



A study on Socio- Economic Background of Women Entrepreneurs in Mizoram, India

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ABSTRACT

Women entrepreneurship is seen as an effective approach to solve the problems of rural and urban poverty. The study is conducted to investigate the socio-economic background of women entrepreneurs in Mizoram. For the purpose of the study, primary data were collected through structure questionnaire from 400 sample women entrepreneurs in Mizoram. Secondary data were collected from journals, books and websites. The study found that more than half (53.3%) of the women entrepreneurs belonged to the age group of 35 years and below. In terms of marital status, around 47 % of the female entrepreneurs were unmarried while around 37% were married. The study also identified that around 31% of the female entrepreneurs were HSSLC, around 26% were HSLC, and 23% were graduate. The study suggested that in order for women entrepreneurs to meet changing trends and be competent enough to sustain in the local economic environment, the government, financial institutions, various agencies, and families should provide adequate technical, financial, and psychological support.

Keywords: *Socio-economic background, sources of funds, women entrepreneurship, women entrepreneurs*

INTRODUCTION

Women entrepreneurship play an essential role in women empowerment. Empowering women through entrepreneurship influence women development, economic growth, social stability (Shakila and Melwyn, 2020). In simple terms, women entrepreneur may be defined as a woman or group of women who start and run a business enterprise and provide employment to others. Government of India has defined women entrepreneur to those who owned at least 51% share in the capital of the enterprises, and at least 51% employment generated by the enterprises should be for women only.

In the early years following independence, women entrepreneurs were limited to traditional industries like food, fruits, vegetables, pickles, *papads*, tailoring, etc. However, during the late 1980s and onward, women business owners have diversified into a number of non-traditional industries, including engineering, salons, jewellery, handicrafts, electrical, electronics, chemical, and other production. Women have expanded from the traditional three Ps-Pickle, Powder and *Papad* to modern three Es such as Engineering, Electrical and Electronics.

Socio-economic background of the entrepreneurs plays an important role in the process of entrepreneurship. There are many studies indicating that entrepreneurial behaviour is significantly influenced by a person's socio-economic context. For example, Khan (2014) found that the socio-economic factors such as educational qualification, religion, previous job experience, family type and ownership pattern had significant influence on the performance of SMEs in Chennai. Borah (2014) also identified that socio-economic factors influence women in making a successful entrepreneur and the growth of women entrepreneurs depend on the educational qualification acquired by them.

LITERATURE REVIEW

Some important research studies concerning socio-economic background of women entrepreneurs are reviewed here as under to highlight their findings.

Putta and Satyanarayana (2013) conducted a study in Ananthapuramu District and found that most of the women entrepreneurs in the study area belonged to non-reserved category; the Scheduled Castes and Scheduled Tribes together constituted only 14.33 percent of total entrepreneurs. The study also revealed that the highest percentage of women entrepreneurs were in the age group of 46 to 60 years, and the percentage of women graduates was less than 12 percent.

Sucharitha and Venkateswarlu (2014) examined the women entrepreneurs in Nellore district and revealed that the majority respondents (64.3%) were found in the age group of 26-40 years: 49.6% of the respondents were studied 6th-12th standards and 24.4% of the respondents were educated up to 5th standard. The study also revealed that 33.3% of the respondents were in the income level of Rs3001-Rs.3500, followed by 23.6% of the respondents were laid in Rs 2501- Rs3000 income level, and 23.2% income level was above Rs.3500.

Seemaprakalpa (2016) conducted a study in Agra city in Uttar Pradesh and found that majority of women entrepreneurs were in the middle age group (45 %), belonging to general category (81.70 %), graduate and above (75 %), married (78.30 %), belonging to nuclear (76.70 %); medium-sized (70 %), business families (75 %) having an income below mean per capita per annum (56.70 %).

