SMART

JOURNAL OF BUSINESS MANAGEMENT STUDIES

Vol.I

No. 2

July - December 2005

ISSN 0973 - 1598

Dr. M. SELVAM, M.Com., Ph.D., Chief Editor



SCIENTIFIC MANAGEMENT AND ADVANCED RESEARCH TRUST (SMART) *TIRUCHIRAPPALLI (INDIA)* <u>http://www.geocities.com/smartbard</u>

EMPOWERING OF WOMEN ENTREPRENEURS IN RURAL FAMILY BUSINESS

M.Swaminathan

Reader in Commerce, A.V.V.M. Sri Pushpam College, Poondi. and

V.Buvaneswaran

Head, Dept. of Management Studies, Marudupandiyar College, Thanjavur.

Abstract

The role of a woman in modern society is complex. She has to be not only an intelligent housewife but also a clever controller of family business. At the same time, there are certain factors which have hampered their success. Lack of adequate finance, training facilities, technical know-how, raw materials, managerial resources, want of accommodation and the absence of an apex organization to take care of their developmental activities are some of the difficulties faced by women. What they need is a strong organization which can co-ordinate, guide and strengthen their talents and activities in the correct direction.

Introduction

There has been a major change in the way business is being done today. Conventional value might not be enough to achieve success. In the Indian context where small, family controlled or family held business dominate the business scene, it is important to encourage and promote enterprise. Women need to be encouraged in all kinds of business because they have a definite role to play. To prepare them to play the role, business schools must re-design management education and entrepreneurship development programmes for women. It is important to keep in mind the unique position of women in society in general and in families in particular while preparing such training programmes.

Characteristics of Indian family Business

The Indian family psyche is a unique one :

- It gives more importance to personalized relationship than contractual relationship.
- It prefers natural leader rather than official leader and in family business, women can prove to be effective business leaders.
- It does not like many middle level officers; it likes to contact the top person directly.

- It can accommodate apparently contradictory views.
- The main feature of Indian culture is synthesis.
- It recognizes that majority of Indians may be illiterate, but they are not uneducated

How an Indian business family works

The traditional Rajasthani carpenters' (mostly Hindus) family has a unique work culture. If there are seven family members including women in the group, any one of the seven may go to procure the order. After that all family members sit together for discussion. They will decide how the work is to be done and who will do what. One member will design, another will purchase materials, another will burnish and so on. For the next order, they do not necessarily take up the same role but keep rotating.

The Kashmiri carpet-weavers, most of them being Muslims, also follow the same system and structure.

In India, small business or even smallscale industries are largely family dominated and they work in quite a similar fashion and women also contribute to the day-to-day working. Another significant characteristic of Indian family business is the entrepreneurial orientation. In current business scenario, the development of entrepreneurial spirit should provide a competitive advantage for business. For realizing this advantage, empowerment of women is the need of the hour.

There are two major variables, namely, domestic economic liberalization and globalization. Therefore business education should address itself to :

- Enhancing the competitiveness of Indian economy.
- Achieving higher economic growth by taking into consideration optimal capacity utilization.
- Innovating women leadership skills, in particular, for creating an organizational culture conducive to innovation in all aspects and at all levels.
- Training to women in entrepreneurship and intrapreneurship to help start new business as the logical end of innovation.
- Developing export strategy skills to match India's resources and capability profiles and global market opportunities, and
- Developing international business strategy concepts and skills to identify business aspiring to become multinational corporations with distributed global/manufacturing and marketing.

Management Education programs for Women

In Indian scenario, self development programs are a useful way of empowering women in family business. These programs aim to increase women's self-confidence and their awareness of career possibilities and at the same time, to encourage them to take responsibility for themselves

Elements of Self Development programs for women

The training and development for women management should be designed for the specific population of women in mind. However, it is also true that there are some components that recur at different levels and depth in most programmes.

Development of management style among women entrepreneurs

Developing of personal management style is likely to become more important as old authoritarian styles give way to more flexible and adaptable organizations.

Communications

Communicating effectively is an important area for women's management development. It may include formal and informal presentation, personal appearance, language, style and so on. Assertiveness is essential for effective presentation and it is therefore a skill that every woman manager should acquire.

Increasing personal effectiveness

Personal effectiveness involves getting women to critically review management related stress.

Managing Ownership

The question here is, "whose business is it after all? There's you, spouse, your children and grand children. What happens if you suffer a setback, a disabling illness? A board with women participation along with professional advisors will help you plan and prepare for such contingencies by empowering even women family members.

Effective Management

The quality of management is the bedrock of share holder value. We need to

identify goals and establish objectives-obvious value levels, which may be lacking in closely held organizations.

Organizing Management

Communication is the key to understanding the different points of view in the closely held organizations because "share holder value" often has as many meanings as there are share holders. An "open" organization policy is one where key management and employees know what is happening in a company.

Developing vision

The fundamental objective of family business ownership is the building of share holder value which means increasing cash flow, expanding profits, building equity and adding to the market value of the business. We are all looking to make money.

Suggestion

Here are some steps to help women in developing a vision of the organization.

- Assessing the present status and evolving a development plan for future generation.
- Where would we like to be in future? Is there a lack of clarity in organization's goals and objectives?
- By proper identification of 2-5-10 year goals.

- Identify the roles and responsibilities of all family members including women related to each set of goals.
- What women need to learn in terms of knowledge? Skills?
- By outlining the best way to acquire the necessary skills especially among women either in or outside the family business.
- Advising the family of your intentions and obtain their support.
- By monitoring the organization progress by keeping in mind women members have been empowered.

Conclusion

If women are to evolve effective management styles, they need to become more assertive, more forceful in their exercise of legitimate power and authority. This will entail not only the empowerment of women in family business but society in general.

Reference

- 1. Peter F. Drucker, The Practice of Management, William Heineman, Melbourne, 1957.
- 2. Gurumoorthy, T.R. 'A Study on Rural Family Business in Thanjavur District'. M.Phil. Thesis submitted to Alagappa University, June 2004.
- Sivaganapathi.M. "Problems of Women Entrepreneur" M.B.A. Thesis submitted to Alagappa University, June 2004.