



# WOMEN ENTERPRENUERSHIP IN INDIA

**\*K.N.B.Kumari,**  
Research Scholar,  
Department of DCMS,  
Andhra University,  
**VISAKHAPATNAM.**

**\*\*Dr.M.Uma Devi,**  
Professor,  
Department of DCMS,  
Andhra University,  
**VISAKHAPATNAM.**

## ABSTRACT

Entrepreneurs play a key role in any economy. These are the people who have the skills and necessary initiatives to take some new ideas to market or provide a service and make the right decisions to make their ideas profitable. Women entrepreneurs are significant players in any developing country particularly in terms of their contribution to economic development. According to the National Sample Survey Organization only 14 per cent of the total entrepreneurs in India, which works out to 8 million, 10 per cent of all formal enterprises are owned by women. The data also revealed that most of these women run companies are small-scale and about 79 percent of them are self-financed. This indicates that in spite of the numerous initiatives taken by women to venture beyond their domestic wall and enter the corporate walls. The Educated Indian women have to go a long way to achieve equal rights and position because traditions are deeply rooted in Indian society where the sociological and psychological factors set up have been a male dominated one. Despite all the social hurdles, Indian women have been standing tall from the rest of the crowd and are celebrated for their achievements in their respective fields. Women must be of strong intent and be decisive of the purpose of establishing her business from the preliminary objective, to the implementation layout, to the finale goal. Emerging countries are definitely in dire need to boost women entrepreneurship as women workforce is promptly available to exploit the unexplored dimensions of business endeavors. The transformation of the social fabric of the Indian society, in terms of the increased educational status of women and varied aspirations for better living, has necessitated a change in the lifestyle of every Indian woman. The present study has been an attempt to generate awareness and to understand the meaning of what women entrepreneurship is and how important it is or the development of the world rationally, economically and in all spheres. An extensive literature review is done on women entrepreneurs. At the end some major problems faced by Indian women entrepreneurs, success stories of Indian women entrepreneurs, factors influencing women entrepreneurship and the perspective of different sections of the society about women entrepreneurship have been noted. Index terms-women entrepreneurship, success stories, problems faced by women.

**KEY WORDS:** Entrepreneurs, National Sample Survey Organization, Entrepreneurship, Sociological, Psychological, Economic Development.

## INTRODUCTION:

Women Entrepreneurs may be defined as the women or group of women who initiate, organize and co-operate business enterprise. The Indian women are enjoying the impact of globalization and making an influence not only on domestic but also on international domain. The Government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51 percent of the capital and giving at least 51 percent of employment generated in the enterprise to women.

## CHARACTERISTICS OF A WOMAN ENTREPRENEUR:

A woman entrepreneur is one who gestates new ideas, starts her enterprise with ideas and provides added value to society based on their independent creativity. The most critical skill required for industrial development is the ability of building a sound organization. A woman entrepreneur takes calculated risk and faces ambiguity confidently. She should have faith in her capabilities and the confidence to implement the change and overcome any conflict to change. The main function of an entrepreneur is decision making and so the women entrepreneur must be clear and creative in decision making process. A distinguishing feature of a women entrepreneur is the willingness to work hard and achievement oriented but not money starving. A woman entrepreneur must be optimistic and should approach her endeavor with a hope of success and attitude rather than with a fear or failure. The optimistic thinking of woman entrepreneur can turn the situation favorable to her and the success of an enterprise largely depends upon the ability of woman entrepreneur to handle with latest technology. She must be intelligent, flexible, and problem solver. Leadership quality is one of the most significant characteristic of a woman entrepreneur.

## DIFFICULTIES OF WOMEN ENTREPRENEURS IN INDIA:

Women entrepreneurs face many difficulties in their efforts to develop their enterprise. The main difficulties facing by the women entrepreneurs in India as follows:

**STIFF COMPETITION:** Women entrepreneurs have to face severe competition from organized industries and male entrepreneurs having vast experience. Many of the women enterprises have imperfect organizational set up.

**SHORTAGE OF FINANCE:** Women entrepreneurs always suffer from inadequate financial resources and working capital. They are not able to afford external finance due to absence of physical security and credit in the market. Women have a very less property and bank balance and male members of the family do not want to invest their capital in the business run by women due to lack of confidence in their ability. The complicated procedure of bank loans also creates lot of problems in getting the required finance.

**SHORTAGE OF RAW MATERIALS:** The shortage of required raw materials is also one of the major problems faced by women entrepreneurs. Women entrepreneurs find it difficult to procure the required raw materials and other necessary contributions for production in sufficient quantity and quality.

**SHORTAGE OF FINANCE:** Women entrepreneurs always suffer from inadequate financial resources and working capital. They are not able to afford external finance due to absence of tangible security and credit in the market. Women have a very less property and bank balance and male members of the family do not want to invest their capital in the business run by women due to lack of confidence in their ability. The complicated procedure of bank loan also creates lot of problems in getting the required finance. Women are yet to make significant mark in quantitative terms.

