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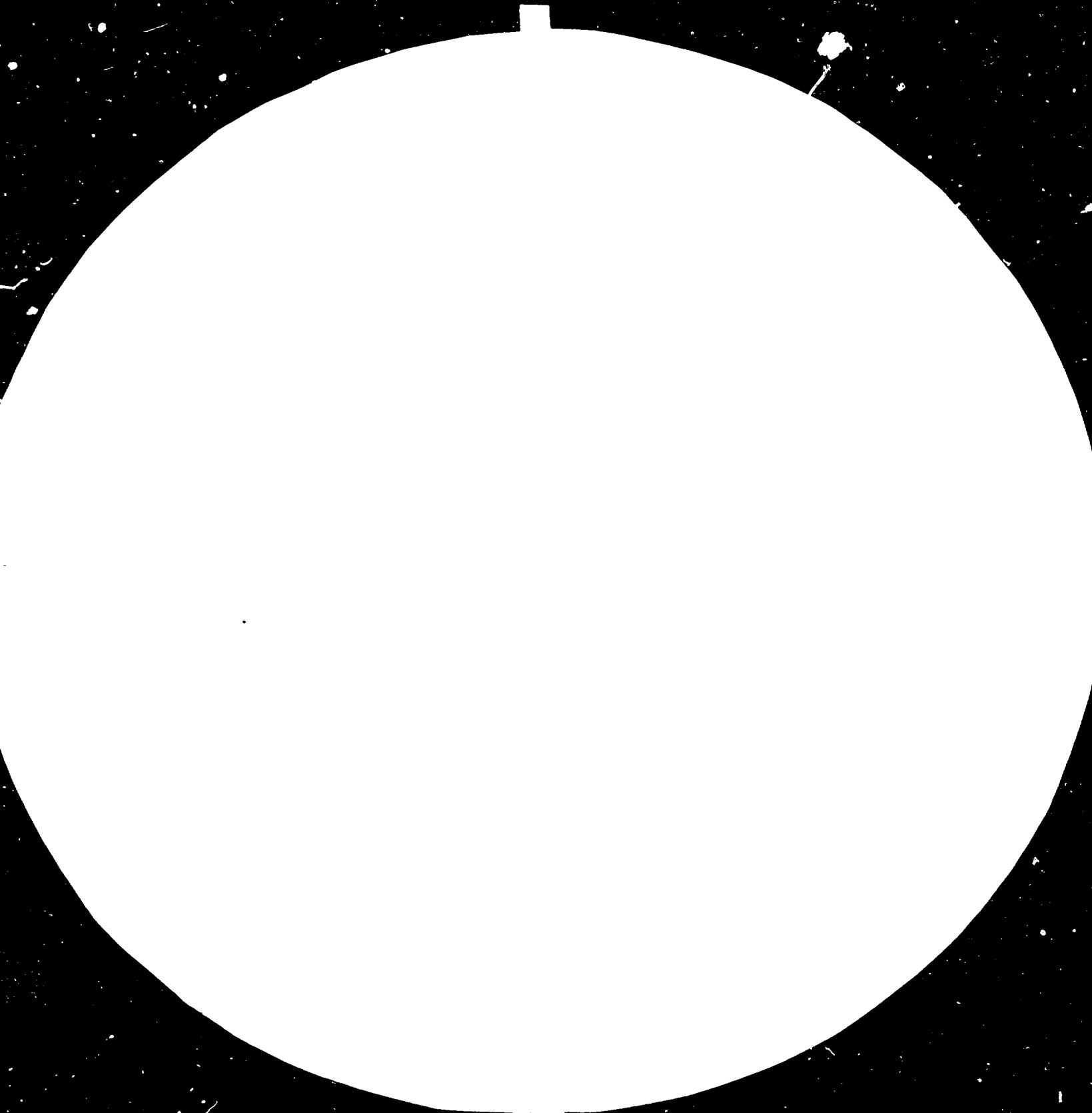
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ROLE OF WOMEN IN THE DEVELOP-
MENT OF SMALL SCALE INDUSTRIES* .)

