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Women Entrepreneurship and COVID-19 :
Pivoting the richer aspect of survival and growth

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Women Entrepreneurship and COVID-19 : Pivoting the richer aspect of survival and growth

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ABSTRACT

The COVID-19 is distinctive in the meticulousness of its effect as it is the humanitarian disaster which has caused the impact on both demand and supply shock to the entire economic system. Women across the different sectors of the economy are responding to this ultimate shock with entrepreneurial activities with optimism and agility. COVID-19 pandemic has paved the way for women entrepreneurship across the country; specifically for the state of Gujarat, where entrepreneurship is almost a religion.

Although COVID-19 hit the number of businesses across the globe and marked the reflection of decline in the demand of various products, Gujarat state has shown its sweat and blood to get recovered from this worst phase. Getting back on the track, women entrepreneurs have played a vital role during and post pandemic to rebuild the economy. This paper represents the deliberation how the pandemic has opened the door for women entrepreneurship. It also flashes the factors responsible for generating more number of women entrepreneurs.

Moreover, the study also reveals the challenges which women entrepreneurs had to face to take up the entrepreneurial venture. This paper suggests that unfavourable market conditions adversely affects than any other factors while performing entrepreneurial activities.

KEY WORDS

Women entrepreneurs, COVID-19, Gujarat, Crisis, Opportunities

INTRODUCTION

The COVID-19 pandemic has created severe impact on all the industries, specifically on Micro, Small and Medium Enterprises of Gujarat. People of Gujarat prefer more businesses to generate source of income. To come out from hard effects of pandemic, it was highly needed for Gujarat to establish aggressive business restricting models. Because of limited new income opportunities, entrepreneurs had to restrict themselves from spending money on unnecessary expenses and thinking about future provisions.

Any type of global crisis never comes with gender specification; same with COVID-19. This pandemic was not even an exception. Many women across the world got affected by this pandemic not only medically but socially, mentally and financially too. It had negatively impacted on livelihood of the many women across the different geographies.

Women who belong to marginalised communities of semi-urban and rural areas, mainly employed with informal and unorganised sectors; they had to face loss of avenues of income because of shutting down of day care centers, schools and day to day paid house hold chores.

Women are considered as the fundamental pillar of the society. If this base, this pillar is strong and empowered then entire society and entire world is empowered. To empower women across the society, MSME (Ministry of Micro, Small and Medium Enterprises) offers platform through various schemes to women to showcase their entrepreneurial talent to earn identity and experience greater livelihood.

COVID-19 pandemic has emerged the doors to transform home makers into Entrepreneurs. In society, all those enterprises, which are women-owned are creating higher positive impact and playing vital role to inspire others as well as for generating further employment opportunities in the nation. To promote equilibrium state of growth in the country, it is highly needed to think upon the sustainable growth of women entrepreneurs. In India, campaign like Startup India is Startup India is dedicatedly working to strengthen women entrepreneurship ecosystem by various initiatives, policies as well as through enabling networks.

Defined by the Government of India, “An enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated by the enterprise to women.” (Safaribooksonline.com).

WOMEN ENTREPRENEURSHIP

A little bunch of support oriented activities like support to retain and enhance the skills, support through promotional measures, support by considering the females as prime element for survival and growth of economical, cultural and societal factors of the society lead to the nation on the path of empowering women. Subsequently, it can go a long way for generating more women entrepreneurs for the nation.

Women entrepreneurs inspire other women to get involved in the business and to go for the start up oriented activities. However, females face many problems like low mobility, family responsibilities, less capacity to take risks, less need of achievements, social mindsets. Amidst all these obstacles women stand steadily and survive in market full of keen competitions and contribute to family income and contribute to societal and economical advancement.

Now-a-days women entrepreneurs don't only prefer to enter in selected professionals only, but they have opened their limits to experience trade, engineering and industry as well. Resulting those women become job providers not job seekers. More involvement of women in entrepreneurial activities leads to diminish the gender gap in personnel.

