

ENTREPRENEURSHIP IN KERALA-A PERFERNTIAL STUDY ON KERALA WOMEN**Dr.HaseenaV.A***Assistant Professor,Post Graduate Department of Economics,M.E.S Asmabi College,P.Vemballur.***Abstract**

Kerala is a traditional economy that is stuck in low-productivity vicious circle. Moreover, presence of weak economic, political and legal institutions prohibits the growth of entrepreneurs. So, entrepreneurship is restricted to trade, transport and tourism, all of which are low knowledge-intensive sectors. The labour scenario in Kerala is also very challenging for entrepreneurs because trade unions are still active here. It is envisioned that Kerala will be a knowledge economy by 2030. The government needs to address structural bottlenecks which will promote entrepreneurship. And, in order to target, design and implement entrepreneurial initiatives to achieve optimum effect, government should focus on building an “Entrepreneurial Ecosystem Women Entrepreneurship has been considered the backbone of economic development. It has been well established that the level of economic growth of a region to a large extent, depends on the level of entrepreneurial activities in the region. The myth that entrepreneurs are born, no more holds good, rather it is well recognized now that the entrepreneurs can be created and nurtured through appropriate interventions in the form of entrepreneurship development programmes Even after 74 years of independence women in India are struggling for entrepreneurial freedom. That is why women as entrepreneurial resource have not been widely recognized in India. There has been increasing turned in number of women owned enterprises in India, but despite government efforts, substantial growth could not be achieved. Majority of entrepreneurs were experiencing stress as being mothers as they were performing dual responsibilities (mother, housewife and as an entrepreneurs). Constraints faced by entrepreneurs were lack of knowledge about agencies/ institutions working for entrepreneurship development, frequent and more need of finance, non-availability of skilled labour, diligent selection of raw material, and competition from established units in same line. The findings of the study are based on expressed opinions of the entrepreneurs.

Key Words: *Role Theory, Stress, Constraints, Entrepreneurial Constraints.*

Introduction

Entrepreneurs play a crucial role in propelling the knowledge economy by driving innovations, nurturing new skills and capabilities, opening up new markets and spurring growth in new industries. As described in the previous chapter, they are instrumental in commercializing new ideas and raising productivity and employment in all the sectors. Creation of new firms can create benefits for the society as a whole by creating employment opportunities and generating incomes in the hands of the public. So, it is a perfect complement to community-based development. A development scenario is primarily understood as one that is investing more on hard infrastructure-buildings, bridges, roads, transportation networks; hiring labour and employing more capital. But entrepreneurship can work with minimal resources and infrastructure. Entrepreneurship development can be a low-cost, high-impact approach to economic development. Promoting private sector development and entrepreneurship in particular, has thus become a defining feature of development policy in recent years. In a recent UNU-WIDER book titled “Entrepreneurship and Economic Development”, William Lazonick¹ compares development in industrial Great Britain and post-war Japan with the technology boom in Silicon Valley. In each of these cases, he argues, the creation and growth of indigenous enterprises was the necessary ingredient for lasting development. He suggests that while investment in education and foreign direct investment may make important contributions to growth, these are insufficient without entrepreneurial activity within the domestic economy.

Kerala is essentially a wage economy. The youth aspire for government jobs due to the social status attached to it. Unless this is resolved in their education system, these tendencies will continue. Due to the low level of legitimacy, young people, with entrepreneurial talents opt for other career opportunities or migrate to distant places in search of greener pastures. This situation needs to be changed for the economy to make transition from traditional to knowledge economy.

In this dynamic world, women entrepreneurs are a significant part of the global expedition for sustained economic development and social progress. Due to the growing industrialization, urbanization, social legislation and along with the spread of higher education and awareness, the emergence of women owned businesses are highly increasing in the economies of almost all countries. Indian women had undergone a long way and are becoming increasingly visible and successful in all spheres and have shifted from kitchen to higher level of professional activities. Due to dichotomy in the society's view between men and women, women have been confined to the four walls of the house from past decades. Women's achievements are viewed almost exclusively in term of supportive or dependent role such as a home-maker and mother. At present, the scenario has entirely changed. They have proved that they are not less to their counter-part in any sphere of life. Along with this achievement, they have to perform multiple roles and face various constraints. As a result, they have become stressed. Role theory defines in terms of behavioral expectations in relation to others. So the women are subject to a greater stress as the demands of home and entrepreneurial activity at times causes conflict. As women, they have to strike hard to fulfill their roles as wife, daughter-in-law, mother and so on. At the same time, they have to project different images as chief executive of their enterprise. With these considerations this study was carried out to explore role stress and constraints faced by women entrepreneurs.

