

Role of Women Entrepreneurship in Indian Economy: Related Challenges and Opportunities

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Abstract:- *Woman constitutes the family, which leads to society and Nation. Social and economic development of women is necessary for overall economic development of any society or a country. Entrepreneurship is the state of mind which every woman has in her but has not been capitalized in India in way in which it should be. Due to change in environment, now people are more comfortable to accept leading role of women in our society, though there are some exceptions.*

The educated women do not want to limit their lives in the four walls of the house. They demand equal respect from their partners. However, Indian women have to go a long way to achieve equal rights and position because traditions are deep rooted in Indian society. Woman constitutes the family, which leads to society and Nation. Despite all the social hurdles, many women have become successful in their works. These successful women have made name & wealth for themselves with their hard work, diligence, competence and will power. Ability to learn quickly from her abilities, her persuasiveness, open style of problem solving, willingness to take risks and chances, ability to motivate people, knowing how to win and lose gracefully are the of the Indian women entrepreneurs. These women leaders are assertive, persuasive and willing to take risks. They managed to survive and succeed in this cut throat competition with their hard work, diligence and perseverance.

Keywords: - *Entrepreneurship, Women, Business, Gender.*

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. 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.

The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during 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 of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be.

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Women have been successful in breaking their confinement within the limits of their homes by entering into varied kinds of professionals and services women entrepreneurs have proved to be on par with their men counterparts in business acumen and are emerging as smart and dynamic entrepreneurs. There are many reasons for women to enter into entrepreneurial ventures in a predominantly society. Entrepreneurship among women is an important avenue through which women can overcome their subordination within the family and the family and the society as a whole. Therefore, development of entrepreneurship among women has received special attention of the policy makers. In this direction, a special character in the seventh plan has converted into the integration of women in economic development. The new industrial policy has stressed the need for conducting special Entrepreneurial Development Programme (EDPs) for women. Besides this, today, a network of institutions exists in the country to promote women entrepreneurship. The commercial banks and the financial institution are an integral part of this network. Many organizations/ institutions and association promote and develop women entrepreneurship by providing financial assistance at concessional rates of interest and also organize industrial fairs and exhibitions. Entrepreneurship Development Programme (EDPs) for women creates entrepreneurial awareness among them.

Objectives of the Study:-

1. To identify the reasons for women for involving themselves in entrepreneurial activities
2. To identify the factors of hindrance for women entrepreneurship
3. To determine the possible success factors for women in such entrepreneurial activities.
4. To make an evaluation of people's opinion about women entrepreneurship.

Research Methodology:-

This research is a descriptive study in nature. The secondary data was collected from various journals, magazines, and websites.

Review of Literature:-

Das, 2000 performed a study on women entrepreneurs of SMEs in two states of India, viz, Tamilnadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women in western countries. However, Indian women entrepreneurs faced lower level of work family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for starting and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of business setup and operated by women is much lower than the figures found in western countries.

Singh, 2008, identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. The study advocates for ensuring synergy among women related ministry, economic ministry & social & welfare development ministry of the Government of India.

Jalbert, 2000 performed a study to explore the role of women entrepreneurs in a global economy. It also examined how women's business associations can strengthen women's position in business and international trade. The analysis is performed on the basis of facts and data collected through field work (surveys, focus groups and interviews) and through examining the existing published research. The study has shown that the women business owners are making significant contributions to global economic health, national competitiveness and community commerce by bringing many assets to the global market. As per the analysis of the research study, women entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks to communicate effectively, to organize efficiently, to be fiscally conservative and to be aware of the needs of their environment and to promote sensitivity to cultural differences. Researchers contend that women business owners possess certain specific characteristics that promote their creativity and generate new ideas and ways of doing things. These characteristics include focus, high energy level, personal motivations, self-employed father, social adroitness, interpersonal skills etc. There is a worldwide pool of economically active persons, known as the Women's Indicators and Statistical Data Base (WISTAT), from which one can extrapolate the general number of women entrepreneurs. WISTAT titles the category –employers and own-account workers,|| but the category could be termed as well as self-employed or business owners. The category describes those who are economically independent and who could be entrepreneurs. The number of women to 100 men in each region is represented for three decades spanning 1970 to 1990. The study revealed that the gap between men and women business owners has narrowed significantly. In 1970 women numbered 26 for each 100 men, but by 1990 women numbered 40 for each 100 men who were self employed

—Women as Entrepreneurs in India:-

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. –Women Entrepreneur|| is 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. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. In India, although women constitute the majority of the total population,

the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world. But the Indian women entrepreneurs are facing some major constraints like-Lack of confidence in their strength and competence.