Women entrepreneurship has created dramatic impact on India's economy. In this post COVID world, utilization of soft skills, sympathetic management and leadership became the buzzwords.

LITERATURE REVIEW

(Manolova, Brush, Edelman, & Elam, 2020) surveyed on the basis of the data they have received from Diana International Research Institute (DIRI) to identify business model pivots in women-owned businesses. They have concluded that business model pivots cannot be completely understood without keeping in mind the economic and social structure in which business runs. Because of this COVID-19 pandemic, the fundamentals of current business models were swiftly overturned. So it resulted in disappearance of current operating. Recent data from the Global Entrepreneurship Monitor show that more than 50% of women entrepreneurs operate in the wholesale/retail trade sector, compared to 42.6% of men, and 17.2% of women operate in government/health/education and social services compared to 10.1% of men (Elam et al., 2019).

(Rathna, Badrinath, & Siva Sundaram Anushan, 2016) suggests that a favourable environment is the higher requirement of the time to uphold the required skills of such women, who spark through their entrepreneurial potentiality, in this manner competitiveness in the market can be enhanced. Such kind of increased competitiveness in the market opens the doors of opportunity available for them. Consequently, the concepts and practices of providing privileges to women for entrepreneurial activities which are available in books can be kept in to the action. The researchers suggest focusing on women entrepreneurship development, which will result in substitute sources of income for the district of Thanjavur.

(Singh & Sebastian, 2018) suggests that there are two reasons behind the selecting the entrepreneurial activity by women: (i) family's background (ii) anyone in the family owing a business. If it is a matter of family entrepreneurship then the process of showing interest in business starts from birth itself. In addition to that, further research require to study after this paper is the impact of demonetization drive in India because of it women entrepreneurs have faced many financial and technological problems. The impact of improved tactics, skills and knowledge can also be explored. With the help of networking and government run agencies maximum facilities can be availed to women entrepreneurs. With a view to maintaining the tradition of women entrepreneurship and opening the doors for more avenues, these interlinked aspects must be explored and implemented.

(Shastri & Rao, 2014) elaborates the stories of some women entrepreneurs of Gujarat in their research paper. Stories of Lijjat Papad, Jasuben's Pizza and Riverside School – Ahmedabad were covered in paper. It also reflects the efforts and actions take up by government of the state to boost up them to take entrepreneurship as a career. Along with that, paper represents the idea that only taking up entrepreneurship as a career is not enough; women themselves or their organisations have to be a part of social change activities. It was concluded there that, in this male dominated society, it is difficult for women entrepreneurs to make their specific place.

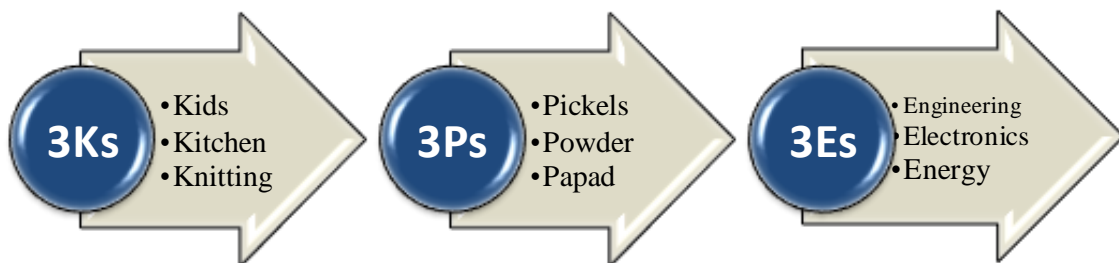
(Seredkina & Burova, 2021) have focused on the opportunities and risk factors for female entrepreneurs in the time of COVID-19. The paper highlighted to find new opportunities for business development of women's business communities and the cutback of gender inequality to the time of pandemic. The various qualities like establishing and maintaining networking in society, understanding social significance of business, flexibility in applying new decisions and quick learning; all these affects the more establishment. Pandemic has impacted the

women entrepreneurship in Russia as they did not receive sufficient social support. In Perm region this pandemic has increased the susceptibility of women entrepreneurs.

