PROBLEMS OF PROMOTIONAL AGENCY-A STUDY OF ASSAM

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ABSTRACT

In Assam there are different types of promotional agencies for entrepreneurship development among women which included Nationalized Banks, Private Banks and other institutions. In this study, promotional agencies included Nationalized Banks, Private Banks, other banks and other agencies which not only provide financial assistance but also provide other supportive services for better performance of women entrepreneurs. The present study was conducted in the state of Assam. The total number of promotional agency was 32. Officials of promotional agencies reported that lack of knowledge on legal procedure of bank and poor participation in EDP training by women entrepreneurs to start an enterprise were ranked I and II respectively.

KEYWORDS: Problem, Promotional Agency.

INTRODUCTION

Today a net work of various financial institutions and other entrepreneurship development institutions like Regional Rural Bank, District Industries and Commerce Centre (DICCC), Nationalized banks, Private banks, National Agriculture Bank for Rural Development, National Small Business Development Corporation, National Institute for Entrepreneurship, Small Industries Development Corporation, National Small Industries Corporation, Small Industries development of India, Industrial Financial Corporation of India, Indian Institute of Entrepreneurship (IIE), Micro, Medium and Small Enterprise (MSME) playing a significant role in the development of micro enterprises among women in the State. In this study, promotional agency is defined as the agency which provide financial and other support services to entrepreneurs. In Assam, there are 19 numbers of Nationalized Banks namely Punjab National Bank (PNB), Bank of Baroda (BOB), Syndicate Bank, Bank of India (BOI), Canara Bank, Union Bank of India (UBI), Corporation Bank, Bank of Maharashtra, Indian Overseas Bank, Oriental Bank of Commerce, Central Bank of India, Dena Bank, Andhra Bank, United Bank of India, Allahabad Bank, Indian Bank, UCO Bank, Vijaya Bank and Punjab and Sind Bank. All these banks were selected for this investigation.

There are nine numbers of Private Banks in the State. Out of the nine Private Banks, only six Banks namely ICICI Bank, AXIS Bank, HDFC Bank, YES Bank, Federal Bank and Karnataka Banks were selected as these banks are functioning to promote entrepreneurship among women. The remaining other Private Banks yet to start activities in connection with entrepreneurship development and their jurisdiction is limited to Kamrup Metro district only. SBI, IDBI and AGBV are government undertaking banks and grouped under other banks. On the basis of advocacy services, training facilities, support services provided to the prospective and continuing entrepreneurs the agencies such as DICCC, MSME, IIE and NEDFi were grouped as other agencies under promotional agency for the present investigation.

The study would definitely give a meaningful insight to officials of promotional agencies about the current position of women to provide financial as well as other supportive services but also to make policies to improve the performance of women entrepreneurs. The functional scope of the study is to suggest remedial measures for the successful growth and development of women entrepreneurs. The investigation was carried out with the following objectives:

1. To identify problems faced by the promotional agencies in performing their role.
2. To provide suggestive measures for better performance of the entrepreneurs.

METHODOLOGY:

The total number of promotional agency was 32 which is the sum total of Nationalized Banks (19), Private Banks (6), Other Banks (3) and Other Agencies (4). “Problem” of promotional agencies is operationalized as difficulties faced by different agencies while providing financial assistance and other supportive services to women entrepreneurs.

A list of probable problems faced by promotional agencies in performing their role while sanctioning, granting financial assistance to women entrepreneurs were collected after personal discussion with officials of different promotional agencies such as Nationalized banks, Private banks, other banks (SBI, IDBI, AGVN) and other agencies (DICCC, MSME, NEDFi, IIE). Then respondents were asked through close ended questions to mention their problems. It was measured in four point scale as always, sometimes, rarely and never and scored as 4, 3, 2 and 1 respectively.

