

The Impact of Covid 19 on Women Micro Enterprises in Costal Karnataka

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Abstract

Micro enterprise is a small business activity which utilizes the local resources, indigenous skills and small amount of capital. A very small business model formed by the women through their limited capital to generate income and also to demonstrate their leadership qualities. Micro enterprises can be effectively managed by the women especially after forming the Self Help Groups. These groups are informal in nature and people who are belong to economically and socially weaker section of the society. Micro enterprises are instrumental in reducing the poverty and enhancing the team work, group decision making and also to produce the wealth for the members. Utilisation of local resources and providing the employment to the rural youths and reducing the regional imbalances are basic motto of the self help group. This paper focuses on the impact of Covid 19 on the micro enterprises run by the women entrepreneurs. The study was conducted in the coastal districts of Karnataka.

Keywords: Micro enterprise, Self Help Groups, Covid 19, women entrepreneurs, indigenous skills.

Introduction:

Women entrepreneurship is the business activities where the women gather the required resources, assume the risks and provide the jobs to the people. Entrepreneurship makes the women more creative, economic independent and empowered.

Definition: ‘An enterprise owned and controlled by woman having a minimum financial interest of 51% of the capital and giving at least 51% employment generated to women’ - Government of India.

‘Women who innovate or adopt business activity are called women entrepreneurs’ - J Schumpeter

Importance: Women entrepreneurs are contributing to the household income and also generate employment which will develop the economy. Entrepreneurs are contributing to the development of the economy and also to reduce the poverty of the country. Women are taking up the entrepreneurial activities to strengthen their financial stability and to increase the family income. The entrepreneurial initiatives also helpful in increasing the assets of the family. There are numerous promotional initiatives by the Government, which motivates the women to take up entrepreneurial activities. Many NGOs are front-runners in providing the training and also assisting in getting the financial supports. Women are also desire to enjoy the social status, respect and

recognition in the society, through undertaking entrepreneurial activities.

Review of literature:

Indrakumar¹(2020) in his research identified the ill effects of Covid 19. The pandemic created uncertainty, unemployment, reduction in the output and the loss of business for the entrepreneurs.

Minaketan Behera²(2021) has mentioned the problems caused by the Covid 19. There are problems like migration of labourers, problems in the supply chain, cash crunch, reduction in the profits. The entrepreneurs are not in a position to make the payment on time.

Methodology:

Primary data was collected from the members of Self Help Groups. 100 respondents were selected from the three districts of coastal Karnataka. 40 respondents each from DK and Udupi District and 20 respondents from Uttara Kannada District. Convenience sampling technique was used. Opinions were collected through structured interview format.

Objectives:

The objectives of the study are:

1. To understand the importance of enterprise to the members of SHGs
2. To study the various micro environmental factors affecting the business of women entrepreneurs.
3. To suggest suitable remedies to tackle the issue.

Micro factors: There are numerous microenvironment factors which affects the women entrepreneurs. Micro factors involve the factors of resources availability and its usage which will have the impact on enterprise individually.

Problems or the Issues of Women Entrepreneurs: The women entrepreneurs are facing the number of problems. The pandemic has created uncertainty and also loss of earnings due to the lockdown. The major issues which the women entrepreneurs faced in the coastal districts are:

1. **Distribution channel and Suppliers:** Entrepreneurs needs to collect the raw materials for their production. There are many types of home industries, which produce the products like pickle, papad, masala powders, confectionaries etc, which requires raw materials, women entrepreneurs need to collect the raw materials like tender mangoes, dal, jiggery, and chilies. These raw materials are located in different geographical areas. For e.g to prepare Appemidi pickle the entrepreneur need to visit the places like Sirsi, Ripponpet, where the quality Appimidi (a kind of tender mango used to prepare pickle) is available. The lockdown has restricted the entrepreneurs to visit these places. It was the month of March to May ,the raw materials were available in the market. There was no weekly market due to pandemic. The entrepreneurs cannot visit the farm where the raw materials were available. There was restriction for the public transport facilities. Bus was the

mode of transportation for these entrepreneurs to visit the market. There was no own vehicle facilities the entrepreneurs. The large scale manufacturers can afford to have a strong distribution or supply chain network.

