



Women Entrepreneurship in India: Problems and Prospects

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Abstract

Women entrepreneurship has been recognized as a potential, important and untapped source of economic growth. Women are at present venturing into new avenues to prove their abilities and capabilities as successful business women. Despite the social hurdles, Indian women are applauded for their achievements in their respective fields. During the past decade the transformation of social fabric of Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the life style of Indian women. However, they still represent a minority of all entrepreneurs due to the persisting problems like lack of sufficient financial assistance, family problems, non-awareness of government schemes, and lack of proper education. The present business world is changing very fast with technology development, modernization, industrialization, urbanization, education and development leading to economic development. In view of this, the present paper endeavors to study the problems and prospects of Indian women entrepreneurs and offer suggestions for their improvement.

Key words: technology, development, modernization

Introduction

Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. Entrepreneurs have been considered instrumental in initiating and sustaining socio- economic development. Development of entrepreneurship among women is a major step to increase women participation in the process of economic development as it will speed up the economic growth and provide employment opportunities for women which results in improving the social, educational and health status of women and their families.

In India, the total number of women is 526 million but only a very small percent of the women belonging to the elite, educated and upper and middle class especially in the cities has been exposed to issues on women's roles, career options and jobs. Women are under-represented in government and decision making positions. Women battle their day with issues like, inadequate wages, poverty, female foeticide, sexual harassment, lack of education and job skills, health problems etc. Educational backwardness is found to be a major reason of women lagging behind men. Even the educated women in India have a long way to go to



achieve equal rights and position because traditions are deep rooted in Indian society where the sociological set up has been a male dominated one. Despite the social hurdles, Indian women are applauded for their achievements in their respective fields. During the past decade the transformation of social fabric of Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the life style of Indian women.

Women Entrepreneurs:

Women entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The government of India has defined women entrepreneurs as "an enterprise owned and controlled by women having a minimum financial interest of 51 percent of capital and giving 51 percent of the employment generated in the enterprise to women". Women entrepreneur is a person 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 new generation women across the world have overcome all negative notions and have proved themselves as good as men in parameters of hard work, intelligence quotient and leadership traits. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event such as divorce, discrimination, the health of a family

member or economic reasons such as a layoff. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

Reasons for becoming a women entrepreneur:

Many studies have concluded that women start their own businesses for a variety of reasons. These reasons included, having an idea for a business plan, a passion for solving a specifically related career problem, wanting to be more in control of their careers, maintaining a more balanced life, having a flexible work schedule, taking a personal vision and turning it into a lucrative business. Along with the intense desire to see their vision carried out, these women also have a great ability to multi-task and are not fearful of the risks involved in being self-employed. Women are still facing many issues in the workforce and being their own boss certainly is more appealing to some of the everyday issues they face in and outside of entrepreneurship. Gender roles are still very much a part of their lives but for some female entrepreneurs, they feel more in control, when working for themselves.

Present Challenges

Even though women entrepreneurship and the formation of women business networks are steadily rising, there are a number of challenges and obstacles that they face. One major challenge that many women entrepreneurs may face is the traditional gender-roles society may still have on



women. Entrepreneurship is still considered as a male-dominated field, and it may be difficult to surpass these conventional views. Other than dealing with the dominant stereotype, women entrepreneurs are facing several obstacles related to their businesses.

Obstacles specific to starting new firm:

External finance and gender discrimination:

In general, women have lower personal financial assets than men. This means that for a given opportunity and equally capable individual, women must secure additional resources compared to men in order to exploit the opportunity because they control less capital. A specific solution for solving women's difficulties for obtaining financing has been micro financing.

Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks, etc.

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.

Obstacles specific to growing firms:

A specific problem of women entrepreneurs seems to be their inability to achieve growth especially sales growth. Another previously addressed issue is finance and as stated previously, the entrepreneurial process is somewhat dependent on initial conditions. In other words, as women often have a difficult time to assemble external resources, they start less ambitious firms that can be financed to a greater degree by their own available resources. This also has consequences for the future growth of the firm. Basically, firms with more resources at start-up have a higher probability to grow than firms with fewer resources. By resources is meant here societal position, human resources and financial resources. This initial endowment in the firm is therefore of great importance for firm survival and especially for firm growth. Despite that many women entrepreneurs face growth barriers, they are still able to achieve substantial business growth.

