

MICRO ENTERPRISES AND ECONOMIC EMPOWERMENT OF WOMEN

Imrab Shaheen*

Dr.Mushtaq A.Sajid**

Mrs.Qudsia Batool***

Abstract

The present study is an attempt to examine the role of microenterprises on economic empowerment of women. Control over finance is taken as a dimension of economic empowerment and impact of microenterprises was assessed. A sample of 114 women managers/owners was taken from three districts of Azad Kashmir. A five point likert scale questionnaire was used for data collection and it was analyzed through percentages, mean and standard deviation. The finding of this study revealed that women gained control over financial matters through microenterprises and become economically empowered.

Key Words: *Microenterprises, control over finance, Azad Kashmir, Economic empowerment, Percentages, Standard deviation.*

* Lecturer/Research Scholar, University College Kotli (UAJ&K)

** Professor & Dean, University College Kotli (UAJ&K)

*** Ph-D Scholar, University College Kotli (UAJ&K)

Introduction

Females are making almost fifty percent of total population in Azad Jammu & Kashmir. Their contribution is often confined to the household work and they are underestimated for their abilities and potential. Women perform huge unrecognized work at home. In many societies, the socio-cultural values and norms restrict the females of meeting the responsibility of managing household work and children (Gendernet, 2007). Their subordinated position forbid them to work outside the sphere of their homes and undermines their chances of utilization of their abilities and skills for productive work. Economic empowerment of women is getting recognition and attention all over the world, Khattab & Sakr (2009) conducted the research on economic empowerment of women in Egypt and they found that socio cultural norms and longer duration of unemployment are hurdles for women in attaining economic empowerment. Sida (2009) made research on the same topic and it defined the empowerment as the process of change that enables the individuals to become independent to make strategic life choices and actions. Makombe, (2006) took this topic for research in Tanzania and he found that women were getting empowerment through income generating activities in almost all indicators. Dangol (2010) did research on this topic in Nepal and found that women's involvement in income generating activities increase their decision making power and capacity.

Vasanthakumari (2012) did research study on economic empowerment of women through microenterprises with special reference to promotional agencies in India and found that microenterprises are the tools of empowering the women economically. Sathibama (2010) conducted research on this topic in India and concluded that women are empowering themselves by participating in business. Malhotra et al., (2002) took this topic in his research study for World Bank. Osman et al., (2010) took this topic for study in Malaysia and found that women are gaining empowerment through participating in entrepreneurial activities. Khan & Bibi (2010) conducted research on economic empowerment of women through participatory approach in (Nasirabad, Balochistan) Pakistan and concluded that positive results are not sustainable due to mismanagement of women development groups.

Microenterprises enable the women to gain control over resources and live a respectable life. Women's financial independence through Microenterprise is a world famous phenomenon and governments and non-governmental organizations are making efforts towards economic independence of women in all parts of the world. This topic is of a magnificent importance as it

is gaining popularity day by day in Pakistan. The present research study address the question that how microenterprises make the women financially independent and self reliant?

Objectives of the Study

The objective of this study is:-

1) The general objective of this study is to examine the role of microenterprises on economic empowerment of women

1.1) The more specific objective is to assess the impact of microenterprises on women's control over finance.

Literature Review

Existing study helps to understand the issue in depth. Economic Empowerment of women through micro enterprises empowers the women in many aspects such as property and personal rights, access to socio economic opportunities, representation in politics, enables the woman to not only develop herself but also contribute in the development of community, market and ultimately the nation (Sathibama, 2010).

Micro enterprises

“Microenterprises shall mean projects or businesses in trading /manufacturing /services /agriculture that lead to livelihood improvement and income generation. Moreover, these projects/businesses are undertaken by micro entrepreneurs who are either self-employed or employ few individuals not exceeding 10 (excluding seasonal labor)” (Siddique,2011).

Micro enterprises are playing a very prominent role in the economic development particularly in third world countries. Microenterprises are enabling the people to become financially independent and to be their own bosses. ME's are now the centre of attention of the governments, NGO's and Micro financial institutions (MFI,s). According to the manual of MSME (n.d) Microenterprises is defined as, such non agriculture enterprise having 1-9 employees or such income generating enterprises in trade, services, manufacturing, processing, characterized by involvement of risk, undertaken by individuals/groups. These enterprises are divided into two categories i-e, livelihood enterprises with marginal return and growth oriented enterprises which are more risky but add value and have long sustainability

Empowerment

Empowerment is the word which covers many aspects like decision making at household level, control over income, choice to spend money, opportunities to exploit potential, awareness about rights, access to training, access to technology, access to government functionaries and policy makers, freedom to visit places, access to information, access to business networks etc. Empowerment of women means enabling the women economically independent, self-reliant, confident and positive in attitude.