Chaudhari (2020) investigated socio-economic background of women entrepreneurs in small and medium enterprises in Karnal district, Haryana. The study found that 46% of respondents were in the age group of 30 – 40, and 31.11% of respondents were between the ages of 40 - 50. The study also revealed that that 58% of the respondents were educated and 28.6% were illiterate. The study also identified that 48% of the respondents were involved in business productions and 16% of the respondents involved in the service areas: 55% of the respondents invested less than Rs. 2 lakhs in their business and 25% invested Rs. 2 to 7 lakhs in their businesses.

Shakila & Melwyn (2021) conducted a study on socio - economic background of women entrepreneurs in Thoothukudi District. The study found that most of the women entrepreneurs in were young aged between 20 to 40 years form a greater proportion of women entrepreneur while the majority of them were married and were living in nuclear family. The study also revealed that 33.3% of the women entrepreneurs carried on entrepreneurial activities in Food items followed by 20 percent of the women entrepreneurs involved with Palm products. The study also identified that majority of the women entrepreneurs (30%) earned a net monthly income of above Rs.20,000.

Lakshmi and Rudraraju (2023) in their study conducted in Visakhapatnam found that majority (90%) of the women entrepreneurs were in the age group of 26yrs-45 years and most (73%) of the entrepreneurs were either post graduates or graduates. The study also revealed that 75% of the women were married and most of the women entrepreneurs (78%) were already established as successful business women for more than 2 years. The study also identified that women from nuclear families were more entrepreneurial.

OBJECTIVES OF THE STUDY

The present study is conducted to focus on the following objectives.

- (1) To study and analyse the socio-economic background of the women entrepreneurs.
- (2) To study the business profile of the women entrepreneurs.

RESEARCH METHODOLOGY

The study is carried out in Mizoram, one of the states in India's northeast. Mizoram has a total size of 21,078 square kilometres and situated between Bangladesh and Myanmar, the two neighbour nations. According to Aadhar statistics, Mizoram's population is expected to reach 1.21 million in 2022–2023, up from the last census in 2011 of 1,091,014. The study focuses on women entrepreneurs in Mizoram's Aizawl and Lunglei districts. Aizawl district is the most populous district and Lunglei is the second. Purposive sampling was used to choose the sample of 400 women entrepreneurs, of whom 100 were chosen from Lunglei districts and 300 were chosen from the Aizawl district. Data were collected by using both primary and secondary sources. Primary data were collected by using structure questionnaire which were developed based on the literature (Mathew and Panchanatham, 2011). The primary data were during the period of December, 2021 – April, 2022. Secondary data were collected through government records, journals and websites.

RESULTS AND DISCUSSIONS

Age of the respondents

Younger people are considered more active, enthusiastic, energetic and dynamic. However, the aged brings more knowledge, experience and skills into a business. Entrepreneurial intentions and willingness are more evident among younger individuals than older ones (Levesque and Minitti, 2006). Table 1 shows the distribution of the women entrepreneurs in the present study according to the age.

Table 1: Age of the respondents

Age in Years	Frequency	Percentage
30 and below	148	37.0
31 - 35	66	16.5
36 - 40	71	17.8
41 - 45	43	10.8
46 - 50	54	13.5
Above 50	18	4.5
Total	400	100.0

Source: Primary data

37% of the women entrepreneurs belonged to the age group of 30 years and below, around 17% belonged to the group of 36-40 years, around 16% belonged to the age group of 31-35, around 10% belonged to the age group between 41-45 years, and around 13% were in the age group between 46-50 years. Only around 4% of the female entrepreneurs belonged to the age group above 50.

Marital status of the respondents

Marital status of women entrepreneurs may have a great influence on handling and managing their business unit. Married women entrepreneurs have to perform multiple roles in the family in addition to their entrepreneurial activities. They must bear major responsibility for household chores and child care (Kim & Ling, 2001). However, Married women may get good support from their husband which is very important for balancing their work and life to perform their entrepreneurial role efficiently. Table 2 shows the marital status of the female entrepreneurs. Around 47 % of the female entrepreneurs were not yet married while around 37% of the entrepreneurs were married. 9% of the women entrepreneurs were divorced, and about 5 % were widows.

