

Role of Social Entrepreneurship for Realizing the Potential of Women Entrepreneurs in Madhya Pradesh

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ABSTRACT

Women entrepreneurship has been the focal point of government's agenda for socio-economic development of the country. With emerging footprints of social enterprises in the above direction realizing the huge scope and significant contribution as reiterated in UN-Sustainable development goals. The study outlines the development agenda contributing valuable insights on the same in state of Madhya Pradesh. The study uses both primary and secondary data such as books, journals, websites, etc. and conducting interviews of women beneficiaries working with social enterprises active in handloom sector of Madhya Pradesh which has been dominant soon after independence, run by Holkars as Rehwa Society, women weaves in Maheshwar. The findings show huge contribution of marginalised section of society apart from addressing environmental concerns. However in developing market the philanthropic activity is limited to few sectors or geographic areas for lack of economies of scale to manage or operate in long term. There is lack of awareness and implementation in market. There is need to enhance sensitivity towards this concept, it can be done through public private partnership, government contribution and corporate actions. In practicality there is need to adopt more comprehensive framework for management in emerging markets; investment on technology, training and skill development programs. Finally, sustainability can be achieved through collaborated and planned approach.

Keywords: Women entrepreneurship, Social enterprises, socio-economic transformation.

I INTRODUCTION

The social transformation and economic alleviation of a country is incomplete until we realize the latent potential of women entrepreneurs which have been limited to papad, pickle and parlour. Their contribution to GDP has been limited to meagre 17% in comparison to 37% global average comprising 8.05 million entrepreneurs (14%) out of 58.5 million entrepreneurs in India. Women entrepreneurs have been trying to break the glass ceiling reaching out new avenues of growth in diverse areas like biotechnology, artificial intelligence, robotics, gamification, financial technology and so on. However numerous challenges of biasness, low decision making, limited resources and perceptive mindset beginning from domestic front reaching beyond investment circles have engulfed her entrepreneurial abilities. Thereby it becomes imperative to handhold women entrepreneurship and her journey as an economic agent from nascent stage through six verticals namely-Incubation and acceleration, Compliance, Funding and financial assistance, Marketing, Skilling / Training and Social Entrepreneurship for creating a sustainable holistic environment. It shall ensure providing knowledge about networking, mentoring and financial products.

Social enterprises are business platforms that harness businesses which advocate sustainable and better living through innovative skills and entrepreneurial mindsets resolving social issues like poverty, education, health facilities for women and children etc. Few studies suggest elimination of gender inequalities may lead to 25-30 percent of GDP gains by 2030. Available data reports of Gender Inequality Index suggest 0.1 reduction in Gender inequality leads to higher economic growth and GDP by 1 percent. They are collectively working with various

government and other agencies employing nearly 29% women in economic activities and central role within the society at large. Social entrepreneurship in last decade has gained growing importance for its competency to generate employment for more women. It has resulted in boosting their confidence and self esteem apart from enhanced living standards and financial independence for better health, education and employment opportunities seeking better decision making. Thereby catalyzing socio-economic reforms seeking community development for national competitiveness.

It has shouldered the responsibility for increasing women employment in workforce along with improving their accessibility to health , education , legal rights and political participation, particularly in the rural and semi urban areas. Their gradual progression in India led by women entrepreneurs in traditional industries(handlooms, food processing etc), have empowered the women workforce facing the gender disparities and barriers with lucrative employment opportunity to work from home at flexible hours. It has a significant impact on generating sense of self worth, confidence and decision making among women, who now have a better sense of financial security and independence. Thus the segment presents a huge opportunity to tap the resources for holistic development of society, with especially tailored schemes encouraging women entrepreneurship and empowerment.

Madhya Pradesh being one of the pioneers in establishing Entrepreneurship Development Institute with the principal intent of increasing employment opportunities and livelihood creating synergy (linkages with) of industry, academic / technical institutions and training/social organisations. It has been proactive in cluster development, self help groups, capacity building, technical training, market and financial linkages, R&D and skill development. Although lot of progress and quantitative increase in social enterprises during the last decade invariably for bringing socio-economic development. Khadiji, Wild wilderness, Museum School, Women Weaves, Rehwa society to name a few active ones working for profits with a social cause.