(Sugaraj & P.S., 2014) stated that the success ratio of women entrepreneurs from state to state in India is different. Women entrepreneurship in India has been affected by the changes in the growth at global and domestic level. The role of financial institutions, central government, state government, voluntary agencies, academic institutions are more in enlarging the participation in small and medium scale sectors. It has been observed that women entrepreneurs have reached to the micro segment of the MSME sector. Their research reflects the idea of sharing the success stories by women entrepreneurs to other through e-commerce to boost the pace of entrepreneurial movement in India. Women entrepreneurs will be better known by focusing on three parameters (a) social, cultural and family background (b) religion and caste (c) location of their residence i.e. urban or rural area.

In India, earlier days women were mainly engaged in household chores. Their main involvement was limited to 3Ks – Kitchen, Kids and Knitting. But slowly and steady the changes have been experienced in cultural and economical factors; which turn them from 3Ks to 3Ps – Pickels, Powder and Papad. (Agrawal & Lenka, 2018) It suggests that after getting involved in education and thinking for being recognised and becoming financially independent they got involved in entrepreneurial activities. For the last decade, women has taken opportunities even in crisis and stepped up for national and international level positions. Consequently, focus was turned to 3Es – Engineering, Electronics and Energy.

Fig 1 : A shift from activities of women in India



(Source : International Journal of Social Economics, Why research needed in women entrepreneurship in India: A viewpoint, Agrawal & Lenka, 2018)

RATIONALE OF THE STUDY

Although many research works have been done on Women Entrepreneurship, but the study on the impact of COVID-19 pandemic on the women entrepreneurship in the state of Gujarat remains unexplored.

METHODOLOGY

This paper is descriptive in nature. Author has given analytical insights on the basis of available data. The data for this study have been collected from secondary authenticated sources like past research studies on the same subject line, library, internet sources, different journal publications, news reports, government policies, programmes and reports and taken help from those individuals who are engaged in entrepreneurial activities.

OBJECTIVES

- To review the challenges and opportunities that women entrepreneurs encounter because of COVID-19 pandemic
- To trace the emergence of women entrepreneurs in Gujarat state during the period under review
- To give conclusion on the situation that women encounter after pandemic phase for women entrepreneurs of Gujarat state

WOMEN ENTREPRENEUSHIP IN GUJARAT

As per the report of 6th economic census, women entrepreneurs own over 8 million enterprises in India or about 13 per cent of the total units. In India, among all the states, Gujarat offers numerous opportunities for entrepreneurial activities. This happens because entrepreneurship is entrenched in culture and tradition of Gujarat. Central Government and State Government provide many incentives for women entrepreneurship.

Females of Gujarat have been a part of entrepreneurial activities even before the independence. After each and every important phase which Gujarat has gone through, like post independence, post 1991 and post recession (2008 onwards); it has grown up with more opportunities of women entrepreneurship. Same with the post COVID-19 phase, women sparkled as a tool of survival and growth with remarkable and powerful entrepreneurial development.

As per the report of Business Standard in the year 2015, Gujarat is rated as one of the top three states of India along with Himachal Pradesh and Delhi as entrepreneurship friendly states. (Business Standard, March 3, 2015).

Women entrepreneurship does not only gear up the economy through more job creation, but it also offers transformational personal as well as social outcomes.

In the state like Gujarat, where business is considered as almost a religion; along with male entrepreneurs, many businesses are owned by women. By concentrating on the environmental, demographical and cultural factors, women prefer to get involved in the businesses like; Khakhara and Papad making, pickle manufacturing, Agarbatti making, handicraft products, embroidery work, catering services, chocolates and bakery item manufacturing, beauty parlours, day care centres, running small retail shops or season stores, fitness centers etc.

