

Addressing Key Challenges in Women Entrepreneurship in Uttarakhand

Anshula Uniyal¹

Madhu Bisht²

ABSTRACT

Women entrepreneurs play an important role in local economies and a large percentage of micro-enterprises in developing countries are undertaken by women. The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society. When an enterprise is established and controlled by a woman, it not only boosts economic growth but also has many desirable outcomes. Women in Uttarakhand are the backbone of the State's economy. However, women do not own the land on which they are working nor do they have the power to make decisions in major economic matters concerning property, sale and investment. Nor do the land yield so much production or income that it gives women the much-needed cash and decision-making power to look after their needs and those of the children. Despite being the heads of these households, women still cannot overcome the patriarchal divide. This lack of cash income and the gap between work and economic gain hence need to be bridged by entrepreneurship among women. So, there is a need to raise the status and standard of women in Uttarakhand. This paper throws light on those issues which restrict women's entrepreneurship in Uttarakhand and tries to find out the gaps in the development of entrepreneurship among women so that appropriate policies can be made for them.

Keywords: Women Entrepreneurship, Education, Health, Decision Making, Credit Financing

Author Details:

1. Anshula Uniyal is a research scholar at Doon University, Dehradun
2. Madhu Bisht is a faculty member at Doon University, Dehradun



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I. INTRODUCTION

An “Entrepreneur” is one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods’, (Kumar D. N., 2011). Entrepreneurship is considered to be a vital component in the process of economic growth and development for various reasons. The government of India has defined women entrepreneurship based on women participation in equity and employment of business enterprises. Accordingly, a woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to a woman.”(Ashima Bhatnagar). “Entrepreneurship is the state of mind which every woman has but has not been capitalized in India in the way it should be”, (Gurendra Nath Bharadwaj). The entrepreneurship development with women participation has been measured by industrial development, per capita income, higher post occupied by women and engagement in their own business.

II. LITERATURE REVIEW

Women of Uttarakhand play a very important role when it comes to entrepreneurship. A large number of researches done reflect this importance of women in the state and what kind of difficulties are faced by them in this field. “An entrepreneur is a person who is able to express and execute the urge, skill; motivation and innovate ability to establish a business or industry of his/ her own either alone or in collaboration with his/her friends”, (R.S.Kanchana, 2013)(Kalim). Entrepreneurship for women is an idea to explore and optimize; which could also help her to create new jobs and also help in her economic empowerment. (OECD, 2004). This paper studies the demand (number and the nature of entrepreneurial roles that can be fulfilled) and supply (processes why men and women move differently into various activities of entrepreneurship) side of the women entrepreneurship.(Yadav, 2013) The economy of Uttarakhand is predominantly agrarian. It is abundantly clear from the micro level picture that women are involved in most of the agricultural operations in its broadest sense. Entrepreneurship among women has come a long way in Uttarakhand. However, the proportion of women entrepreneurs in small scale industries reveals abysmally low at ten percent. Thus, from literature review it was found that low levels of education and training (Kumar A. , 2011), poor health and nutritional status, decision making power (Sharma Ajay , 2012) and limited access to resources not only repress women's quality of life but limit productivity and hinder economic efficiency and growth.

III. METHODOLOGY

Objectives of the study

The objectives of this study are as follows:

To measure the extent of gender gap in entrepreneurship in Uttarakhand

To identify the factors behind this gap for women empowerment in Uttarakhand.

To analyze the performance of the existing policies related to women empowerment

To give some policy suggestions

Data and Methods

This study is specifically based upon Uttarakhand state. This is an analytical study done with secondary data.

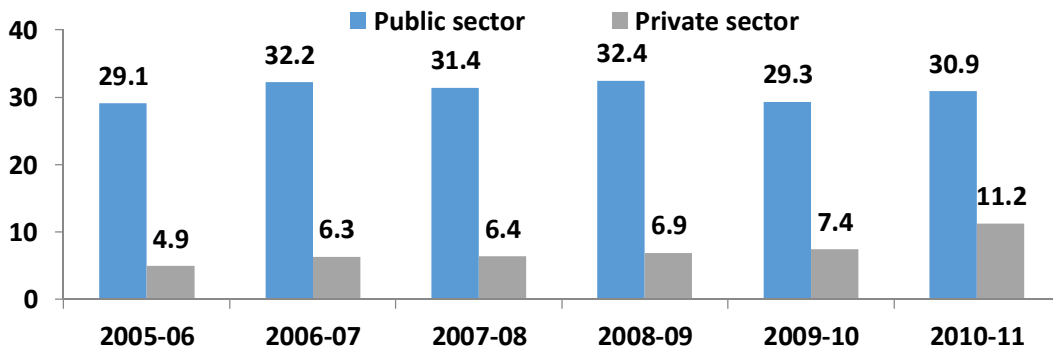
IV. ANALYSIS

Key Challenges to Women Entrepreneurship

The variables used here are workforce participation, education, health, decision making and financial asset holding.

