field study was coded, statistically processed and analyzed using SPSS. It was analyzed using percentages, mean distributions, standard deviations, Chi-Square test and ANOVA test, etc. and presented in the form of tables. The tables in turn, were used to draw conclusions and to make recommendations for development of women entrepreneurship.

3.6 **Limitations of the study**

1. There is lack of availability of organized and reliable data about women entrepreneurs in India. Most of them are not registered and even some times registered one are for namesake. So, it created problem in collection of data.

2. A majority of entrepreneurs surveyed were operating tiny to small scale units. They did not have the practice of maintaining proper set of records on the performance of their enterprise. Hence, data on economic performance cannot be collected. In addition to that they tried to avoid disclosing their financial details.

3. Though the researcher tried sincerely to trace genuine women entrepreneurs, the findings of research might be different if a proper reliable data base on women is maintained and made available by appropriate authority such as DICs.

4. Due to time and money constraints it was not possible to cover each and every area of the state.

3.7 **Chapter Plan of the Study**

The study is exploratory one, based essentially on the primary data. The aim of the study is to have a comprehensive picture of Haryana state. It is subdivided into nine
different chapters in order to distinguish and deal with each of the factors involved in entrepreneurship more thoroughly. A brief outline of the different chapters is presented below:

The first chapter explains the conceptual framework of entrepreneur and entrepreneurship, different approaches towards entrepreneurs, characteristics and importance of entrepreneurs. Chapter second presents reviews of literature of women entrepreneurship surveyed for the purpose of present study.

Chapter third provides information about need of the study, objectives research methodology and limitations of the study. Chapter fourth highlights the government policies and schemes for promotion of women entrepreneurship and institutional support to women entrepreneurs.

Chapter fifth presents the profile of women entrepreneurs across various demographic factors such as location, age, education, residential background, family structure, form of organization, etc. The Sixth chapter portrays the motivational factors of women entrepreneurs for start up and running of business.

Chapter seventh presents the opinionistic view of women entrepreneurs on some perceived personal strengths and weaknesses. Chapter eighth describes the problems faced by women entrepreneurs in Haryana. The last chapter summarizes the study and presents the conclusions of the study.