Thereby the study may prove to be a turning point for tapping the huge potential of social enterprise to train, employ and empower people largely.

II REVIEW OF LITERATURE

(Mishra & Kiran, 2014). Women entrepreneurship is an instrument for self fulfilment and alleviating the status of women through socio-economic changes. Economic and financial independence of women leads to social transformation in all spheres of society, country and self. However they tend to be self motivated disciplined and directed they face numerous issues at domestic and work place due to existing biasness. Right set of entrepreneurial training, vocational education and training can widen the horizon for economic development.

(Sharma, 2013) studied Women Entrepreneurship in India to further ponder the obstacles faced by them mainly to set-up an enterprise or run them for long. Social un-acceptance of women being as entrepreneurs and high priority to family duties or ties has taken productive time and effort. (Vaghela.R, 2013)They also face other hurdles namely lack of education, lack of resources, limited mobility, social barriers, male dominated society, lack of financial awareness, lack of managerial skills, low risk bearing capacity, exploitation by middle men, legal problems, high cost of production, lack of motivation and support from financiers/ bankers or venture capitalist. He suggested promotion of women micro, small and medium enterprises, incentives and subsidies, institutional policies and framework for promoting women led entrepreneurial ventures. It is also necessary to bring synergy between women, economic and social welfare development ministry for developing a garnered road to development. (Rao et.al, 2012) studied women entrepreneurs running micro or small fashion or apparel business enterprises alongside coastal Karnataka to study importance of formal education and training. He emphasized 37% women having formal training in fashion designing and relevant industry experience are most important contributor to successful women entrepreneurship. However they also face problems of finance, stiff competition and lack of resources.

Thomas. A (2016). Women entrepreneurship is the key to achieve paradigm drift in socio-economic transformation in cultivating new epitome of balanced economic development. The new age information technology tools, entrepreneurial trainings and well planned structured holistic approach through inclusive policy framework fostering development of an ecosystem for identifying and utilizing opportunities. All India Sixth Economic Census report (March 2016) conducted a survey during Jan 2013 to April 2014 revealing the miniscule percentage of women entrepreneurs which is 8.05 million out of 58.5 million providing employment opportunities to 13.45 million people. Tamil Nadu being highest followed by Kerala, while most of them working in non-farm sector (66%).

Government shall have to play a facilitator for creating entrepreneurial ecosystem. There are various incentive plans announced wherein they are offered financial help between Rs 10 lacs-Rs 1 crore for setting Greenfield projects, trading or service sector apart from at least one loan to one women entrepreneur, Pradhan Mantra Mudra Yojana to name a few. Apart from this National Skill Development Policy provides skill training, vocational education and awareness on various topics benefitting more than 35.56 lakh women nationally transforming lives of not only women but entire community.

(Molishree, 2020) National and state level interventions for speeding up prospects of women entrepreneurship at grass roots level through educational, financial & banking, tailored knowledge, networking models for capacity building to change the trajectory. Women entrepreneurs from all walks or segments of life in both rural and urban face critical cultural constraints primarily due to gender biases which create a hurdle in scaling up. The program should cater to develop high impact employment creating entrepreneurs, capacity building and enabling solopreneurs or small / micro entrepreneurs, inducing women for to start enterprises and strengthening or scaling productive rural agripreneurs or urban innovative entrepreneurs having huge employment and growth prospects.

(Bain & co and Google, 2020) As pandemic has created intense pressure on job market all the more on women as they hold more administrative or traditional job roles which are set to be taken over by artificial intelligence or other modern technology as per reports of Institute of Women's Policy Research 2019 reliance on improving employment opportunities and entrepreneurship at private micro or small levels will be push the Indian growth story. This will leverage the demographic dividend which is getting squandered as women entrepreneurs usually hire more women creating multiplier effect playing a pivotal role in social transformation (IMF).

Social Entrepreneurship is defined as “individuals with innovative solutions to society’s most pressing social trouble. They are determined and persistent, undertaking foremost social matters and proposing new ideas for wide scale alterations. Rather than departing societal desires to the Government or enterprise sectors, social entrepreneurs find what is not working and solve the difficulty by altering the scheme, dispersing the solution, and convincing whole societies to take new leaps”.