IMPACT OF COVID-19 ON WOMEN ENTREPRENEURS OF GUJARAT IN TERMS OF SURVIVAL AND GROWTH

There was a risk whether this pandemic will undo the progress that made in the segment of women entrepreneurship or not. Many females have faced domestic violence during this pandemic; many of them ultimately decided to be financially independent during immediate post pandemic phase. At initially, need of home based businesses arised.

In the global crisis especially at the time of onset of COVID-19, there were various factors which have influenced the growth of women entrepreneurs in Guajrat state.

These factors can be categorised in two folds : (i) Push Factors

(ii) Push Factors

PUSH FACTORS

- Death of bread winner during pandemic
- Sudden fall in family income because of salary cut
- Temporary or permanent dismissal from the job
- Shut down of businesses which government has not allowed to open until few unlocks in the state after experiencing first and second wave during pandemic
- Permanent inadequacy in income of the family

PULL FACTORS

- Less possibilities for continuing study because of migration issues, which positively impacted to spend time for earning
- Less desire for offline education lead to involve in earning activities
- Women's desire to justify their talent
- To utilize their free time or education
- Women and family's thinking to avail freedom and consider equity
- Need and perception of Women's Liberation, Equity etc.
- To earn social reputation and identification
- To enjoy economic independence

Along with these, personal and social push and pull factors, government's support also plays vital role in entering in entrepreneurial activities by women.

In January, 2021 Gujarat and Telangana states join hands to enable support to women entrepreneurs by signing MoU between WE Hub (Telangana Government) and I-Hub (Gujarat Government). Under this, selected 240 women entrepreneurs sent for pre-incubation programme. And 20 women will be selected for co-incubation programme. (The New Indian Express, 2021)

This will be the best practice model for both the states. Because of this initiative, roadmap will be created to be scaled, sustained and supported the women entrepreneurship not only in state specific but across the world.

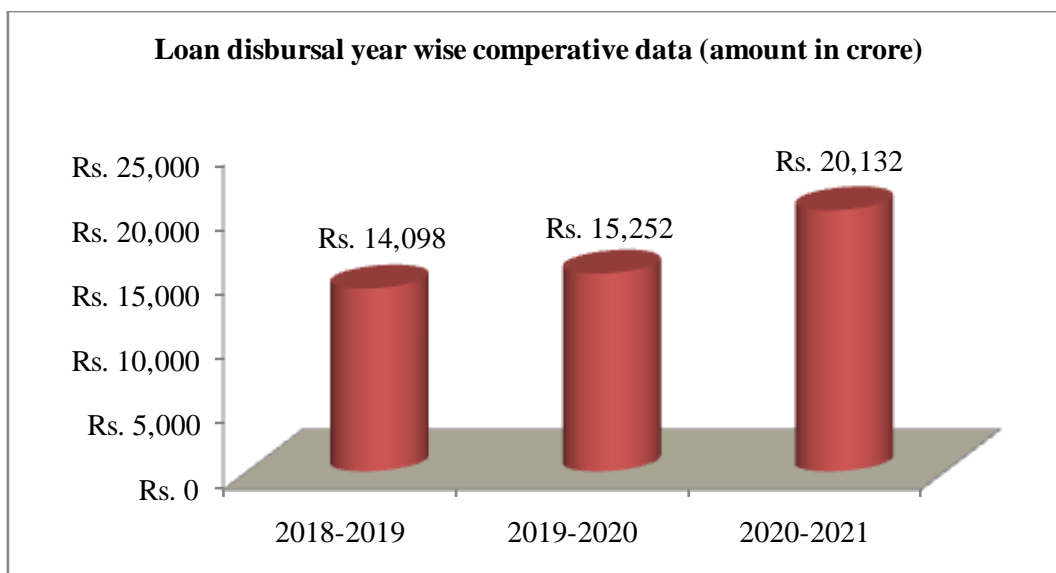
State Level Banker's Committee (SLBC) – Gujarat has compiled the data of loan disbursements in the state of Gujarat to women entrepreneurs.

As per their report it has been said that there is a remarkable growth in the loan amount data in the year 2020-2021 with surge of 32% as compared to 2019-2020.

