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Gender, Risk and Small Business Entrepreneurs: A Study of Women Street Vendors of Purulia District West Bengal India

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ABSTRACT

Small and micro-enterprises pose several additional risks and uncertainties as compared to organized businesses. The women entrepreneurs engaged in small business tries to finance their family livelihood through making adjustment with the available threats and business risks. The present paper tries to highlight gender biased risk and uncertainties among women entrepreneurs engaged in perishable items in small town. The study finds significant contribution of women respondents in family income as well as decision making. Further, the risks and uncertainties faced by respondents are measured in five-point scale and found moderate to severe impact of gender issues among women entrepreneurs in the study area.

Key words: Risk, Uncertainties, Gender, Livelihood, Entrepreneurs, Street vendors

The small business and entrepreneurs have got greater recognition as drivers of socio-economic development in last three decades. The introduction of various government schemes such as NRLM, SGSY and SHGs have contributed significantly in developing small business based upon local resources both in rural as well as urban areas. After introduction of Microfinance program, the studies on women and entrepreneurship have accelerated and greater significant positive outcomes throughout the world is observed. The definition of entrepreneur denotes different perception as includes innovation, clarity, vision and ability in addition of coordination, organization, supervision and risk-bearing [1]. Rural entrepreneurship plays a key role in harnessing innovation, maintaining and developing communities, exploring job opportunities, moderating the relationship between farming, land-use, community and economic development [2]. The participation of women in household/family business has also increased and thus making positive contribution via generating additional employment, earning and socio-economic status. The potentiality of women entrepreneurs are more visible on states of north-east India such as Mizoram, Sikkim, Nagaland, Tripura and Manipur where a significant women population are engaged in household or market business.

The concept of entrepreneurship have gained momentum due to its distinctive features of generating self-employment, control, managerial decision with forward and backward

linkage effects. Many success stories were recorded from both developed and developing countries transforming livelihood pattern as well as living standard from small investments. Gender-wise classification of entrepreneurship found significant upliftment of women entrepreneurs in recent times. Microfinance program in particular had help the women in India to undertake entrepreneurial activities in rural areas and thus contributing significantly in family's income [3]. Some pertinent studies also highlighted the role of social business in developing women entrepreneurship via social funding [4]. The social fund is somehow regarded as same as microfinance with a minor difference in their repayment schedule i.e., weekly repayment system. The World Bank had supported social funding with objectives of achieving improved access to basic social services, income generation and community empowerment. Small business holds potentiality of transforming the scenario of business at local and regional levels.

The women in India are contributing significantly (directly or indirectly) either/and in production, operation or management of the small street side businesses in India [5]. Today almost in all street side businesses especially garments and food stalls, family women members presence is observed. This acts as an innovative way of signifying security of women/female customers. Further, the participation of women members in such small businesses in cities and towns have contributed significantly in extension of business timing (i.e., the family and female members are moving freely at evening and night). Any business development depends upon several associated factors such as demand, present availability, market location and several extended factors i.e., outlook of society, market timing and law and order situation. The introduction of pink cabs (cab with female drivers) operating in various cities are one of the pertinent examples of extending gamut of women

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participation. Today, almost in all vegetable and fruit *Mandies* and street-side daily need shops, the women are actively doing the businesses and earning significantly. They manage the business so smartly and efficiently thereby diversifying risk with regular repayment track record with suppliers. The present study is about analyzing the small women street-side entrepreneurs business status, risk associated and livelihood promotion sources and strategies. Attempt also done here to highlight the associated factors promoting and hindering their business in study area.

MATERIALS AND METHODS

Market	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Estimated women vendors*	63	47	77	73	89	349
Sample selected	6	5	8	7	8	34

*As per discussion with local body, market committee and vendors

Time period

The study was executed between February to May 2019 and interaction is done by the authors personally with the sample respondents.

RESULTS AND DISCUSSION

The analysis is divided into different sections comprising socio-economic status, enterprise management, benefits, risk and challenges and lastly livelihood support. Informal sector lending and investments are associated with several risks are thus are financed mostly by local traders, money lenders and friends/relatives with high rate of interest. In certain cases, daily/weekly interest are charged are found in existence at wholesale markets and mostly with perishable items. The street vendor (Protection of livelihood and regulation of Street

The study is executed in Purulia town which is also the district headquarter. Further, strategically Purulia town attracts many farmers and vendors from nearby blocks and sub-division for retail selling of local produce. The six major markets of Purulia town were strategically taken for the study namely Hattola, Hospital more, Railway Station market, Kachieri market, Bada Haat and Goushala more market. These markets have unique identity and are either linked with state major highways connecting Asansol, Dhanbad, Ranchi, Tatanagar and Bankura or situated at central zone of town. From each market 10 percent of shops were covered constituting a total of 34 women entrepreneurs.

vending) Act, 2014, provided security and permanent livelihood status through demarcating street vendor zones. This model was enacted in 2009 and successfully implemented in various cities and towns of Chhattisgarh, Rajasthan, Madhya Pradesh, Odisha and Andhra Pradesh (www.jatinverma.org/street-vendors-act). Our analysis found street vendors not having any permanent right over the place but with having mutual understanding for shop location.

