
A Study on Women Entrepreneurship in India

Mrs Sreelakshmi

Senior Faculty

Department of Commerce

St.Joseph's Degree and PG College

Abstract-

Women entrepreneurship is an economic activity of those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise. The various economic factors urge women to be on their own and do something independently. One major challenge that many women entrepreneurs face is the traditional male- dominated field, and it may be difficult to surpass these conventional views. The study focuses on the many such difficulties which are faced by women entrepreneurs and the assistance provided by the government agencies in overcoming the problems. Despite the hurdles faced by women entrepreneurs they have proved themselves and continue to strive for success in today's world.

Key Words - Women entrepreneurs, Economic uncertainty, Business enterprise

Introduction -

Women entrepreneurs is one who starts business and manages it independently and tactfully, takes all the risks, faces the challenges boldly with an iron will to succeed. Women entrepreneurship is an economic activity of those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise

Women enter entrepreneurship due to economic factors which push them to be on their own and urge them to do something independently. Women prefer to work from their own work residence, difficulty in getting suitable jobs and desire for social recognition motivate them towards self-employment. We see a lot of women professionals in engineering, medicine, law, etc. Normally, women entrepreneurship is found in the extension of their kitchen activities, mainly in preparing commercially the 3P's, namely, Papad, Pickles and Powder. Few of them venture into services industry relating to hospitality, catering, educational services, consultation or public relations, beauty clinics etc. They're also setting up hospitals, training centers, etc. Even though female entrepreneurship and the formation of women entrepreneurship and the formation of women business networks is steadily rising, there are a number of challenges and obstacles that female entrepreneurs face. One major challenge that many women entrepreneurs face is the traditional 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 business. Women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life.

Importance of Women Entrepreneurship:

Women perform an important role in building the real backbone of a nation's economy. There is considerable entrepreneurial talent among women. Many women's domestic skills such as people and time management and household budgeting are directly transferable in the business context. Women have the ability to balance different tasks and priorities and tend to find satisfaction and success in and from building relationships with customers and employees, in having control of their own destiny, and in doing something that they consider worthwhile.

The process of economic development would be incomplete and lopsided, unless women are fully involved in it. The orientation of a society as a whole, regarding desirability that 3 women should play an equal part in the country's development, is a very important precondition for the advancement of not only women, but the country as a whole. The highest national priority must be for unleashing of women power which is the single most important source of societal energy.

"Emancipation of women is an essential prerequisite for economic development and social progress of the nations." In the closing years of the 21st century, multi skilled, productive and innovative women entrepreneurs are inextricable for achieving sustained economic growth. Globalization of industrial production and economic interdependence has become the torch bearers for all international corporations. In the dynamic world which is experiencing the effects of globalization, privatization and liberalization, women entrepreneurs are likely to become an even more important part of the global quest for sustained economic growth and social development.

Need for Study:

Women are generally perceived as home makers with little to do with the economy or business, but this picture is changing. In modern India, more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises. Even as women are receiving education, they face the prospect of unemployment. In this background, self-employment is regarded as a cure to generate income.

Women entrepreneurs in India are handicapped in the matter of organizing and running businesses on account of their generally low levels of skills and for want of support system. The transition from home maker to sophisticated business woman is not that easy, but the trend is changing. Women across India are showing an interest to be economically independent. Women are coming forth to the business arena with ideas to start small and medium industries. They are willing to be inspired by role models – the experience of other women in the business arena.

The role of women entrepreneurs is especially relevant in the situation of large scale unemployment that the country faces. The modern large scale industry cannot absorb much of labor as it is capital intensive. The small scale industry plays an important role absorbing around 80% of the employment.

The myth that women cannot engage in productive employment needs to be dispelled. They can be encouraged to set up small and medium scale industries on their own initiative. Entrepreneurship development for women is an important factor in the economic development of India.

Rural women can be encouraged to start cottage industries. Ruralbased micro enterprises have been encouraged by the government by introducing various schemes.

Objectives of the Study

-) To identify the growth prospects of women entrepreneurs in Indian economy
-) To study the organizations promoting women entrepreneurship in India
-) To study the policies promoting women entrepreneurship development in India.

