



Women Entrepreneurship in India: Challenges and Opportunities

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Abstract

Women entrepreneurship in India has gained significant attention in recent years due to its potential to drive economic growth, promote gender equality, and foster social development. This paper explores the landscape of women entrepreneurship in India, examining the challenges faced by women entrepreneurs and the opportunities available to them. It analyzes various factors influencing women's participation in entrepreneurship, including cultural norms, access to finance, education, and support systems. Additionally, the paper discusses a case study on women entrepreneur in India.

Keywords: Women Entrepreneurship; growth; Development; challenges

1. Introduction

Women entrepreneurship refers to the process of conceiving, initiating, organizing, and managing businesses by women, often with the aim of creating economic value, pursuing personal or professional goals, and contributing to societal progress, Vinze, M. D. (1987). It encompasses the entire entrepreneurial journey, from identifying opportunities and developing innovative solutions to overcoming challenges and achieving sustainable growth, Halkias et al (2011). Women entrepreneurship involves women taking on leadership roles, making strategic decisions, and driving the success of their ventures across various sectors and industries, Sangolagi, K., & Alagawadi, M. (2016); Manolova et al (2008); Hisrich, R. D., & Öztürk, S. A. (1999) & Allen, S., & Truman, C. (2016). This phenomenon highlights the increasing participation of women in the business world and their significant contributions to innovation, job creation, and economic development. Women entrepreneurship plays a crucial role in economic development for several reasons:

- a. **Job Creation:** Women-owned businesses contribute significantly to job creation and employment opportunities. By starting and expanding businesses, women entrepreneurs generate jobs not only for

themselves but also for others in their communities, thus reducing unemployment rates and stimulating economic growth.

- b. **Innovation and Creativity:** Women entrepreneurs bring unique perspectives, experiences, and insights to the business world, fostering innovation and creativity. Their diverse approaches to problem-solving and decision-making lead to the development of new products, services, and business models, driving competitiveness and productivity in various industries.
- c. **Wealth Creation and Poverty Alleviation:** Women entrepreneurship can help alleviate poverty and empower communities by generating income, creating wealth, and improving living standards. Through entrepreneurship, women gain financial independence, which enables them to invest in education, healthcare, and other essential resources for themselves and their families.
- d. **Contribution to GDP Growth:** Women-owned businesses contribute to the overall Gross Domestic Product (GDP) of countries by generating revenue, paying taxes, and stimulating economic activity. As the number and scale of women-owned enterprises increase, their collective impact on GDP growth becomes more significant, leading to a more robust and resilient economy.
- e. **Access to Untapped Markets:** Women entrepreneurs often identify and cater to underserved or niche markets that may have been overlooked by traditional businesses. By addressing the needs and preferences of diverse consumer segments, women-owned businesses expand market opportunities, drive demand, and foster inclusive economic development.
- f. **Role Modeling and Empowerment:** Women entrepreneurs serve as role models and mentors, inspiring other women and girls to pursue entrepreneurship and realize their full potential. By demonstrating leadership, resilience, and success in business, women entrepreneurs challenge gender stereotypes, break down barriers, and empower future generations to participate in economic activities.
- g. **Social Impact and Sustainable Development:** Women entrepreneurs are more likely to prioritize social and environmental sustainability in their business practices. They often incorporate ethical principles, environmental stewardship, and social responsibility into their operations, thereby contributing to sustainable development goals and fostering positive societal change.

2. Women Entrepreneurship in India

As per Sharma, Y. (2013), the status of women entrepreneurship in India is characterized by both progress and persistent challenges.

- a. **Growth:** Women entrepreneurship in India has been growing steadily in recent years. According to government data, women constitute around 14% of the total entrepreneurship activity in the country. There has been an increase in the number of women-owned businesses across various sectors, including technology, education, healthcare, and retail.
- b. **Government Initiatives:** The Indian government has launched several initiatives to support women entrepreneurs. Programs such as the Stand-Up India scheme, launched in 2016, aim to provide financial assistance and facilitate bank loans to women, Scheduled Castes (SCs), and Scheduled Tribes (STs) to start their own ventures. Additionally, schemes like the Pradhan Mantri Mudra Yojana provide funding to women entrepreneurs through microfinance institutions.
- c. **Access to Finance:** Access to finance remains a significant challenge for women entrepreneurs in India. Despite the availability of government schemes, many women struggle to secure funding due to factors such as lack of collateral, limited financial literacy, and gender bias in the banking sector. Closing the gender gap in access to finance is crucial for promoting women entrepreneurship.
- d. **Gender Norms and Cultural Factors:** Gender norms and cultural barriers continue to pose challenges for women entrepreneurs in India. Societal expectations regarding women's roles and responsibilities, especially regarding family obligations, can hinder their ability to start and grow businesses. Addressing these cultural barriers and promoting gender equality is essential for fostering a supportive environment for women entrepreneurship.

