Role of Microenterprises With Regard to Economic Empowerment of Women

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Abstract

This study was aimed to examine the role of microenterprises in gaining economic empowerment of women in three districts of Azad Jammu & Kashmir. The sample taken for this study is comprised of 114 women microentrepreneurs from two services sectors belonging to three districts of Azad Kashmir. Quantitative research methodology was used. Data were collected through a five point likert scale questionnaire. In this study microenterprise was taken as independent variable while two components of economic empowerment namely skill up gradation through training and business related matters were taken as dependent variables. Descriptive statistic (mean and standard deviation) were used for data analysis. The result of this study revealed that microenterprise have empowered the women economically as they are more empowered after improving their skills and also empowered in managing business related matters.

Key Words: Microenterprises, Azad Jammu & Kashmir, Skill Up Gradation Training, Business Related Matters, Quantitative.

Introduction

The prosperity or poverty of any nation is judged and measured by the conditions of its women because women are making half of the total population in the world. Their potential contributions are pushing the nations on the commanding heights of developments. Empowerment of women shows the empowerment of a society and an economically stable and empowered woman is blessing for her family, society and nation. A skilled and trained woman is the best form of human capital because if skills are developed or upgraded through training and when these skills are applied in venturing the entrepreneurial activities then not only women get benefited from it but her family and community also benefited. Economic empowerment of women is a famous phenomenon which is capturing the attention of researchers from all over the world. Due to its immense significance it is gaining popularity with the passing of each day.

Women decision making power is an indicator of women’s empowerment (Snijiders, 2009). Women have been often underestimated for their abilities as they are risk averter, less confident, having less social contacts and least dependable. In the countries like Pakistan, there are certain socio-cultural barriers which impede the contribution of women toward their personal and community development. These barriers include feminine role to born children, home making, subordination before husband due to superiority and dominance of males. Such barriers lead toward disempowerment and least development of women. Another important aspect is that women are considered the symbol of respect and dignity and their home outside role is taken against the family norms in majority of families. Osman et al., (2010) showed that to make an assessment about the status of women entrepreneurs in the context of their earning through enterprises challenge the existed relations and enhance and improve the gender equality. Women’s Economic Empowerment is likely to gain control over financial resources, income generating activities, autonomy to spend the income, making contribution to household income and decisions regarding financial matters (Dangol, 2010).

Economic Empowerment is the basic right of woman which strengthen her position in society and enables her to get equal status to men. Economic empowerment of women eliminates the poverty and enhance economic growth and
development. Such an empowerment reduces human’s right violation and improves the women’s personal and social life which in turn promotes gender’s equality (Sida, 2009). Women who are working in market have improved their self esteem and they are making an important contribution for nourishing their families and developing their skills to get higher rank or upward mobility (Jayweera, 2003). Micro enterprises are playing a pivotal role in promoting economic empowerment of women for independent earning. Microenterprises can be the change agents eliminating gender inequalities and women subordinated status in the society.

**Research Problem**
In Azad Kashmir large number of females are managing their microenterprises which are empowering them economically but these enterprises in relation with economic empowerment have not been given due coverage in the research. Therefore, present study has focused this area for research.

**Objectives of the Study**
The primary objective of this study is to examine the role of microenterprises on economic empowerment of women while the secondary objectives include:

a) To assess the role of microenterprises on skills up gradation through training.

b) To examine the role of microenterprises on business related matters.

**Significance of the Study**
This study is of great importance because this is the first ever study which took the role of microenterprises in relation with economic empowerment of women in Azad Kashmir and no study to the best of my knowledge and belief has taken the role microenterprises with regard to economic empowerment of women in Azad Kashmir.

**Limitation of the study**
The views and thoughts of understudy sample may not reflect the views and thoughts of all the women microentrepreneurs of whole country so this thing limits the scope of this study

**Literature review**

Malhotra, Schuler, and Boender (2002), identified that empowerment is a process which enables a women to take control over various aspects of life. They further argued that empowerment is a continuous process of happening not that has happened

**Women Economic Empowerment**
Empowerment can enable the women to have control over scenarios of their lives which include control over resource, ideology, improvement of confidence and transformation of their inner abilities to face external affairs. Empowerment of women is not only important for the well being of women themselves but it is also important for the development of a country (Sharma & Verma, 2008).