Control over Finance

Control over financial matters refers to the autonomy of an individual to spend money on household and business related matters. Financial control comes through microenterprise in which they are involved in. Number of aspects has been used to measure financial control, money spending on education and health of children/brother/sister. Decisions regarding making big or small expenditures, Buying and selling of household items business related items/products, income generating capacity and sharing of financial burden reveals women's control over financial matters within family and society. Enterprises which are managed by females bring fruitful results in term confidence building, enhancing their participation in household and financial dealings and contribute in their economic empowerment (Sida, 2009). Women's better sharing of unpaid work, economic opportunities, access to market and equal access to productive resources are the other parameters of the financial independence. The main indicators which help to get economic empowerment include women's access to formal sector employment, to be self employed, borrowing, saving and access to and control of economic resources.

Das (2012) stated that the economic empowerment of women is an important aspect for a strong and healthy economic growth in any country and economic empowerment through entrepreneurship is the best technique for attaining self reliance. Dejene (n.d) indicated that different studies show that in many societies, males are preferred on females and discrimination is made on women access and control over financial matters, control over assets, access to opportunities, decision making power at household level and outside the home. Golla et al., (2011) pointed out that there are six indicators of power and agency namely control over assets, agency/decision making, autonomy and mobility, Self confidence, self efficacy, gender norms, gender roles and responsibilities.

When women micro entrepreneurs are empowered through businesses they operate, they become able to get equal position and status to the men in society (Makombe, 2006).

Basu (2006) mentioned that when women exercise power over financial matters such as credit, savings and income generating activities, then they not only ensure their own well being but also optimize the well being of household. Women's control over financial matters indicates the level of economic empowerment.

Analytical Framework

Independent Variable

Dependent Variable

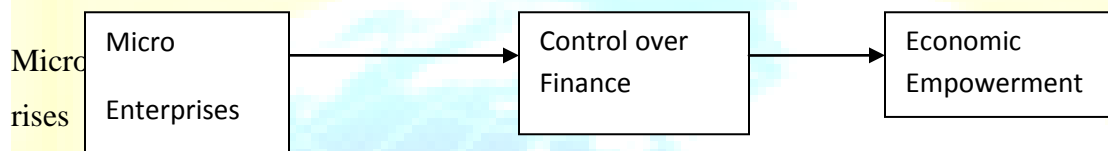


Fig.1. Drawn from literature

Sampling Techniques

A total Sample of 114 women micro entrepreneurs are selected from two service sectors belong to three districts. From each district, 38 women entrepreneur are selected. From district Kotli, 19 women entrepreneurs, each from poly clinics and beauty parlors are taken and from district Poonch 19 women micro entrepreneurs are each from poly clinics and parlors while 19 women micro entrepreneurs are taken district Mirpur. A total of 114 women micro entrepreneurs were taken into sample as 38 women micro entrepreneurs were taken from each district.

Table 1. Number of women micro entrepreneurs from each sector

Districts	Lady doctors entrepreneurs	Women owned beauty parlors
Kotli	19	19
Mirpur	19	19
<i>Poonch</i>	19	19
Total	57	57

Instrument

Items used in questionnaires were adapted from Wub (2010) and Dangol (2010) A five point likert scale is used with 1 strongly disagree and 5 strongly agree. The independent variable is microenterprises while Economic Empowerment along with its components viz control over finance were taken as dependent variable.

The variable used in analysis was used to assess the impact of microenterprises on control over financial matters, spending of income on education/health/marriage of children/brother/sister after taking up of micro enterprises, purchasing/selling of assets after having women's own microenterprises.

Table 2 Items related with Control over Finance

No	Items	Mean	Standard Deviation
1	I gain control over financial matters through starting business.	3.8	0.8
2	I can sell any asset without permission of my brother/husband/father	2.8	1.16
3	I am making contribution to household monthly income	4.1	.86
4	In case of making any big or small expenditures, I don't need permission from husband/father/brother	3.2	1.3
5	I spend money on education of my children/sisters/brothers	3.5	1.17
6	There is conducive market environment	4.0	0.87
7	I have good market for my products/services	3.83	0.99
8	I have access to financial institutions/NGOs.	3.3	1.16
9	I have access to business related information.	3.41	1.17

Control over financial matters

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

International Journal of Management, IT and Engineering

<http://www.ijmra.us>

It is depicted in above table that women financial independence is enhanced through microenterprises. Women who have control over financial matters are economically empowered as they have choice to spend money at house hold or business related matters. The mean scores of (3.8) in above table indicates that respondents are agree for the financial independence through microenterprises.

In relation with selling of assets without permission from husband/father /brother, the respondent micro entrepreneurs were neutral as the mean scores of 2.8 depicts that respondent micro entrepreneurs are on neutral or undecided position.

