

PRODUCTION ISSUES OF WOMEN ENTREPRENEURS IN MICRO, SMALL AND MEDIUM ENTERPRISES

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ABSTRACT

The development of women is closely associated with national development. Since women constitute half of the total population and account for the second largest group of potential entrepreneurs in India, they also have to play a very important role in the advancement of the country. The government of India has taken conscious efforts to substantially enhance the spirit of entrepreneurship among women from Fifth Five Year Plan (1974-78) onwards. Since then, several developmental programmes have been implemented in this direction. Still, it is a major problem for the government and promotional agencies to identify potential women entrepreneurs, their current status and problems and to decide, implement and derive optimum benefit of promotional measures to achieve a sustained and speedy growth of women entrepreneurship. In this context an attempt was made to analyse the production problems faced by women entrepreneurs in Micro, Small and Medium enterprises. Data was collected from 600 women entrepreneurs in Kanniyakumari district using interview schedule through stratified random sampling method and the study revealed that high cost of raw material and lack of skilled labourers are the major production problems faced by them. Valuable suggestions were given to overcome these problems.

Key Words: Entrepreneur, Micro Small Medium Enterprises

INTRODUCTION

Women play a pivotal role in the economic advancement of a country. Womenfolk are motivated to pursue their opportunities in entrepreneurship in order to satisfy many aspects such as being independent, gaining recognition and appreciation, attaining professional achievement, finding means to improve the wellbeing of their families and improving their ability to finance the education of their children. Acquiring business knowledge and skills, gaining access to new markets and more financial options and getting information about the support services are also other motivational factors for women to enter into entrepreneurship. Many Micro, Small and Medium sectors are making provision for women entrepreneurial aspirants to enter into entrepreneurship and be successful in their ventures.

WOMEN ENTREPRENEURSHIP

Woman has been the economic partner of man in several fields, but when it comes to entrepreneurship, man seems, outwardly, at any rate, to dominate the entrepreneurial world. Entrepreneurship is not simply a masculine job. She is equally endowed with the psychological qualities and managerial abilities that matter in successful entrepreneurship. Sometimes, the environment and opportunities are the same both for man and woman. But interestingly, the entrepreneurial activity in the traditional developing societies has been restricted to man. Time has come when one starts thinking, exploring and working towards the woman entrepreneurship. Women entering the field of entrepreneurship is not altogether new and depending upon the family occupations, the services rendered by the family traditionally, women have been there as part contributors to the income of the family.



MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

Micro, Small and Medium Enterprises are the driving forces behind a large number of innovations and contribute to the growth of national economies through employment creation, investment and exports. Their contribution to poverty reduction and a wider distribution of wealth in developing economies cannot be under-rated.

Worldwide, the MSMEs have been accepted as the engines of economic growth for promoting equitable development and have emerged as the single most important sector generating employment, next only to the agricultural sector. They encompass a heterogeneous group of activities in the manufacturing, services and trade and agribusiness sectors. The major advantage of this sector is its employment potential at low capital cost. The labour intensity of the MSME sector is much higher than that of the large enterprises. In India too, the MSMEs play a pivotal role in the economy of the country. In recent years, this sector has consistently registered higher growth rates compared to the overall Industrial Sector. With its agility and dynamism, the sector has shown an admirable innovativeness and adaptability to survive the recent economic downturn and recession.

NEED OF THE STUDY

In the last ten years, the women of India have taken the bold step of invading the hitherto forbidden land of entrepreneurship, the enduring bastion of male dominance. They are ready to prove to the world that their role in society is no more limited to that of buyers but can extend to that of successful sellers. The process of learning by doing and earning would certainly empower women and more and more women are involving themselves in self-employment. Self-employment is also conducive to the development of individual initiative and entrepreneurial talent and offers greater personal freedom.

STATEMENT OF THE PROBLEM

With the relevant education, work experience, improved economic condition and financial opportunities, more women are venturing into business. The trend towards entrepreneurial ventures is increasing day by day. But how far the womenfolk perceive this trend and seek the opportunity to become entrepreneurs needs to be evaluated since Micro, Small and Medium Enterprises have come to play a significant role in the national economy.

REVIEW OF LITERATURE

Thiruvaranganathan (1998) in his study entitled 'Industrial Backwardness in Kanniyakumari District', has identified the reasons for the industrial backwardness of the district. His major findings are production and marketing problems of small-scale industries in the district.

Markkandeyan, N. and Ponnaiah, M. (2011) have suggested that if Government established cold storage facilities, processing centre and provides technical know-how for processing, there will be a chance for the establishment of more and more small-scale industries in Dindugal District.

