



Women entrepreneurship and development: An overview

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Abstract:

Female participation rates declined from 34.1 per cent in 1999-00 to 27.2 per cent in 2011-12, and wide gender differences in participation rate also persists. Also there are considerable variations between urban and rural areas. The participation rate of rural women decreased from 26.5 per cent in 2009-10 to 25.3 per cent in 2011-12 (usual status definition), while the rate for urban women increased from 14.6 per cent to 15.5 per cent over the same period. Bringing more women entrepreneurs into the marketplace, therefore, simply offers a chance for more successful businesses. In general, business ownership is not a zero-sum game; one company being successful does not inherently drive another out of business.

Key words: successful businesses, Women development, Social stability

Introduction

India is the seventh largest country in the world. Woman constitutes the family that leads to society and Nation. Social and economic development of women is important for overall economic development of any society or a country. In traditional Indian societies, they were confined to four walls. In modern society, they come out of four walls to participate in all types of activities including entrepreneurship. In India empowering women through entrepreneurship has become an integral part of our development efforts because of three important reasons viz. Women development, Economic growth and Social stability. Our increasing dependency on service sector has created several entrepreneurial opportunities particularly for women where they can excel their skills with maintaining balance in their life. In this study we comes to know about the different issue which drag back the abilities of women entrepreneur and conjointly about the role of women entrepreneur in economic

development. Female labour force participation is a driver of growth and therefore, participation rates indicate the potential for a country to grow more rapidly. However, the relationship between women's engagement in the labour market and broader development outcomes is complex. Longer term trends suggest that female labour force participation rates in India have been puzzling. Female participation rates declined from 34.1 per cent in 1999-00 to 27.2 per cent in 2011-12, and wide gender differences in participation rate also persists. Also there are considerable variations between urban and rural areas. The participation rate of rural women decreased from 26.5 per cent in 2009-10 to 25.3 per cent in 2011-12 (usual status definition), while the rate for urban women increased from 14.6 per cent to 15.5 per cent over the same period.

Women entrepreneurship



Women entrepreneurship has been recognized as a significant source of economic process. Women entrepreneurs produce new jobs for themselves and others and collectively offer society with all totally different solutions to management, organization and business problems. However, they still represent a minority of all entrepreneurs. Women

entrepreneurs usually face gender-based barriers to beginning and growing their businesses, like discriminatory property, marital status and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; restricted mobility and access to information and networks, etc. Women's entrepreneurship can produce a really strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment. Thus, governments across the globe as well as varied developmental organizations are actively endeavor promotion of women entrepreneurs through numerous schemes, incentives and promotional measures.

Indian Government defines woman owned business as an entity where a woman or a group of women owns at least "51% of the capital" and give 51% of generated employment to women. Women are 48% of Indian population but their participation is still below par as only 34% of Indian women are engaged in financial and economic activities, many of which are unpaid or underpaid workers. With gender-bias problems in some regions of India, women have also become victims of unemployment. This bias has proven to

be advantageous to certain extent as women have taken up entrepreneurship to fill the void and prove their critics wrong. In other words, women entrepreneurs are usually delineated as survivalist and dominate the low ability, low capital intensive and sometimes informal and micro business. Women tend to target business that is a continuation of their domestic roles, such as the services sector. The potential for the expansion of women's enterprises is said to be low and is driven less by entrepreneurial drive than the necessity for survival. Women comprise 74% of those employed within the micro enterprises sector. Quite 65% of all women in cottage/handicraft industries (microenterprise) were engaged in processing food products and beverages.

Significance of Women in India's Entrepreneurial Sector

Indian women have been at the receiving end of criticism but much to the dismay of their skeptics, they have mostly appeared triumphant as the dust of criticism settled. The industry has much to gain and literally nothing to lose with women in business. The merits are innumerable.

- Indian industry's think-tank gets bigger.
- New opportunities are created.
- More employment opportunities are generated.
- Per-capita income increases.
- Indians enjoy better standard of living.
- Education and awareness becomes common.
- Future becomes brighter for the next generation.



- Women gain a better understanding of managing family and business concurrently.
- Indian women achieve a sense of self-realization and self-fulfillment.
- Women gain better ability to take risks and business decisions.
- Women become more confident.

Why the World Needs More Women Entrepreneurs

From the Center for International Enterprise to the Harvard Business Review, business experts have agreed for several years that the world needs to support the development of women entrepreneurs. Studies are showing that when women gain access to their own financial freedom, they are lifted out of poverty, children begin to become healthier, and the overall economic status of a country improves.