In the context of Pakistan there is no standardized definition of Micro enterprises. According to the proposed definition of microenterprise by SMEDA is that such an enterprise with the number of less than ten employees or productive assets of PKR 2 million (SMEDA, 2002).

**Component of Economic Empowerment**
Skill development training and women control over business related matters are the most important indicators of women micro entrepreneur which empowers the women economically. Microenterprise is seemed to an instrument which enables the women to gain control over financial matters, self reliance and develop the skills of other community members through learnt skills. The detail of this component is as under:

**Training for Skills up gradation**
There is strong association between microenterprises and training initiatives. The features of microenterprises training include improvement in self sufficiency, financial achievements, morale strengthening , improvement and up gradation of management skills for performing functions, innovation, enhancement in networking, enhancing the support of technology, sharing of information and improving coaching with great focus on community (Welsh & Manoz, 2010).

Capacity building enhances women’s competitiveness, improve, s the grip on handling and operating of various technological aspects. Training
enables an individual to utilize the skills and resources in an appropriate way. Females in south Asia has very limited accessibility to the training, women are less educated than men (Wub, 2010). Skill up gradation training is designed to improve and enhance the individual’s capacity especially for performing current and future job. Skills up gradation training prepares the individual for the practical activities particularly non academic and most specifically related with a particular occupation (Dangol, 2010).

Abilities are improved through apprenticeship and training. Training gives a new shape to the skills and abilities. To compete with other businesses updated skills are very essential for meeting market requirements. Women achieve economic empowerment through skills which they get through training. Training is the basic element in managing the microenterprises (Makombe, 2006). Education and training is the social dimension of women’s empowerment which enhance quality of work which in turn enables the women to utilize the skills in an effective manner and become more economically empowered. Reynold (2004) in Lasghara, et al., (2011) indicated that a very strong positive relationship is existed between high levels of training and the development of entrepreneurial activities. Business opportunities with appropriate training are the condition of success which enables the women to achieve the goals and to earn the additional income for their households (Belmont, 2010).

**Business Related Matters**

Wendy (2008) discussed Women do the business different from men do as the women have different socialization experiences and they use different options depends upon their prior professional experience and networks. Women need to be supported by initiatives which would shed light on the real situation of women in the economy, through detailed studies encompassing human rights, particularly for regions hiding behind numerous traditional measures. It is very essential to start a national training frame work which improves entrepreneurial competencies of women and which enable them to compete in the labor market which in turns enhance the women’s employment and competition in the country (Purruni, 2011). Jan & Hayat (2010) stated that in order to address the issue of gender differences and inequality, the entrepreneurial activities have to be focused by promoting women empowerment through participation in enterprises. Women are the major contributor in managing the cash flow at household level which enhance and improve their status at household and community level and their involvement in enterprise is the most important and reliable instrument for their empowerment. Empowerment is a context specific factor as it is determined by behaviors and attributes which vary from situation to situation or place to place. Such a variation poses constrains both in consistency and comparability in measurement (Malhotra et al., 2002).

**Research Methodology**

This is a quantitive research methodology and moreover this study is cross sectional in nature. A total sample of 114 women micro entrepreneurs were taken which include 57 lady doctor entrepreneurs and 57 beauticians who are managing their microenterprises in the form of poly clinics and beauty salons respectively. This sample is taken from three districts of Azad Kashmir namely Mirpur, Kotli and Poonch. A five point likert scale questionnaire contains 6 each items for skill up gradation through training and items related with business were taken. Furthermore items used in the questionnaires were adapted from Hussain et al, (2010) and (Wub, 2010).
Analytical Framework

Independent Variable                       Dependent Variable
Microenterprises                           Economic Empowerment with its two components
                                           a) Skills Up gradation through Training
                                           b) Business Related Matters