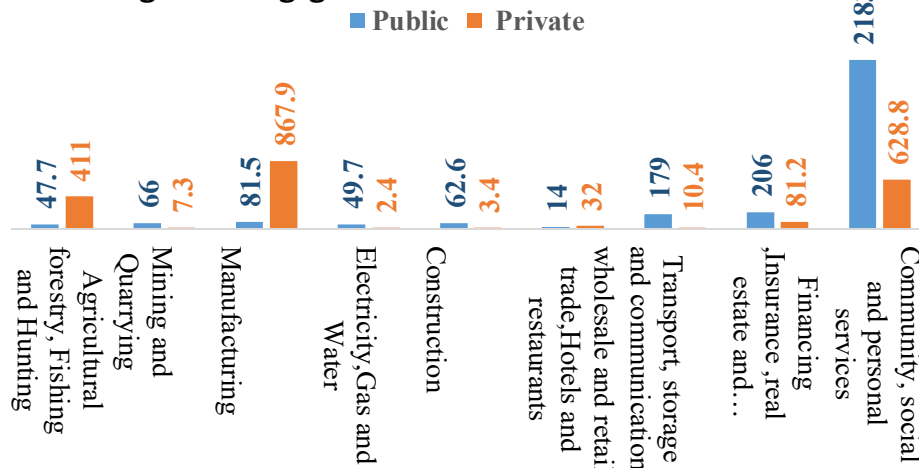
The graph clearly shows the increasing trend of women participation in both the sectors. In the private sector it has increased from 4.9 % in 2005-06 to 11.2 % in 2010-11. Though the increase in both sectors is observed, the increase in the public sector has larger since 2005-06 to 2010-11. It shows that there is a large gap in the participation of women in both the sectors over the years. This depicts that women prefer to work in the public sector rather than private sector.

Figure-1: Workforce Participation Rate in Uttarakhand



Source: Directorate General of Employment and Training, Ministry of Labour and Employment.

Figure-2: Engagement of Women in Different Sectors

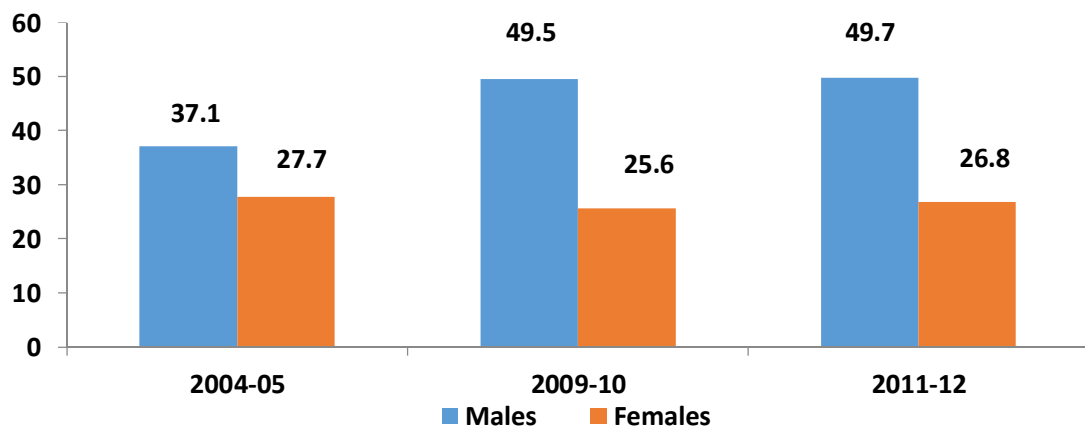


The graph above depicts that highest women engagement in manufacturing i.e. 867.9 followed by community, social and personal services i.e. 628.8.



