

## **Socio-cultural aspects of women entrepreneurs in MSMEs: A study of Uttarakhand state**

### **Urvashi**

Assistant Professor,  
Faculty of Commerce & Management,  
Pt. L.M.S. Campus, Rishikesh  
Sri Dev Suman Uttarakhand University,  
Email: pandeyurvashi07@gmail.com

### **Vijay Prakash Srivastava**

Professor,  
Faculty of Commerce & Management,  
Pt. L.M.S. Campus, Rishikesh  
Sri Dev Suman Uttarakhand University,  
Email: vijay23praksh@yahoo.com

### **Abstract**

The purpose of this paper is to identify the socio-cultural and industrial characteristics of women entrepreneurs running MSMEs in Uttarakhand state. A convenience sample of 500 women entrepreneurs from MSMEs is selected. A qualitative methodology based upon structured questionnaire with women entrepreneurs is used enabling them to response their individual experiences. Findings of the study reveal that some factors of socio-cultural characteristics of women entrepreneurs in Uttarakhand need to be improved. Age groups other than 26-35 years and educational qualification or other knowledge enhancing learning practices should be applied to motivate girls & women and to initiate entrepreneurial activities. Furthermore, the study is the also attempting to analysis industrial characteristics of women entrepreneurs from an institutional perspective of MSMEs in general and Uttarakhand in particular which identifies that rural MSMEs, second & third generation women entrepreneurs, enhancement of service sector and other forms of entrepreneurship other than sole proprietorship, need to be supported so that women can enter into entrepreneurial progress.

**Keywords:** *Socio-cultural factors, MSMEs, Women Entrepreneurs, Uttarakhand*

## Introduction

Small Scale Industries have been considered as a crucial segment of economic growth that has given a wide base for industrialization in India. Due to globalization and liberalization in domestic economy during the year 1991, SSIs in India faced extreme competition in business environment and consequently less sound contribution towards the national growth in terms of no. of units, employment, output and exports. But changing patterns in national and international policy gave new directions and opportunities to small-scale industries in India (Subrahmanya, 2005). To attain inclusive growth and sustainable expansion, a well-developed policy structure is always required because in most parts of India, declining returns to scales have been witnessed over the capacity intensity of the SSIs (Lokhande, 2011). SMEs would be an immense provider towards the boom of Indian economy but if persistent by potential sectors like service and technology (Bargal et al., 2009). The MSMEs sector of India constitutes a very important segment of the Indian economy. For last some decades, the MSMEs sector has been very vivacious with the vision to provide large scale employable opportunities at lower capital investment in the process of industrialization and socio-economic development of the nation. Mainly, MSMEs start at small level. So such entrepreneurs need an institutional support system for guidance, mentoring and other kind of sustainability at various stages of business development. The policies and programme execution to offer infrastructure and other support services to MSMEs are undertaken through its attached offices and state government provide a variety of special services and incentives to motivate and strengthen the emerging businesses.

Empowerment of certain aspects involved in growth and development of the society are considered as a very crucial subject to focus on. Growth and development of women in any country is as important as survival and existence of any civilization and that point to civilization is only possible when women of that country have occupied that crucial place or stand to get empowered in various features. Social status of women has been considered inferior as being a part of a tradition ridden Indian society. Existence of women in villages or rural areas is ignored hence development of women is a much needed step to be taken for progress of a society as women are the major source for the purpose of economic development of the country if believed as a part mainstream. The concept of Women entrepreneurship has achieved momentum in last some years. With the increased number of women owned businesses, socio-economic development and employment generation has also achieved. For years women have faced many such situations where their key position and caliber have been hampered due to various reasons such as availability of lack or no support from family, orthodox norms of the society, motivational constraints, and many other restrictions. Due to discrimination in education and labour market between women and men and some other disadvantageous factors, women in developing nations do not avail same experience of entrepreneurship as men of such nations (Minniti & Naude, 2010). The main considered reasons for women entering into the field of entrepreneurship is the desire for recognition, individuality, financial liberty and sovereignty in decision making (Agarwal & Lenka, 2016). Empowerment of women is only possible when their full participation could take place on the

grounds of social spheres of parity for accomplishment of development and their existence. Development of entrepreneurship among rural women will be a strengthening factor for promoting regional development and rural economy.

