Women Entrepreneurship in India: Challenges and Prospects

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This paper aims to throw light on the status of women entrepreneurs in India, the difficulties and challenges faced by them and also provides insight into the suggestions to overcome these hurdles. Women’s lot and their position have remained neglected. Their share in entrepreneurs and trade is very low. Women entrepreneurs, not common to India face tough competition in this male dominated field. Women entrepreneurship is essentially a journey out of poverty and towards equality. Educated women do not want to limit their lives only to the household drudgeries. By their contribution they want to improve the standard of living of their families and to be the decision makers. However Indian women have to go a long way to achieve this position because traditions are deep rooted in Indian society. Entrepreneurship is a key element of growth and development prospects for all countries and it is most important for transition countries. The specific role of women in the economic effort has not been clearly defined but the need for “integration of women into development” is being particularly felt by women themselves. With the increase in the number of educated women, there is considerable awareness among women to be self employed and gradually the role of women is changing in the society. In this direction government and NGOs have emerged as a major support by way of providing training incentives and other facilities to succeed.

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1. **Introduction**

Entrepreneurs collect resources, including innovations, finance and business acumen in an effort to transform innovations into economic goods. Women entrepreneurship is the function of establishing women enterprises by the women entrepreneurs. In the last two decades increasing number of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today. In this dynamic world, women entrepreneurs are an important part of the global sustained economic development and social progress. With the development of education among women it gave rise to the women employment. The United Nations report has also concluded that Economic development is closely related to the advancement of women.

2. **Objectives of study**

1. To analyze basic causes promoting women entrepreneurship.
2. To identify various problems and challenges facing women entrepreneurs.
3. To suggest remedial measures to overcome the problems and to motivate potential women and to guide them into becoming successful entrepreneurs.

3. **Methodology**

The method of study is mainly based on secondary data which is gathered from published sources like journals, text-books, magazines, newspapers, government documents, web sites. Some data has also been collected from the female students and housewives interviews. It is just about the common areas of concerns in both the groups. From the view points of marital status and profession, various factors were analyzed. On the basis of marital status, major differences of opinion have been found regarding need for money and other factors, between these two groups of people. However on problems and obstacles, no significant differences were found.

4. **Genesis of Entrepreneurship**

Inspite of the fact that women contribute fifty percent of the total population of the world, women do not own even one percent of the world’s property. The origin of the word entrepreneurship is from a French word “Entrepreneurship” where it was born and originally meant to describe an organizer of certain musical or other entertainments. The Oxford English dictionary (of 1897) defines the word “Entrepreneur” in a similar way as the Director or a Manager of a public musical institution, one who arranges the entertainment, especially musical performance. Initially in the early 16th century, it was applied to those who were engaged in military expeditions. In 17th century it was extended to cover civil engineering activities such as construction and fortification.
A women entrepreneur is a person who is an enterprising individual, who is always on a look out for opportunities, having foresight, commercial talent, with extreme consistency and above all willing to take risks in new fields. A woman entrepreneur is one who creates, owns business activity and does employment generation in women. This enhances their economic strength and improves their social status also. Entrepreneurship is in reality an attitude to create something new and an activity which creates values in the entire social-eco system.

In large and medium sectors, women with educational and professional qualifications take the initiative and manage the business as well as their male counterparts. A qualified woman entrepreneur with basic managerial training and educational qualifications sometimes with an MBA degree usually may head the medium sector and large units. These professionally qualified women are in a better position and have a competitive edge over others to set up and manage the units.

Those women entrepreneurs who are uneducated and have no professional managerial skills but have developed certain skills take to small scale industries. They indulge in such activities with which they are familiar and can skilfully manage them for example weaving, garment stitching, papads and pickles, spices, handicraft, pottery designing, candle making, knitting etc.

Some women entrepreneurs run service motivated organizations to help economically backward societies. They require Government support in marketing as well as getting finances at a concessional rate for their products.

Women in India always remained a victim of neglect and discrimination and were always prohibited to perform their due role in the economic or social life of the society. In order to remove this injustice meted out to women in the past, the architects of our constitution took special care to guarantee equality of rights and opportunities for women in political and social fields and to specifically prohibit any discrimination particularly in matters of employment, wages and human conditions of work.