Entrepreneurs used to get the orders from hotels, caterers, the lockdown has a negative impact on the business as these hotels, caterers had only parcel services and there was no much social gathering. The public movement was restricted; there was no melas, mandis, weekly market. Women entrepreneurs especially from the rural areas had the poor distribution channels; they used to depend on the public transport facilities.

2. **Employees:** The women entrepreneurs are using more of human resources than the machines. The human resources are employed to prepare products like, pickle, papad, masala powders. But in the formal sectors there are more number of machines which are used to prepare papad, pickle etc. These machines can produce more output and quality can be maintained. But the lockdown situation created huge problems to the employers. The migrant employees returned to their native places and there was huge shortage of manpower. The production was affected and could not meet the demands of their clients.
3. **Competition:** The progress of improvement ceases nearly at the point where the competition ends (William Hazlett). The healthy competition among the entrepreneurs is good for the customers, as it offers better quality, good service. Competition also gives scope for innovation, research and development. The women entrepreneurs especially in the rural area are not in a position to give tough competition to companies belongs to the formal sectors. The entrepreneurs belongs to formal sectors can invest more on infrastructure, supply chain and distribution, promotion, innovation,

research and development. There is a need for uniqueness in the quality, marketing, production. Due to low investment on research and development, poor distribution strategy, ineffective marketing communication restricted the entrepreneur to reach more customers.

4. **Media:** Every entrepreneurs wants publicity for their products and services. The large companies can spend the money for advertisement. They have consultants who will design the ad copy to reach the mass. These companies can prepare ad copies in different languages to reach different customers who are scattered in different geographical locations. Television, radio, newspaper, magazines, social media like facebook, YouTube are media which the medium and large scale companies are effectively using to reach the unreached. Unfortunately there is a lack of awareness about these media among the women entrepreneurs especially in the rural area. There is lack of digital literacy and in the rural area there are network(connectivity) issues. The entrepreneurs in the urban areas are making the use of social media; they also trying to reach the audience through developing apps. There is door to door delivery in the urban area which can be introduced in the rural area also. The entrepreneurs need sufficient training with respect to the usage of social and digital media.

Recommendations:

1. **Easy and hassle free loans:** The Government both State and Central government should provide the loan facilities and should create the awareness about the various schemes available to the women entrepreneurs especially in the rural area. Financial institutions should reduce the paperwork and provide the loans to the needy.
2. **Training:** There is lack of awareness among the women entrepreneurs regarding

the e-banking, online business etc. They should be trained so that they can generate the business by using the internet.

3. **Skill enhancement:** Entrepreneurs requires good communication, marketing skills. They should be given training regarding the various softskills. Training is also required about the availability of various media. Training can be given by the experts about the usage of social media.

Conclusion:

From the interview, it was observed that the women entrepreneurs were adversely affected by the pandemic. Covid 19 created the loss of revenue, reduction in the profit. There is reduction in the income of the people as there is lockdown. Entrepreneurs cannot visit the market or they cannot get the chance to communicate with customers physically. Women entrepreneurs are not well versed with the modern technology, they are very new to the online mode of business. The pandemic has reduced confidence of these entrepreneurs; they lost many customers during the lockdown. It is very big challenge for the entrepreneurs to gain the lost customers. They need to be trained to use the technology especially mobiles phones to have the continuous contact with the customers. Government and NGOs should take initiatives to train these entrepreneurs. It may regarding the development apps for generating orders and supplying the goods and services, skill enhancement training through which the entrepreneurs can communicate fluently with urban customers along the rural customers. The corporate companies should come forward to help these women entrepreneurs in developing the strategies for marketing, finance and operations. They should consider this as a corporate social responsibility towards the empowerment of women. The real India is in rural India. If the rural people are empowered then our nation will progress.

Reference:

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