(Ganiger,2013) social entrepreneurship is a novel way to solve or mitigate social problems delivering value while operating business with financial discipline, creativity and commitment of private enterprise for profitability. It addresses issues pertaining to environment, raising quality of life for marginalized people, sustainable development and else. Government should fuel their motivation assisting them with required skills, consultancy and guidance, awareness programs, technical assistance, assist in project report preparation and approvals to start their ventures.

Eric Ries (2011), The Lean Start up suggested “creation of new institutions with long term mission to build sustainable value and change the world for better.” Social entrepreneurs provide organizations with a framework to test new ideas and validate most effective integration of profits, people and planet. The stakes are high for institutionalising socially and economically active start-ups reiterating social changes across business models. United Nations Sustainable Development Goals 2020 for an equitable society is a far achieved objective until we advocate these social changes laying importance on role of women for progressive and economically developed society. India soon after independence realized the strategic significance of empowering women through planned incremental political and economic approach, from education, microfinance, health and so on. However planning and implementation at macro levels in isolation, without any micro level changes in social structure won’t lead to achievement of goals. Social entrepreneurs stand as a ray of hope for accelerating the growth objective alongside strengthening the marginalized.

Social enterprises in small peripheries have tried to address various social or environmental problems anchored a bi-directional role for economic development along with women employment. Social enterprises are understood as "organizations seeking business solutions to social problems" (Thompson & Doherty, 2006, p. 362). They look for community well-being through its social purpose, participation of employees in governance and the balance between social and financial returns (Thompson & Doherty, 2006). Madhukar explains “Social enterprises are benefiting target communities however facing challenges of physical infrastructure, social barriers, cultural prejudices, skill gaps, weak market linkages, inadequate health and education, low asset

management capacity, and impaired decision-making confidence.”

III OBJECTIVES AND METHODOLOGY

(a) **Research Objective:** The study is initiated to explore the role of social enterprises for women entrepreneurship. It primarily aims for socio economic development ensuring improved status of women and cultivating gender equality. Thereby the objectives are:

- (i) To study the importance of women entrepreneurship.
- (ii) Underlining the potential of the Social enterprises for women entrepreneurship and socio- economic development tapping the vast underutilized resources.
- (iii) Create an in-depth understanding on opportunities and limitations for development of women entrepreneurship and role of social enterprises.

(b) **Research Methodology:** Social enterprises in Madhya Pradesh likewise in India have shouldered the responsibility for catalysing socio-economic growth through women entrepreneurship in rural and urban primarily in handlooms, handicrafts, agriculture & food processing, dairy, education, and other areas by development of clusters or self help groups. The research primarily aims to collecting useful and relevant information for drawing accurate inferences on women entrepreneurship and role of social entrepreneurship in state of Madhya Pradesh. The researcher collects primary data through structured interviews from the woman beneficiaries regarding their financial independence, decision making role, awareness and access to various facilities. It will also draw previous related research on the topic and relevant secondary sources in reports, books and journals and so on along with statistical tools. It will further pinpoint opportunities and limitations for suggesting relevant measures.

Based on above mentioned objectives the following research hypothesis has been developed:

H0: There is no significant difference in socio-economic status of women entrepreneurs supported through personal income generated in such social enterprises.

H1: There is a significant difference in socio-economic status of women entrepreneurs supported through personal income generated in such social enterprises.

IV DATA ANALYSIS

- (a) **Sampling Plan, Size & Tool:** The study primarily focus on analyzing and reporting socio-economic status of women entrepreneurs and workforce receiving support in terms of financial and marketing assistance, procurement of raw materials, networking to markets and suppliers, etc for scaling the business. A sample of 125 women beneficiaries pertaining to handlooms in Maheshwar and Bagh (receiving support from social enterprises like Rehwa society, Women Weaves, Tata trusts, etc) were selected from Maheshwar cluster to draw sample using non probability random technique. Further it was interrelated in percentages and Chi-Square in SPSS (Ver. 21) to validate the hypothesis.
- (b) **Analysis:** Social enterprises have been proactive in handlooms, forest & tribal products, education, women hygiene and so on. However handlooms and handicrafts appear to engage most lucrative with respect to research. Thus the researcher has collected data of women working in Maheshwar and Bagh both in Khargon district wherein we found Rehwa society, Women Weaves run by Sally Holkar a social enterprise for promoting traditional handlooms. The following are the findings:

Of the total women workforce, majority don't reach college level while majority (35%) have completed higher secondary education followed 25% completed high school and by 30% primary. With increasing employment, education and government awareness initiatives / campaigns on personal health, hygiene and education nearly 78% women have knowledge and access to anganwadi. However they are hesitant to approach due to family or cultural norms and limitation of finance. A majority of women are employable since last 1 yr -4 yrs primarily due to migration of men to other industries, profession or areas for better income opportunities left with few choices like agriculture, poultry, dairy or weaving. Nearly 70% earn monthly income of Rs. 5001-10,000 due to limited training skills, resources and knowledge unlike a minority having access to government assistance, finance, marketing or technical training assistance. However employment or engagement brings not only economic independence, sense of self worth and participation in decision making regarding their personal or family matters. About 59% of women believe working for themselves reduces their dependence on a spouse or family, while 46% view it as a means to break through the glass ceiling.

A majority (68%) are not fully acquainted but have partial knowledge of Handloom Weavers Comprehensive Welfare Scheme (HWCWS) which provide life, accidental and disability insurance under PM Jivan Jyoti Bima Yojana, PM Suraksha Bima Yojana and Converged Mahatama Gandhi Bunkar Bima Yojana apart from concessional credit under

Mudra Yojana. However only a miniscule 19 % respondents have taken loan / credit assistance of up-to Rs 50,000/- of which 14% for business purpose while rest for household reasons. It is prominently due to lack of documentation, knowledge or credit schemes or awareness programs, inadequate guarantees / business proposals they failed to avail the facility. However the progressive approach towards career, employment and life goals is reflected in their personal savings and vision to scale the business.

55% feel they are discouraged by the banking system due to complex and tedious paperwork, and long approval times apart from relevant knowledge thus have to look for sources of finance in family, friends or community. Approximately 45% report struggle with cultural norms, limitation of mentorship, role models and developed network. While 43% believe lack of professional support from family and spouse and societal biases restricts growth. Achi square test of significance shows that personal income of women empowers them socially and economically giving access to personal health, hygiene, economic independence, education, financial decision making, banking services and so on.

- (c) **Prospects:** Role of women cannot be understated for an empowered society as stated by United Nations Sustainable Development Goals (UNSDG). Numerous social problems within the country can be eradicated with empowering women and facilitating her with education, health, sanitation, hygiene, medical and other facilities. Therein a proactive role of private businesses, community, social enterprises as a brigade of young soldiers for bottom of the pyramid. They have been catalytic in bridging the societal gap exploring the local resources and talent pool for inclusive development and growth.

There are nearly 2 lac social enterprises working in India significantly contributing in Skill development (53%), education (30%), agriculture & allied services (28%), financial inclusion & banking services (26%) and clean energy (26%). They have a strong presence socially and economically backward classes comprising of 70% while the beneficiaries comprise of 82% work with women, 46% with children and 31% with disabled people. Social enterprises are managed by 24% female leaders and mostly employ women. South India leads the female led social enterprises (35%), followed by North India (31%), West India (23%), East India (8%) and North East India (3%). Maharashtra (16%) leads the states followed by Karnataka (15%) with a whopping 50% social enterprises headquartered in Bengaluru followed by Delhi, Telangana (8%) each, Uttar Pradesh & West Bengal (7%) each, Tamil Nadu & Gujrat (5%) each. The survey further clearly indicates the inception of nearly 57% social enterprises within India between 2010 and 2015 consisting of 71% private limited companies. They are mostly led by

youth between the age of 25-40 years with highest (34%) male led enterprises within the age group of 35-44 years followed by 27% below 35 yrs in contrast to 35% female led business falls within the age group of 25-34 yrs.

(d) Challenges: Most of the social enterprises lack capital resources (mostly rely on crowd-funding) and clarity of vision. They also lack business acumen, knowledge and skills failing to develop a sustainable revenue model as they are mostly run and managed by young college pass out's or businessmen having middle management experience in corporate. Women employees further also face fear of failure, low mobility and financial insecurities along with low risk taking ability still being huge untapped potential for integrated socio-economic order. As soon after they reach their break-even point they are exhausted of their subsidies, tax concessions and no unique selling proposition adding value for attracting the new class of their prospective customers.