Socio-economic status of respondents

The socio-economic status of the respondents reflected here so as to making comparative generalization and dependency upon entrepreneurial activities. (Table 1) reveals higher engagement of ST and SC respondents as vendor street entrepreneurial activities (73 percent and 20 percent respectively).

Table 1 Socio-economic scenario (In %)

Parameters	Markets	Components	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Caste	General		0	0	12.5	0	0	3
		SC	0	0	50	14	25	21
		ST	100	80	37.5	86	75	73
		OBC	0	20	0	0	0	3
Educational qualification	Illiterate		100	60	100	100	87.5	91
		Up to 5	0	0	0	0	12.5	3
		6 – 8	0	20	0	0	0	3
		9 – 10	0	20	0	0	0	3
Family composition	Avg. family members		4	5	6	3	4	4
		Avg. dependent members	2	3	3	2	2	2.5
Economic status	BPL		100	100	100	100	100	100
		APL	0	0	0	0	0	0

The dominance of tribal respondent exists in all markets of district headquarter except station market where SC respondents majorly carry out their businesses. Further, majority of the women street vendors are illiterate in almost all markets with higher dominance among ST respondents (96 percent) and SC (86 percent). The family composition finds higher average members per family at station market (6 members), Hospital more (5 members) while lowest in Kachieri market (3 members). The average dependency rate is higher among women street vendors of Station market and hospital more (3 members). The caste-wise dependency rate is higher among OBC (5 out of 6 family members), SC (3 out of 5 family members), ST (2 out of 4 family members), while lowest with general (1 out of 4 family members). The dependency rate is higher among street vendors of Kachieri

market (66 percent) and Hospital more (60 percent) while rest of the available markets 50 percent [7].

Business enterprises and market details

The street vendors finance their livelihood through daily earning from their enterprises and support from the government under food security schemes. Since these vendors are mostly engaged in seasonal business with homogeneous products in their gamut, high risk of price and quantity bargaining exist. Most of the respondents are engaged in daily perishable consumables items like seasonal and regular vegetables, fish, chicken and other items in the study area as reflected in (Table 2). The study found engagement of 70 percent of respondents are engaged in seasonal vegetable business while rest 12 in regular vegetables, fish (6 percent) and others (11 percent).

Higher concentration of seasonal vegetables vendors is observed in all markets (except hospital more) with higher

concentration at Bara Haat (83 percent). The activity wise investment return analysis found [8-9].

Table 2 Activity – wise engagement, investment and returns

Activities	Frequency (%)	Avg. days of employment per month	Business hours per day	Average investment per month	Average income per month
Seasonal vegetables	70	25	5	12437	1245
Regular vegetables	12	23	6	31500	2475
Fish	6	28	3	12000	1150
Chicken	3	22	4	13000	2500
Others	9	25	3	5000	1433

Enterprise details	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Seasonal vegetables	118	57	78	42	52	72
Regular vegetables	167	51	151	71	75	114
Fish	45	0	58	67	56	54
Chicken	0	0	0	0	30	30
Others	0	63	150	65	0	85
Average	114	57	103	57	53	77

Seasonal Vegetable includes all vegetables except potato, onion, garlic, ginger, turmeric and dry items

Regular vegetables include potato, onion, garlic, ginger, turmeric and dry items

Others include fruits, local fruits, tamarind, amla, local herbs, jaggery, oil, milk etc.

Paying rent	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Yes	100	0	100	100	100	85
No	0	100	0	0	0	15
Total	100	100	100	100	100	100

Investment – return details	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Average amount invested per day	516	320	487	457	406	442
Average days of employment per month	18	22	18	19	18	19
Average income per day	114	57	103	57	53	77

Income details (Monthly)	Hattola	Hospital more	Station market	Kachieri market	Bada haat	Total
Average family income	3725	3320	4350	2457	2562	3277
Average self-income	1867	1300	1750	1071	975	1382
Percent contribution	50	39	40	44	38	42

The average days of employment created by the entrepreneurial activities is 25 days and approximately same among all activities (22 – 28 days per month) with an average business timing of 5 hours per day (3 – 6 hours per day). The highest working hours per day was observed among respondents engaged in regular and seasonal vegetables (6 hours and 5 hours per day respectively) while lowest in fish and other activities (3 hours per day). Negative correlation is observed between amount of investment and business hours

which means with an increase in business hours amount of investment declines. Further, significant positive correlation is observed between the amount of investment in enterprise and the income of respondents ($r = 0.609 < 0.01$ percent).