Research Methodology:

Research Design:

Exploratory Research design was used for the purpose of this research. Exploratory research, as the name states, intends merely to explore the research questions and does not intend to offer final and conclusive solutions to existing problems.

Sample Design:

Sample Size:

The sample size is of 80 persons, both male and female, of various age groups, different educational qualification and also of diverse occupations.

Sampling Method:

The sampling was done with the help of a Questionnaire.

Sources of Data:

Primary Sources: Primary data was collected directly from people of different groups, ages, occupations and gender by administering the sample questionnaire for collecting the data. The questionnaire was distributed among 100 people of various different backgrounds.

Secondary Data:

The study is also based on secondary data that was collected from various web sources, magazines, articles published in various journals, annual reports and websites of the companies.

Tools of Analysis:

For the purpose of analysis, simple statistical techniques like averages and percentages are used.

Limitations of the Study:

-) The limitations of secondary data can be attributed to this study also.
-) The opinions are limited to the area of Hyderabad and Secunderabad only.
-) This is a short span survey.

Organizations promoting Women Entrepreneurship in India:

1. National Resource Centre for Women(NRCW):

An autonomous body set up under the national commission for Women Act, 1990 to orient sensitive policy planners towards women's facilitating leadership training.

2. Women's India Trust (WIT):

WIT is a charitable organization 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. 10

3. Women Development Corporation (WDC):

WDC 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.

4. Development of Women and Children in Urban Area (DWCUA):

DWCUA was introduced in 1997 to organize 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.

5. Association of Women Entrepreneur of Karnataka (AWAKE):

AWAKE was constituted by team of women entrepreneurs in Bangalore with a view to helping other women in different ways to prepare project report, to secure finance, to choose and use the product, to deal with Bureaucratic hassles, to tackle labor problems, etc.

6. Working Women's Forum (WWF):

WWF was founded in Chennai for the development of poor working women to rescue petty traders from the clutches of middlemen and to make them confident entrepreneurs in their own right. The beneficiaries are fisher women, lace makers, beedi making women, landless women, laborers and agarbathi workers.

7. Association of Women Entrepreneurs of Small Scale Industries:

It was founded in Ambattur in Chennai in 1984 to promote, protect and encourage women entrepreneur and their interests in South India.

8. Women's Occupational Training Directorate:

It organizes regular training courses at basic, advanced and post advanced levels. There are 10 Regional Vocational Training Institutes (RVTI's) different parts of the country, besides a National Vocational Training Institute (NVTI) at NOIDA.

9. Aid the Weaker Trust:

ATWT was constituted in Bangalore by a group of activists to impart training to women in printing. It is the only one in Asia. Its benefits are available to women all over Karnataka. It provides economic assistance and equips girls with expertise in various aspects of printing and building up self-confidence.

10. Self-Employed Women's Association (SEWA):

SEWA is a trade union registered in 1972. It is an organization of poor self-employed women workers. SEWA's main goals are to organize women workers to obtain full employment and self-reliance.

11. Women Entrepreneurship of Maharastra (WIMA):

It was set up in 1985 with its head office in Pune to provide forum for members and help them sell their products. It also provides training to its members. It has established industrial estates in New Mumbai and Hadapsar.

12. Self-Help Group (SHG):

An association of women, constituted mainly for the purpose of uplifting the women belonging to the Below Poverty Line (BPL) categories to the Above Poverty Line (APL) category. The major activities of the group are income generation programs, informal banking, credit, unions, health, nutritional programs etc.

13. The National Resource Centre for Women (NRCW):

An autonomous body set up 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.

Policies for Women Entrepreneurship Development in India:

Various policies of MSME for women's entrepreneurship development play a major role in this process. After reviewing existing policies and the way they impinge on women enterprises, the key findings can be classified under the following broad headings:

Regulatory Policies:

Policies concerned with ensuring compliance, by individual women entrepreneurs, firms, with laws, and the rules and regulations laid down under those laws for various aspects of a business are classified as Regulatory

Policies. Those are related to registration and incorporation, licensing for production and quotas for scarce raw materials, taxation, labor wages, welfare and safety, environmental protection, consumer protection, quality and standards and specific sub sector laws and rules etc.