### **Review of literature**

The MSMEs sector gives opportunity to nurture traditional skills and knowledge based collage or small industries, which specially inherit skills from generation to generation (Lahiri, 2012). Profit-earning motive, trade experience and discontent with the previous job are the main influencing factors which motivate women to start an entrepreneurial activity (Adom & Anambane, 2020). Dependency and credit needs arise at different levels of business accordingly the size and structure of the enterprises (Padma & Thorat, 2016). MSME's unskilled manpower hinders the investment by the private sector which results in backwardness of this sector (Goel, 2015). A large number of MSMEs are set up as informal sector so they lack exposure and support to enhance the basic infrastructural availability such as market network, road, communication and export etc. (Patnaik et al., 2016). In the developed as well as in developing countries, entrepreneurship is considered as a key driver of economy (Ramadani et al., 2015). Indian women entrepreneurs are classified as the one who are established in big cities, having or not having sound monetary position, possessing higher educational qualifications, producing non-traditional items, carry out women services like beauty parlors, crèche health clinics etc., involved in businesses such as dairy, agriculture, animal husbandry, fisheries, handloom and power loom etc. (Amrita et al., 2018). Due to discrimination in education and labour market between women and men and some other disadvantageous factors, women in developing nations do not avail same experience of entrepreneurship as men of such nations (Minniti & Naude, 2010). Significant growth of women entrepreneurship has been in the crucial peak during the 21<sup>st</sup> century and the recognition goes to the encouraging policies of the government and changing frame of minds of the community about the competencies of women (Nandi & Sharma, 2018). Today's women are emerging as corporate leaders in various areas such as service, engineering and energy leaving behind their traditional kitchen concerning image (Charulakshami &

Thaiyalnayaki, 2019). The contributory factor behind the growth of MSMEs, increase in sustainable economic growth and increase in national GDP is conception of women entrepreneurship which shows close association between expansion of MSMEs and women entrepreneurship (Anggadwita et al., 2017). Women entrepreneurship presents significant relationship with economic growth and poverty reduction (Sharma, 2017). In India, in the direction to fulfill the needs of budding entrepreneurs, certain MSMEs development organizations, nationalized banks, NGOs and state small industries development corporations are conducting entrepreneurship development programmes (Devi, 2015). As compare to men entrepreneurs, women entrepreneurs are at insignificant rate but availability of resources such as finance and other opportunities for women in MSMEs have made their participation at upward rate in Nigeria (Halkias, 2011). Social perception towards gender of an individual and relationship between motivations they have differs among men and women entrepreneurship

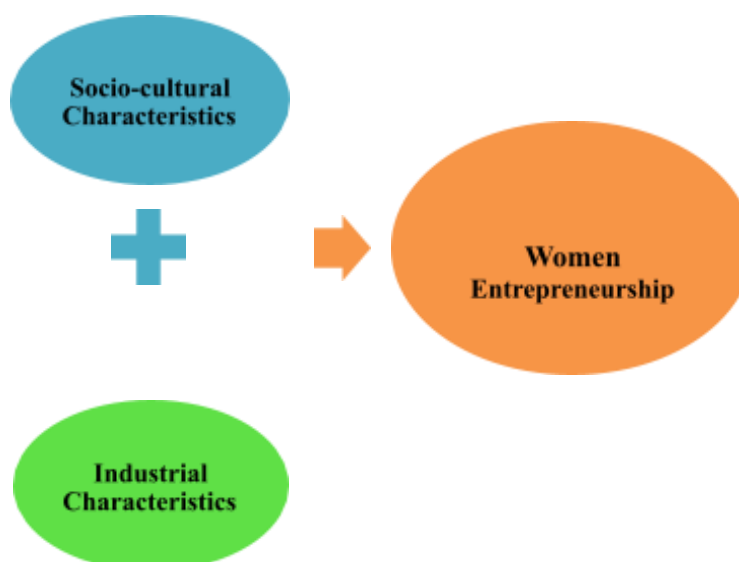
(Sarmah et al. 2022). More than 50% of women entrepreneurs in Hyderabad are conducting sole proprietorship and selling their products within the state (Babu, 2021). Issues of credit accessibility and capital, demand for collateral and increased interest rate are major influencing factors making unable to access finance (Boateng & Poku, 2019). Marital status is another apparent characteristic of gender communal justice as a woman's success highly depends on their marital status. Both, married or unmarried women have different treatment in business so gender related communal justice issues arise (Tillmar, 2016). There is a need of women entrepreneurship to create business environment that encourages initiatives and enhance their institutional skills and capacity to foster entrepreneurial dynamism and productivity (Khan, 2015). Failure of business occurred due to adverse social models and characteristic hurdles can be reduced through proactive discussion (Guerrero & Benavides, 2021). In an innovative industry, Performance of women entrepreneurship is directly influenced by socio-cultural aspects, business environment, networking, motivational factors and training & development programmes (Salim & Setiyaningrum, 2022).