Why is it that women are uniquely positioned to improve the condition of a country's economy? Is it something about women's inherent social abilities, their position in society, or something more obvious?

Let's take a look at many of the co-occurring factors that create an increasing need for more women entrepreneurs in the global marketplace.

Economic Growth

There are only seven countries in the world where men and women own businesses at an equal rate. In most countries, women own significantly fewer businesses than men. Even in countries where women own a substantial portion of firms, they tend to perform at a lower level than businesses owned by men. In the United States, for example, women

own about 30 per cent of the businesses currently operating, but only employ around 6 per cent of the workforce.

Bringing more women entrepreneurs into the marketplace, therefore, simply offers a chance for more successful businesses. In general, business ownership is not a zero-sum game; one company being successful does not inherently drive another out of business.

Women may be able to open businesses that cater to a different clientele or niche than their male counterparts. Overall, this accounts for improved economic growth and stability within a country.

Dramatic Target for Poverty Reduction

Organizations like the Brookings Institute have pointed out that entrepreneurship may be a way to support women who live in extreme poverty around the world. By removing barriers to entrepreneurship (credit, training, legal restrictions on property), women are able to gain incomes, advocate for their own independence, and take on a more full societal role in their culture.

Because many women are also parents, breaking the hold of poverty on the lives of women also helps to support children in nations that struggle with youth poverty. Since removing the barriers to entrepreneurship are often easier than targeting entrenched cultural barriers that are based on religion, supporting the economic growth of women entrepreneurs is often a more advocacy-friendly goal.

More Dollars Reinvested Into Local Economy



According to entrepreneur Tory Burch, women in emerging marketplaces put as much as 90% of their earnings back into their local economy. The World Bank's VP on Poverty Reduction and Economic Management Network has stated that this is a significantly higher percentage than men generally reinvest.

This may have to do with how men are more likely to spend their earnings on personal consumables, such as tobacco or alcohol, while women are more likely to purchase items for their families or children. Whatever the reason, boosting the economic purchasing power of women clearly helps to support the local economy, creating flourishing pockets of power in a global marketplace.

Improved Innovation

Businesses owned by women are often subjected to a particularly interesting double standard. They are considered to be vastly more innovative by organizations like the United Nations, but local investors often consider them too risky to invest in due to a perceived increase risk in failure. It is important to

note that no studies have found that women-owned businesses are more likely to fail than businesses owned by men.

Why are women more innovative than their male counterparts? There are many different theories put forth, from women having access to different niches than men, to having a different societal role and therefore different needs than men, to simply having a different understanding of usefulness. Whatever the ultimate reason, it is clear that women entrepreneurs have a valuable and diverse perspective that will support the overall development of a robust global economy as we proceed farther into the 21st century.

Nations' rank in women empowerment and per capita income

Mastercards Company, (Pune, Maharastra) focused on the progress and achievement of women enterprises/business owners around world 57 economies representing 78.6% of female labour force and countries are ranked:

Country (total 57)	Women Entrepreneurs' rank	Per capita income	
		\$	Rank
New Zealand	1	44639	22(5)
Sweden	2	58345	12 (3)
Canada	3	48466	20(4)
US	4	62152	9 (1)
Singapore	5	61767	10 (2)
China	30	25977	37
India	52	2016	133
Pakistan	No rank in 57	1,548	

Indian women have entrepreneur skills- accept challenges, ambitious, hark work, patience, monitor and intelligent.

- Total entrepreneurs are 58.5 million. Of which, 8.05 million **equalling to 14% are women**

entrepreneurs. (It is around 12% in rest of the world).

- **14% are women** entrepreneurs.
- 13.3% are in rural. In rural around 70% units are micro enterprises run by women.



But, they are inferior in the minds of male. Thus, the Master card organisation expressed that – **India needs to work on** –

- Increase women enrolment in post-secondary education,
- Family support
- Increase access of financial support
- Single window clearness and tax breaks

Challenges Faced by women Entrepreneurs

Lack of education

In India literacy among women is extremely low. Even in 21st century, rural women in India are lagging far late within the field of education. Largely women of the rural areas are uneducated. Women in rural areas who are educated whichever less or inadequate education than their male equivalent partly because of poorness, early marriage, low socioeconomic status, partly because of son's higher education

Lack of education is one of the most important problems for women who wish to start their business. Due to lack of fine education, women entrepreneurs not adopt the new technology development, new trend of marketing, new ways of manufacturing and different government schemes that inspire them.

