

# Women entrepreneur: conceptual model and life story of Richa Kar

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## Abstract:

This conceptual paper indicates and emphasizes the women entrepreneurs as the potentially emerging human resource in the 21st century. The primary objective of this paper is to find out the status of women entrepreneurs in India and also studies the success story of Richa Kar, the founder and CEO of Indian lingerie e-retailer Zivame. Women of 21st century is no more a traditional resource confined to homes only rather an educated, knowledgeable and innovative part of the overall population possessing the capacity to transform economies into thriving enterprises. On the basis of this analysis some recommendations are given to promote spirit of women entrepreneurship and helping the women to become a successful entrepreneur.

## 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, labour 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. 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 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. government plans 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.

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 have 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.

## 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".

**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.

**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 disturbing 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.

### Life story of Richa kar

If you are strong, focused and passionate about what you want to do, everything falls in place. Richa's story is one of the rare entrepreneurial success stories in India. To set up a business in an industry as personal as lingerie and disrupt it is a commendable feat. She will succeed in inspiring many more women to take up the entrepreneurial route.

In a country where women hold only 7.7% of board seats and just 2.7% of board chairs, this young lady hailing from Jamshedpur broke the glass ceiling in a manner so audacious that it forced the nation to stand up and take notice.

Richa Kar is the founder and CEO of Indian lingerie e-retailer Zivame. A native of Jamshedpur, India, she completed her undergraduate work in engineering at BITS Pilani in 2002. After a few years working in IT, she proceeded to the Narsee Monjee Institute of Management Studies, completing her masters in 2007.

She truly defines the new age woman entrepreneur in India. Not afraid to take chances, she is willing to go that extra mile. In her own words, “”

Post this she worked for SAP Retail Consulting during which she found herself working for the lingerie company Victoria's Secret. While she was studying the Indian lingerie market, she realized that the social discomfort surrounding lingerie shopping was causing multiple issues for both shoppers and retailers. To remedy this, she created Zivame, named from the Hebrew word for "radiance," to help women understand their lingerie needs and browse and purchase styles without embarrassment.

She launched her company from a small office space in 2011 with a single laser like focus to enhance the lingerie shopping experience for the average Indian woman. During a time when category expansion was the theme with Indian e-Commerce companies, and though she knew expanding categories could lead to easier funding and higher valuation, she refused to dilute the proposition and decided to stay focused on just one category and create a differentiation. For her it wasn't e-commerce first and then the category, rather it was the category first and e-commerce happens to be one of the most conducive channels as it maintains and respects your privacy because this product needs privacy. As the company grew, they raised funding from leading venture capital. Within three years of its launch, Zivame had grown from a small operation to a team of more than 200 members.

It is now India's leading online lingerie store, offering more than 5,000 styles, 50 brands and 100 sizes with a valuation of \$100 million.

### Recommendations

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 financial and legal aspect of an enterprise. Here are some suggestions to increase the role of women entrepreneurs:-

**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 encompass 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 .

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