- Identifying the available resources
- Knowledge in Business Administration
- Awareness about the financial assistance
- Socio-cultural barriers
- Market-oriented risks
- Motivational factors
- Exposed to the training programs

Concept of Women Entrepreneurs:-

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined women entrepreneurs as -an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women. According to Suresh Reddy women entrepreneurship is a composite skill, the resultant of a mix of many qualities and traits these include tangible factors as imagination, readiness to take risks, ability to bring together and put to use other factors of production, capital, labour, land, as also intangible factors such as the ability to mobilize scientific and technological advances. Samwel (2003) viewed women entrepreneurship as a function which seeks investment and production process by raising capital, arranging labour and raw materials, finding site, introducing new techniques and commodities and discovering new sources for the enterprises. When we speak about the term -Women Entrepreneurship we mean, an act of business ownership and business creation that empowers women economically, increases their economic strength as well as position in society.

Hence women-entrepreneurs have been making a considerable impact in all most all the segments of the economy which is more than 25% of all kinds of business. In India -Entrepreneurship is very limited amongst women especially in the formal sector, which is less than 5% of all the business. Women Entrepreneurship Role in the emergence of entrepreneurs in a society depends to a great extent on economic, social, religious, cultural and psychological factors prevailing in the society. In many of the advanced countries of the world there is a phenomenal increase in the number of self-employed women after the world war. In U.S women own 25% of all business, even though their sales on an average are less than 2/5th of those of other small business groups. In Canada, 1/3rd of small business are owned by women and in France, it is 1/5th. In U.K., since 1990, the number of self-employed women has increased 3 times as fast as the number of self-employed men.

Women and the Economy:-

The participation of women in the workforce, the quality of work allotted to them and their contribution to the GDP are indicators of the extent of their being mainstreamed into the economy. The National Skill Development Programme (NSDP) has identified 231 modular courses for women. It is critical that the training has relevance to the changing labour markets. Efforts are needed to link skill development programmes to the NSDP to ensure relevance and enhance employability. An important strategy for financial inclusion of women, which is crucial for their integration into the economy, has been micro-finance. The model encourages access of SHGs to banks both as a means of savings and as providers of loan services. By March 2010, 69.53 lakh SHGs including those formed under the SGSY had been covered under the National

Bank for Agricultural and Rural Development's (NABARD) SHG-bank linkage programme. Of these 76 per cent are exclusively women SHGs, accounting for 72.5 per cent of savings and 82 per cent of outstanding loans. Women Entrepreneurship in India earlier there were 3 Ks: Kitchen, Kids & Knitting, then came 3 Ps: Powder, Pappad & Pickles, at present there are 4 Es: Electricity, Electronics, Energy & Engineering.

Reasons for Boosting Women Entrepreneurship:-

The role of women entrepreneurs in the process of economic development has been recognized from nineties in various parts of the world. Today, in the world of business, women entrepreneurship has become an essential movement in many countries and has been accepted in all areas of working. The United Nations report has also concluded that economic development is closely related to the advancement of women. In nations where women have advanced, economic growth has usually been steady. By contrast, in countries where women have been restricted, the economy has been stagnant. The data on correlation between Gender related development index and GDP per capital reinforces the above fact.

Gender Related Development Index and its Component:

Rank	Country	Gender related development index	As per % of HDI	GDP per capital (US \$)
1	Australia	0.966	98.9	34923
2	Norway	0.961	99.6	53433
3	Iceland	0.959	99.0	44613
4	Canada	0.959	99.2	35812
5	Sweden	0.956	99.3	36712
6	France	0.956	99.4	33674
7	Netharland	0.954	98.9	38694
8	Finland	0.954	99.5	34526
9	Spain	0.949	99.4	31560
10	Ireland	0.948	98.2	44613
114	India	0.594	97.1	4102

Source:- Human Development Report

As shown in the above table, Gender related development index is significantly correlated with GDP per capita. The value of correlation coefficient comes 0.857371. Therefore, it can be treated as one of the parameter to show the economic condition & growth of the country.

Reasons for slow progress of Women entrepreneurship in India:-

The problems and constraints experienced by women entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The major barriers encountered by women entrepreneurs are:

- ✓ Lack of self-confidence, will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work. The family members and the society are reluctant to stand beside their entrepreneurial growth.
- ✓ Women in India lead a protected life. They are even less educated, economically not stable nor self-dependent which reduce their ability to bear risks and uncertainties involved in a business unit.

- ✓ The old and outdated social outlook to stop women from entering in the field of entrepreneurship is one of the reasons for their failure. They are under a social pressure which restrains them to prosper and achieve success in the field of entrepreneurship.
- ✓ The greatest deterrent to women entrepreneurs is that they are women. A kind of patriarchal male dominant social order is the building block to them in their way towards business success. Male members think it a big risk financing the ventures run by women.
- ✓ Male chauvinism is still prevalent in many parts of the country yet. Women are looked upon as 'weak' i.e. weak in all respects. In a male dominated society, women are not treated equal to men that act as a barrier to women's entry into business.
- ✓ Women entrepreneurs have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.
- ✓ Unlike men, women mobility in India is highly limited due to many reasons. A single woman asking for room is still looked with suspicion. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.
- ✓ Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again.
- ✓ Indian women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and family. The business success also depends on the support the family members extended to women in the business process and management.

