



Women Entrepreneurs in India: The Changing Paradigm

T. Ramakrishnu

Lecturer in Commerce,
Sri Ramakrishna Degree College, (Autonomous) Nandyal

Abstract

Women in business are a recent phenomenon in India. By and large they had confide themselves to petty business and tiny cottage industries. It is estimated that women entrepreneurs presently comprise a very small number of entrepreneurs in India, with the percentage growing every year. If the prevailing trends continue, it is likely that in another five years, women will comprise a large number of the entrepreneurial force. Promoting entrepreneurship for women will require a reversal of traditional attitudes than creating new jobs and allocating job quotas in various services. Corporates are eager to associate and work with women-owned businesses, and a host of banks and non-governmental organizations are keen to help them get going. Endowed with the famous female intuition that helps them make the right choices even in situations where experience and logic fail, women have innate flair for entrepreneurship. Women entrepreneurs are just as competent, if not better, than their male counterparts. Women entrepreneurs do not enjoy the same opportunities as man due to a number of deep-rooted discriminatory socio-cultural values. This does not mean that we should wait for societal change to take place first, but the programmes for encouraging entrepreneurship among women should go beyond subsidies and credit allocation to attitudinal changes, group formation, training and other support services. These programmes can succeed only if they take note of the familial and social conditioning that reduces the confidence, independence and mobility of women. This paper is an attempt to gain an in-depth insight into: Government initiatives and opportunities for promoting women entrepreneurship, hindrances in taking up successful entrepreneurial ventures and scope of women entrepreneurship in current Indian set up.

Keywords: Entrepreneur, Women, Industry, Business

Introduction

"In the decades ahead anyone who ignores or underestimates the potential of women - or overlook any source of talent for that matter - will

be making a fatal mistake", so said the chief executive of one of the largest US Corporations years ago. Women entrepreneurs have come a long way from the time when women



venturing into business was not taken seriously. If we look around, we see several women in business - tiny, small, and not so small. The vegetable hawkers, milk vendors, beauticians, boutique owners, and factory owners -the list is endless. All these women can be very rightly termed as women entrepreneurs. They possess necessary qualities and skills of entrepreneurship. Women entrepreneurship as defined by Government of India, "the women entrepreneur is an entrepreneur, who runs an enterprise owned and controlled by her and having minimum financial interest up to 51 per cent of capital and giving at least 51 per cent of the employment to women."

Jawahar Lal Nehru has remarked "*when a woman moves forward, the family moves, the village moves and the nation moves.*"

The educated women of today do not want to limit their lives in the four walls of the house. They demand equal respect from their partners. Despite all the social hurdles, many women have become successful in their works. Recently, Forbes, one of the famous international business magazines, has published a list of most powerful women in various fields such as, politics, business, etc.

Powerful and famous women

entrepreneurs in India: Indra Nooyi, Soniya Gandhi, Gita Piramal, Chanda Kochhar, Naina Lal Kidwai, Barkha Dutt, Beena Kannan, Lalita & Kalpana, Vidya Manohar, Anu Aga, Simone Tata, du Jain, Priya Paul, Neelam Dhawa, Ruby Ashraf, etc.

- Mahila Grih Udyog : 7 ladies started in 1959: Lizzat Pappad
- Simon Tata : Lakme
- Mrs. Sumati Morarji : Shipping corporation
- Ms. Nina Mehrotra : Exports
- Ms. Shahnaz Hussain : Herbal Heritage
- Ekta Kapoor: Balaji films
- Kiran Mazumdar Shaw : Bio-technology

Women have innate flair for entrepreneurship. They are endowed with intuition that helps them make right choices even in a situation where experience and logic fails. They are the natural networkers and relationship builders, forging powerful bonds and nurturing relationship with clients and employees alike. In nutshell, they are as competent as their male counterparts if not better.