With regard to women contribution to house hold monthly income, the mean scores (4.1) shows that respondents are agree on their contribution to household income after establishing/participating the microenterprises. Hence the result shows that microenterprises enables the women to share the financial burden by contributing in house hold income which in turns enhance the women's choice of spending and control on issues related with financial matters

The above table also shows that Women choice of making big or small expenditure is neutral or undecided. They are neither agreed nor disagreed on this item. It can be seen in above table that respondents are neutral/undecided on their choice of making expenditures with the mean scores of 3.2. Choice of spending the income is related with purchasing of assets, property, gifts etc.

With regard to the spending of money on education of children/brother/sister, the mean scores 3.5 shows that respondents women micro entrepreneurs are agree on this aspect of spending of money on education of family/household members. These start ups are the main contributors of empowering the women economically.

With regard to market environment in term of healthy competition, availability of raw material/products, the women micro entrepreneurs responded that they have a better conducive environment in the market they work. As the mean scores of 4.0 shows that respondent micro entrepreneurs are agree on prevalence of conducive market environment. Environment prevailing in the market is an important determinant of failure or success of any business. The respondent micro entrepreneurs are agree on prevalence of Peaceful and competitive environment

In relation to availability of good market (customers),the mean scores of 3.83 indicates that women micro entrepreneurs have a good market for their products or services as respondents are agree on prevalence of good market.

It is depicted in the above table that in relation to women access to financial institutions/NGOs, The respondent entrepreneurs are on neutral/undecided position. As the mean scores of 3.3 depicts the neutral position of women regarding access to financial institutions/NGOs.

With regard to access to business related information, the mean scores of 3.4 shows that women micro entrepreneurs are neutral/undecided on their access to business related information. The standard deviation scores of 0.80, 0.86, 0.87, 0.99, 1.16, 1.17 shows that respondent women micro entrepreneurs are agree on having financial autonomy, contribution to household income, conducive market environment and prevalence of a good market while standard deviation scores of 1.30 shows that respondent women micro entrepreneurs are on neutral position for having access to finance, access to business related information, selling of assets, expenditure making etc.

4.2.2. Grand Scores for Control over Finance

Table 14. Grand Scores of items of control over Finance

Grand Mean	3.55
Grand Standard Deviation	0.17

The role of microenterprises in financial independence of women entrepreneurs can be analyzed from above table. The grand mean scores of 3.55 and standard deviation of 0.17 depicts that respondent women entrepreneurs are agree on gaining Control over financial matters or financial independence through micro enterprises.

Comparison of items taken for women's Control over finance with regard to impact assessment of micro enterprises through figure

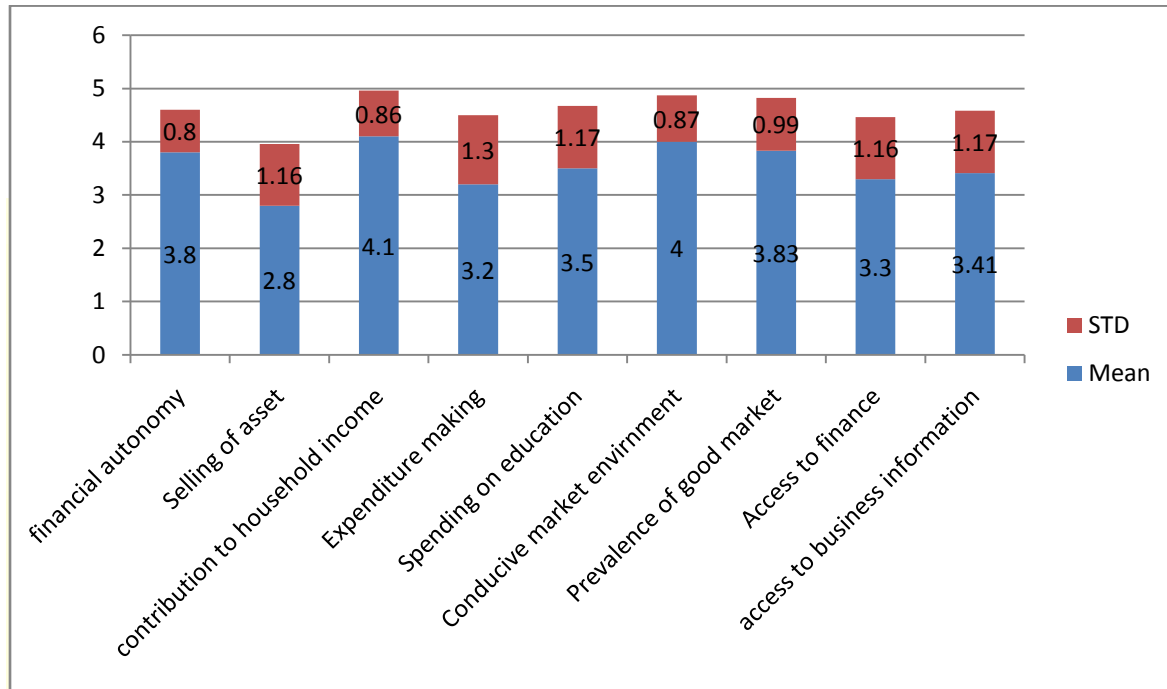


Figure 2. Comparison of items of Control over Finance in relation with Micro enterprises

It is revealed in the figure above that women/s contribution to household income and prevalence of conducive market environment are having highest scores and selling of assets is having lowest scores whereas scores for other items are lying between these extreme.