Paradox of Entrepreneurial skill and Finance

There is contradiction of –have and haven't skills of

Entrepreneurship in Indian women belonging to economically poor and rich families. Women belonging to economically rich families have the capital support however they may not have sensible entrepreneurial skills, thus outsourcing the activities. At the alternative side of society, many women from economically poor families have consistent entrepreneurial skills; however they have not any financial support from their families. We thus believe that the issues of women entrepreneurship square measure hanging within the trap of this contradiction.

Short of self-confidence

In India women have lack of self-confidence in their strength and skill. The family members and therefore the society are unwilling to stand beside their organizational growth. To a precise degree, this situation is changing with Indian women and yet to face a fantastic amend to spice up the speed of growth in entrepreneurship.

Socio-Cultural Barriers

Family and personal obligations generally works as a good barrier for succeeding in business career of women entrepreneurship. Only few women are capable of managing both home and business expeditiously, giving ample time to perform all their responsibilities in priority



Male Dominated Society

In our constitution regulation there are equivalent rights for men and women however in real equality doesn't be present in rural areas. Women are not treated equal to men. Individuals in rural areas usually having a prejudice that women are capable just for household work. Women entry to business needs to approve by the head of the family. Entrepreneurship sometimes has been seen as a male circle and male dominated. All phase of this kind a barrier within the growth of women entrepreneurs.

Role of women as an entrepreneur

Considering the flow of women entrepreneurs among the traditional industries, it is sometimes criticized that the women entrepreneurship is engaged only in handloom and handicraft and among the untraditional term, Now, their aspects have broadened into new line like hotel line, Xeroxing, salon business, incense stick making, candle making etc. among the last decade, there has been a noteworthy shift it

emphasizes from the traditional business to non-traditional business and services. Based on this idea, some necessary opportunities are being noticed, considering the socio-economic, cultural and educational status and motivational level of women entrepreneurs, significantly comes with low investment, low technical ability and secure market are recommended for them like production of soaps, detergents, ready-made instant food products as well as pickles, spices,

papad, manufacturing of wooden product, salon business, typewriting

center, job contracts for packaging of products and distribution and household provision etc. Shri Mahila Griha Udyog Lijjat Papad- Started by started by seven Gujrati women from Bombay (now Mumbai) in 1959.

The question that all forward-looking entrepreneurs should be asking themselves as the global economy continues to develop and diversify is: what can be done to support women entrepreneurs around the world? We know that women face three specific obstacles: funding, mentorship, and experience.

By supporting programs that help women learn about the world of entrepreneurship, connect them with successful female entrepreneurs, and helping them find access to high-quality credit sources, women can build strong businesses, solidify their position in the global economy and local business world, and gradually build a stronger, better marketplace. But like mentioned before, countless hurdles have been laid for Indian women over the years. Surpassing all of these hurdles successfully is still a challenge. These are some of the problems women face after starting their business:

- Family problems
- Management of Finance
- Managing manpower
- Professional disrespect

The key reason of women being blocked from business is that they are women. Male prejudice is still prevalent in India. Male is still considered the dominant gender and sole bread provider. The view that Indian women lack self-confidence, willpower, mental composure and entrepreneurial attitude has made



devastating effects on India. This view has kept the women from becoming leaders and has also instilled fear in women. However, India is full of examples new and old that a woman can be an entrepreneur and a successful one at that. Compared to men, fewer female businesses fail because of poor financial management once their business gets a kick start.

Conclusion

Increased **female entrepreneurial activity** heralds a progress for women's rights and optimization of their economic and social living index. **Women entrepreneurship** is synonymous with women empowerment. Parallel to the male counterparts, female entrepreneurs are catalytic in job creation, innovation and more than tangible contribution to the GNP of the country. An economy thrives when women get a level playing field as men. **Innovation** works as a catalyst or an instrument for Entrepreneurship. Indian Women, despite all the social hurdles stand tall from the rest of the crowd and are applauded for their achievements in their respective field. The transformation of social fabric of the 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**. It is said that bringing more women entrepreneurs into the marketplace, therefore, simply offers a chance for more successful businesses. In general, business ownership is not a zero-sum game; one company being successful does not inherently drive another out of business.

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