



Women Entrepreneurship in India: Challenges and Prospective

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ABSTRACT

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. Entrepreneurs are playing an important role in the economic development of underdeveloped country. Women's skills and knowledge, their talents and abilities in business and a compelling desire of wanting to do something positive are some of the reasons for the women entrepreneurs to organize industries. According to World Bank, investing more in business of women rather in men leads to greater development of a nation. Empowering women in entrepreneurship leads to break the inequalities and reduces the poverty. Entrepreneurship plays an important role in developing society of a fast developing country like India. Nowadays it has been realized that enterprising women have cast entrepreneurial talents which could be harnessed so as to convert them from the position of Jobseekers to Job givers. The government has realized the importance of women entrepreneurship. As a result, it offers a variety of programmes for women entrepreneurs. Even though the government organizes women by various associations, they are not ready to undertake the business. As compared to men, women are less motivated to start business units due to some unwanted fear, lack of motivation and kind of activities.

Key Words: Entrepreneurship, Women Entrepreneurs, SSI, policy.

INTRODUCTION

Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. Women constitute 50 per cent of the total population of India. In spite of it, women are still lagging behind men in several aspects. Over the years, the literacy rate of women and employment opportunities are being increased by leaps and bounds. Moreover, of late, they are actively engaging in several activities apart from employment. Women are involving and entering into business and establishing different types of industries. The Government of Indian and Andhra Pradesh have been encouraging women to take up industrial establishments. Several financial corporations are funding for establishment of industries. Hence, women started establishing industries and collaborating self and economic development and coming out with flying colours. In India, though women have played a key role in the society, their entrepreneurial ability has no been properly tapped due to the lower status of women in the society. It is only from the Fifth Five Year Plan (1974-78) onwards that their role has been explicitly recognized with a marked shift in the approach from women welfare to women development and empowerment. The development of women entrepreneurship has become an important aspect of our plan priorities. Several policies and programmes are being implemented for the development of women entrepreneurship in India. There is a need for changing the mindset towards women so as to give equal rights as enshrined in the constitution. The progress towards gender equality is slow and is partly due to the failure to attach money to policy commitments. In the words of president APJ Abdul Kalam "empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. The policy makers, and administrators in India have for long recognized, the important role that Micro, Small and Medium Enterprises play in the national economy, therefore the Central and State Governments have taken over the years active steps to promote and foster their growth. But these measures have not been particularly effective. Today, these enterprises continue to suffer from innumerable problems which hinder their performance and growth. Many of the problems of finance, marketing, production, distribution and infrastructure still continue to afflict the MSME sector. While some of them are more or less common to a wide range of small enterprises all over the country, others have particular relevance to groups of small enterprises situated in rural and backward areas.

REVIEW OF LITERATURE

Rani (1996) found that the availability of leisure time motivated women entrepreneurs from higher income classes. Contrary to the above, women entrepreneurs are forced to take entrepreneurship in the absence of any other means of contributing to family income.

Lall & Sahai, (2008), conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges & future plan for expansion, based on demographic variables. Through stratified random sampling & convenience sampling the data have been collected from women entrepreneurs working in urban area of Lucknow. The study identified business owner's characteristics as self-perception, self-esteem, entrepreneurial intensity & operational problem for future plans for growth & expansion. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

Greene et.al., (2003), evaluate the research & publication contribution in the area of women entrepreneurship. The study categorized various journal & resources of research on the basis of certain parameters concerned with women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives.

OBJECTIVES OF THE STUDY

1. To understand the women entrepreneurship in India.
2. To know the problems of women entrepreneurs in India.
3. To assess the Organizations Promoting Women Entrepreneurship in India.

RESEARCH METHODOLOGY

The present study based on extensive study of secondary data collected from various books, National & International Journals and public and private publications available on various websites and in libraries focusing on various aspects of Women Entrepreneurship. This research is also a desk study based on secondary information various articles, journals, and websites.

Linkages between Women Entrepreneurship and Development in India

The Indian economy has been witnessing a drastic change since mid-1991, with new policies of economic liberalization, globalization and privatization initiated by the Indian government. India has great entrepreneurial potential. At present, women involvement in economic activities is marked by a low work participation rate, excessive concentration in the unorganized sector and employment in less skilled jobs. Any strategy aimed at economic development will be lop-sided without involving women who constitute half of the world population. Evidence has unequivocally established that entrepreneurial spirit is not a male prerogative. Women entrepreneurship has gained momentum in the last three decades with the increase in the number of women enterprises and their substantive contribution to economic growth.