Almost all the entrepreneurs faced stress and constraints at different levels while managing their enterprise. Stress and constraints have been studied separately. The emotional bond between the mother and children is more in comparison to the bond with their father. This is because from the beginning children have been with the mother for longer hours and so feel secure in her company. They have learnt social and cultural values through her. Now when the children do not get what they require and the mother is unable to give them what she used to this brings forth stressful conditions. Stress as a mother gets multiplied when children's demands increase such as demand for various types of food; help in school work daily as well as during examinations; parents' presence in parents meetings and school/college function etc. because of the above demands and other related demands placed on her shoulders. They expressed that they become stressed and they feel helpless themselves and another interesting note is that another lady cannot play a role of mother to a child instead of real mother. These are the moments of stress for entrepreneurs.

Majority of the entrepreneurs experienced physical stress to balance all type of roles in one time. This is felt more when the enterprise and the home are at one place. Equally at the time of festivals, celebration at home is also affected. Family's demands to celebrate festivals in the same way as they have been celebrating in previous years when they were not an entrepreneur create stressful conditions. At the Festival time, demands of customers also increase. As an entrepreneur running a boutique, everybody's demands for new clothes increases. It is same in case of beauty parlors when each customer wants to look good and attractive. Entrepreneurs have to go outside for taking orders. Due to it they are not able to devote full time for household activities and to the needs of the family members. So the attitude of family members towards there is non-supportive. In absence of outside help i.e. part-time and full-time servants, brings extra pressure on them. Similar findings have been reported in few earlier studies.

Constraints for Entrepreneurship

Economic, political and legal institutions -Evidence suggests that entrepreneurship is negatively influenced by economic policies such as over-regulation, licensing procedures, burdensome bureaucracy in business registration and complicated licensing and permit requirements. Unfavorable business conditions, such as high costs of doing business, weak enforcement of property rights, poor capital markets, lack of access to credit and under-developed markets also impede entrepreneurship.

Further, it has been found that characteristics of the political system, such as instability or corruption, public action politics and delays in approvals may play an important role in impeding successful business endeavours. In a survey conducted by the Institute for Enterprise Culture and Entrepreneurship Development, Jaipur (2006), some entrepreneurs opined that sanctions which take just two or three weeks in other states take many months in Kerala.

The entrepreneurs in Kerala don't feel that the single-window and green-channel schemes introduced by the Directorate of Industries of the government of Kerala have made any significant difference. Further, in other states, the number of offices that an entrepreneur has to visit for sanctions is much fewer than that in Kerala.

The labour scenario in Kerala is challenging for entrepreneurs because trade unions are still active there. Hartals and bandhs may not be violent but they have a financial and psychological impact on the entrepreneurs. If labour problems occur in the take-off stage of an enterprise, it harms the enterprise the most. Hartals, anywhere in the state affect the movement of finished products and raw materials throughout the state. Psychologically, 'flash hartals' declared at short notice affect the morale of the entrepreneurs.

Kerala, according to the CII-World Bank study of 2002, is ranked 5th among major states in infrastructure penetration, but the quality and serviceability of its infrastructure leaves much to be desired. Though the entrepreneurs are generally positive about the road network of Kerala, most of them complained about the availability and quality of power during the survey. Kerala faces frequent electricity failures and gets power without the requisite voltage. This causes wastage of considerable raw materials and increased wear and tear of machinery, thereby adding to the overall cost of production.

Poor Quality of Higher Education-Entrepreneurship, as it is defined here, is directly related to technical education. However, the quality of education, in particular, in higher education, is rather low in the state. It encourages passive learning. Students studying in educational institutions are motivated to learn only so as to get the grades and degrees required for jobs. There is therefore, a direct relationship between good quality education and entrepreneurship.

Organizational Structure: Social welfare and livelihood approach underline the organization of most economic activities in the state. The share of the public sector is rather large. The public sector can also follow economic principles, but in Kerala this is not so. The underlying principle is employment security. This is offered even at the cost of losing out on technological advancements. In such a scenario, there is no motivation for entrepreneurship.