![Analytical Framework Diagram]

Figure 1. Analytical Framework

Source: - Figure drawn from literature

Table 1. Items taken for skills up gradation through Training with impact assessment of Micro enterprises

<table>
<thead>
<tr>
<th>No</th>
<th>Items</th>
<th>Mean</th>
<th>Standard deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I have updated/improved my skills to meet market requirements after taking up micro enterprises.</td>
<td>4</td>
<td>0.78</td>
</tr>
<tr>
<td>2</td>
<td>I have acquired the skills through formal training.</td>
<td>4.1</td>
<td>0.82</td>
</tr>
<tr>
<td>3</td>
<td>Professional training has helped me to manage my business effectively and compete with other businesses.</td>
<td>3.8</td>
<td>1.15</td>
</tr>
<tr>
<td>4</td>
<td>I train other people (sister/mother/friend/others community members) through learnt skills.</td>
<td>4.34</td>
<td>0.87</td>
</tr>
<tr>
<td>5</td>
<td>I am lot more confident after up grading my skills through training.</td>
<td>4.25</td>
<td>0.82</td>
</tr>
</tbody>
</table>
I have the managerial skills. 4.0 0.78

As depicted in above table that respondent micro entrepreneurs are agree for improving their skills through training. The mean scores of 4 shows that respondents are agree to improve or update their skills to meet market requirements.

The mean scores of 4.1 and in above table shows that respondents are agree on that they acquire skills through formal training. As it is indicated in above table that mean scores of 3.8 and shows that respondent micro entrepreneurs are agreed on that professional skills have helped them to compete with other businesses.

The above table clearly portraits that women micro entrepreneurs are strongly agree on that they train other people through learnt skills. The mean scores of 4.35 shows that respondents are more than agree on that they train other people.

With regard to level of confidence after establishing the microenterprises, the mean scores of 4.25 shows that women micro entrepreneur are more than agree on that they are lot more confident after training. The standard deviation scores are showing consistency among the values which reflect that respondent women are more than agree on upgrading their skills after taking up microenterprises.

Table 2 .Grand scores for Skills up gradation through Training

<table>
<thead>
<tr>
<th>Items</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grand Mean Scores</td>
<td>4.08</td>
<td></td>
</tr>
<tr>
<td>Grand Standard deviation</td>
<td>0.19</td>
<td></td>
</tr>
</tbody>
</table>

It can be seen from above table that impact of micro enterprises on skill up gradation or capacity building is more than its impact on other two factors. It can be concluded from above table’s scores that micro enterprises with highly trained entrepreneurs are not only contributing more in empowering themselves but also train other women through learnt skills. So the grand mean of 4.08 and standard deviation of 0.19 clearly depicts that microenterprises with upgraded skills of women entrepreneurs is contributing more toward economic empowerment of women.

Table 3. Business Related Matters

<table>
<thead>
<tr>
<th>S.NO</th>
<th>Items</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>I have a better access to financial institutions</td>
<td>3.3</td>
<td>1.1</td>
</tr>
<tr>
<td>8</td>
<td>I have a better contacts(networks) with outsiders</td>
<td>4.0</td>
<td>0.78</td>
</tr>
<tr>
<td>9</td>
<td>I have no prejudice or class biases</td>
<td>3.8</td>
<td>1.0</td>
</tr>
<tr>
<td>10</td>
<td>The society’s attitude towards my products/services is positive.</td>
<td>3.6</td>
<td>0.92</td>
</tr>
<tr>
<td>11</td>
<td>The attitude of other employees towards my business is positive</td>
<td>3.8</td>
<td>1.3</td>
</tr>
<tr>
<td>12</td>
<td>I have a positive relationship with the workforce</td>
<td>4.1</td>
<td>0.69</td>
</tr>
</tbody>
</table>

It is clear from above table (Mean scores of 3.3) that women micro entrepreneurs are slightly more than neutral on having access to financial institutions but they are agree (Mean scores of 4.0) on having better contacts with other businesses or net works. Women respondents are little more neutral (Mean scores of 3.6) or somewhat
satisfied with the attitude of society towards their services. It can be seen from above table (Mean scores of 3.8) that women micro entrepreneurs are agree on having positive attitude of employees toward their business. It can also be observed from above table (Mean scores of 4.1) that women respondents are agree on having good relations with their work force.