Table 1 : Fresh Loan Disbursements to Women Entrepreneurs

Year	Amount (in crores)	Disbursements Surge
2018-2019	Rs. 14,098	22.3%
2019-2020	Rs. 15,252	8.2%
2020-2021	Rs. 20,132	32%

(Source : SLBC – Gujarat)



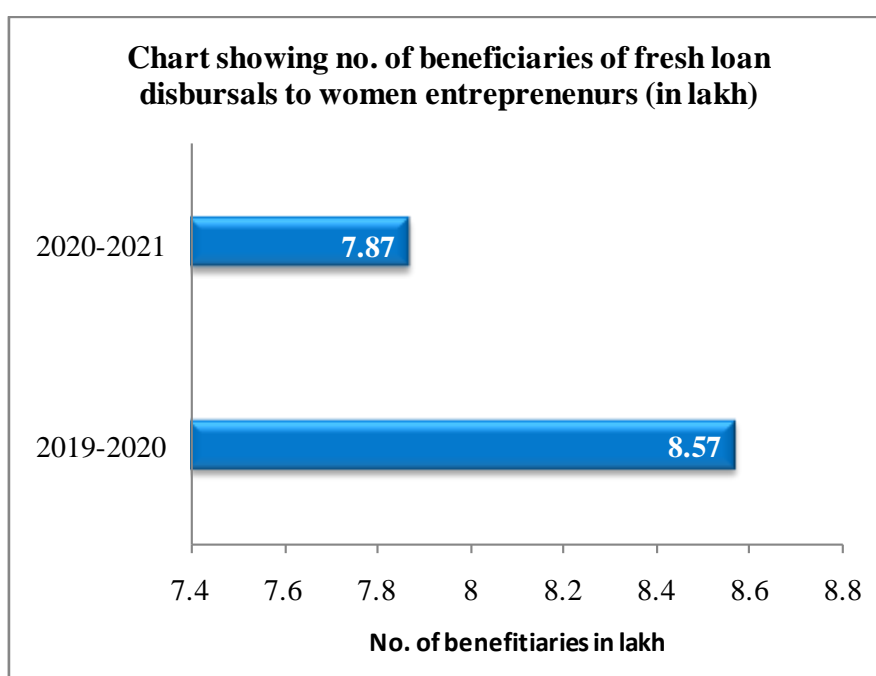
DATA ANALYSIS

In 2019-2020, this growth rate was much lower at 8.2%. (Times of India, 2021) In addition to their report, although the fresh loan disbursal growth is there but the number of beneficiaries declined to 7.87 lakh from 8.57 lakh during mentioned period.

Table 2 : No. of women entrepreneurs who got benefited from loans

Year	No. of Beneficiaries
2019-2020	8.57 lakh
2020-2021	7.87 lakh

(Source : SLBC – Gujarat)



DATA INTERPRETATION

Although noticeable growth is there in loan disbursement but number of beneficiaries got declined. In this pandemic year, many business holders were in need of working capital, for that reason surge is seen in loan disbursements to women entrepreneurs. Another reason behind that may be is who have registered their business on the name of their wives; they have taken benefit of availing these loans.

Moreover, the interest rates for women entrepreneurs are lower in comparison with normal business loans. So, especially in the time of crisis, such kinds of loans are mostly preferable.

LIMITATIONS OF THE STUDY

As this is a descriptive paper, author has researched theoretical concept and done subjective assessment with practically implementation of the topic. But when it comes to analyse on the basis of statistical data, more and enough amount of data availability was not experienced by the author. Along with that, the topic of research is connected with the post phase of COVID-19, so very few researches have been done on stated topic.

CONCLUSION

It can be concluded that, government is offering opportunities to women for breaking down the boundaries and stepping up in entrepreneurial activities. This COVID-19 pandemic has elicited both opportunities and challenges to entrepreneurial activities for women. To cope up with opportunities and constraints, support from various governments, financial and educational institutional is needed. Therefore, survival, continuity and growth can be experienced and navigated for powering the economy through women entrepreneurs.

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