by

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ROLE OF WOMEN IN THE DEVELOPMENT OF SMALL SCALE INDUSTRIES

It is a fact that women in many African countries do not enjoy equality of opportunities, equal rights to an adequate means of livelihood, or equal pay for equal work as compared with men. Traditional laws and conventions bind women to the home and hearth. Of late, complaints feeble though they may be, are often heard from some educated and progressive women that there is a deliberate attempt on the part of men to confine them to the kitchen denying them opportunities to participate effectively in the mainstream of the nation's development. Such complaints are usually voiced by organisers of women's lib movements in developed countries. The fact that even in African countries women have become bold to give expression to their feelings shows that there is a gradual awakening among them to demand for a rightful place in society and play an important role in the development of the economy of their country. It may be recalled that women had played a commandable role in the struggle for independence of many African countries. It is, therefore, quite uncharitable and uncivilised to prevent them from participating in the development programmes of their own country.

Can women contribute significantly to industrial planning and development? Are they capable of managing industries efficiently? These are questions which sceptics may ask. To both these questions the answer is an emphatic "yes" if the Indian experience is taken as a guide. That they fare well in informal trading is revealed by the large properties of women engaged in such activities in African countries. Of course, they do not earn as much as men engaged in similar activities but that is because men are able to concentrate and devote full time attention to their businesses whereas women have to look after their families also at the same time. Her role in the home as a wife, mother and cook demand too much for her time giving her only a few hours to look after her business. This is the reason why the average monthly turnover and profits of males were found to be 2.7 times that of females in David Todd's study of five Lusaka markets in 1979.

The manufacturing and service activities in Africa are at present male dominated. An ILO/SATEP study of the informal sector in Kitwe and Lusaka in Zambia found that only 6% women were engaged in manufacturing activities such as tailoring, basket-making, pottery, sweet manufacturing and charcoal burning. This low participation does not, in any way, mean that women are not capable of running such industries but that they do not get the opportunity, time or resource to enter the manufacturing line and to bring out the best in them, certain inputs have to be provided to them on a priority basis. In the following paragraphs these are discussed in detail. I may be pardoned if I make frequent reference to India in this context. It is because I was an eyewitness to the growth of women entrepreneurship in India and was also instrumental in evolving some of the policies aimed at fostering and promoting women entrepreneurs in the field of small industries. I am also firmly convinced that the Indian example is worth following by most of the African nations.

In India, the constitution guarantees equality of opportunities to both sexes and therefore there is no discrimination between men and women, in jobs, conditions of service or wages. But the Indian women, like their African counterparts, are also tradition-bound even though not to the same degree. The Government of India and the provincial governments had, therefore, to take deliberate steps to involve women in the industrial development programmes of the country by offering them various incentives to take up self-employment ventures. Having realised the latent entrepreneurial qualities of women it was only proper to harness them to create employment opportunities. Entrepreneurship plays a key role in the growth of any society particularly in developing countries. The Indian SIDO, therefore, laid special emphasis on developing the entrepreneurial talents of women. A multi-pronged strategy aimed at providing an integrated assistance programme was adopted for this purpose. This is described in the ensuing pages.

TRAINING IN ENTREPRENEURIAL DEVELOPMENT

The Indian SIDO, through its net-work of Small Industries Service Institutes conducted special training programmes for women. The trainees were apprised of the various assistance programmes of the government, the industries suitable to be set up by women, model schemes etc. Normally, the period of training was one month which was found to be adequate for motivating the trainees to set up their own small industries. The programme itself was designed to help and provide assistance in developing certain parts and qualities which are essential for selecting, starting and managing small industries. The selection of women trainees was done by a committee consisting of representatives from the offices of the Development Commissioner (SSI), the Industries Department of the Province Concerned, and Small Industry Association. The Committee took into consideration not only the educational and training background of the candidate but also her aptitude for starting and running small industries because the success of small industries depended on the keenness and enthusiasm of the entrepreneur.

CONTENT OF THE TRAINING

The training courses covered both theoretical and practical aspects. The syllabus included subjects such as, assistance programmes of the government, product selection, process of manufacture, marketing, etc. In short, all the techno-managerial aspects of running a small scale industry were covered so that participants got an overall idea of running a production unit. Demonstration on process of manufacture were held wherever possible. The trainees were also taken on study tour which included visits to small scale industries. This helped them to have a first hand knowledge of the working of the particular industries in which they were interested, have close discussions with proprietors/managers who were running such units and get an insight into the problems that might be encountered and the managerial skills that would be required to solve them. Such study visits were very much appreciated by the women entrepreneurs.