Table 2: Marital status

Marital Status	Frequency	Percent
Married	151	37.75
Unmarried	190	47.50
Divorced	36	9.0
Widow	23	5.75
Total	400	100.0

Source: Primary data

Employment status of husband of women entrepreneurs

It is attempted to know the status of husband of the women entrepreneurs whether they have regular employment in Government or private sector. Table 3 indicates the employment status of the husband of the women entrepreneurs.

Table 3: Employment status of the husband of women entrepreneurs

Employment Status	Frequency	Percent
Employed	100	66.23
Unemployed	51	33.77
Total	151	100.00

Source: Primary data

Out of the married women entrepreneurs, around 66 % of the respondents' husband were employed while around 33 % of the respondents' husband were unemployed. Overall, two-third of female entrepreneurs' husband were employed in government or private sector.

Educational background

Education enlarges one's thinking and understanding horizons. Higher education can often be very beneficial for starting up a new business and this seems to be one of the factors determining the success of new businesses (Hunady, 2018). Table 4 shows the educational status of the entrepreneurs.

Table 4: Educational background of the respondents

Educational Qualification	Frequency	Percentage
Illiterate	1	3
Below HSLC	58	14.5
HSLC	106	26.5
HSSLC	127	31.75
Graduate	92	23.0
Post Graduate and above	16	4.0
Total	400	100.0

Source: Primary data

Around 31 % of the women entrepreneurs were HSSLC, followed by around 26 % were HSLC, and 23% were Graduate. Meanwhile, about 14 % of the women entrepreneurs were below HSLC, and 3% were illiterate, and only 4% of the entrepreneurs were Post-Graduate and above.

Family structure

Family background is one of the important determinants of entrepreneurial initiatives (Parihar, 2017). Table 5 shows the family structure of the entrepreneurs. Out of the total respondents, 67% of the female entrepreneurs belonged to nuclear family while 33% of the female entrepreneurs belonged to joint family.

Table 5: Family structure of the respondents

Family Structure	Frequency	Percent
Joint Family	132	33.00
Nuclear Family	268	67.00
Total	400	100.00

Source: Primary data

Family size of women entrepreneurs

According to Global Data (2022), the average household size in India was 4.44 people in 2021. Average household size in India decreased by 0.9% on a year-on-year basis in 2021. During 2010-21, the average household size in India decreased by 8.6%. More education, higher age-at-marriage, longer interval between marriage and the birth of the first child, and employment status were found associated with smaller families (Wagner et al., 1985). Table 6 reveals the family size of the women entrepreneurs.

Table 6: Family size of women entrepreneurs

Family Size	Frequency	Percent
1-4	175	43.75
5-7	168	42.00
8-10	54	13.50
Above 10	3	0.75
Total	400	100.00

Source: Primary data

Out of the total respondents, around 43 % of the respondents' family belonged to the family size of 1-4 members, followed by 42% belonged to the family size of 5-7, and around 13 % of the respondents' family belonged to the family size of 8-10. Only 0.75% of the respondents were having family member above 10.

Nature of business

Table 7 indicates the nature of business run by the women entrepreneurs. 18.8% of the entrepreneurs were dealing with Household necessities (essential commodities), followed by Readymade garments (10.5%), Tailoring & Designing (10%), Beauty parlour (8.3%), Pharmaceuticals (5.5%), Shoe stores (5.3%) and Stationery/book store (5.3%). Others (6.1%) include Mobile phone shop, Mobile phone accessories and repairing, Animal feed shop, Toys' shop, Watch repairing shop, Bottle decoration, Gym, Shoe refurbishing shop, etc.