5. Concept of Women Entrepreneurship

The ILO defined the women’s enterprise as a small unit where one or more women entrepreneurs are playing a vital role in business community. Although in India women have made a comparatively late entry into commercial activities mainly due to orthodox and traditional socio-cultural environment. In developed countries we find that the percentage of women participation in business and trade including agriculture is much higher without any social or other restrictions. In India there are still many social and cultural restrictions on women. Hence women participation in entrepreneurial activities is less than the requirement of the fast growth of India. Although there are multiple obstructions women face in establishing, developing and running their enterprises at different stages,
nevertheless, their scope of development is very high in India, especially in rural areas with more women making development oriented programme viz DWACRA which was launched in 1982-83.

Women are getting highly educated day by day and have mentally attained excellence. With decreased opportunities in service sector many entrepreneurial opportunities for women have come up in the last two decades, increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business today both qualitatively and figuratively. As they are hard working and sincere they are progressing fast but still they need to capitalize their potential the way it should be.

6. Economic Status of Women

Women have an important role to play in synthesizing social progress with economic growth of developing countries. In order to make themselves economically empowered women will have to come out of the drudgery of housework and give vent to their creativity and entrepreneurship. Political developments in India have also been responsible for determining the role of women in a changing society. There are various forums and NGOs that are working hard in order to improve the economic status of women. The Indian economy has been substantially liberalized in recent years with an increasing role for small scale private enterprise. With the increase in the number of women getting educated there is considerable awareness among women to be self-employed and gradually the role of women is changing in the society.

Women entrepreneur is a fairly new phenomenon, but women have been contributing to production process since time immemorial by working in cottage industries. Unfortunately all their economic efforts remain unacknowledged and unaccounted. Empowering women has become the key element in the development of any economy. The conventional social roles assigned to women often proved to be a handicap for their free mobility and freedom to work. It is thus evident that women entrepreneurs have to confront more challenges from their culture, family and society than their male counterparts.

Women’s participation in trade, industry and commerce requiring entrepreneurship is still poor mainly because of the problems associated with their gender roles. Therefore promotion of entrepreneurship and economic empowerment of women pose a challenge to the government, funding agencies and non government organizations. Our society must also consider the limitations faced by women and provide supporting systems to enhance women entrepreneurship in India.

India is one of the fastest emerging economies and the importance of entrepreneurship is realized across the gamut. Around 50 percent of India’s population is women, yet trade, commerce and industry are still considered a male
preserve. Entrepreneurial work has also been predominantly a man’s world in India. It is because only 7 percent of the total entrepreneurs in India are women. Among the states, Maharashtra, Gujarat and Karnataka have more women entrepreneurs.

7. **Organizational Support and Rise in Women Entrepreneurship**

The emergence of women entrepreneurship and their contribution to the national economy is quite visible in India. Women entrepreneurship has been recognized during the last decade as an important untapped source of economic growth. Besides governmental aid and support various associations and group of people also promote women entrepreneurship. Around the country many organizations help undertake wide categories of activities encompassing business skills development, technical technological training, employment creation, credit, psychological counseling, marketing skills and services, legal help and various social welfare programmes. These organizations went further in promoting international trade for women entrepreneurs.

According to statistics women in India 2010, percentage of female workers total population is 16.65 percent in rural areas and 9.42 in urban areas. This shows an overall less contribution of women in work but more percentage of women workers in rural areas. Entrepreneurship development among rural women helps to enhance their personal capabilities and increase decision making capacity in the family and society as a whole. They were encouraged to begin individual and collective income generation programme with formation of Self Help Groups. This will not only make them financially independent but also enhance their confidence, decision making capability and create their separate identity. All these will result in their overall empowerment.

8. **Challenges and Problems**

Every work and profession has its own challenges, difficulties, hurdles and competition. Women entrepreneurs have various problems of their own kind. Amongst many obstacles some are the ones which are beyond women entrepreneurs’ control. Indian women face some typical social problems as compared to their western competitors. These problems generally create hindrances for these women entrepreneurs from realizing their potential as entrepreneurs. The areas where women entrepreneurs face problems are broadly economic, social aspects, family support, gender discrimination, skill problems etc. these and many more factors have restricted the growth and expansion of women entrepreneurship. The important hurdles encountered by women entrepreneurs are as under:

1. The greatest barrier for women entrepreneur is their being a woman. A male dominant social order is the biggest block in their way towards business
success. The male family members find it risky in financing their business ventures.