PROBLEMS OF WOMEN ENTREPRENEURS

Women not only face problems as entrepreneurs but as women themselves and therefore compared to men the problems of women entrepreneurs are numerous. The problems range from mobilizing various resources including problem of capital, marketing, raw material, sales, labour, technical, competition, new technology, problem of land/ Shed/ water/ power/ taxes, lack of family support as well as lack of government support and the like. Hence their problems arise both from within and outside and also differ from enterprise to enterprise. Some of these problems are many and similar to all, whereas for some others it is more specific and related to the line of activity of the enterprise. Some have the problem of the external environment; whatever be the problem there is no prescribed formula to deal with them. The problems have to be dealt with them by the entrepreneurs themselves otherwise it would affect the working of the enterprise itself. Efficient and timely handling of the problems leads to their success.

Socio personal problems: Wrong attitude of the society against women due to lack of proper education and information, economic backwardness and low risk bearing capacity.

Managerial problems: Which is due to lack of enough knowledge of general management and experience, lack of skilled labour, absenteeism and low labour turnover, lack of clear cut objectives, transportation problem as women.

Production problem: Such as inadequate availability of land, plots, and premises, irregular supply of enough inputs, inadequate technical support of production identification, and lack

of up gradation of technology research and development and quality control, poor inventory management.

Marketing Problem: Difficulty in marketing their products due to lack of enough knowledge of how to market their products and also relying on local markets; heavy competition from big enterprises, exploitation by middlemen, difficulties in the collection of dues, inadequate sales promotion avenues and lack of export market support.

Problem of government assistance: Both central and State governments are implementing various assistance, schemes, for the promotion of women entrepreneurship. But in practice the respondents face many difficulties in obtaining government assistance due redtapism at various levels, exploitative advisors, problems due to dishonest officials, complicated and time consuming long procedures in getting the assistance etc.

Problem of Labour: In the course of this study, it has been observed that the women entrepreneurs in the selected group face various labour problems in their units.

Type of Labour Problems Faced: The human resource of an organization is the most important resources for a firm. The amount of work done, talent, skills and drive, competent and dedicated performance on the part of the labour force goes a long way for the successful accomplishment of the objectives of the industrial units. The various types of labour problems definitely hinder their success.

Problem of Raw-Materials: For an uninterrupted production, there is an urgent need for regular and continual supply of raw-materials, sufficient backup of stock of raw- material in times of anticipated changes in price, time consuming procedure of procurement of raw-material, variations in the prices of raw material at different places. Uncertainty in all these and also lack of marketing experience, competition from established and large units in the purchase of raw material, non- availability of raw material are all constraints to the entrepreneurs especially at the initial stages. The difficulty in the processing of raw materials is very much felt by the women entrepreneurs. Since the allied industry depends on agriculture during off seasons the supply of raw material is not sufficient and is very difficult to get them at reasonable prices.

Less Confidence: Women entrepreneurs are not confident about their strength and competence. Their family members don't stand by their entrepreneurial growth. In recent

years, though the situation is changing, yet the women have to face further change for increased entrepreneurial growth.

Non-Availability of Finance: They have lack of access to funds, because they do not possess any tangible asset and credit in the market. Very few women have the tangible property in hand. So, they are suffering from inadequate financial resources and working capital.

Competition from Male Entrepreneurs: Competition from male counterparts develops hurdles to women entrepreneurs in business management process. Women entrepreneurs have to face the constraints of competition from male entrepreneurs due to less organizational skills than men.

Mobility Constraint: The Indian society is a conservative society which restricts the mobility of women entrepreneurs. Women are less mobile than men. The confidence to travel day & night and to different regions and States is lacking in women comparing with men.

ORGANIZATIONS PROMOTING WOMEN ENTREPRENEURSHIP IN INDIA

National Resource Centre for Women (NRCW) An autonomous body set up under the National Commission for Women Act, 1990 to orient and sensitize policy planners towards women's issues, facilitating leadership training and creating a national database in the field of women's development.

Women's India Trust (WIT) WIT is a charitable organisation established in 1968 to develop skills of women and to earn a regular income by providing training and employment opportunities to the needy and unskilled women of all communities in and around Mumbai.

iii. **Women Development Corporation (WDC)** WDCs were set up in 1986 to create sustained income generating activities for women to provide better employment avenues for women so as to make them economically independent and self-reliant.

Development of Women and Children in Urban Area (DWCUA) DWCUA was introduced in 1997 to organise the urban poor among women in socio-economic self-employment activity groups with the dual objective of providing self-employment opportunities and social strength to them.

Women Development Cells (WDC) In order to streamline gender development in banking and to have focused attention on coverage of women by banks, NABARD has been supporting setting up of Women Development Cells (WDCs) in Regional Rural Banks and Cooperative Banks.