Table 7: Nature of business

Sl.no	Nature of Business	Frequency	Percentage
1	Tailoring & Designing	40	10
2	Beauty parlour	33	8.3
3	Food processing	12	3.0
4	Bakery	18	3.0
5	Readymade garments	42	10.5
6	Handloom/Weaving	10	2.5
7	Fruits and vegetables	19	4.8
8	Cosmetic shop	19	4.8
9	Household necessities	75	18.8
10	Laser printing/xerox	7	1.8
11	Stationery/Book store	21	5.3
12	Restaurants/Hotel	17	4.3
13	Shoe store	21	5.3
14	Flower selling	10	2.5
15	Pharmaceutical	22	5.5
16	Hardware store	6	1.5
17	Meat shop	10	2.5
18	Others	24	6.1
Total		400	100

Source: Primary data

Experience in years

The year of experience expresses the experience of the respondents in the field of the business. It strengthens the entrepreneurs to tackle various problems encountered in the enterprises. The work experience of entrepreneurs influenced more than entrepreneurs' education towards business performances

(Othman et al., 2016). In fact, the lack of experience has been one of the hurdles to enter into business ventures. The study conducted by Naqvi (2011) also found that the past experience of the manager are the main key factors of success. Table 8 reveals the business experiences of the women entrepreneurs in years.

Table 8: Years of experience in business

Years	Frequency	Percentage
1-3	116	29.00
4-6	107	26.80
6-9	63	15.80
10-12	54	13.50
13-15	17	4.30
Above 15	43	10.80
Total	400	100.00

Source: Primary data

Out of the total respondents, 29% of the female entrepreneurs have experience in business between 1-3 years in the field of business, followed by around 26 % of the female entrepreneurs have the experience between 4-6 years, around 15 % have business experience between 6-9 years of experience, about 13 % have the experience between 10-12 years, around 10% of the have the experience above 15 years, and only about 4 % of the female entrepreneurs have the experience between 13-15 years in the field of business.

Average monthly income

Table 9 indicates the average monthly income of the female entrepreneurs from their business units.

Table 9: Average monthly income

Average Monthly Income	Frequency	Percentage
Below Rs. 25,000	157	39.30
Rs. 25,000 – Rs. 50,000	160	40.00
Rs. 50,000 – Rs. 75,000	47	11.80
Rs. 75,000 – Rs. 1,00,000	19	4.80
Above Rs. 1,00,000	17	4.20
Total	400	100.00

Source: Primary data

Out of the total respondents, 40% of the entrepreneurs earned an average monthly income between Rs. 25,000 – Rs. 50,000, followed by around 39 % of the female entrepreneurs earned below Rs. 25,000, and about 11 % of the entrepreneurs earned an average monthly income of Rs. 50,000 – Rs. 75,000 from their business units. Meanwhile, only around 4 % of the female entrepreneurs earned an average monthly income between Rs. 75,000 – Rs. 1,00,000 and merely about 4 % have above Rs. 1,00,000.

Establishment of business

Table 10 shows how the women entrepreneurs established their business. Around 70% of the respondents established their business units by themselves. In the study conducted by Le and Raven (2015) in Quang Tri province in central Vietnam, eighty-one percent of respondents established the business by themselves.

Table 10: How the business was established?

How the business was established?	Frequency	Percent
Established by me	282	70.50
Bought from another	40	10.00
Inherited	78	19.50
Total	400	100.00

Source: Primary data

Further, around 19% of the women entrepreneurs mentioned that they inherited their business units, and 10% of the entrepreneurs bought their business units from another.

Sources of funds

Table 11 indicates the sources of funds at the time of establishment of the business units. 46% of the women entrepreneurs used their owned money to start the business, around 12 % of the entrepreneurs took loans from bank, and about 11% of the women entrepreneurs used their owned money along with bank loan to start their venture.

Table 11: Sources of funds

Sources of Funds	Frequency	Percentage
Owned fund	184	46.00
Loan from bank	50	12.50
Owned fund and Bank loan	47	11.80
Others	119	29.80
Total	400	100.00

Source: Primary data

Meanwhile, around 29 % of the women entrepreneurs mentioned 'others' regarding the sources of funds. 'Others' include funding from family, relatives, friend and inherited from the family.