2. Women entrepreneurs especially face problems in starting their business from financial institutions, due to lack of knowledge, information and mobility. Generally women do not have properties in their name to use as securities against bank loans.

3. Women entrepreneur face tough competition from the male entrepreneurs in the marketing of their products. As a result a large number of women abandon the idea of running an independent business.

4. A lot of procedural paper work and contact with the administrative authorities take place before and after setting up business. Due to little knowledge, these matters frighten up women entrepreneurs. In the absence of a proper escort and proper continuous guidance and support in all the above matters women give up the idea of being entrepreneurs.

5. Some internal factors like risk avoidance by women, lack of self confidence, far sightedness, will power, strong mental set and optimistic attitude also create obstacles for the women entrepreneurship development.

6. In India women’s family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. Their involvement in family leaves them with little energy and time for anything else. Married women entrepreneurs have to make a wonderful balance between business and home. Their business success also depends on the support provided by their family members.

7. The conservative and outdated social outlook to stop women from entering in the field of entrepreneurship is one of the main reasons for their failure. From birth they are taught to depend and work with the consent of the male members of their family. She is not allowed to take independent decisions how so ever capable she may be.

8. Women entrepreneurs are not always update regarding technological developments, training programmes, Bank financial schemes, alternative markets etc. Very few women entrepreneurs avail advantages of above mentioned facilities.

9. Unfortunately women entrepreneurs do not have interaction with successful entrepreneurs who always play the role model in the society. This is one of the major problems in the growth and development of women entrepreneurship.

10. Besides the above mentioned problems, improper infrastructure, frequent power cuts, lack of technical expertise and various other economic and social constraints have retarded the growth of women entrepreneurship.
9. **Suggestive Remedial Measures for the Growth and Development of Women Entrepreneurship**

Woman is an entity in her own right. Women entrepreneurs today have their own opinion, are self-assured and able to withstand all risks and are efficient Managers. More and more women should be made aware through various programmes of their capacities as entrepreneurs and their contribution towards the economic growth and development of the country.

1. In order to help and develop women as successful entrepreneurs radical changes are required in the traditional attitude of the society. In this direction some campaign programs should be designed by the Government and the NGOs that will address attitudinal changes, training, supportive services etc.

2. Parents should take care of the education of the girl child from the early ages only and they should be given vocational education in order to develop their skilled potentials. Provisions should be made for their training, practical experience and overall personality development. This will result in their self confidence.

3. At Government level attempts should be made to set up a women entrepreneur guidance cell which will guide them from time to time to handle the various problems faced by the woman entrepreneur.

4. Adopting a well designed skill development programme can train, motivate and assist the upcoming women entrepreneurs. Various schemes like World Bank sponsored programmes, Indian Government’s “Stand Up India” scheme for women entrepreneurs to provide loan from Rs Ten Lacs up to One Crore can be undertaken for such purpose.

5. Women entrepreneurs should be provided soft loans and subsidies by the Banks and Government respectively. Infrastructural assistance in the form of Industrial plots and machinery to set up industries should be provided by the State run agencies.

6. National and local Seminars, Trade Fairs, Business Exhibitions and Conferences should be organized to help women to facilitate interaction with other women entrepreneurs.

10. **Conclusion**

In India women entrepreneurship is gaining ground at a steady pace. Women’s desire to be self employed, financially independent and to live with dignity and respect are some of the motivating factors of women entrepreneurs across geographical boundaries. The challenges and opportunities provided to the women of digital era are growing so rapidly that the job seekers are turning into job creators. For development of women entrepreneurship the joint efforts of both the society and government are needed on one hand and parents have to do justice to
their girl child. On the other hand women too have to be aware of and demand their rights. They should work hard and explore new avenues of economic participation. It is high time that the family and the society should rise to the challenge and create more support system for encouraging more business opportunities for the women. Since 1980 the Government of India has been more concerned for women issues through a variety of legislations promoting the health, education, security issues, property rights and political participation of women. For women entrepreneurs, along with adequate training, institutional and financial support as a composite package needs to be encouraged. There are definitely a large number of unexplored areas where women can be placed as entrepreneurs. The Self Help Groups programme launched by NABARD and SIDBI may prove to be a boon for flow of funds to small entrepreneurs. These types of efforts will not only be enough to solve the obstacles of women entrepreneurs, but also motivate them and raise their spirits and morale.

References