Table 4. Grand Scores for Business related Matters

<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Grand Mean Scores</td>
<td>3.8</td>
</tr>
<tr>
<td>Grand Standard deviation</td>
<td>0.28</td>
</tr>
</tbody>
</table>

It can be observed from above table that microenterprises contribute in achieving empowerment in business related factors which is one of the dimensions of economic empowerment. As the grand scores (Mean scores of 3.8 & Standard deviation scores of 0.28) in above table clearly indicates that microenterprises are the tools of making the women entrepreneurs economically empowered.

**Role of microenterprises and on Up gradation through training**

Generally microenterprises are run by already trained people but there is always need of improving or updating the skills to meet the market requirements. Training for skill development is necessary to get larger and qualitative outcomes because contribution of people with high standards of skills not only empowers themselves financially but it also ensures long term sustainability of enterprise itself. (Ferej, 2009) stated that skill standard are very essential because they specify the knowledge and skills. Skills standard set a criteria of testing of knowledge and grip over the tasks. In current study women micro entrepreneurs comprise on a sample of 114. The lady doctors and beauticians who started the small ventures to generate income for gaining financial autonomy and respectable position in the society are taken as sample. The sample is taken from three districts of Azad Kashmir. In the stiff market competition simple Medical officers needs to take training of ultrasonography (USG), Diploma in gynae and obstetrics (DGO), Diploma in Lithotripsy etc to enable them to meet the market requirements.

Beauticians also need to update their skills through training because only hair cutting, facials, bridal and party makeup cannot make a beautician successful unless they have grip over nail art, different hair cutting styles, variety in facials, variety in Henna designing, awareness regarding quality of cosmetics used in makeup etc, according to the demands of market.

Training for improving skills and then utilization of those skills for income generation brings very positive results. As the table shows that grand mean scores of 4.0 and standard deviation of 0.9 indicates that women micro entrepreneurs with updated skills through training are getting more economically empowered. Professional training helps the women micro entrepreneurs to be self reliant, more confident and enable the women micro entrepreneurs to train other people (sister/mother/friend/other community members) through learnt skills.

**Role of Microenterprises and Business Related Matters**

Economic empowerment is gaining popularity with the passing of each day. Microenterprises are playing an important role in empowering women in business related matters. Women’s access to financial institutions, better social contact, absence of gender biasness, society’s positive attitude, employee’s positive attitude and good working relations with work force make the women more socially empowered. Microenterprises are those engines which empower the women in business related matters. Women seem to become more independent in managing their business related matters which show that microenterprises are pushing them to gain empowerment.
Discussion

Microenterprises have been seen to make significant contribution in empowering the women economically. Adhikari (2007) found that microenterprises are the main tools of changing women’s role from household work to business work. The socio economic status of women has changed and women financial autonomy and access to resources has increased. Women’s power to make decisions to improve skills and social acceptability is increased. As the women have improved or upgraded their skills and also empowered in business related matters by taking up microenterprises.

Findings and Conclusion

The result of this study clearly indicates that Women who got additional training for improving or updating skills are earning maximum income and as it is contributing in empowering women economically in AJ&K. diversity in skills makes the women micro entrepreneurs more successful and it is confirmed by the research study of Kabeer (2012) whose findings show that additional training courses promotes the capacity for long run planning and provide practical skills as well. Micro enterprises are the tools, strategies and devices which combine and efficiently utilize knowledge and skills developed through training which in turn makes the women financially independent. According to the results, Women micro entrepreneurs seem to have more access to financial institutions, better business contacts, better relations with employees etc. Microenterprises have enabled the women to upgrade their skills and also empowered them in business related matters.

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