**PATRIARCHAL SOCIETY:** One of the biggest problems of women entrepreneurs is the social attitude in which she has to live and work. There is discrimination against women in India despite constitutional equality. Women do not get equal treatment in male dominated Indian society and male ego puts barriers in their progress. Entrepreneurship has been traditionally seen a male preserve and idea of women taking up entrepreneurial activities considered as a distant dream.

**LIMITED MANAGERIAL ABILITY:** Women entrepreneurs may not be expert in each and every function of the enterprise. She will not be able to devote sufficient time for all types of activities.

**FAMILY CONFLICTS:** One of the main duties of women in India is to look after the children and other family members. A very little time and energy is left for business activities. A married woman entrepreneur has to make a perfect balance between domestic activities and business activities. Thus, occupational back grounds of families and education level of husbands have a great influence on the growth of women entrepreneurship.

**HIGH COST OF PRODUCTION:** The high cost of production is another problem which challenges the efficiency and restricts development of women entrepreneurs. It is necessary to increase efficiency, expand productive capacity to reduce the cost of production.

**LOW RISK TAKING ABILITY:** Women entrepreneurs suffer from the problem of low risk taking ability as compared to their male counterparts, because they have led a protected life. They even face discrimination in the selection of or entrepreneurial development training, Inferiority complex, unplanned growth, lack of infrastructure, hesitation in taking quick decision also increases the rate of risk and chances of loss.

**ABSENCE OF ENTREPRENEURIAL APTITUDE:** One of the biggest problems of women is the lack of entrepreneurial aptitude. The basic characteristics of an entrepreneur such as innovation, risk bearing etc, are absent in a women entrepreneur. Many women take the training by attending the Entrepreneurship Development Programmes without entrepreneurial set of mind.

**CREDIT FACILITIES:** Though women constitute about 50 percent of population, the percentage of small scale enterprise where women own 51 percent of share capital is less than 5 percent. Women are often denied credit by bankers on the ground of lack of collateral security. Therefore, women's access to risk capital is limited. The

complicated procedure of bank loans, the inordinate delay in obtaining the loan and running the enterprise is a major endeavor facing by the women entrepreneurs.

**LEGAL FORMALITIES:** Women entrepreneurs find it extremely difficult in complying with various legal formalities in obtaining licenses etc.

**TRAVELLING:** Women entrepreneurs find it extremely difficult in complying with various legal formalities in obtaining licenses etc.

**CHALLENGES FACED BY THE WOMEN ENTREPRENEURS IN INDIA:** Some of the problems facing by the Women Entrepreneurs in India.

**FINANCE CELLS:** A large number of various finance cells may be open to provide easy finance to women entrepreneurs at low and concessional rates of interest and on easy repayment facilities. Even these finance cells should operate by women officers. Efforts should be made to provide finance at the local level.

**MARKETING CO-OPERATIVES:** Marketing co-operatives should be established to encourage and assist to women entrepreneurs. Government should give preference to women entrepreneurs while purchasing their requirements. These marketing cooperating will help the women entrepreneurs to sell their products on remunerative prices. This will help in eliminating the middlemen.

**EDUCATIONAL AWARENESS:** The educational and awareness programmes should be arranged to change the negative social attitudes towards women. The attitude of elders needs to be changed about the potential of girls and their due role in society.

**TRAINING FACILITIES:** Training and developments programmes play very essential role for the development of entrepreneurship. Special training schemes should be so designed that women can get full advantages. Mobile training centers, part time training facilities etc, should be offered to attract more and more women to the training centers.

**SUPPLY OF RAW MATERIALS:** The required, scarce and imported raw materials should be made available to women entrepreneurs at priority basis at concessional rate.

**SUGGESTIONS TO OVERCOME THE PROBLEMS:** Female entrepreneurship has been steadily climbing in recent years, but these new opportunities and growth are not without a unique set of challenges. Women entrepreneurs face many different “uncertain blocks”, throughout their careers.

**PLEASE EVERYONE:** Seeking approval becomes very difficult. This causes more time to spend on different authorities. This is a major hurdle to overcome in order to have a successful business.

**DEVELOP BLUE PRINT:** Wesman said that one of the top issues she experiences with women entrepreneurs is that they lack having a set plan in place because so many women fall into their business accidentally. Wesman advised all women entrepreneurs to write up a business blue print when starting out that includes a clear description of the product or service, their target audience and how the business will be run on a daily basis. This blueprint should also touch on the specific responsibilities of the business owner and employees, as well as an estimate of what it will cost to run the business in the first year.

**BUILD RELATIONSHIPS:** Women often try to build relationships with prospective clients or customers, which can set themselves up for disappointment. Women need to build relationships but shouldn't scare to be competitive when pitching sales.

**TEAM BUILDING:** It's important that female entrepreneurs surround themselves with team members that have different strengths and expertise that can help run a successful business. Women think they can do it all themselves, and aren't thinking about team building and tapping resources the way that men are. Men in the business world tend to realize that, whereas women are used to multitasking.

