

# A STUDY OF CHALLENGES AND OPPORTUNITIES WOMEN ENTREPRENEURSHIP IN INDIA

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## **ABSTRACT**

Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization. The policy and institutional framework for developing entrepreneurial skills, providing vocation education and training has widened the horizon for economic empowerment of women. However, women constitute only one third of the economic enterprises. There exist a plethora of successful business women entrepreneurs both in social and economic fields in India. They are performing well. Government of India has also introduced National Skill Development Policy and National Skill Development Mission in 2009 in order to provide skill training, vocational education and entrepreneurship development to the emerging work force. However, entrepreneurship development and skill training is not the only responsibility of Government and therefore other stakeholders need to shoulder the responsibility. In Hindu scriptures, woman has been described as the embodiment of shakti. But in real life she is treated as Abla. Women are leaving the workforce in droves in favor of being at home. Not to be a homemaker, but as job-making entrepreneurs. The increasing presence of women in the business field as entrepreneurs has changed the demographic characteristics of business and economic growth of the country. Women-owned businesses enterprises are playing a more active role in society and the economy, inspiring academics to focus on this interesting phenomenon. This paper focuses on the problems, issues, challenges faced by women entrepreneurs, how to overcome them and to analyze policies of Indian government for and problems faced by them while pursuing their business

**KEY WORDS:** Women entrepreneurship, Status, Challenges, Role of Govt. & Suggestions.

## INTRODUCTION

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. An entrepreneur is a person who starts an enterprise. He searches for change and responds to it. A number of definitions have been given of an entrepreneur- The economists view him as a fourth factor of production along with land labor and capital. The sociologists feel that certain communities and cultures promote entrepreneurship like for example in India we say that Gujaratis and Sindhis are very enterprising. Still others feel that entrepreneurs are innovators who come up with new ideas for products, markets or techniques. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to create something new and an activity which creates value in the entire social eco-system. It is the psyche makeup of a person. It is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which makes him/ her think about life and career in a given way. Entrepreneurship has been a male-dominated phenomenon from the very early age, but time has changed the situation and brought women as today's most memorable and inspirational entrepreneurs. It is estimated that women entrepreneurs presently comprise about 10% of the total number of entrepreneurs in India, with the percentage growing every year. If the prevailing trends continue, it is likely that in another five years, women will comprise 20% of the entrepreneurial force (Saidapur et.al, 2012). The Tenth Five Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

## WOMEN ENTREPRENEURSHIP

Women entrepreneurship is the entrance of women in the corporate world with their new business techniques. Women may be considered to be an entrepreneur if she has started a business alone or with other women or is someone, who is principal in a family business or partnership or is someone who is shareholder and manager in publicity held company. But most of the time, I found that women is working on their family business without any decision making power and recognition. Dr. A K Srivastava & Satish Ailawadi (2007: 19) certified this in their paper that 'Various researchers have shown that women contribute to a very large extent to their family businesses that go unnoticed and unappreciated. It is observe that the family members tend to ignore the efforts of their women in enterprise. Many of such enterprises where women hold the controlling shares are in fact run in their names by men and who control operations and decision – making.' When we hear about Indian women entrepreneurs we feel strange but do we actually know their contribution, in our country's progress? There is no need to look at distance for realizing women talents. You look around your surroundings. Many coaching institutes, beauty parlours, pickle / candle / bulb / Namkeen / Papad/ tailoring shop / computer institutes / music classes / shops of ladies items/ general store/ medical store/ canteen / STD PCO shop/ agarbatti making factories.

Women's entrepreneurship has been recognized during the last decade as an unforgettable source of financial growth. Women entrepreneurs are trying to open the door of new jobs and success for themselves and others also. By providing this, they are giving different ideals, jobs and solutions to management, organization and business problems as well as women exploitation. Although the number of women entrepreneurs are very less but they are doing their best. Because of the male dominated society, women entrepreneurs are largely neglected in normal life of society and in the research work of social sciences, etc. basically a woman and her family members have a concept for job to her as a teacher, tutor or government officer. They are unable to accept them as R&D incharge, IAS/PCS/ CID, business lady, factory maker, engineer, etc. But today if we see the backside of mirror, then we will find successful women entrepreneurs. According to Professor Cary Cooper (Head of Organization Psychology at Manchester University) quoted in Veronica Grocock's book i.e. Women Means Business, there is a paradox in the psychological battle between the sexes: "Intellectually, men want their wives to be better educated. Psychologically, they are unable to cope with it- it's still the mother-at-home model they think about." Although, women have in general a lower social position than man, which affects the kind of networks they access or are part of. There are evidences to prove that women are less involved in networks than men are and their type of network is different. For business, it is important to have weak-tie networks as strong ties.<sup>3</sup> The strong and personal networks that women traditionally engage in are well suited for purposes linked to the family related tasks that may prove to be a hindrance in the market place

Thus women differ to men in the kind of networks they use and in the social capital available to them through the network. Women have therefore less access to critical resources, support and information needed to successfully start and manage a new firm compared to men. Dr. Shashi Saini (Dec.2016: 39) discussed the multi- role responsibility and attempts to negotiate them in her research paper. She said that Professional women take on multiple roles in daily life. Some roles are by choice and other roles are chosen for women. Along with the work responsibilities women roles often include daily household chores, family and social obligations, caretaking for children/ elderly parents as well as other roles. As the experiences of these women professionals' shows that their different roles emerged as a source of conflict because they struggle hard with the daily pull raising a family or caring for elderly parents and other social obligations along with their career demands and commitments. They felt that their domestic responsibilities which traditionally viewed as women domain inhibited the pace of their career progression compared to their male colleagues.