POST-TRAINING SUPPORT

To get the maximum results from the training, the Indian SIDO laid down a programme of rendering active assistance to these women trainees who showed keen enthusiasm to set up industries. The SIDO officials prepared suitable project profiles, introduced them to bankers, helped them in processing factory sheds in industrial estates, machinery on hire purchase and to locate potential purchasers of their products. In fact, this follow-up support is most necessary as otherwise, the interest of women entrepreneurs is likely to wane if they are left to themselves to face the problems which will certainly be encountered in the initial stages.

INCENTIVES

It is customary to offer incentives when any major scheme is initiated. The women candidates who are selected for training under the entrepreneurial development programme are given a stipend of about US \$10/ only per month. This was done not with a view to luring them but with the objective of helping them to meet a part of their expenditure during the training period. The training itself is given FREE.

Women entrepreneurs are all eligible for concessional finance from banks under the liberalised scheme of assistance to small-scale industries. In the case of technically qualified persons (men or women) who have proven skills/experience in their line of activity and who are genuinely unable to find the required capital of their own, the Bank can meet the entire cost of the project up to about US \$30,000 if it is a viable one. All the concessions and subsidies announced by the central and provincial governments for small industries are also available to women entrepreneurs since there is no discrimination of sexes. In addition, some of the provincial governments are offering special incentives for women entrepreneurs. For example, the Government of Karnataka gives a management grant to women entrepreneurs to meet the salaries of one qualified accountant and one qualified technical officer. The grant is available for a period of three

years and ranges from 90% of the expenditure during the first year to 50% of the expenditure during the third year, subject to a ceiling of approximately US \$100/per month. The same offers grants up to 60% of the rent to be paid either for private industrial shed or government industrial shed subject to a maximum of US \$30 per month for two years. Similarly, grants up to 50% of the cost of travel for one person for procurement of technical know how or technical tour are allowed, subject to a ceiling of US \$500 once during the first years of a units' existence.

THE RESULTS

The Indian SIDO has trained more than 5000 women entrepreneurs so far. The success rate as judged from the number of small-scale industries set up varies from 25% to 50% depending upon the regions. This is considered quite satisfactory. The industries run by women range from chalk crayons to electronic watches.

Women have proved themselves to be more thrifty and better than men in financial management. According to bank managers they are very prompt in repayment of loans. Misappropriation of funds rarely happens in small scale industries managed by women.

WHAT IS NEEDED IN AFRICAN COUNTRIES

The developing countries in Africa have a dire need to tap the latent entrepreneurial talents of women and channelise them into industrial ventures. Let me quote from the resolution of the recently concluded 'Workshop on Problems and Practical Solutions for the Effective Management of Small Scale Enterprises Organised by PAID-ESA (Pan-African Institute for Development - East and Southern African Region at Mbabane, Swaziland (March 8 - March 16, 1984).

"Having fully realised the importance of women's role in the total national development processes, the workshop recommends that:

- i) Governments formulate policies conducive to women's active participation in development.
- ii) All laws discriminating against women's effective participation in development of their national economies should be scrapped. Legislation enabling women to have contractual powers be introduced. Rules and regulations in courts of law harassing divorced and widowed women to be abolished. Massive campaigns to be undertaken educating both men and women on the need for women to contribute effectively in the development of their national economies. Pressure groups to be organised to change the conservative attitudes which are sometimes hereditary and traditional.
- iii) More specifically, women entrepreneurs should be given equal opportunities as their men counterparts in terms of credit and financial assistance, technical and economic services etc.

From my own experience of African countries I would strongly recommend that unconventional incentive schemes should be offered to women entrepreneurs if results are to be achieved. For example, in addition to the incentives enumerated in the preceding pages.

- i) a lower interest rate may be considered in the case of industries set up by women entrepreneurs when loans are disbursed by banks;
- ii) a separate forex allotment for industries set up by women entrepreneurs may be considered.
- iii) an industrial estate exclusively meant for industries promoted by women entrepreneurs may be set up in a growth centre.

CONCLUSION

If the incentives narrated above are offered, I am sure a number of women entrepreneurs in African countries would come forward to set up small industries. Thereby they will be able to solve the unemployment to a large extent utilising the locally available resources.