In the words of our former president APJ Abdul Kalam "*empowering women is a prerequisite for creating a good nation, when women are empowered, society with*



stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

Women Entrepreneurship in India

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. Woman Entrepreneur is the one who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The glass ceilings are shattered and women are found indulged in every

line of business from pappad to power cables. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. In India, although women constitute the majority of the total population, the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world where as women entrepreneurs in India are still struggling for their recognition and good opportunities like their male counterparts. Over the years, there is a rapid growth of women entrepreneurs all over the world. In India, in the year 1981, only 5.2% of women to total were self employed, but as per census 2001, this figure has risen to 11.2% and if the prevailing trend continuous it is likely that in another ten years women will comprise 20% of the entrepreneurial force.



Table-1: State - wise growth of women entrepreneurs in India

States	No of Units Registered	No. of Women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujarat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71
Total	57,452	18,848	32.82

Source: Census study, 2001, Government of India.

According to the Department of Labor (DOL), in 2007, the following occupations shown in Table 2, were dominated by women (percent of jobs by professions, held by women):

Table- 2: Industry Growth for Women's Occupations (1997-2006)

Occupation	Percent
Secretaries & Administrative Assistants	96.7
Child Care Workers	94.6
Hairdressers, Stylists, Cosmetologists	92.9
Registered Nurses	91.7
Teacher Assistants	91.5
Medical Assistants & Other Healthcare Support	90.6
Auditing Clerks	90.3
Maids & Housekeeping Services	89.2
Home Health Aides	88.3
Elementary & Middle School Teachers	80.9
Office Clerks, General	85.3
Cashiers	75.6
Supervisors, Office Managers & Admin Support	73.4
Customers Service Representatives	68.5
Accountants & Auditors	61.8

It is easy to see that women still have no trouble holding the majority of jobs in "female" industries as compared to any other industries



which generally have male domination.

Problems of Women Entrepreneurs in India

Women entrepreneurs have to face more problems than men entrepreneurs. In most of the cases, women do not have access to productive resources. Their risk taking ability is less. They have to devote time to the family and maintain a balance between their family responsibility and business. Hence, they need to be twice as persistent and assertive to make their presence felt in a predominantly male business world.

The greatest deterrent for women entrepreneurs is that they are women. Male dominant society is the main building block in their way towards business success. The financial institutions and banks consider women loonies as higher risk than men loonies. The bankers put unrealistic and unreasonable securities to get loan to women entrepreneurs.

Women have little access to funds, due to their inability to provide tangible security. Very few women have the tangible property in hand. Women's family obligations also bar them from becoming

successful entrepreneurs. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business".

Women in India give more emphasis to family ties and relationships. Married women have to make a fine balance between business and home. More over the business success is depends on the support the family members extended to women in the business process and management. The interest of the family members is a determinant factor in the realization of women folk business aspirations.

Women entrepreneurs have low-level management skills. They have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business. Here there is more probability for business fallacies like; the intermediaries take major part of the surplus or profit. Marketing means mobility and confidence in dealing with the external world, both of which women have been discouraged from developing by social conditioning. Even when they are otherwise in control of an enterprise, they often depend on males in this area.



The male - female competition is another factor, which develop hurdles to women entrepreneurs in the business management process. Despite the fact that women entrepreneurs are good in keeping their service prompt and delivery in time, due to lack of organizational skills compared to male entrepreneurs women have to face constraints from competition. The confidence to travel across day and night and even different regions and states are less found in women compared to male entrepreneurs. This shows the low level freedom of expression and freedom of mobility of the women entrepreneurs.

Knowledge of latest technological changes, know how, and education level of the person are significant factor that affect business. The literacy rate of women in India is at low level compared to male population. They are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training. Low-level risk taking attitude is another factor affecting women folk decision to get into business.

Low-level education provides low-level self confidence and self-reliance to the women folk to engage in business, which is continuous risk

taking and strategic session making profession. Investing money, maintaining the operations and ploughing back money for surplus generation requires high risk taking attitude, courage and confidence.

