

Chapter 5

Women Trainees in EDPS

Introduction

Women constitute a little over half of Nepal's population. Therefore increased participation of women in different economic sectors would provide a significant contribution to the nation's economy. Women are lagging behind their male counterparts in almost every social or economic indicator and the government, on its part, needs to accord priority attention to their development. About 45 per cent of the female population (aged 10 and above) are economically active, the corresponding figure is 68 per cent for men (Census 1991). The growth in the female labour force exceeded that of males in the latest intercensal period, but their participation needs to be increased in different, more productive economic activities for greater benefits (income and employment). Table 5.1 presents the percentage distribution of the economically active male and female population by employment status.

Of the working women, the self-employed constitute 82 per cent and the wage-earners are only 12 per cent. Unpaid family workers represent 4.5 per cent. Another 0.5 per cent of working women have 'employer' status.

Women's participation in the informal sector has increased significantly in both urban and rural areas. Some of the most common employment ventures are vending, petty trade, vegetable selling, and such traditional micro-enterprises as woollen products, tailoring and garments, and *dhaka* weaving. The migration of women in search of

Table 5.1: Employment Status by Sex

| Status | Male (%) | Female (%) | Total (%) | Female as a % of Total |
|--------------------|----------|------------|-----------|------------------------|
| Employer | 1.0 | 0.5 | 0.8 | 27.5 |
| Employee | 27.3 | 11.8 | 21.0 | 22.5 |
| Self-employed | 68.6 | 81.8 | 73.9 | 44.5 |
| Unpaid family work | 1.9 | 4.5 | 2.9 | 61.8 |
| Not stated | 1.3 | 1.3 | 1.3 | 39.9 |
| Total | 100.0 | 100.0 | 100.0 | 40.2 |

Source: Population Census 1991, CBS

better jobs or wage employment from rural to urban areas has also been observed to be increasing in recent years. More women are migrating to urban areas to work in cottage industries such as carpet weaving, textiles, and handicrafts.

Entrepreneurship development in the hill and mountain areas is crucial to bring socio-economic transformation of the rural community at large. Women's involvement in small business enterprises has been a long tradition in certain ethnic communities—especially *Newar(s)*, *Sherpa(s)*, *Gurung(s)*, and *Thakali(s)* of Nepal. The importance of women's entrepreneurship lies in that it is believed that it empowers women and helps them to take part in the country's economic development process (Tuladhar 1996).

Characteristics of Women Trainees and Post-Training Placement

Institutions such as WEAN and WDD organize EDP training exclusively for women. The IEDI and CSIDB usually have a mixed group of trainees, but some programmes are planned for women only. The IEDI has conducted sponsored training programme on entrepreneurship development for women entrepreneurs, for example, for the Micro-Credit Project for Women (MCPW). The FNCSI also introduced a two-week training programme on entrepreneurship development in 1995. Initially, it had organized two entrepreneurship development training programmes—one in Kathmandu and the other in Biratnagar—specifically for women entrepreneurs, sponsored by Friedrich Neumann Foundation (FNF), Germany.

As mentioned earlier, the study of 123 trainees, of which 77 were female and 46 male, trained in entrepreneurship development in Kaski and Tanahu districts over the past two to three years included information on socioeconomic characteristics of the trainees. Table 5.2 presents the salient characteristics of the 77 women trainees covered in the study.

The largest number of women trainees, i.e., 46.8 per cent belonged to *Brahmin/Chhetri* ethnic group, followed by 19.5 per cent from the *Newar* community and remaining 33.7 per cent from other groups, mainly from *Gurung*, *Magar*, and *Thakali* communities. Ethnic composition of trainees varies depending on training location and socioeconomic situation of the areas.