Promotional Policies: Policies that have been applied directly or indirectly to women for promotion of self-employment and entrepreneurship, specific sub sectors, traditional industries and industries in backward regions are classified as Promotional Policies. These are related to self-employment and entrepreneurship.

Credit Policies: Policies that have been applied directly or indirectly to women for credit and finance support for business are Credit Policies. They relate to credit and finance support and institutional arrangement for credit and finance support. These policies are a mix of welfare and credit for women entrepreneurs. Most of the nationalized banks have to offer loans to women entrepreneurs as a policy.

Representational Policies: These are policies which ensure broad based citizen participation in the processes of formulation, implementation and monitoring of policies and regulations that affect them, and citizen control over the affairs of promotional agencies (Chamber of commerce, Industries associations, Workers, Trade unions etc.) meant to serve them.

Obstacles faced by Women Entrepreneurs in India:

1. **Shortage of Finance:** Women and small entrepreneurs always suffer from inadequate financial resources and working capital. They lack access to external funds due to absence of tangible security and credit in the market. Women do not generally have properties in their name. Finance is the most important aspect of any business. Non availability of long term finance, regular and frequent need of working capital and long procedure to avail financial help are found to be the financial problems faced by the women. Finance is regarded as the “Life blood” for any enterprise be it big or small. However women entrepreneurs suffer from storage of finance on two counts firstly women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Thus, their access to the external sources of funds is limited. Secondly the banks also consider women less credit worthy and discourage women borrowers on the brief that they can at any time leave their business. Give such situation women entrepreneurs are bound to rely on their savings, if any and loans from friends and relatives who are expectedly meager and negligible. Thus, women enterprises failed due to the storage of funds.

2. Stiff competition:

Many of the women enterprises have imperfect organizational set up. They have to face severe competition from organized industries and male entrepreneurs. Women entrepreneurs do not have organization setup to pump in a lot of money for canvassing and advertisement. Thus, they have to face a stiff competition for marketing their products with both, organized sector and their male counterparts. Such a competition, ultimately, results in liquidation of women enterprises.

3. High cost of production:

Another problem which undermines the efficiency and restricts the development of women enterprises is the high cost of production.

4. Low mobility:

One of the biggest handicaps for women entrepreneurs is mobility or travelling from place to place. Women on their own find it difficult to get accommodation in smaller towns.

5. Family Responsibilities:

In India it is mainly women’s duty to look after the children and other members of the family. Their involvement in family leaves little energy and time for business. Married women entrepreneurs have to make a fine balance between business and home. In India it is mainly a women’s duty to look after the children and other members of the family. Man plays a secondary role only in case of married women she has to strike a

fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business support and approval of husbands seem necessary condition or women's entry into business. Accordingly, the educational level and family background of husbands positively influence women's entry into business activity.

6. Social Attitudes:

The biggest problem of a women entrepreneur is the social attitude and the constraints in which she has to live and work. Despite constitutional equality there is discrimination against women. In a tradition-bound society, women suffer from male reservations about a women's role and capacity. In rural areas, women face resistance not only from males but also from elderly females who've accepted inequality.

7. Low Ability to bear risk:

Women have comparatively a low ability to bear economic and other risks because they have led a protected life. Women in India lead a protected life. They are less educated and economically not self-dependent. All these reduce their ability to bear risk involved in running an enterprise. Risk bearing is an essential requisite of a successful entrepreneurs.

8. Lack of education: In India, literacy among women is very low. Due to lack of education, majority of women are unaware of technological developments, marketing knowledge, etc. lack of information and experience creates further problems in the setting up and running of business enterprises.

9. Low need for achievement: Need for achievement, independence and autonomy are the pre-requisites for success in entrepreneurship, but women are proud to bask in the glory of their parents, husbands, sons, etc.

10. Male dominance: Male chauvinism is still the order of the day in India. The constitution of India speaks of equality between genders. But, in practice women are looked upon as able i.e., weak in all respects. Women suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In nutshell, in the male dominated Indian society, women are not treated equal to men. This in turn, serves as a barrier to women entry into business.

11. Health problems: Major health problems faced by women entrepreneurs where tension, backache, eye strain fatigue and headache. It is found that women feeling the problem of feeling fatigued after returning home, lack of rest in sleep and heavy schedule.