The multiple linear regression analysis analyzing the impact of various independent variables on income of the respondents through entrepreneurship in the study area in table 3 found $R^2 = .513$ and Durbin-Watson $d = 1.720$ which is between two critical values $1.5 < d < 2.5$.

Table 3 Multiple regression analysis

Model Summary ^b					
Model	R	R ²	Adjusted R ²	Std. error of the estimate	Durbin-Watson
1	.716 ^a	.513	.405	558.206	1.720

a. Predictors: (Constant), monthly investment, business hours, Days of opening Shop, dependent members, Main items, family income

b. Dependent Variable: respondent income

ANOVA ^a					
Model	Sum of squares	df	Mean square	F	Sig.
1 Regression	8867268.948	6	1477878.158	4.743	.002 ^b
Residual	8413025.170	27	311593.525		
Total	17280294.118	33			

a. Dependent Variable: respondent income

b. Predictors: (Constant), monthly investment, business hours, Days of opening Shop, dependent members, Main items, family income

The coefficient results found significant impact of monthly investment (at 5 percent level) and number of items (at 10 percent level) in gamut as significant factors affecting the income of the respondents from entrepreneurial activities. The average monthly returns from investment (i.e. investment income rate) is found same irrespective of market location [$F_{(4,29)} = 0.592$, $p = 0.671$] while statistical significant differences is observed among income of respondents engaged in different activities [$F_{(4,29)} = 6.471$, $p = 0.001$].

Risk assessment and challenges

The small women entrepreneurs suffer from diversified and exceptional challenges compared to men which may be broadly classified under societal, organizational (including marketing) and physical arenas. The decision to initiate business is a complex process and are prone to several associated risk and uncertainties. Santos *et al.* [10] finds equal gender intention related entrepreneurship while social legitimization reinforces male entrepreneurship intentions and not of women because of non-acceptance of entrepreneurship as career option.

Table 4 Risk classification and description

Risk	Description	Average score
Societal	Family member illness/disability	3.0
	Old age and children Care	3.1
	Households' stuffs	3.6
	Engagement in social events	2.7
	Children education and other events	2.7
Security and exposure	Traveling issues	3.3
	Timing restrictions	3.5
	Outing for business expansion/operation	4.1
	Location	3.8
	Stolen and cheating	2.5
Infrastructure	Storage	1.9
	Transportation	3.5
	Labour charges	2.3
	Illegal payments/charges	3.7
	Homogeneous products	3.8
Marketing	Competition	4.0
	Bargaining	4.0
	Price fluctuation	3.4
Financial	Lender's rate/charges	3.9
	Daily Cash purchasing by customers	4.2
	Losses due to non-availability of change (small money)	2.5
	Intermediary cost	2.3
	Damages	3.9

1 – Very low, 2 – Low, 3 – Moderate, 4 – High and 5 – Very High

Our study has included five major indicators comprising various components under each head. The inclusion of sub-parameters/indicators are done under each index taking into consideration various literature review and some additions from self-observations through field study. The average risk score is found to be higher in marketing head (3.8) followed by Financial Risk (3.2), security risk (3.2) while Infrastructure and Society risk (2.9 and 3.0 respectively). The caste-wise analysis found high societal risk score among general and OBC respondents while high Infrastructural and financial risk among SC and ST respondents (yet not significant across sub-caste).

Across all types of enterprises, marketing risk and security risk scores are highest while financial and social risk poses moderate score. Across all selected markets marketing risk poses serious threat (score ranging between 3.5 – 4) while societal risk is high among respondents of Haltola, security risk at hospital more, financial and societal risk at station market while financial risk at Bada haat. The correlation co-efficient results show negative relationship between the level of income and the overall risk score i.e., as the associated risks reduces the

income of the respondents increases in the study area [11-12].

CONCLUSION

This microlevel study has pointed several risk and uncertainties associated with entrepreneurial development in study area. The microenterprise working and sustainability depends upon the supportive favourable environment provided by society and administration. Since the majority of the respondents visits from nearby blocks (minimum distance of 15 K.M. and Maximum of 38 K.M.), their dependency on various infrastructural and security needs may be addressed from local authorities. The existing favourable environment for women entrepreneurs in several north eastern states and mountainous region of India may be applied in these local and nearby regions for building trust worthy environment. The major issues and risk with these women entrepreneurs can be mitigated through making digitalization of records, facilitation of godowns and other infrastructural needs and demand and market-oriented information for price assurance.

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