On the basis of above literatures following questions arise:

*RQ1. What are the main socio-cultural characteristics of women entrepreneurs in Uttarakhand? RQ2. What are industrial characteristics of women entrepreneurs in Uttarakhand?*

### Conceptual Framework

*Figure 1: Conceptual Framework of the study*



*Source: Prepared by the researcher*

## Research Methodology

The present study attempts to identify socio-cultural characteristics of women entrepreneurs in Uttarakhand (India). This study is descriptive in nature that establishes the effects of implementation of women entrepreneurship in MSMEs in the state. Descriptive research involves collecting data to test hypothesis or to answer questions aroused related to present status of the study (Gay et al., 1985). Convenience sampling method was used to draw sample size of

500 women entrepreneurs. This study applies primary data, collected with the help of a structured questionnaire. After considering above literature, socio-cultural factors of women entrepreneurs measured in terms of age, marital status, education level, religion, family type, family's main source of income, family's annual income and previous livelihood employed by women entrepreneurs before commencing entrepreneurship (if any) and profile of the enterprise (industrial characteristics) consisted of location of enterprise, year of establishment, form of business, generation of entrepreneurship, classification of industry, scale of enterprise, annual business income, total no. of workers employed, no. of women workers in the enterprise and source of investment. All questions were identified as fixed alternative & totally exhaustive in

the questionnaire. Data was analysed using descriptive statistics such as frequency & percentage and through graphical representation as well.

## Findings

### **Socio-cultural characteristics of women entrepreneurs in Uttarakhand**

Socio-cultural characteristics consist of some dimensions of social environment where individuals take on entrepreneurial doings and work for its growth and accordingly, include social significance among other aspect (Cepel, 2019). Following table 1 depicts socio-cultural profile of women entrepreneurs in Uttarakhand. The descriptions of the profiles are discussed in later section.

**Table 1 Socio-cultural profile of women entrepreneurs**

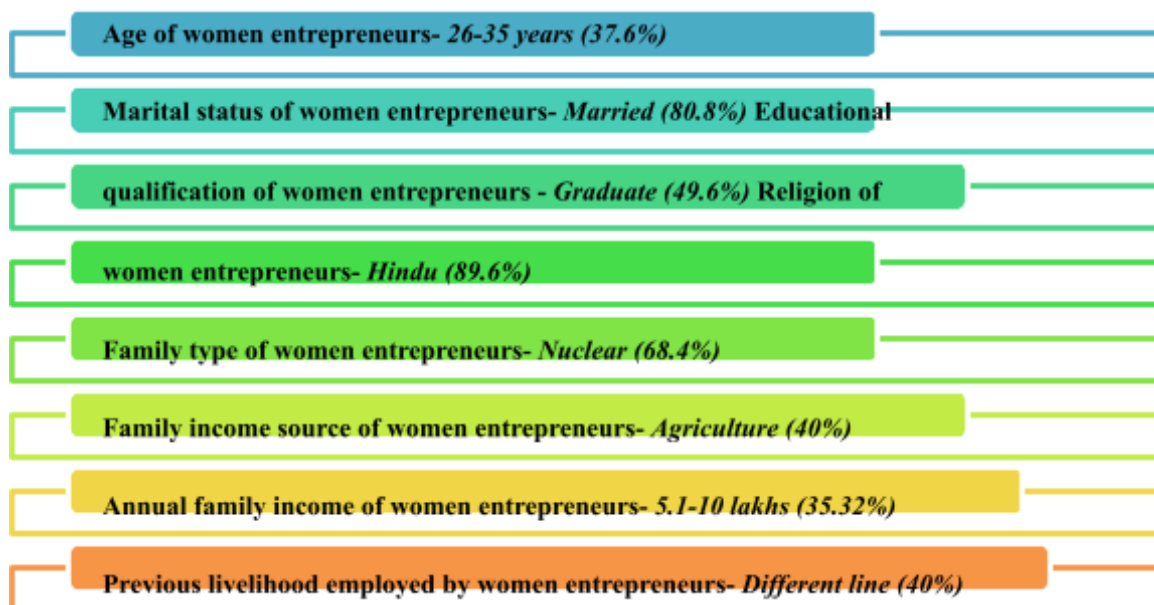
No.	Profile	Categories	Frequencies	Percentages (%)
1.	Age	18-25 years	14	2.8
		26-35 years	188	37.6
		36-45 years	162	32.4
		Above 45 years	136	27.2
2.	Marital status	Married	404	80.8
		Single	92	18.4
		Others	04	0.8
3.	Educational Qualification	Illiterate	6	1.2
		H. Secondary	24	4.8
		S. Secondary	166	33.2
		Graduate	248	49.6
		Post Grad.	46	9.2
		Other	10	0.2
4.	Religion	Hindu	448	89.6
		Muslim	32	6.4
		Christian	8	1.6
		Sikh	12	2.4
5.	Family Type	Joint	158	31.6