FINDINGS, CONCLUSION & RECOMMANDATIONS

A micro enterprise was taken as independent variable while Economic empowerment of women was taken as dependent variable. The role Micro enterprises was assessed on three components of economic empowerment namely, Control over Finance, Freedom of Movement and Skills up gradation through training.

Findings

Findings with regard to the role assessment of microenterprise on economic empowerment of women are as under:

The result shows that Women's control over financial matters has improved by taking up micro enterprises.

Conclusion

Economic Empowerment of women is an important issue gaining importance day by day as the women are getting more aware about their rights, contributions and control over different aspects of their lives. The results show that women's financial autonomy has been improved after taking up microenterprises and women have been economically empowered after starting their own ventures.

Now the women are managing their own businesses earning the cash, spending not only for themselves but also on other family members. One man represent only one individual and one woman represent the whole society, so empowerment of women means empowerment of whole society. The result showed that microenterprises were enhancing women financial independence, making them self reliant and empowering them in social and economic aspects of their lives.

Recommendations

- Strategies should be devised so that women entrepreneurs could get basic and necessary information about entrepreneurial activities
- Women entrepreneurs need to be encouraged so that more and more women could come and start new ventures and also provide employment opportunities to others.
- Government, NGOs and other institutions should launch gender awareness programmes.

References

- Basu, P.J., (2006). Microfinance and Women Empowerment. An Empirical Study with special reference to West Bengal. <http://www.igidr.ac.in>
- DAR, Gendernet. (2011). Women's Economic Empowerment. DAC Network on Gender Equality, (Gendernet) OECD, Issue Paper.
- Dangol, R., (2010). Women Empowerment through Income Generation Programme at village Development Committee in Lalitpur District of Nepal. Published Thesis for masters of public Policy and Governance Programme, Department of General and Continuing Education.
- Das, M., (2012). Women Empowerment through entrepreneurship: A case study of Guwahati Municipal Corporation. International journal of Computer Applications in Engineering sciences, Volume II, ISSN: 2231-4999/4446.
- Dejene, Y., (n.d). Women Economic Empowerment for Poverty Reduction and Economic Growth. Promoting Women's Economic growth in Africa.
- Golla, M.A., Malhotra, A., Nanda, P. & Mehra, R., (2011). Understanding and Measuring Women's Economic Empowerment. Definition, Framework, Indicators Washington DC: International Centre for Research on Women.
- Khattab, A.S. & Sakr, H.M., (2009). Women's Economic Empowerment in Egypt: challenges and opportunities. Working paper No 001. SRC/CIDA research programme on Gender and Work, Social Research centre, The American University in Cairo.
- Khan, A.R., & Bibi, Z., (2011). Women's socio economic empowerment through participatory approach, a critical Analysis. Pakistan Economic and Social Review. Volume 49, No. 1, pp. 133-148.
- Malhotra, A., Schuler, S.R. & Boender, C., 2002. Measuring Women's Empowerment as a Variable in International Development. Background Paper Prepared for the World Bank Workshop on Poverty and Gender. New Perspectives. Final Version: June 28, 2002.
- Makombe, I.A.M., (2006). Women Entrepreneurship Development and Empowerment in Tanzania. A case Study of SIDO-UNIDO supported women Micro entrepreneurs in Food Processing Sector. A Ph-d Published Thesis.
- Osman, I., Ahmad, N, H., Tanwir, n, D., Bakar, S,A. & Ahmad, Z, A., (2010). Entrepreneurial aspirations and empowerment of rural women in ecotourism SMEs, A Preliminary Analysis

Sathibama, K., (2010).Rural women Empowerment and Entrepreneurship Development, Student papers Sathibama/Women's

Sida, (2009).Women's Economic Empowerment: Scope for Sida's Engagements. Working Papers Series.Dec, 2009

Siddique, O., (2011). Review of legal and regulatory frame work corporation of SME, s. A Study conducted for the Ministry of Industries and Production, Government of Pakistan and the Securities & Exchange Commission of Pakistan.

Vasanthakumari.,(2012).Economic Empowerment of Women through Microenterprises in India with special reference to Promotional Agencies. International Journal of Multidisciplinary Research Vol.2 Issue 1, January 2012, ISSN 2231 5780