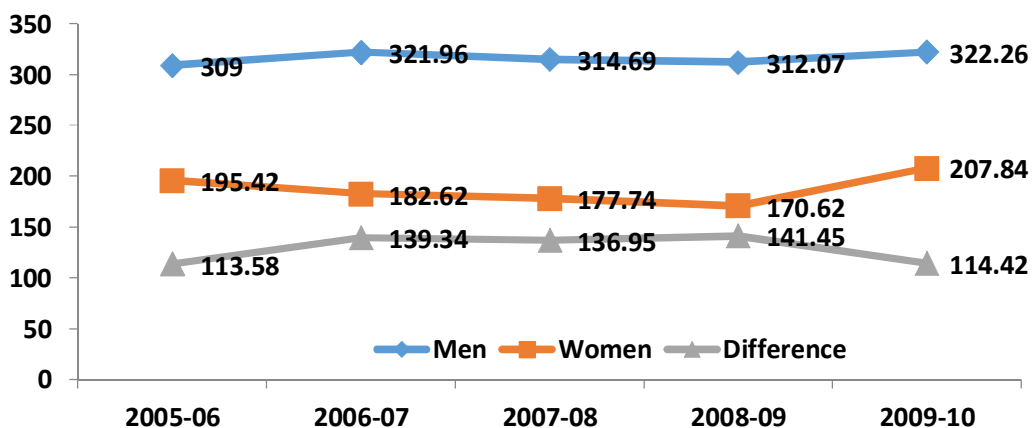
The inequality in the state with respect to the gender can be viewed through the participation rates of women as compared to the men. The graph clearly depicts the large difference in the workforce participation rates of males and females over the years. The workforce participation rate for men in 2004-05 was 37.1 and that for women was 27.7 and it has increased to 49.7 and 26.8 for men and women respectively in the year 2011-12. We can see that this WPR for males has increased two folds since 2004-05 whereas for females it has declined, thus creating a large gap.

Figure-3: Comparison of Workforce Participation Rate of Males and Females in Uttarakhand



Source: Women and Men in India report

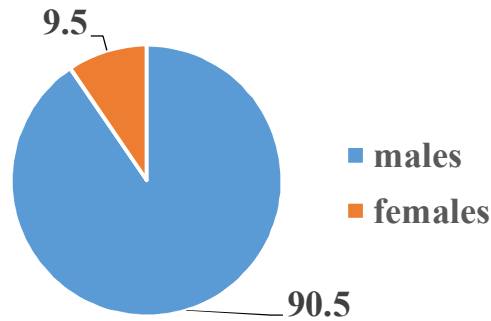
Figure-4: Average wage/salaries and earnings by directly employed workers in Uttarakhand



Source: Statistical profile on women labor, 2012-13, Labor Bureau, Ministry of labor and Employment

The data shows a very large gap in the earnings of males and females. Over the years this gap seems to be increasing. The data for the year 2009-10 is the estimate provided for that year (which means the earnings would have been lesser than mentioned). These average wages show an increasing trend for men but a decreasing trend for women.

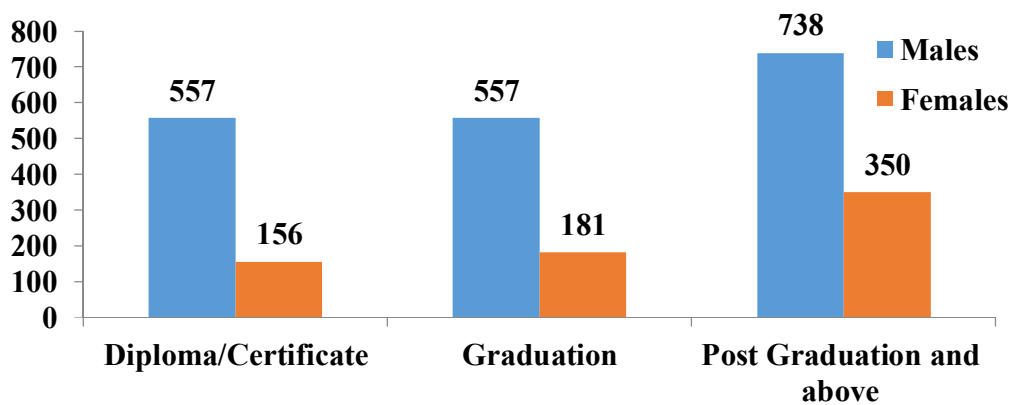
Figure-5: Distribution of Female Entrepreneurs in Uttarakhand



Source: PHD Research Bureau, compiled from Fourth All India Census of Micro, Small & Medium Enterprises: Registered Sector

The chart above shows that the proportion of entrepreneurial profile of women in Uttarakhand is very marginal. A very small proportion of women are involved in entrepreneurship in Uttarakhand.