FINDINGS AND DISCUSSION

Objective 1. Problems faced by promotional agencies

The data on problems faced by officials of promotional agencies presented in the Table I highlighted that officials of Nationalized Banks faced problems lack of understanding of women entrepreneurs about legal procedure of bank and ranked I followed by inadequate capital investment by women entrepreneurs to start an enterprise with rank II.

Other problems such as lack confidence and decision making ability of women entrepreneurs to run an enterprise got equal rank i.e. III in list of problems. This was followed by poor participation in EDP training and by poor involvement of women entrepreneurs in business with IV rank equally. Lack of knowledge of women entrepreneurs in marketing of products and influence by third party got equal rank of V.

Problem got lower rank were involvement of women entrepreneurs in different business at a time, diversification of loan, irregular contact of women entrepreneurs with bank officials, submission of false identification documents by women entrepreneurs and poor utilization of manpower by women entrepreneurs with mean scores of 2.73, 2.68, 2.57 and 2.52 with VI, VII, VIII and IX respectively.

Officials of Nationalized Banks faced lots of difficulties to perform their role may be partly due to the baseless fear of huge cost and partly due to lack of awareness of the existence of bank facilities and services by women entrepreneurs. Therefore, there is a need to train/women entrepreneurs at all levels of the marketing chain in handling techniques of their enterprise’s survive, sustain and success. These should help them to open new doors to expand their enterprises. It is therefore, necessary to involve them in an equal footing with men and this can be done only if women entrepreneurs are given the proper means to improve themselves and their entrepreneurial situation.

The data on different problems faced by officials of Private Banks revealed poor involvement of women entrepreneurs in business ranked I with highest mean score of 3.3 followed by inadequate capital investment by women entrepreneurs to start an enterprise, lack of understanding of women entrepreneurs about legal procedure of bank, lack of decision making ability of women entrepreneurs and influenced by third party equally ranked II.

Lack of confidence of women entrepreneurs to run an enterprise, poor participation in EDP training by women entrepreneurs, involvement of women entrepreneurs in different business at a time and diversification of loan by women entrepreneurs equally got rank III in the list of problems.
Women entrepreneurs are influenced by third party and diversification of loan by entrepreneur equally got IV rank. Other problems got V rank were lack of decision making ability of women entrepreneurs, lack of understanding of women entrepreneurs to start an enterprise, lack of confidence of women entrepreneurs to make them aware about legal formalities of bank as suggested by all the officials of promotional agencies (100%) and got rank I by all the officials of promotional agencies (100%) and got rank I by all the officials.

The most common problem faced by officials of other agency was poor participation in EDP training and to regular contact of bank official as suggested to be more fruitful for entrepreneurs to improve decision making ability, to improve participation in EDP training and to regular contact of bank official as suggested by all the officials of promotional agencies (100%) and got rank I by all the officials.

A large majority i.e. 93.75% of all agencies suggested that participation in different training programmes would help entrepreneurs to invest adequate capital to start the enterprise and to develop confidence among entrepreneurs. The officials also suggested that participation in different training programme would benefit respondents to avoid third party influence, poor involvement in business, involvement in different business at a time, to avoid submission of false identification documents, diversification of loan and to poor utilization of human resources. This suggestion got II rank on the basis of suggestions put forward by a large majority of respondents.

It is encouraging to note that prior contact with legal adviser would benefit the entrepreneurs to make them aware about legal formalities of bank as suggested by a large majority of respondents (90.62%) and got rank III as given by officials. A large majority of bank officials (87.50%) expressed that participation in different training programmes related to marketing about price fixation or packaging would help entrepreneurs to invest adequate capital to improve decision making ability, to improve participation in EDP training and to regular contact of bank official as suggested by all the officials of promotional agencies (100%) and got rank I by all the officials.

Objective 2. Suggestive measures by promotional agencies for better performance of women entrepreneurs

Officials of promotional agencies faced different problems while sanctioning and granting financial assistance to women entrepreneurs. Among all problems there were some common problems faced by bank officials because of lack of knowledge regarding legal facilities of bank and poor participation in entrepreneurial training by entrepreneurs. It is believed that supportive measures suggested by promotional agencies for setting up enterprises would make a favourable impact on proper growth of microenterprise among women entrepreneur.