- e. **Education and Skill Development:** Education and skill development play a vital role in empowering women entrepreneurs. Efforts to enhance access to quality education and vocational training programs for women can equip them with the knowledge, skills, and confidence needed to succeed in entrepreneurship.
- f. **Technology and Digital Platforms:** Technology and digital platforms have emerged as powerful enablers for women entrepreneurship in India. E-commerce platforms, social media, and digital marketing provide women entrepreneurs with opportunities to reach customers beyond geographical boundaries and scale their businesses more effectively.
- g. **Support Ecosystem:** The development of a supportive ecosystem is critical for nurturing women entrepreneurship in India. Initiatives such as women entrepreneurship cells, incubators, accelerators, and networking forums provide mentorship, guidance, and networking opportunities for women entrepreneurs, helping them overcome challenges and access resources.
- h. **Impact on Economic Growth:** Women entrepreneurship has the potential to significantly contribute to India's economic growth by creating jobs, driving innovation, and fostering inclusive development. Empowering women entrepreneurs can unlock untapped economic potential and accelerate progress towards sustainable development goals.

3. Challenges faced by Women Entrepreneurs

According to Siddiqui, A. B. (2012), women entrepreneurs face a range of challenges that can impede their success and hinder their ability to start and grow businesses. Some of the key challenges include:

- a. **Access to Finance:** One of the most significant challenges for women entrepreneurs is access to finance. Women often encounter difficulties in securing loans, venture capital, or other forms of financing for their businesses. Factors such as lack of collateral, limited financial literacy, and gender bias in the banking and investment sectors contribute to this challenge.
- b. **Gender Bias and Stereotypes:** Women entrepreneurs frequently face gender bias and stereotypes in the business world. They may encounter discrimination in access to opportunities, networking, and funding. Stereotypes about women's abilities, leadership styles, and commitment to business can undermine their credibility and hinder their professional advancement.
- c. **Work-Life Balance:** Balancing work and family responsibilities is a significant challenge for many women entrepreneurs, particularly those with caregiving responsibilities. Juggling the demands of running a business with household duties and childcare can be overwhelming and may lead to burnout or difficulty in scaling the business.
- d. **Limited Networking and Mentorship Opportunities:** Women entrepreneurs often have limited access to networks and mentorship opportunities compared to their male counterparts. Building professional connections, accessing mentorship, and finding role models are crucial for business success, yet women may face barriers in accessing these support systems.
- e. **Lack of Representation in Leadership and Decision-Making:** Women are underrepresented in leadership and decision-making roles, both in the business world and in society at large. The lack of female representation in corporate boardrooms, government policymaking, and industry associations can hinder women entrepreneurs' access to resources, support, and opportunities for growth.
- f. **Sociocultural Barriers:** Sociocultural norms and expectations regarding gender roles and responsibilities can create barriers for women entrepreneurs. Cultural attitudes that prioritize men's careers over women's, as well as traditional family structures, may discourage women from pursuing entrepreneurship or limit their ability to make independent decisions about their businesses.
- g. **Access to Markets and Opportunities:** Women entrepreneurs may face challenges in accessing markets, customers, and business opportunities. They may encounter barriers such as discrimination in supply chains, limited access to procurement contracts, or exclusion from male-dominated industries.
- h. **Lack of Confidence and Self-Efficacy:** Women entrepreneurs may struggle with self-doubt, imposter syndrome, and a lack of confidence in their abilities. Socialization and societal messages that undermine

women's confidence in their entrepreneurial skills and leadership potential can hold them back from taking risks or pursuing ambitious ventures.