Figure-6: Distribution of Males and Females (in thousands) aged above 15 years with educational classification in Uttarakhand



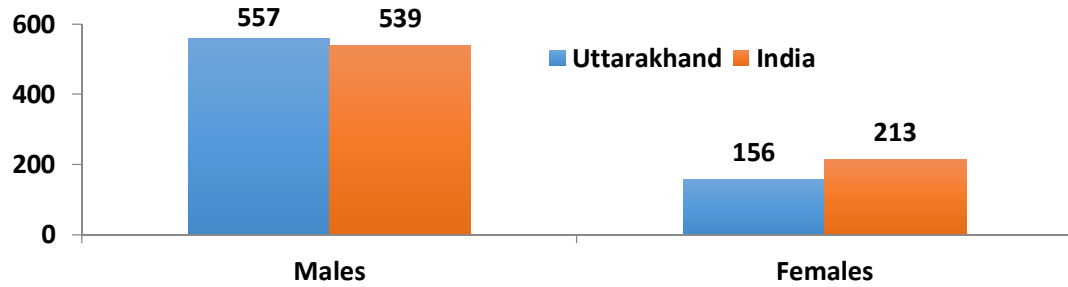
Source: Ministry of labor and Employment, Government of India; Education, Skill Development and Labor Report, 2013-14

The number of females in all the three categories is very less in comparison to males in Uttarakhand. The number of female diploma holders is very less ,only 156 thousand females which is approximately one-third of that of males. Though the number of female post graduates in Uttarakhand is more than female graduates



and diploma holders but still they are almost 50% of that of male post graduates.

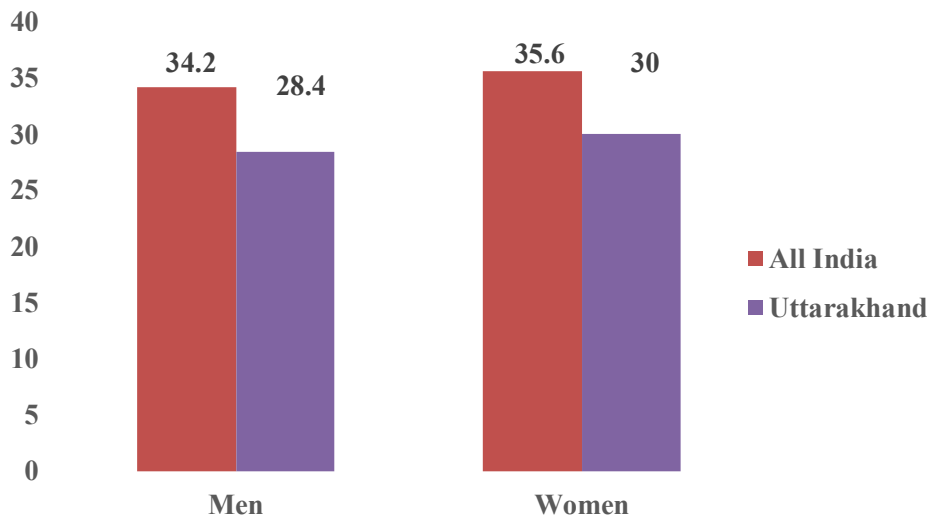
Figure-7: Gender wise distribution aged above 15 years, comparison between Uttarakhand and India by technical educational classification



Source: Ministry of labor and employment government of India; Education, skill development and labor Report, 2013-14

The above graph depicts that though women are lesser in comparison to males in Uttarakhand, when compared with India (average), number of females having a diploma, in India, is higher than that in Uttarakhand whereas the situation is different for men.