	Nuclear	342	68.4
6. Family Income	Business	8	1.6
Source	Govt. employed	68	13.6
	Private employed	166	33.2
	Unemployed	58	11.6
	Agriculture	200	40
7. Family income	0-5 lakh	60	12
	5.1-10 lakh	176	35.2
	10.1-15 lakh	92	18.4
	15.1-20 lakh	74	14.8
	Above 20 lakh	98	19.6
8. Previous livelihood	Same line	98	19.6
	Different line	200	40
	No activities	142	28.4
	Other	60	12

*Source: Researcher's compilation*

Table 1 presents socio-cultural factors of MSME women entrepreneurs in Uttarakhand. Most of the women entrepreneurs were of ages between 26-35 years, most of the women entrepreneurs were married, most of the women entrepreneurs were graduate, religion of most of the women entrepreneurs was Hindu, most of the women entrepreneurs were having nuclear family, agriculture was found main source of their family income, family's annual income of most of women entrepreneurs was between Rs.5.1-10 lakh and their previous livelihoods employed activity was of different line.

**Figure 2: Findings of socio-cultural characteristics of women entrepreneurs**



Source: Researcher's compilation

**Table 2: Industrial characteristics of women entrepreneurs in Uttarakhand**

No.	Profile	Categories	Frequencies	Percentages (%)
1.	Enterprise location	Urban	362	72.4
		Rural	138	27.6
2.	Establishment year	2017-18	126	25.2
		2018-19	174	35.8
		2019-20	101	20.2
		2020-21	79	15.8
		2021-22	20	4.0
3.	Business form	Sole proprietorship	198	39.6
		Partnership	146	29.2
		Co-operative society	78	15.6
		Self-help group	60	12.0
		Other	18	3.6