Thereby it requires continuous up-scaling with ICT tools and innovative strategies for every entrepreneurial venture. Entrepreneurial ecosystem comprising of financial set up, product market strategic fit, technical support like accounting or designing software, infrastructure and utility services along with supportive legislative system needs continuous resurrection. Thereby necessitating incessant up-skilling, research and development and connecting the dots to master their skills for long term sustainability and profitability.

V SUGGESTIONS

- (a) Capacity building / Up-Skilling on continuous basis rather than once in a lifetime event.
- (b) Incubation centers set up jointly by public private funding managed and controlled by social entrepreneurs for skill development and employment opportunities / entrepreneurial guidance.
- (c) Market, design and technical intervention for quality and efficiency of production for better customizing and positioning products.
- (d) Facilitation and procurement of raw materials at economic rates from recognized government organizations or aided units for continuous recognition and support of productive activities during market falls or cyclical fluctuations.
- (e) Revamping its association with communities, partner institutions, government at different levels and international networks (funding agencies or customers) to mobilize resources and human capital.

- (f) Leveraging Rural Tourism benefitting the hospitality and tourism industry which directly and indirectly supports many rural households involved in food, lodging , guides, handlooms and handicrafts, forest or herbal products and many more bringing change in consumption ,income and savings pattern.
- (g) Financial literacy among rural women for her financial inclusion in mainstream banking, inculcating the habit of saving and giving her the power of capital formation and resource mobilization to justifiably use the credit assistance and shield of special schemes for improving her livelihood.
- (h) Government support for women and social entrepreneurship. Recognition of Social Enterprises by government and government aided agencies in separate heads rather than MSME's act for benefitting such units under tax exemptions, subsidies, procurement of raw materials and other items benefitting bottom of the pyramid.
- (i) Tax exemptions and subsidies for units employing more women along with incentivising facilities/ other allowance given to below poverty line marginalized women folk by social enterprises to support welfare activities.
- (j) Facilitating education, health and hygiene, affordable housing to fulfil her essential needs (ERG Motivation Theory) or Physiological, safety and social needs to ensure fulfilment of her minimum needs of financial well being for her active decision making role and contribution to self and community.

VI CONCLUSION

Women entrepreneurship can achieve new avenues with increasing periphery of Social entrepreneurs facilitating the objective of improvement in standard of living presenting a unique Business model. It focuses on bringing profitability with sustainability ,constant motivation of human resource and belief of top managerial position with the vision. However it has been constrained to few industries or areas dependent on financiers and paralysed policy framework. It shall strive to bring behavioral changes in community for the socio-economic reasons but barely it achieves the goal failing to register long term commitment with social cause by top managerial positions, loss of vision, organizational sustainability and brand value. The confusion existing between the nomenclature of NGOs, Corporate Social Responsibility and Social Enterprises still remains a point of dilemma especially for availing financial benefits under government schemes and policies. Thus it becomes imperative to recongnize growing importance of social entrepreneurs for development of women entrepreneurship in all aspects from embryonic stage to post development.

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**Personal Total Income (Monthly) generated from employment at handlooms * empowered access to social or economic facilities like personal hygiene, education, banking _new
Cross tabulation**

Count

| | sanitation_new | | Total |
|--------------------------------------|----------------|-----|-------|
| | No | Yes | |
| Personal Total Income Less than 1500 | 8 | 26 | 34 |
| (Monthly) generated from 1501-5000 | 19 | 57 | 76 |
| employment at handlooms 5001-10000 | 6 | 14 | 20 |
| Total | 33 | 87 | 125 |

*1=No,**2=Yes

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|------------------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 20.479 ^a | 2 | .001 |
| Likelihood Ratio | 27.717 | 2 | .000 |
| Linear-by-Linear Association | 7.265 | 1 | .007 |
| N of Valid Cases | 100 | | |

Interpretation

From the top row of the table, Pearson chi Square statistic, $\chi^2 = 20.479$, and p value is = 0.001; i.e. less than significant value of 0.05 therefore we reject the null hypothesis as p value < 0.05 and accept the alternate hypothesis that generation of personal income will empower them socially and economically.