## **STATUS OF WOMEN ENTREPRENEURS IN INDIA**

Entrepreneurship is considered as one of the most important factors contributing to the development of society. India has been ranked among the worst performing countries in the area of women entrepreneurship in gender-focused global entrepreneurship survey, released in July 2013 by PC maker Dell and Washington based consulting firm Global Entrepreneurship and Development Institute (GEDI). Of the 17 countries surveyed India ranks 16th, just above Uganda. Countries like Turkey, Morocco and Egypt has outperformed India. Status of

higher education in women in India came out to be lower than most countries in the world. At present, women's entrepreneurial role is limited in the large scale industries and technology based businesses. But even in small scale industries, the women's participation is very low. As per the third all India census of Small Scale Industries, only 10.11% of the micro and small enterprises were owned by women, and only 9.46% of them were managed by women. While the number of women operating their own business is increasing globally, women continue to face huge obstacles that stunt the growth of their businesses, such as lack of capital, strict social constraints, and limited time and skill.

## REASONS FOR WOMEN BECOMING ENTREPRENEURS

The glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P's, Pickle, Powder and Pappad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. \_Women Entrepreneur's 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 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 due to pregnancy or the corporate glass ceiling, 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. The following flow chart shows the reasons for women becoming entrepreneurs Innovative

## CHALLENGES FACED BY WOMEN ENTREPRENEURS

- Conflicts between Work and Domestic Commitments-Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" (Starcher, 1996)
- Gender gaps in education- While women are making major strides in Educational attainment at primary and secondary levels, they often lack the Combination of education, vocational and technical skills, and work experience Needed to support the development of highly productive businesses.

→ Lack of finance - Access to finance is one of the most common challenges that entrepreneurs face and this is especially true for women who are further Women Entrepreneurship in India 1145 impeded by lack of personal identification, lack of property in their own name and the need for their husband's countersignature on many documents.

→ Legal constraints in family law- The institutional and legal environment is critical to the growth of female-owned enterprises. Laws regulating the private sphere specifically those regarding marriage, inheritance and land can hinder women's access to assets that can be used as collateral when securing a loan.

→ Heavy household responsibilities leave a demand on women especially those in rural areas who have more children. They are required to perform their traditional role as housewives and therefore, they have fewer hours of free time than men, both during the weekend and on weekdays. An ILO report on women entrepreneurship identifies the following problems faced by women entrepreneurs.

→ Lack of family support- Sometimes the family may make the women feel guilty of neglecting household duties in her pursuit of business obligations. Cultural traditions may hold back a woman from venturing into her own business.

→ Lack of capital-traditional sources of finance like banks are reluctant to lend to women entrepreneurs especially if they do not have any male or family backing. This is especially true of lower income females. Women do not have adequate finance or legal knowledge to start an enterprise.

→ Lack of confidence and faith-lack of role models undermines the self-confidence of women entrepreneurs. The activity of selling is considered abhorrent to the female gender.

→ Lack of right public/ private institutions- Most public and private incentives are misused and do not reach the woman unless she is backed by a man. Also many trade associations like ministries, chambers of commerce do not cater to women expecting women's organizations to do the necessary thing.

## **ROLE OF GOVERNMENT TO DEVELOP WOMEN ENTREPRENEURS IN INDIA**

Development of women has been a policy objective of the government since independence. Until the 70s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non-government bodies have paid increasing attention to women's economic contribution through self-employment and industrial ventures.

The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction. In the second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Year Plans (1961- 66 and 1969-74) supported female education as a major welfare

The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment.

The Eighth Five-Year Plan (1992-97) focused on empowering women, especially at the Grass Roots Level, through Panchayati Raj Institutions. The Ninth Five-Year Plan (1997-2002) adopted a strategy of Women's Component Plan, under which not less than 30 percent of funds/ benefits were earmarked for women related sectors.

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

### **INCREASE WOMEN ENTREPRENEURSHIP IN INDIA**

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitudinal changes, training, supportive services. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic growth and development of country. The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise. Here are some suggestions to increase the role of women entrepreneurs:-

## Women Entrepreneurship in India

→ **Infrastructure** – Infrastructure set up plays a vital role for any enterprise. Government can set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities. However, precautionary measures should be undertaken to avoid the misuse of such facility by the men in the name of the women.

→ **Personality Development-Attempts** should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes, to improvise their over-all personality standards.

→ **Self-help groups of women entrepreneurs-** Self-help groups of women entrepreneurs can mobilize resources and pool capital funds to help the women in the field of industry, trade and commerce.

→ **Business Development Training Programs** – It includes basic day-to-day management training like how to keep track of accounts, handle taxes and understand compliance rules and regulations. They can also focus on strategy and the long-range success of a business from writing a business plan to targeting specific markets, along with product innovation within business clusters and incubators.

→ **Access to Finance Programs-** Efforts to facilitate access to finance for women entrepreneurs typically encompasses initiatives that reform restrictive bank and regulatory policies. Such reforms accept less traditional forms of collateral, look at a lender's willingness to repay and simplify business registry. They also help financial institutions develop innovative loan and savings products for female entrepreneurs. 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.

## CONCLUSION

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed 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 middle class women. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Resurgence of entrepreneurship is the need of the hour emphasizing on educating women strata of population, spreading awareness and consciousness amongst women to outshine in the enterprise field, making them realize their strengths, and important position in the society and the great contribution they can make for their industry as well as the entire economy. Women entrepreneurship must be

molded 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. If every citizen works with such an attitude towards respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservative and rigid thought process which is the biggest barrier in our country's development process. We always viewed that a smart woman can pick up a job any day, but if she becomes an entrepreneur she can provide a livelihood to 10 more women at least..!! 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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