Figure-8: Nutritional status of women and Body Mass Index, 2006: Mass Index below normal

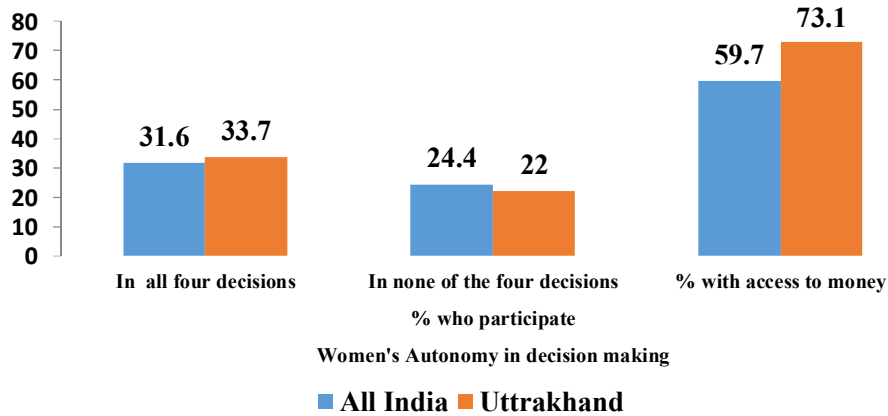


Source: Statistics on Women in India, 2010.

The graph above shows that there is a lesser percentage of both men and women in Uttarakhand whose BMI is below the normal level which is around 25 (approx). So the health pattern as per the BMI keeps Uttarakhand in a better position than that

of the overall country. But there is a greater percentage of women (30%) than men (28.4%) in Uttarakahnd whose BMI is less than the normal.

Figure-9: Percentage participation of women in decision making

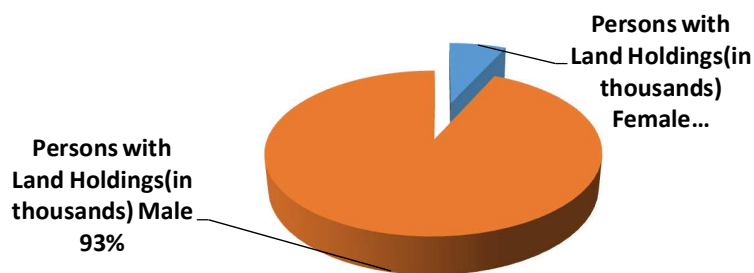


Source: Statistics on Women in India, 2010

The graph shows females have a very less participation in all the decisions in Uttarakahnd as well as in India. In Uttarakahnd only 33.7% females participate in all the four decisions. When we see the percentagee of women with access to money, in Uttarakhand, 73.1 % women have access to money whereas in India it is 59.7%..

Land holding is an important factor that indicates the economic position of women because a woman holding a land in her name can use it as and whenever required. A piece of land is an asset. The graphs below showa comparison between the percentage of women holding land in Uttarakhand and in India.

Figure-10: Percentage of Women with Land Holdings in Uttarakhand, 2009



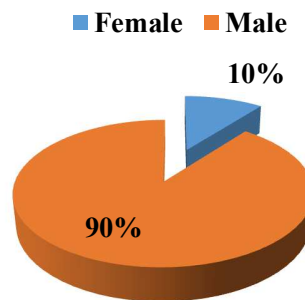
Source: India, Ministry of Women and Child Development. (2009). Gendering Human Development Indices: Recasting the Gender

In Uttarakhand, only 7% women own land. The results for land holding by women are low in the state. This shows a weak position of women in terms of economic stability.



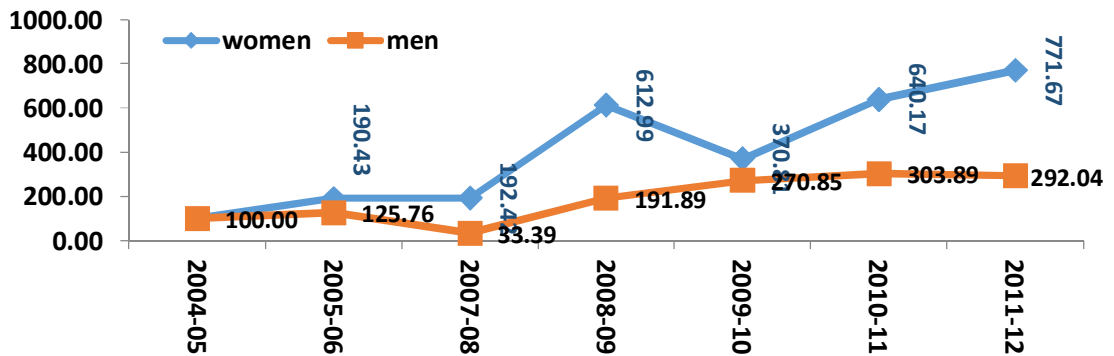
We see in Figure-11 that only 10 % of women in Uttarakhand own bank accounts whereas men own 90%. This shows a huge gap which definitely leads to a gender wage gap. The graph below shows the trends in the flow of credit to both men and women.