Finally high production cost of some business operations adversely affects the development of women entrepreneurs. The installation of new machineries during expansion of the productive capacity and like similar factors dissuades the women entrepreneurs from venturing into new areas.

How to Develop Women Entrepreneurs?

Right efforts from all directions and areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Support from government is very important in the areas of better educational facilities with schemes, adequate training programmes, vocational training, professional training and counselling. The help of NGOs, Psychologists, managerial experts, and technical personnel can be taken to remove psychological causes like self-confidence and fear of success, etc. Women should be encouraged in decision -making process and other



managerial functions. Activities in which women are trained should focus on their marketability and profitability. Provisions should be made to assist women in marketing and sales and they should be taught to recognize their own psychological needs and express themselves. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures with access to open-ended financing. Women should be treated with dignity and respect as persons in their own right. Infrastructure, in the form of industrial plots and sheds, to set up industries is to be provided by state run agencies. A women Entrepreneur's Guidance Cell is to be set up to handle the various problems of women entrepreneurs all over the state.

Various Opportunities for women entrepreneurs

The traditional role assigned to women when they step out of home in the outside world, was that of teachers, nurses, doctors, stenographers and secretaries in the urban service sector of unskilled manual labour or semi-skilled plantation labour in the rural areas, of papad making, masala making or providing tiffin facilities in the small business or industries sector. International recognition and

public adulation of beauty contests have made modelling and advertising an attractive proposition, which is not only no longer looked down upon but, on the contrary Sushmita sen, Aishwarya Rai, Priyanka Chopra, and Lara Dutta have become the role - models for the younger generation of girls. Advertising and fashion shows have attracted big money and creative talent and women are entering designing, modelling and advertising industry both in the small or medium sector or joining even the large corporate sector.

Policies, Programs & Institutional support for Women's Economic Activities and Entrepreneurship

Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs). Thus, governments across the world as well as various developmental organizations are actively undertaking promotion of women entrepreneurs through various schemes, incentives and promotional measures. In India also Government has started with many programs and incentives for the development of women



entrepreneurship. The Micro, Small & Medium Enterprises development organisations, various State Small Industries development Corporations, the Nationalised banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems.

There are also several other schemes of the government at central and state level, which provide assistance for setting up training-cum-income generating activities for needy women to make them economically independent.

1. Direct & indirect financial support from Nationalized banks, state finance corporation, state industrial development corporation, District Industries Centres, differential rate schemes, like Mahila Udyug Nidhi Scheme, Small industries development bank of India (SIDBI), State Small Industrial Development Corporations (SSIDCs), etc. State finance corporations and financing institutions should permit by

statute to extend purely trade related finance to women entrepreneurs.

2. Yojna schemes and programmes like; Nehru Rojgar Yojna, TRYSEM, DWACRA ,
3. . Technological training and awards such as Stree Shakti Package by SBI, Entrepreneurship Development Institute of India, Trade Related Entrepreneurship Assistance and Development (TREAD), Employment and Income Generating Training-cum-Production Units for Women, National Institute of Small Business Extension Training (NSIBET), Women's University of Mumbai.
4. Federations and Associations
 - National Alliance of Young Entrepreneurs (NAYE)
 - India Council of Women Entrepreneurs, New Delhi
 - Self Employed Women's Association (SEWA) • Association of Women Entrepreneurs of Karnataka (AWEK)
 - World Association of Women Entrepreneurs (WAWWE)
 - Associated Country Women of the World (ACWW)
 - Self Help Groups (SHG)

Conclusion

There have been a number of success stories of women entrepreneurs. Most of them are



conventional industries such as garment-fashion industry, jewellery and household products. However, there has been an absence of women in other nonconventional industries like machine design and machine winding, etc. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges of global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. Indian women have to go a long way to achieve equal rights and position because traditions are deep rooted in Indian Society. There is a need for changing the mindset towards women so as to give equal rights as enshrined in the constitution.

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with

respect to contribution to the growth of the economy.

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