Dil Bagh Kaur (2003) has concluded that besides providing technical and financial assistance, it is essential to educate rural women and extend entrepreneurial management and marketing skills so as to enhance their confidence and competence so that they would become self reliant.

OBJECTIVES OF THE STUDY

The overall objective of the study is to examine the major production problems faced by women entrepreneurs in Micro, Small and Medium Enterprises.



RESEARCH METHODOLOGY

a) Collection of Data

The research is based on primary and secondary data. It is exploratory and descriptive in nature. This study has been conducted at 600 sample units of women-owned enterprises located in Kanniyakumari district at Micro, Small and Medium levels.

b) Sampling Framework

A Stratified Random Sampling technique has been adopted for selecting the samples. The sample enterprises have been randomly selected by lottery method from each taluk. 150 sample units have been taken from each taluk.

c) Tools of Analysis

Likert's 5 point scaling technique was used to analyse the data.

PRODUCTION ISSUES OF WOMEN ENTREPRENEURS IN MICRO, SMALL AND MEDIUM ENTERPRISES

High cost of production undermines the efficiency and stands in the way of development and expansion for the women's enterprises. Among the several other factors, 'inefficient management' stands as the major stumbling block before many of them. Women entrepreneurs face technology obsolescence due to non-adoption or slow adoption to changing technology, which is a major factor in the high cost of production. Neither the scarcity of raw materials, nor the availability of proper and adequate raw materials sounds the death-knell for the enterprises run by these women entrepreneurs. Women entrepreneurs really face a tough task in getting the required raw material and other necessary inputs for production when the prices are very high. Major production issues of the women entrepreneurs in Micro, Small and Medium Enterprises are exhibited in Table: 1.

TABLE: 1. PRODUCTION ISSUES OF WOMEN ENTREPRENEURS IN MICRO, SMALL AND MEDIUM ENTERPRISES

Sl. No.	Production Issues	Manufacturing		Service		Overall	
		Mean Score	Rank	Mean Score	Rank	Mean Score	Rank
1.	Non-availability of raw materials locally	3.6632	V	3.0766	VI	3.3483	VI
2.	Cost of raw materials are very high and prices fluctuating	4.3105	I	4.1877	I	4.1917	I
3.	Lack of required skilled labour	4.1526	II	3.7969	II	4.0150	II
4.	High labour turnover at minimum stability	4.0632	IV	3.7241	III	3.8733	III
5.	Government quota of supplying much	3.3053	VI	3.2912	V	3.3567	V



	below the required quantity						
6.	Lack of sincerity in the part of labour	4.0789	III	3.5594	IV	3.8450	IV
7.	Lack of adequate transport, high cost of transport	2.7579	VIII	2.8927	VII	3.0517	VII
8.	Advance payment of raw material	2.5947	VII	2.4061	VIII	2.7017	VIII

The main production issues in the manufacturing and service sector are the ‘cost of raw materials which are very high and prices fluctuating’, since their mean score are 4.3105 and 4.1877 respectively. The next main variable is ‘lack of required skilled labour’, with the mean scores of 4.1526, and 3.7969 respectively. Overall mean score is high for variables ‘cost of raw materials are very high and prices fluctuating’ (4.1917). ‘Lack of required skilled labour’ is ranked second with a mean score of 4.0150, followed by ‘high labour turnover at minimum stability’ with a mean score of 3.873.

SUGGESTIONS

Developing Leadership Skill

Skilled labour is becoming a scarce necessity and thus women entrepreneurs should develop their leadership skills to manage existing workforce and they should extend co-operations with other entrepreneurs while employing people working in the same industry. Short term leadership training should be given to women entrepreneurs to improve their leadership skill.

Mandatory for Government Institutions to Purchase their Requirements from Micro, Small and Medium Enterprises

The study has led to infer that most of the Micro, Small and Medium Enterprises are involved in production based on job orders. To ensure continuous production, the government can make it mandatory for the government institutions to purchase all their requirements (100 per cent) from MSMEs. This will ensure continuous production for Micro, Small and Medium Enterprises particularly run by women entrepreneurs and enable them to widen their industry and achieve higher profits in future.

CONCLUSION

To be a successful entrepreneur is the dream of many budding entrepreneurs, but the way to success has many trials and tribulations. Every entrepreneur has to take a high level of personal professional and financial risk to pursue opportunity and entrepreneurship has no gender bias in this regard. Hence creative thoughts and actions are a definite requisite for every entrepreneur and the will to make the impossible “possible”, along with the shrewdness to capitalize on the market opportunity. When women identify the right markets or willing to create a new market and venture out with a quality product or service coupled with the right mix of resources, it is bound to make a positive impact.

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