Cultural Factors: It is believed that entrepreneurial behavior is strongly guided by the culture of the people. There are social and cultural factors that discourage people from starting a business. In Kerala's society, high social status is attached to jobs. Most Keralites aspire for high-status government jobs. There is entrepreneurship, but it is necessity-driven and not opportunity-driven. This could also be due to the fact that the economy is stuck in low-productivity vicious circles. Policymakers need to find ways to adjust policy and programmes which will change attitudes about taking risks and entrepreneurship.

Table 1, Type of Problems of the Women Entrepreneurs

Types of problem	Rank
Financial problems	1
Production problems	3
Labour problems	4
Marketing problems	2
Personal problems	5
Training problems	6

Nature of Financial Problems

The study reveals that 36 per cent of the respondents in Kerala are facing different financial problems. In order to identify the nature of financial problems, the respondents who face such problems were asked to report their nature. Their responses as to the nature are given in Table 2.

Table 2 ,Nature of Financial Problems of the Women Entrepreneurs

Nature of financial problems	Rank
Problem of liquidity	1
Lack of fixed capital	5
Non availability of credit	3
High cost of capital Fear of taking more loan	4
Inadequate credit	2

Table two reveals that the basic financial problems of the women entrepreneurs Most of them have the problem of liquidity, the second problem, as perceived by the respondents are inadequate credit

The Entrepreneurial Ecosystem

The entrepreneurial ecosystem encompasses all the elements that entrepreneurs need to thrive on. This ecosystem has six elements.

1. Personal enablers,
2. Financial enablers,
3. Business enablers,
4. Professional enablers.
5. Economic enablers (economic policies and performance) and
6. Social entrepreneurs.

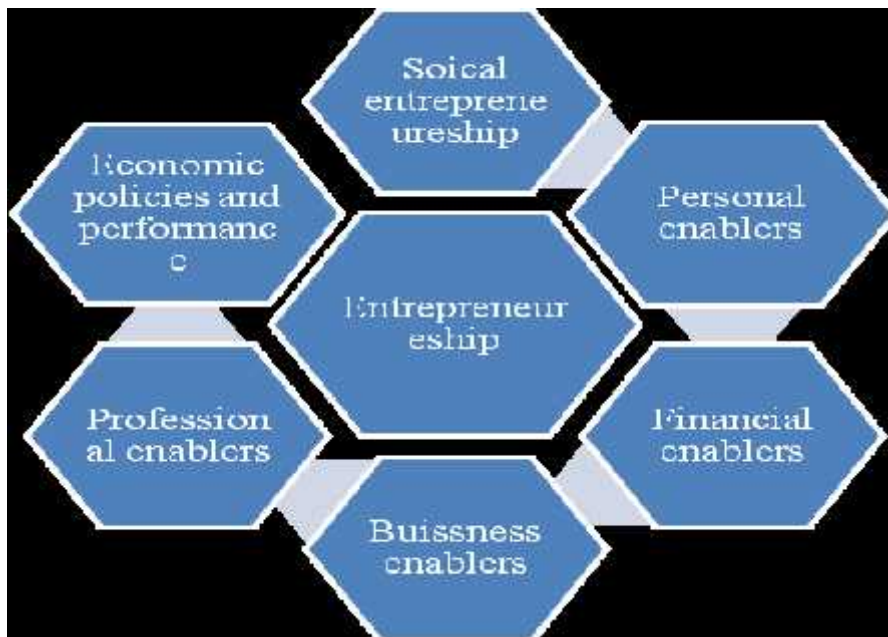


Table 3, Reasons for the Women Entrepreneurs not Getting Adequate Credit from the Financial Institutions.

Reason for inadequate credit	Rank
Lack of collateral security	1
Poor loan proposal	6
Gender Discrimination	2
Poor financial position	3
High margin money	7
Rigid bank staff	5
Lack of personal guarantee	8
Strict terms and conditions	4

An institution cannot survive, if its financial problems are not being properly addressed. Women entrepreneurs are also taking different steps to solve their financial problem. Table 4 shows the steps taken to solve financial problems of the women entrepreneurs.

Table 4, Steps taken to Solve financial Problems by the Women Entrepreneurs

Steps taken	Number	Percentage
Borrowing from money lenders	4	5
Sale of property/valuables	16	21
Pledging of jewellery	20	27
Borrowing from friends/relatives	10	13
Utilising personal savings	50	67
Total	75	100

The study reveals that most of the women entrepreneurs are facing production problems. The respondents in the manufacturing sector are facing a lot of production problems in running their units. They have been asked to rank the problems normally encountered during production.