Reasons for slow progress of women entrepreneurs in India:

The problems and constraints experienced by women entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The major problems encountered by women entrepreneurs are: lack of systematic planning and working due to multiple responsibilities, financial deficit, health problems, non-awareness of government schemes, and lack of proper education.

The greatest deterrent to women entrepreneurs is that they are women. A kind of patriarchal- male dominant social order is the building block to them in their way towards business success. Male members think it a big risk financing the ventures run by women



Male chauvinism is still prevalent in many parts of the country yet. Women are looked upon as —abla i.e. weak in all respects. In a male dominated society, women are not treated equal to men that act as a barrier to woman's entry into business.

Women entrepreneurs have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.

Lack of self-confidence, will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work. The family members and the society are reluctant to stand beside their entrepreneurial growth.

Women in India lead a protected life. They are even less educated, economically not stable nor self-dependent which reduce their ability to bear risks and uncertainties involved in a business unit,

The old and outdated social outlook to stop women from entering in the field of entrepreneurship is one of the reasons for their failure. They are under a social pressure which restrains them to prosper and achieve success in the field of entrepreneurship

Suggestions for the Growth of Women Entrepreneurs:

Right efforts from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Entrepreneurship basically

implies being in control of one's life and activities and women entrepreneurs need to be given confidence, independence, and mobility to come out of their paradoxes. The following measures are suggested to empower the women to seize various opportunities and face challenges in business.

- Education and training are both important dimensions of entrepreneurship. Therefore, there is a need to evolve and develop certain educational strategies for training women entrepreneurs by linking up such programs with educational institutions.

- To establish all India forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path of women entrepreneurs and giving suitable decisions in the favor of women entrepreneurs and taking strict stands against the policies or strategies that obstruct the path of economic development of such group of women entrepreneurs.

- Policy changes by government, with respect to financing needs at all stages of business, continuously take up business development and support services access to corporate government and international markets, technology access and utilization R&D and innovation, have to be periodically evaluated as to the impact of these measures on the success of women owned businesses and exchanging good models and best practices through cooperation with consultancies or various developmental organizations.

- To assist in promoting awareness of the role of women entrepreneurs in the growth and development of the economy, better qualitative information and quantitative data are needed to



profile women entrepreneurs (like demographic information, businesses to startup and growth avenues).

- Women entrepreneurship networks, national and international, are major sources of knowledge about women entrepreneurship and act as valuable tool for its development and promotion by connecting female entrepreneurs across the globe.(IFWE, WEN, WES, IIM-B, WEI, etc.)
- There should be a continuous attempt to inspire, encourage, motivate and co-operate with women entrepreneurs. An Awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.
- Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
- Educational institutes should tie up with various government and non-government agencies to assist in entrepreneurship development mainly to plan business projects.
- International, National, Local trade fairs, Industrial exhibitions, seminars and conferences should be organized to help women to facilitate interaction with other women entrepreneurs.
- Women in business should be offered soft loans & subsidies for encouraging them into industrial activities. The financial institutions should provide more working capital assistance both for small scale ventures and large scale ventures.
- Women should try to upgrade themselves in the changing times by

adapting the latest technology benefits. Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network

Thus, by adopting the aforesaid measures, the problems associated with women entrepreneurs can be solved to a great extent. Women participation in many kinds of economic activities to complement to their family income, their participation in no way reduces their family duties. The task of women has become more tedious and full of challenges. Let us all make efforts to help women rediscover her.

Conclusion:

It can be concluded that today, women participation in the field of entrepreneurship is increasing at a considerable rate. It increased from 22.3 percent in 1990-91 to 31.6 percent in 2010-11. Efforts are being taken by the State to bring equality of opportunity in all spheres to the Indian women and laws guaranteeing equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women i.e. the urban and middle class women. Women sector occupies nearly 45% of the Indian population. Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young women can be identified, trained and used for various types of industries to



increase the productivity in the industrial sector.

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