4. Opportunities for women entrepreneurs

Despite the challenges they face, women entrepreneurs also have numerous opportunities to thrive and succeed in the business world. Some of the key opportunities include:

- a. **Growing Market Demand for Women-Centric Products and Services:** There is a growing demand for products and services tailored specifically to women's needs and preferences. Women entrepreneurs can tap into niche markets and cater to diverse consumer segments, offering innovative solutions in areas such as healthcare, fashion, beauty, childcare, and wellness.
- b. **Access to Digital Platforms and E-commerce:** Technology and digital platforms have democratized access to entrepreneurship, enabling women to start and scale businesses with lower overhead costs and reach global markets more easily. E-commerce platforms, social media, and digital marketing offer women entrepreneurs' opportunities to showcase their products, connect with customers, and grow their businesses online.
- c. **Rising Female Consumer Spending Power:** Women control an increasing share of household spending globally, driving consumption patterns and purchasing decisions. Women entrepreneurs can capitalize on this trend by developing products and services that resonate with female consumers and addressing unmet needs in the market.
- d. **Supportive Ecosystems and Networks:** There is a growing ecosystem of support for women entrepreneurs, including incubators, accelerators, mentorship programs, networking forums, and women-focused business associations. These resources provide women with access to funding, guidance, and networking opportunities, helping them overcome challenges and accelerate their business growth.
- e. **Government Initiatives and Policy Support:** Governments around the world are implementing policies and initiatives to support women entrepreneurs, such as access to finance programs, gender-inclusive entrepreneurship policies, and procurement opportunities for women-owned businesses. Women entrepreneurs can leverage these initiatives to access funding, markets, and resources to grow their ventures.
- f. **Impact Investing and Social Entrepreneurship:** There is increasing interest in impact investing and social entrepreneurship, which prioritize social and environmental impact alongside financial returns. Women entrepreneurs who address pressing societal challenges through their businesses can attract funding and support from impact investors, philanthropic organizations, and socially conscious consumers.
- g. **Globalization and International Opportunities:** Globalization has opened opportunities for women entrepreneurs to expand their businesses beyond domestic markets and reach customers worldwide. Women-owned businesses can leverage international trade agreements, export promotion programs, and cross-border e-commerce platforms to tap into new markets and diversify their revenue streams.
- h. **Women's Entrepreneurial Leadership and Empowerment:** Women entrepreneurs can drive change and empower other women through their leadership and mentorship. By serving as role models, advocating for gender equality, and creating supportive environments for women in business, women entrepreneurs can inspire future generations of female leaders and contribute to a more inclusive and equitable society.

5. Case study on Kiran Mazumdar Shaw

Kiran Mazumdar-Shaw's entrepreneurial journey with Biocon exemplifies the transformative power of vision, determination, and impact, Sahu, B., & Perepu, I. (2022). From its modest beginnings in a Bangalore garage to becoming a global biopharmaceutical giant, Biocon's growth under Mazumdar-Shaw's leadership is a testament to her entrepreneurial prowess and innovative spirit. Born in Bangalore, India, in 1953, Kiran Mazumdar-Shaw pursued a degree in biology at Bangalore University before obtaining a master's degree in malting and brewing from the University of Melbourne, Australia. Her early exposure to the field of fermentation and enzymes, through her father's work as a brewmaster, sparked her interest in biotechnology and laid the foundation for her

entrepreneurial journey. In the late 1970s, when Mazumdar-Shaw founded Biocon, the biotechnology industry in India was in its infancy. She faced numerous challenges, including limited access to capital, skepticism from investors, and a lack of infrastructure and skilled talent in the field. However, she saw an opportunity to harness biotechnology for societal good and set out to build a company that would make a meaningful impact on healthcare.

Mazumdar-Shaw's vision and determination propelled Biocon's growth from a small startup to a global biopharmaceutical powerhouse. She emphasized innovation, research, and strategic collaborations to differentiate Biocon in the market and stay ahead of competitors. By forging partnerships with leading pharmaceutical companies, she facilitated technology transfer, market access, and accelerated product development, positioning Biocon as a key player in the industry. Biocon's impact extends beyond business success. Mazumdar-Shaw's commitment to affordable healthcare led to initiatives such as providing low-cost insulin to diabetic patients—a reflection of her ethos of social responsibility. Her advocacy for gender equality and women's empowerment further underscores her multifaceted impact on society. Mazumdar-Shaw's entrepreneurial achievements have garnered international acclaim, earning her numerous accolades and awards. She has been recognized as one of the world's most influential business leaders and has received prestigious honors such as the Padma Shri and Padma Bhushan, India's highest civilian awards.

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