The data on suggestion of different problems put forward by officials of promotional agencies are presented in the Table. The findings highlighted the valuable suggestion that entrepreneurship development training programme would be more fruitful for entrepreneurs to improve decision making ability, to improve participation in EDP training and to regular contact of bank official as suggested by all the officials of promotional agencies (100%) and got rank I by all the officials.


data
CONCLUSION
Promotional agency faced lots of difficulties while granting as well as sanctioning loan to women entrepreneurs because of inadequate experience of respondents about legal procedure of bank, poor participation in EDP training programme, lack of exposure about government sponsored schemes and so on. This resulted in delay in sanctioning loan to respondents which depressed them to continue their business. So the government must put forward a pressure to promotional agencies to provide financial assistance in a limited time frame for their successful growth. Concluding the scenario of growth of entrepreneurship of women in rural area is a critical concern. Therefore, there is a need for continuous attempt to inspire, encourage, motivate and co-operate with women entrepreneurs conducting of awareness programmes should be conducted on a mass scale with the intention of creating awareness among women about the various aspects to conduct different business. The findings of this study have implications for entrepreneurs as well as the policy makers who work for the improvement of entrepreneurs.

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate, efforts are being taken at the economy as well as global level to enhance woman's involvement in the enterprise sector. At present women have broken the monopoly of men and proved that they are not inferior to men. Micro enterprises has major impact on social and economic life of rural women. The study concludes that there was an increase in self-confidence, self-reliance and independence of rural women due to involvement in the entrepreneurial and other activities. Now women entrepreneurs are aware of opportunities available to them, but there is scope for further improvement in it. The economic status of the women is now accepted as an indicator of a society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women.

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7. Involvement of women entrepreneurs in different business at a time
8. Poor participation in EDP training programme
9. Poor involvement in business
10. Submission of False identification documents
11. Diversification of loan
12. Poor utilization of man power
13. Inadequate capital investment by the entrepreneurs to start enterprise.
14. Lack of confidence of the women entrepreneurs.
15. Poor decision making ability of women entrepreneurs.
16. Poor involvement in EDP training programme

<table>
<thead>
<tr>
<th>Category of Problems</th>
<th>Suggestions</th>
<th>Percentage (%)</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inadequate capital investment by the entrepreneurs to start enterprise.</td>
<td>Participation in Entrepreneurship development training (EDP)</td>
<td>93.75</td>
<td>II</td>
</tr>
<tr>
<td>Lack of confidence of the women entrepreneurs.</td>
<td>Prior contact with legal adviser of bank</td>
<td>90.62</td>
<td>III</td>
</tr>
<tr>
<td>Lack of understanding of women entrepreneur about legal procedure of bank</td>
<td>Entrepreneurship development training (EDP)</td>
<td>100.00</td>
<td>I</td>
</tr>
<tr>
<td>Poor participation in EDP training programme</td>
<td>Marketing/Price fixation/ Packaging training</td>
<td>87.50</td>
<td>IV</td>
</tr>
<tr>
<td>Irregular contact of women entrepreneurs with bank officials.</td>
<td>Entrepreneurship development training programme(EDP)</td>
<td>93.75</td>
<td>II</td>
</tr>
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<td>Entrepreneurship development training programme(EDP)</td>
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<td>II</td>
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Table 2.
Distribution of promotional agencies according to different suggestions

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- Inadequate capital investment by the entrepreneurs to start enterprise.
- Lack of confidence of the women entrepreneurs.
- Poor participation in EDP training programme
- Irregular contact of women entrepreneurs with bank officials.
- Lack of knowledge of women entrepreneurs in marketing of products.
- Third party influence to women entrepreneurs.
- Poor involvement in business.
- Submission of False identification documents.
- Diversification of loan.
- Poor utilization of man power.