**HIDING FROM CASH FLOW ISSUES:** Managing cash flow and following up on owed money and payments is critical to every successful business, but women tend to be less confident when it comes to collecting money. Owners need to face those debtors head on, and get what they are due.

**UNDER-PRICING SERVICES:** Money can be a sensitive subject for many women. This uneasiness often leads female business owners to under value their products or services. It does not understand, what it actually costs you to produce a product, or what it costs you to deliver a service, Wes man said "Women also under price themselves in the workplace, and the same thing happens when you are an entrepreneur".

**GETTING TOO CLOSE WITH EMPLOYEES:** While many small businesses adopt that female entrepreneurs are often very guilty of getting too close with their workers. "They treat employees like family and friends. It's about having a good business relationship, but not getting involved in too personal relationship.

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

There is a need of Government, non-Government, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India. The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Therefore, a pleasant environment is needed to be created to enable women to participate actively in the entrepreneurial activities. The Government of India has also formulated various training and development cum employment generation programs for the women to start their undertakings. The seventh five year plan "Incorporation of women in development" was introduced by Government with certain suggestions. It was suggested to treat women as a specific target groups in all major development programs of the country.

## **TRAINING FACILITIES FOR WOMEN ENTREPRENEURS:**

- ❖ To generate more employment opportunities for women took special measures in remote area.
- ❖ To formulate and expand vocational training facilities for women to suit their changing needs and skills.
- ❖ Marketing assistance: It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.
- ❖ Developing new equipment's: Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipment's and practices.
- ❖ Prime Minister Rojgar Yojana and EDPs were introduced to develop entrepreneurial qualities among rural women.
- ❖ Decision making process: It was also suggested to involve the women in decision-making process.
- ❖ Women co-operatives schemes were formed to help women in agro-based industries like dairy farming, poultry, animal husbandry, horticulture etc. with full financial support from the Government.
- ❖ The Government of India formulated special programs to increase employment and income-generating activities for women in rural areas.

Several other schemes like Integrated Rural Development Programs (IRDP), Training of Rural you for Self-employment (TRYSEM) etc, were started to improve poverty. 40% reservation is provided to women under these schemes. Economic development and growth is not achieved fully without the development of women entrepreneurs. The Government of India has introduced so many schemes during Ninth Five Year Plan for promoting women entrepreneurship because the future of small scale industries depends upon the women entrepreneurs. Trade Related Entrepreneurship Assistance and Development (TREAD), Swarna Jayanti Gram Swarozgar Yojana, Swarna Jayanti Sekhari Rozgar Yojana were introduced by government to provide reservations for women and encouraging them to start their projects. New schemes like Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.

## **SCHEMES TO ASSIST THE WOMEN ENTREPRENEURS BY THE SIDBI:**

The tenth five Year Plan aims at empowering women through transforming the recently adopted National Policy for empowerment of Women into action and ensuring survival, Protection and Development of women and children through rights base approach. There are different bodies such as NGOs, voluntary organizations, Self-help group, institutions and individual enterprises from rural and urban areas which collectively help the women entrepreneurs in their activities. The following training schemes especially for the self-employment of women are introduced by government:

- Support for Training and Employment Programme of Women (STEP)
- Development of Women and Children in Rural Areas (DWCRA)

- District Industrial Centers(DICs)
- SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas.

Recent Efforts by the AP Government to Encourage Women Entrepreneurs: To encourage the women entrepreneurs, the Andhra Pradesh Government offers 25 percent subsidy on primary capital investment up to a maximum limit of 30 lakhs and 15 percent rebate on machinery expenditure. The A.P.Government has sanctioned eight industrial centers exclusively for women entrepreneurs of across the State which will be grounded by the Association of Lady Entrepreneurs of AP (ALEAP), India. The Chief Minister announced that 19 lakh SHGs formed by women be improved into self-business groups soon.

## CONCLUSION:

Women being the dynamic gender of the overall population have excessive capacity and potential to be the contributor in the overall economic development of any nation. Therefore programs and policies need to be customized to not just encourage entrepreneurship as well as implement policies which can help support entrepreneurial culture among youth. Developing countries are definitely in dire need to encourage women entrepreneurship as women workforce is promptly available to exploit the un-explored heights of business ventures. Media has the potential to play the most dynamic role in entrepreneurial development by creating and highlighting all such platforms which can bring out the creativity and innovation among the women and men to grow entrepreneurship culture in society.

Generally speaking, globally business world has realized and is working on war footing to create entrepreneurship as the final remedy to overcome all types of business and market challenges. Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights and 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. Women are willing to take up business and contribute to the nation's growth. Revival of women entrepreneurship is the need of the hour. Women entrepreneurs must be prepared properly with entrepreneurial qualities and skills to meet and challenging global markets and competent enough to sustain in the present economic arena.

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