Registration in DIC/MSME

Registration of unit in District Industries Centre (DIC) or Micro Small and Medium Enterprise (MSME) is very important activity to run the business in long term and it is one of the evidences of the business. It depends on environment and entrepreneur perception. However, registration of business unit is not a compulsory process. Table 12 indicates the registration of business units.

Table 12: DIC/MSME registration

Registration in DIC/MSME	Frequency	Percent
Yes	138	34.50
No	262	65.50
Total	400	100.00

Source: Primary data

Out of the total respondents, around 34 % of the respondents done the registration in District Industries Centre (DIC)/MSME while around 65 % of the respondents did not register their business.

Reasons for not registering in DIC/MSME

The women entrepreneurs were asked the reason for not doing registration in the DIC/MSME. Table 13 shows the reasons for not registering the business units by the entrepreneurs.

Table 13: Reasons for not registering in DIC/MSME

Reasons	Frequency	Percent
Not aware	121	46.18
No benefit	47	17.94
No time	9	3.44
Any other	25	9.54
Cannot say	60	22.90
Total	262	100.00

Source: Primary data

Out of the total respondents who did not register their business units, around 46 % of the respondents did not aware the DIC/MSME registration, about 17 % mentioned that there is no benefit of registering the units, and

only around 3 % of the respondents did not have time, around 9% did not register due to any other reasons. Around 22% cannot say the reason.

Do you hire an employee?

Unemployment is an acute problem faced by the nation. Entrepreneurship functions as a catalyst for the economic prosperity of a nation as it leads to generation of employment, contribution in national income, rural development, industrialisation, technological progress, and export promotion (Digal, 2019). Table 14 indicates whether the female entrepreneurs hired employee or not.

Table 14: Do you hire employee?

Do you hire workers?	Frequency	Percent
Yes	163	40.80
No	237	59.30
Total	400	100.00

Source: Primary data

Around 59% of the female entrepreneurs did not hire employee while around 40.80% hired employee.

No. of employees hired

Table 15 reveals the number of workers hired by the women entrepreneurs.

Table 15: No. of employees hired

No. of workers	Frequency	Percent
1	80	49.08
2	42	25.77
3	12	7.36
4	17	10.43
Above 4	12	7.36
Total	163	100.00

Source: Primary data

Out of total respondents who hired workers, around 49 % of the respondents hired one person, around 25% of the respondents hired two persons, around 10 % of the respondents hired 4 persons, around 7 % of the respondents each hired 3 persons and above 4 persons.

CONCLUSION

The study focuses on the socio-economic background of women entrepreneurs in Mizoram. The study reveals that more than half (53.3%) of the women entrepreneurs belonged to the age group of 35 years and below. In terms of marital status, around 47 % of the female entrepreneurs were not yet married while around 37% of the entrepreneurs were married. More than 70% of the women entrepreneurs were up to HSSLC standard and below. 27% of the women entrepreneurs were either graduates or postgraduates. With regard to nature of business, 18.8% of the female entrepreneurs were dealing with Household necessities (essential commodities), followed by Readymade garments (10.5%), Tailoring & Designing (10%), Beauty parlour (8.3%). Around 28% of the women entrepreneurs have experience in Business more than 10 years. 40% of the entrepreneurs earned an average monthly income of Rs. 25,000 – Rs. 50,000, followed by around 39 % of the female entrepreneurs earned below Rs. 25,000. About 70% of the women entrepreneurs established their business by themselves and 46% of the women entrepreneurs used their owned money to start the business. Around 59% of the female entrepreneurs did not hire employee while around 40 % hired employees.

The role of women entrepreneurs in economic development is also being recognized and inevitable for the development of the society and the economy as a whole. Despite the fact that Mizoram is a small state with no major industry, women entrepreneurs are growing, developing, engaging in all types of businesses and contributing to the societal economic development. As a result, the study recommended that the government,

financial institutions, various agencies, families should provide adequate technical, financial, and psychological support to women entrepreneurs in order for them to meet changing trends and challenging global markets while also being competent enough to sustain and strive in the local economic arena.

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