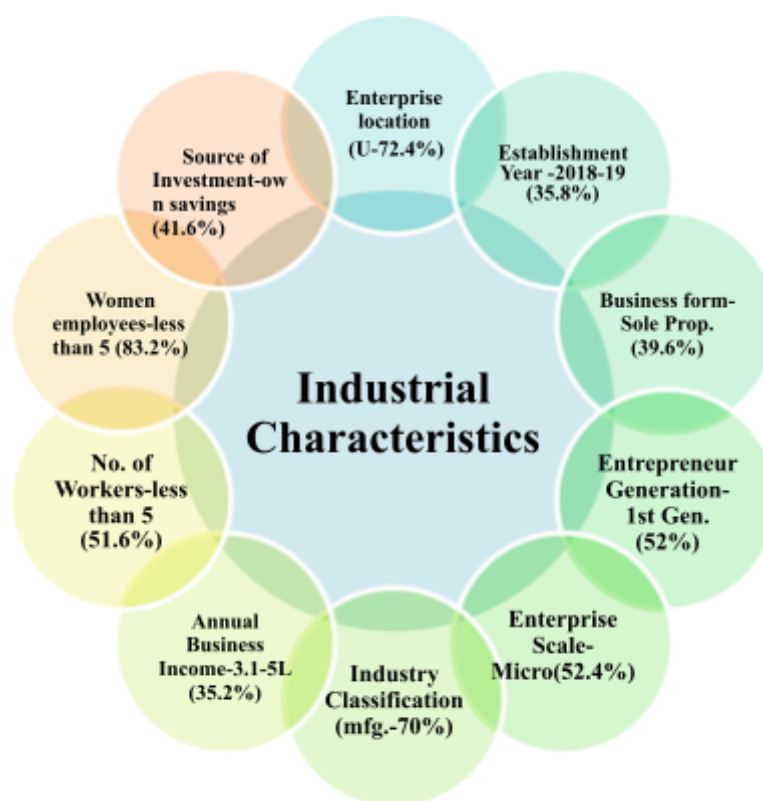


4. Generation	First generation	260	52.0
	Second generation	198	39.6
	Third generation	42	8.4
5. Industry classification	Mfg.	350	70.0
	Service	150	30.0
6. Enterprise scale	Micro	262	52.4
	Small	186	37.2
	Medium	52	10.4
7. Annual business Income	0-1 lakh	92	18.4
	1.1-3 lakh	98	19.6
	3.1-5 lakh	176	35.2
	5.1-10 lakh	74	14.8
	Above 10 lakh	60	12.0
8. No. of worker Employed	Less than 5	258	51.6
	5-10	184	36.8
	11-20	34	6.8
	21-30	16	3.2
	More than 30	8	1.6
9. No. of women Workers	Less than 5	416	83.2
	5-10	64	12.8
	11-20	20	4.0
10. Source of investment	Savings	208	41.6
	Family/friends	108	21.6
	Loan from banks	112	22.4
	Govt. support	72	14.4

Source: Researcher's compilation

As per the above table 2, major findings of industrial characteristics depict that most of the women entrepreneurs were located at urban areas of the state, most of the enterprises were established during the year 2018-19, sole proprietorship was chosen by most of women entrepreneurs in the state with 39.6%, first generation entrepreneurs were 52%, main industry type was manufacturing with 70% of the total, micro level scale of the enterprise was found mainly considered by the women entrepreneurs as it recorded more than 50% among all three levels of enterprise scale, annual business income of the women entrepreneurs was between 3.1 lakh to 5 lakh, total number of employees in the women owned enterprises were less than 5, number of women employees in such enterprises were also less than 5 mainly, main source of investment in the business was own savings of women entrepreneurs.

**Figure 2: Findings of industrial characteristics of women entrepreneurs in MSMEs**



Source: Researcher's compilation

## Conclusion & Discussion

The overall position of women enterprises has shown an improvement over the years. Women entrepreneurship, principally in the MSMEs sectors is able to secure a significant place in a developing economy like India. The importance of women entrepreneurship and its multi-dimensional role in the economy supports the fact that development of women entrepreneurship is crucial for the growth and development of an economy. There are many studies that have been conducted at national and international level presenting the framework of role and concern of MSMEs in women entrepreneurship and its development hence, this study has identified socio-cultural status and industrial profile of women owned MSMEs in Uttarakhand. Every factor is examined to understand the significant aspect of women entrepreneurship. It provides a worthy contribution to the literature by providing a detailed analysis of socio-cultural factors of women entrepreneurs in Uttarakhand. Looking at the entire study, there is a need to see more sights to attain great potential of women entrepreneurship in Uttarakhand, growing supports for establishment of women entrepreneurship, improving chances of success for them and generating more values to the society. Proportion of women entrepreneurs in the hill areas of the state is comparatively less so special attention should be given to women of hill districts. Girls under the age group of 20-25 must be socially motivated for entrepreneurship through govt. support and entrepreneurial knowledge in the course of secondary and higher education at least which is the requirement of the century. Further, steps to make out possible supports from various stakeholders as well as government, colleges & universities and other institutions to see the sights of prospective of women entrepreneurs should be taken.

## References

- Adom, K. and Anambane, G. (2020), Understanding the role of culture and gender stereotypes in women entrepreneurship through the lens of the stereotype threat theory, *Journal of Entrepreneurship in Emerging Economies*, 12(1), pp. 100-124.
- Agarwal, S. and Lenka, U. (2016), An exploratory study on the development of women entrepreneurs: Indian cases, *Journal of Research in Marketing and Entrepreneurship*, 18(2), pp. 232-247.
- Amrita, K., Garg, C. P. and Singh, S. (2018), Modelling the critical success factors of women entrepreneurship using fuzzy AHP framework. *Journal of Entrepreneurship in Emerging Economies*, 10(1), pp.81-116.
- Anggadwita, G., Luturlean, B., Ramadani, V. and Ratten, V. (2017), Socio-cultural environments and emerging economy entrepreneurship: Women entrepreneurs in Indonesia, *Journal of Entrepreneurship in Emerging Economies*, 9(1), pp. 85-96.

Babu, M.S. (2021), An Analytical study on Women Entrepreneurship in Micro, Small and Medium Enterprises in Hyderabad City, *International Journal of Research in Engineering and Science*, 9(8), pp.74-77. ISSN: 2320-9364.