Various Measures by Govt. of India:-

At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

- Integrated Rural Development Programme (IRDP)
- Khadi And Village Industries Commission (KVIC)
- Training of Rural Youth for Self-Employment (TRYSEM)
- Prime Minister's Rojgar Yojana (PMRY)
- Entrepreneurial Development programme (EDPs)
- Management Development programmes
- Women's Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Mahila Vikas Nidhi
- Micro Credit Scheme
- Rashtriya Mahila Kosh
- SIDBI's Mahila Udyam Nidhi

- Mahila Vikas Nidhi
- SBI's Stree Shakti Scheme
- NGO's Credit Schemes
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- National Banks for Agriculture and Rural Development's Schemes
- Rajiv Gandhi Mahila Vikas Pari yojana (RGMVP)
- Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains
- NABARD- KfW-SEWA Bank project

Opportunities to Women Entrepreneurs:-

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. A desirable environment is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealings. The additional business opportunities that are recently approaching for women entrepreneurs are:

- Tourism industry
- Telecommunication
- Plastic materials
- Mineral water
- Eco-friendly technology
- Herbal & health care
- Food, fruits & vegetable processing
- Bio-technology
- IT enabled enterprises
- Event Management

Obstacles for Women Entrepreneurship:-

The entrepreneurial process is same for men and women. Successful men and women entrepreneurs undergo similar motivations and thus achieve success in largely same way under similar challenges. They are also found to have access to fund from the same sources. The same condition both men and women can be successful entrepreneurs. However, in practice most of the upcoming women entrepreneurs face problems that are of different dimensions and magnitudes than that faced by their male counterparts. These problems, generally, prevent these women entrepreneurs from realizing their potential as entrepreneurs. The major hurdles that the women face during starting and running a company generally come from financing and balancing of life. The balancing of life is caused due to lack of family support for the women. The other hindering external factors include gender discrimination, inaccessibility to information, training opportunities, infrastructure etc. Some internal factors like risk aversion by women, lack of confidence, lack of vision of strategic leader etc. can also create obstacles for the women entrepreneurship development.

Measures to Remove Obstacles:-

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.

Adopting a structured skill training package can pave the way for development of women entrepreneurship. Such programmes can train, motivate and assist the upcoming women entrepreneurship in achieving their ultimate goals. Various schemes like the World Bank sponsored programmes can be undertaken for such purposes. The course design should focus on imparting input on profitability, marketability and practical management lessons. Besides, there should be consideration in helping the women entrepreneurs in balancing their family life and work life. As a special concern, computer illiterate women can be trained on Information Technology to take the advantage of new technology and automation. The established and successful women entrepreneurs can act as advisors for the upcoming women entrepreneurs. The initiatives taken from these well-established entrepreneurs for having interaction with such upcoming women entrepreneurs can be proved to be beneficial in terms of boosting their morale and confidence. It may result in more active involvement of women entrepreneurs in their enterprises. 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. Even in today's era of modernization the women entrepreneurs depend on males of their family for marketing activities. This is simply because they lack the skill and confidence for undertaking such activities. Women development corporations should come forward to help the women entrepreneurs in arranging frequent exhibitions and setting up marketing outlets to provide space for the display of products or advertisement about services made by women.

Suggestions for Improving Women Entrepreneurship in India:-

Following suggestion are made for being about improvement in the direction of women entrepreneurship.

1. Government should facilitate top ranker women entrepreneurs.
2. Women entrepreneurs should be more competitive and efficient in the local and international market.
3. Government should arrange special training programmes for the women entrepreneurship.
4. We should invite successful women entrepreneurs from foreign nations so as their Indian counterpart can share their experience.
5. Government should provide separate financial funds for women entrepreneurs.
6. We should provide her with special infrastructure facilities whatever she needs.

Conclusion:-

The study tried to find out the difference among various set of people of the crucial factors which are concerned with the women entrepreneurial opportunities at large. Issues have been identified through various review of literature. It should be cross checked with the real entrepreneurs. These factors may vary from place to place business to business but women entrepreneurship is necessary for the growth of any economy whether it large or small.

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. Despite all these odds, successful women's entrepreneurs do exist. Women entrepreneurs have evidently more to -acquire than their males counterparts. This is largely due to the socio-cultural environment in which Indian women are born and raised. Social customs, caste restriction, cultural restraints and norms leave women lagging behind men. They are not mentally geared to slip into an entrepreneurial role because of their family orientation, restricted mobility and limited access to resources. But given the opportunity, direction and guidance, they are capable of overcoming these limitations.

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