The majority of the women trainees (61%) had not completed School Leaving Certificate (SLC) or 10th grade, but none were illiterate. The reason being that these pro-

Table 5.2: Characteristics of Women Trainees

| | |
|--------------------------------|----------|
| Average age | 25.2 yrs |
| Age group (20 - 30) yrs | 62.3 % |
| Married | 60.8 % |
| Education: below SLC | 61.0 % |
| Placement ratio | 29.8 % |
| Family occupation: agriculture | 56.0 % |
| Skills before EDP | 46.2 % |
| Source: Field Survey | |

grammes stipulate no educational qualifications for eligibility but insist that the applicant must be literate. Fifty-six per cent of trainees were from families with agriculture as the main occupation. Quite a number of EDP trainees of CSIDB had prior knowledge and skills in trade. Some common trade skills were knitting, sewing, and weaving. About 30 per cent of the women trainees had set up their own businesses after attending training on entrepreneurship development.

A study (Ranabhat 1995) on women entrepreneurs has indicated that the main motivation for entrepreneurship is to become financially independent. Other reasons are to support family members, widen income options, and gain social prestige. The study identifies lack of capital for investment and lack of family support as some of the main reasons for not being able to set up business. Women entrepreneurs in hill areas have been involved in micro-enterprises that require small capital investments. It has been seen elsewhere that the smaller the size of businesses promoted by a development project, the larger the proportion of women business owners. This is also true of women entrepreneurs in Nepal.

Problems of Women Entrepreneurs

The problems associated with micro- and small business enterprises in rural areas are common in nature. The issues of micro- and small-enterprise development that have been discussed earlier are equally relevant for women entrepreneurs as well. Entrepreneurial qualities, supportive social values and culture, and available economic opportunities are considered to be the essential sources for entrepreneurs. The main problems and constraints for women entrepreneurs, based on the findings of field surveys carried out in Kaski and Tanahu districts and earlier studies on women entrepreneurs (Ranabhat 1995), are as given below.

- Women entrepreneurs are more concerned about the high quality of work and efficiency, but are found to be weaker in self-confidence, persuasion, and assertiveness than their male counterparts. Lack of confidence on the part of their families and negative social perceptions about women have had a disabling impact on building-up women's confidence.
- Women's primary role is traditionally perceived as and expected to be in the house as a housewife or mother. They are expected to perform a range of household activities demanding much of their time, e.g., cooking, cleaning, child rearing, etc. This limits the scope for women to take up other responsibilities and become involved in activities outside the household. Conflicts about balancing time between different roles are found to be a serious problem for many women aspiring to be entrepreneurs.
- Women are thought to be weak, passive, obedient, or submissive. Furthermore, the dominant religious beliefs and traditions do not favour women being involved

in outside activities. In business, women have to deal with many people, and sometimes they have to travel away from their homes. Such activities by women are not well accepted by the society, and this attitude is serious problem for women entrepreneurs.

- Another problem associated with social values, culture, and practice is the low value given to women's work. In rural areas, the women work for longer periods than men. But their activities are not appreciated and valued as work. The prevailing social values, culture, and perceptions are restraining the growth of women entrepreneurs in the society.
- Women rank low in the educational profile – the women's literacy rate is only 25 per cent compared to a literacy rate of 54 per cent for men. Even in urban areas nearly half of the women cannot read and write. Nearly one-third of the women have never been to school, while more than two-fifths have had no formal education beyond primary level. Lack of education and training for women have been a deterrents to successful entrepreneurship.
- One of the main constraints faced by women is the lack of financial support in business creation and operations. In most cases, women do not own assets that can be given as collateral, and the family hesitates to mortgage collateral to the banks for loans for enterprises owned by women, even when women share ownership. Even bankers show reluctance or have low confidence in financing the micro-enterprises run by women entrepreneurs.

Women entrepreneurs have thus faced difficulties such as low mobility, lack of business exposure, management shortcomings, and lack of adequate support from the family. These constraints, in addition to many of the problems relating to entrepreneurship or enterprise development discussed earlier, have inhibited the development of entrepreneurship among women.