Bargal, H., et.al. (2009), Performance Analysis of Small Scale Industries- A Study of Pre-Liberalization and Post- liberalization period, *International Journal of business and Management*. 1(2), pp.17-26.

Boatang, S. and Poku, K.O. (2019), Accessing finance among women-owned small businesses: Evidence from lower Manya krobo municipality, Ghana, *Journal of Global Entrepreneurship Research*, 9(5), pp.1-17.

Cepel, M. (2019), Social and cultural factors and their impact on the quality of business environment in the same segment, *Sciendo: Internattional Journal of Entrepreneurial knowledge*, 1(7), pp.65-73.

Charulakshmi, T. and Thaiyalnayaki, M. (2019), A study on problems faced by the women entrepreneur in Kancheepuran District, *International Journal of Recent Technology and Engineering*, 7, pp. 1191-1194.

Devi, P. B. (2015), Facilitating factors for women entrepreneurship in India, *International Journal for Science and Research*, 4(5), pp.153-156.

Gay, L.R., Mills, G.E. and Airasian, P. (1985), Educational Research: Competencies for Analysis and Application (10<sup>th</sup> ed.). Pearson. ISBN-13: 978-0-13-261317-0.

Goel, A. (2015), Challenges in Micro, Small and Medium Enterprises (July 4, 2015), Available at SSRN: <https://ssrn.com/abstract=2626736>. <http://dx.doi.org/10.2139/ssrn.2626736>.

Guerrero, M and Benavides, J.E. (2021), Does entrepreneurship ecosystem influence business re- entries after failure? *International Entrepreneurship and Management Journal*, 17(1), pp.211- 227.

Halkias, D., Nwajiuba, C., Harkiolakis, N. and Caracatsanis, S.M. (2011), Challenges facing women entrepreneurs in Nigeria, *Management Research Review*, 34(2), pp.221-235.

Khan, M.I. (2015), Women empowerment, entrepreneurship, and capacity development. *Journal for Studies in Management and Planning*, 1(9), pp.43-56.

Lahiri, R. (2012), Problems and prospects of micro, small and medium enterprises (MSMEs) in India in the era of globalization. *International conference on the interplay of economics, politics, and society for inclusive growth*, pp. 15-16.

Lokhande, M.A. (2011), Evolution of the MSMEs in India, *Journal of Social and Development Science*, 1(2), pp.79-90.

- Minniti, M., and Naude, W. (2010), What do we know about the patterns and determinants of female entrepreneurship across countries? *The European Journal of development Research*, 22, pp. 277–293.
- Nandi, S. and Sharma, K. (2018), Women entrepreneurship as a tool of empowerment: A study of Tribal villages of Bankura, *International Journal of Social Science and Economic Research*, 3(5), pp. 1821-1828
- Padma, A. and Thorat, H. (2016), Problems faced by MSME in India, *Journal of Management and Administration Tomorrow*, 5(1), pp. 39-44.
- Patnaik, B. C. M., Satpathy, I. and Rachayeeta, P. (2016), Issues of micro, small and medium enterprises (MSME) in India, *International Journal of Innovative Research and Development*, 5(6), pp. 1-5.
- Ramadani, V., Dana, L. P., Ratten, V. and Tahiri, S. (2015), The context of Islamic entrepreneurship and business: concept, principles and perspectives, *International Journal of Business and Globalisation*, 15(3), pp. 244-261.
- Salim, L and Setiyaningrum, A. (2022), Driving factors of women business performance in creative economic industry, *Fokus Ekonomi Jurnal Ilmiah Ekonomi*, 17(2), pp.444-462.
- Sarmah, A, Saikia, B. and Tripathi, D. (2022), Does Entrepreneur Gender Matter for Entrepreneur Gender Matter for Entrepreneurial Motivation: Answers from Micro Small and Medium Enterprises (MSMEs) of Assam, *Journal of International Women's Studies*, 23(5), pp.20-40.
- Sharma, N. (2017), Role of Micro Finance Institutions in Changing Socio-Economic Status of Women Entrepreneurs: Evidence from Sonitpur District in Assam. <http://hdl.handle.net/123456789/6037>.
- Subramanya, M.H.B. (2005), Small Scale Industries in India in the globalization era: performance and prospects, *International Journal of Management and Enterprise Development*, 2(1), pp.122-139.
- Tillmar, M. (2016), Gendering of commercial justice-experience of self-employed women in urban Tanzania, *Journal of Enterprising Communities: People and Places in the Global Economy*, 10(1), pp. 101-122.