Figure-11: Women holding Bank Accounts in all Scheduled Commercial Banks in Uttarakhand, 2006



Source: India, Ministry of Women and Child Development. (2009). Gendering Human Development Indices: Recasting the Gender Development Index and Gender Empowerment Measure for India 2009

Figure-12: Credit flow to males and females



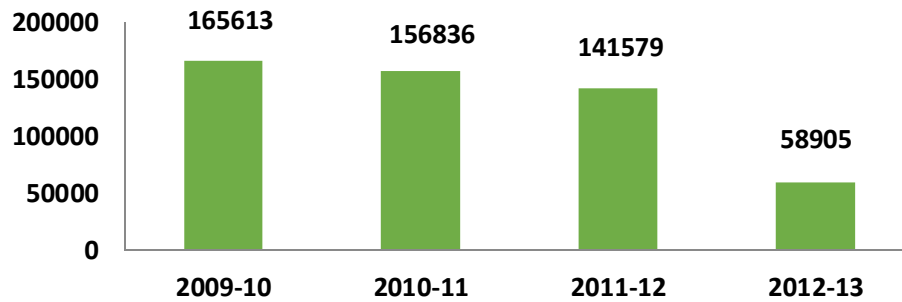
Source: SLBC report

The reports show that the flow of credit to women has increased over the years. Though the demand of credit does not explain any relationship with the use of that credit for activities by women yet this indicator help us to analyse the financial status of women in comparison with men. Also we see that the trend of increase in demand for credit by women is larger than that for men.

Critical Evaluation of Government Schemes

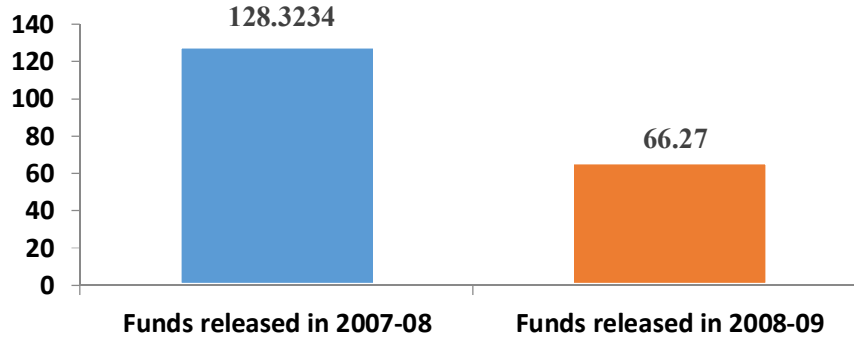
The number of swarozgaris has declined over the years. And the decline in 2012-13 has been very large. It is approximately a 58 % decline (Figure-13). Figure-14 also depicts that fund released in 2008-09 has decreased in comparison to 2007-08 which represents less government efforts for women in Uttarakhand.

Figure-13: Number of Swarozgaris under SJGS



Source: Statistics on Women in India, 2010

Figure-14: Funds released under STEP for women, 2008-09 in Uttarakhand (in lakhs)



Source: Statistics on Women in India, 2010

V. CONCLUSION

Education, specifically higher education, technical, professional and vocational plays a very significant in shaping the career of women but our study focuses on the fact that women are lacking behind in all the terms in Uttarakhand. Health Scenario represents that as women are not physically fit in Uttarakhand. That is why, they are not fit for the entrepreneurship. No doubt the demand for credit by women has increased over a period but it does not specify their purpose of availing credit facility in Uttarakhand. It was found that most of the government schemes are not playing a significant role in the development entrepreneurship among women in Uttarakhand. The following are few recommendations



- Identification of the areas which reflect a large amount of inequality with respect to women.
- A very clear record of the financial stability of women, their economic activities and the income generated by them.
- Role of government to help reduce the gap.
- A proper database (segregated) keeping in mind the problems faced by women.

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