Table 5, Nature of Production Problems of the Women Entrepreneurs

Nature of production problems	Rank
High cost of production	1
Problem of raw materials	2
Lack of skilled production staff	4
Frequent power failure	8
Opposition due to pollution	3
Lack of technical know-how	5
Difficulty in disposing of wastage	6
Bribe to get licenses development facilities	10

Table 5 reveals that high production cost is the main production problem faced by the women entrepreneurs. It is also observed that high cost of inputs is the main reason for high cost of production, which reduces the margin of some of the women entrepreneurs considerably. The next important problem, as perceived by the respondents of Kerala, is of raw materials. The non-availability and seasonal nature of raw materials create problems to women entrepreneurs in Kerala. Frequent power failure is also cited as the reason for loss of production time, loss of revenue, increased expenditure, abnormal idle time, etc.

Nature of Marketing Problems

Women are generally weak at marketing their products and finding customers. Producers are dependent on middlemen for marketing their produce outside their local area. This reduces the community's earnings even though their products are of very good quality. The rich have financial capital for promoting their enterprise; the poor need to promote social solidarity and social capital. Women are seldom allowed to go out of the house to sell their products to the public. So the skilled women workers are discouraged from making use of their creative and entrepreneurial skills. From the study, it is observed that 69 per cent of the women entrepreneurs in Kerala face marketing problems.

Table 6, Nature of marketing problems

Nature of Marketing Problems	Rank
Storage problem	5
Transportation problem	9
Exploitation of middlemen	7
Problem of credit sales	3
Problem of demand	1
Rivalry from competitors	2
Problem of access to market	6
Advertisement problem	10
High marketing costs	11
Lack of market information	12
Poor bargaining power	13

Table 7, Steps Taken to Solve production Problems

Step taken	Rank
Product differentiation	1
Product diversification	2
Innovative advertisement	6
New salesmanship	3
Participating in trade fairs/ exhibitions	4
Adoption of own storage facility	5
Own transportation	7

Nature of Personal Problems

It is revealed from the study that 36 per cent in Kerala face personal problems. Since women entrepreneurs have dual responsibilities, almost all the women entrepreneurs face a lot of personal problems in starting and running their units. They have been asked to rank the personal problems normally face shows that 'family responsibilities' is the basic personal problem of the women entrepreneurs in Kerala. The next important problem, as perceived by the respondents is 'limited time to take up dual role'. While the women entrepreneurs in Kerala face the problem of sexual harassment, which is ranked as third.

Table 8, Nature of Personal Problems of the Women Entrepreneurs

Nature of personal problem	Rank
Limited time to take up dual role	2
Family responsibilities	1
Opposition from the family	7
Lack of experience	4
Sexual harassment	3
Fear of taking risk	5
Health problems	8
Lack of public contacts	9
Social customs	6
Restricted mobility	10
Ego clash	11

Nature of Training Problems

It is observed that six per cent of the women entrepreneurs in Kerala face training problems. The entrepreneurs in Kerala have been asked to state the nature of training problems faced.

Table 9, Nature of Training Problems

Nature of training problems	Ranks
Lack of time to attend the training	30
Huge training cost	20
Not properly organized	12
Long distance to the training centers	13
Total	75

Conclusion

The major problem faced by the women entrepreneurs in Kerala is financial. A few women entrepreneurs in Kerala are also facing the problem of training. Further, the nature of financial problems faced, steps taken to solve financial, production and marketing problems are not similar in both the States. However, there are similarities in the basic reasons for inadequate credit from financial institutions, nature of personal problems and the steps taken to solve personal problems. Lack of collateral security is the main reason for women entrepreneurs in Kerala and they are not getting adequate credit from financial institutions. Most of the women entrepreneurs in Kerala face the problems of high production cost, high labour absenteeism and demand problem. The major steps taken to solve production and labour problems by the women entrepreneurs in Kerala are importing of cheap labour and giving incentives to workers. In Kerala, the major step taken to solve the marketing problem is the product differentiation. Relying on servants/parents is the first step taken by the women entrepreneurs in Kerala to solve the problems. The training problems faced by the women entrepreneurs in Kerala are lack of time to attend the training, huge training cost and long distance to the training centers. As a result of these entire problem apart from the personal problem a women really experience the acuteness of stress in their life. Sometime they may not be in position to handle these situations because of high stress.

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