12. Lack of technical know-how: Management has become a specialized job which only efficiently managers perform. Women entrepreneurs sometimes are not efficient in managerial functions like planning, organizing, controlling, directing, motivating, recruiting, coordinating and leading an enterprise. Therefore, less and limited managerial ability of women has become a problem for them to run an enterprise successfully.

13. Entrepreneurial skill:

Lack of entrepreneurial attitude is a matter of concern for women entrepreneurs. They have limited entrepreneurial abilities. Even after attending various training programs on entrepreneurship, women entrepreneurs failed to overcome the risk and troubles that may come up in an organizational working.

14. Lack of self- confidence:

Women entrepreneurs, because of their inherent nature, lack self-confidence which is essentially a motivating factor in running an enterprise successfully. They have to work hard to strike a balance between managing a family and managing an enterprise. Sometimes, they have to sacrifice their entrepreneurial urge in order to strike a balance between the two which results in loss of a prospective entrepreneur.

Findings

-) According to the study, people between the ages of 20-40 years are aware of women entrepreneurs.
-) Majority of the respondents are graduates
-) According to the study, 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.
-) According to the study, 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.
-) 50% of the respondents partly agree and 28.7% of the respondents strongly agree that the family obligations bar women from initiating and becoming successful entrepreneurs
-) More than half of the people agree, either partly or strongly, that financial institutions are less likely to give loans to women entrepreneurs.
-) 26.3% of the respondents strongly agree and 30% of the respondents partly agree with the statement that “Women managers & executives are proving to be more effective at their workplace, however, they are not efficient enough when it comes to labor and logistic issues in self-owned business enterprises”
-) 26.3% of the respondents strongly agree and 30% of the respondents partly agree with the fact that male dominance in business and entrepreneurship area also works as a hurdle for women entrepreneurs.
-) Lack of proper knowledge about availability of raw materials and low level negotiations are also one of the difficulties encountered by the women entrepreneurs
-) 43.8% of the respondents partly agree and 21.3% of the respondents strongly agree that women entrepreneurs have a low risk taking attitude
-) 41.3% of the respondents partly agree and 21.3% of the respondents strongly agree that the government agencies and educational institutions are doing very little to promote entrepreneurial skills among women entrepreneurs.

Suggestions-

-) Financial institutions should give loans to women entrepreneurs at a less rate of interest so as to encourage them to start their own business
-) Government should conduct special training programs, entrepreneurial development programmes, and improvement programs for Women Entrepreneurs to enhance their productivity.
-) Proper support should be administered to promising women entrepreneurs
-) Counselling should be administered to women entrepreneurs to encourage them to start their own business.
-) incubator facilities should be provided to entrepreneurs so that they can manufacture a product without investing much on infrastructure.

Conclusion –

Women perform an important role in building the real backbone of a nation’s economy. The process of economic development would be incomplete and lopsided, unless women are fully involved in it. The orientation of a society as a whole, regarding desirability that women should play an equal part in the country’s development, is a very important precondition for the advancement of not only women, but the country as a whole. The highest national priority must be for unleashing of women power which is the single most important source of societal energy.

Various regulatory, promotional, credit and representational policies should be initiated to promote women entrepreneurship.

References-

- J Bowen, Donald D. & Hirsch Robert D. (1986), The Female Entrepreneur: A career Development Perspective, Academy of Management Review, Vol. 11 no. 2, Page No. 393-407
- J S.P Gupta (2009) Statistical Method , Thirty eight revised editions, Sultan Chand & Sons Publishers, New Delhi.
- J C. R. Kothari (2007) Research Methodology Methods and Techniques , Second edition, New Age International Publishers, New Delhi.
- J Aparna Basu (2004), Women's Empowerment and Self Help Groups , SHELTER, Human Settlement Management Institute, New Delhi, Vol. VII, No. 1, January, 2004, pp. 13 – 15.
- J Women Entrepreneurship Development in India, www.indianmba.com/Faculty_Column/FC1073/f_c1073.html
- J Singh, Surinder Pal, (2008), An Insight Into The Emergence Of Women-owned Businesses As An Economic Force In India, presented at Special Conference of the Strategic Management Society, December 12-14, 2008, Indian School of Business, Hyderabad