Financial Institutions Assisting Women Entrepreneurship in India

For the past several years, financial institutions have been playing a pivotal role in giving financial assistance and consultancy services to women entrepreneurs. These institutions include: i) National Small Industries Corporation (NSIC), ii) All-India Development Banks (AIDBs), viz. IDBI, IFCI, ICICI , IIBI, IDFC and SIDBI, iii) Specialised Financial Institutions (SFIs), viz. Exim Bank and NABARD, iv) Investment Institutions, viz. LIC, GIC, NIC, NIA, OIC, UII and UTI, v) Regional/ State-Level Institutions, viz. NEDFI, SIDCs and SFCs , vi) Commercial Banks, vii) Co-operative Banks, etc.

POLICY FOR DEVELOPMENT OF WOMEN ENTREPRENEURS

Nagendra Kumar Jha from Patna University stated the following strategy for development of women entrepreneurs in his research article presented in 9th AIMS International Conference on Management held on January 1-4, 2012;

- a) Vocational training to be extended to women community that enables them to understand the production process and production management.
- b) State Finance Corporations and Financing Institutions should permit by statute to extend purely trade related finance to women entrepreneurs.
- c) The financial institutions should provide more working capital assistance both for small scale ventures and large scale ventures.
- d) Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.
- e) Industrial estates could also provide marketing outlets for the display and sale of products made by women.
- f) A Women Entrepreneurs'' Guidance Cell may be set up to handle the various problems of women entrepreneurs all over the state.
- g) Training in entrepreneurial attitudes should start at the high school through well designed courses, which build confidence through behavioral games.

SUCCESSFUL LEADING BUSINESS WOMEN IN INDIA

1. Akhila srinivasan, Managing Director , Shriram Investments Ltd.
2. Chanda Kocchar, Executive Director, ICICI Bank
3. Ekta Kapoor, Creative Director, balaji Telefilms Ltd.
4. Jyoti Naik, President, Lijjat Papad.
5. Kiran Mazumdar Shaw, Chairman & Managing director, Biocon Ltd. Lalita D.Gupte, JMD, ICICI Bank.

- 6.Naina Lal Kidwar, Deputy CEO , HBSE.
- 7.Preetha Reddy , Managing Director, Apollo hospitals.
- 8.Priya Paul, Chairman, Apeejay Park Hotels.
- 9.Rajshree Pathy, Chairman, Rajshree Sugars & Chemicals ltd. Ranjana Kumar, Chairman, NABARD.

STEPS TAKEN BY THE INDIAN GOVERNMENT

The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Therefore, a congenial environment is needed to be created to enable women to participate actively in the entrepreneurial activities. There is a need of Government, non Government, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India. The Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures.

- a) Specific target group: It was suggested to treat women as a specific target groups in all major development programs of the country.
- b) Arranging training facilities: It is also suggested in the chapter to devise and diversify vocational training facilities for women to suit their changing needs and skills.
- c) Developing new equipments: Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments and practices.
- d) Marketing assistance: It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.
- e) Decision-making process: It was also suggested to involve the women in decision-making process.

CONCLUSION

Women, being almost 50% population of India, have a pivotal role to play as far as economic development of country is concerned. India is a male dominated society and women are assumed to be economically as well as socially dependent on male members. Women entrepreneurs faced lots of problems like lack of education, social barriers, legal formalities, high cost of production, male dominated society, limited managerial ability, lack

of self-confidence etc. various factors like Pull and Push factors influencing women entrepreneurs.

Government takes various steps for the upliftment of women entrepreneurs in 7th five year plan, 8th five year plan and in 9th five year plan. Women have the potential the potential and determination to setup, uphold and supervise their own enterprise in a very systematic manner, appropriate support and encouragement from the society, family, government can make these women entrepreneur a part of mainstream of national economy and they can contribute to the economy progress of India. The Government has increased the importance of women by adopting various schemes and programs for their participation in economic activities. As technology speeds up lives, women are an emerging economic force, which cannot be neglected by the policy makers. The world's modern democratic economy depends on the participation of both sexes. Today, women in advanced market economies own more than 25 per cent of all businesses and women-owned businesses in Africa, Asia, Eastern Europe, and Latin America are growing rapidly. In some regions of the world, transformation to market economy, women entrepreneurs is a growing trend. However, in India, the actual participation of women in income generating activities is quite unsatisfactory, only eight per cent of the small scale- manufacturing units are owned and operated by women. If women entrepreneurs get support and encouragement from family, society, Government and financial institutions, such positive effort can open new avenues for them and increase the marketability and profitability of business owned by them. If the problems of women entrepreneurs are addressed properly, they can emerge as very successful entrepreneurs far better than men entrepreneurs.

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