

## **7. A Study on Women Entrepreneurs in India**

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### ***Abstract:***

*In Today's world, Women Entrepreneurs are playing very vital role and they have become important part of the global business environment and it's really important for the sustained economic development and social progress. In India, though women are playing key role in the society, but still their Entrepreneurial ability has not been properly tapped due to the lower status of women in the society. The main purpose of this paper is to find out the status of Women Entrepreneurs in India.*

*This paper includes rationale grounds behind the Women Entrepreneurship. Another main purpose of this paper is to analyze policies of Indian Government for Women and also to analyze that are those policies adequate for the growth of Women Entrepreneurship. Main reasons for women to become an entrepreneur, the institutions that are serving the women to put their views into action are also included in this study. On the basis of this study some suggestions are given to encourage spirit Women Entrepreneurship to become a successful Entrepreneur.*

### **7.1 Introduction:**

Women Entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development in recent years, even among the developed countries like USA and CANADA, Women's role in terms of their share in small business has been increasing. According to definition given by Government of India – “A Women Entrepreneur is defined as an enterprise owned and controlled by women having a minimum financial interest of 51% of the capital and giving at least 51% employment generated to women”

Women Entrepreneurs engage in business due to push and pull factors which give confidence to women to have on self-sufficient occupation and stands on their feet logic to words independent decision making on their life and career is the motivational factor behind this insists on 'Women Entrepreneur' is a person who accepts challenging role to meet here personal decides turn out be economically independent.

In India women account for only 5.2% in terms of engaging into own business. There were more than 1, 53, 260 women entrepreneurs claiming 9.01% of the total entrepreneurs in India during the year 1998 – 1999. The decision relating to site selection for establishment of enterprise for women is based on closeness to the home.

The Women Entrepreneurs face more difficulties than their male counterparts in the start-up stage of enterprise due to lack of experience of technical training and marketing. Right effect in all areas is vital in the development of women entrepreneurs and their greater involvement in the entrepreneurial activities.

### **7.1.1 Women Entrepreneurship:**

Women Entrepreneurship refers to business or organizational started by a woman or group of women. There has been a change in role of women due to growth in Education, Urbanization, Industrialization and awareness of democratic values. For any developing country, Women Entrepreneurs plays the vital role particularly in terms of their contribution to the economic development. Women Entrepreneurship has been recognized as an important source of economic growth. By establishing their new venture women entrepreneurs generate new jobs for themselves and others and also provide society with different solutions to management, organizations and business problems. However, they still represent minority as women entrepreneurs, especially in India. Women Entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and / or cultural practices; lack of access to formal finance mechanisms limited mobility and access to information and networks, etc. Women's Entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment.

Thus, Governments across the world as well as various developmental organizations are actively assisting and promoting women entrepreneurs through various schemes, incentives and promotional measures. Over the past few decades' women are coming out of the boundaries of houses and proving their ability and competencies in the business world. Today the roles of women are not confined to the traditional role of a mother or a housewife. The role of Modern Women is much wider than, what it was previously. A Women has to play multiple roles, besides playing the role in community in the social settings simultaneously. Because of Indian Culture traditional customs women, even after 75 years of Independence, are facing bias. This has adversely affected the status of Indian Business Women.

## **7.2 Review of Literature:**

R. Saritha (2007) in her paper discussed the problems of women entrepreneurs, the challenges ahead the women entrepreneurs, strategy for development of women entrepreneurship and the need for environmental change. The suggestions were women have to be made compatible of both social and economic worlds and empower them towards self-confidence and self-reliance. Successful women in the field of Entrepreneurship have to help other women in starting and sustaining in their business whole-heartedly. Women should be made aware of various credit facilities, financial incentives and subsidies. Dr. Valasamma (2007) concluded that the women entrepreneurs today are an emancipated lot, a force to reckon with. They are bound to succeed in the field of business with their intrinsic qualities of human relations, perseverance, cash management techniques, winning tactics etc., but the large majority of them are rather skeptical and frightened of the very many problems they are likely to encounter in the course of Entrepreneurship. 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 unacceptance 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 framework, 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.

### **7.3 Objectives of the Study:**

- To explore the reasons why women, start business of their own.
- To examine the obstacles faced by Women Entrepreneurs.
- To study the support given by the Government to Women Entrepreneurs.

### **7.4 Methodology:**

The prepared paper is a descriptive in nature. The secondary data and information have been analyzed for preparing the paper extensively. The secondary information have been collected from different scholars and researchers published books, articles published in different journals, periodicals, conference paper, working paper and websites.

#### **7.4.1 Reasons for Women to Become Entrepreneurs:**

Self Esteem, recognition, self-determination, and career goals are the key drivers for choosing to Entrepreneurship by Women. Sometimes, women choose such career path for proving their potential, caliber in order to achieve self-satisfaction. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into Entrepreneurial activities. The days have gone when women always passed her whole life within the boundaries of house now women are found indulged in every line of business. The entry of women into business in India is an extension of their normal home activities. But with the spread of education and passage of time women started shifting from doing work at home or kitchen to the business venture.

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.

### *Entrepreneurial Dynamism in India*

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 to leave corporate world to chart their own destinies. They are growing as designers, interior decorators, exporters, publishers, garment manufactures and still exploring new avenues of economic participation. To achieve for independence & flexibility, to better balance work & family, to make optimum use of technical education & qualification. The following are the reasons for women to become entrepreneurs.

- Innovative thinking
- Success stories of friends & relatives
- Bright future of their wards
- Need for Additional Income, Family Occupation
- Freedom to take own decision & be independent
- Employment generation.

#### **7.4.2 Obstacles Faced by Women Entrepreneurs:**

- **Problem of Finance:** To raise finance, they do not have properties in their names to use them as collateral securities. Thus, their access to external sources of funds is restricted. They have to rely on their own savings and negligible loans from friends and relatives. They have to satisfy themselves with small size of business operation. Because of limited funds, they are not able to (a) stock raw materials; (b) spend on advertising.
- **Limited Mobility:** Due to primary household responsibilities towards her family, her time gets divided between the two worlds. She has restricted timings for work due to which, she is not in a

position to travels frequently and be away for longer periods. Thus, her mobility is restricted. This also has an implication on business.

- **Lack of Education:** Women have lower rate of literacy. Nearly 60% of the women are illiterate in India, because of which they are not aware of the latest developments that have taken place in technology. Low level of education results in low achievements motivation amongst Women Entrepreneurs.
- **Male Dominated Society:** A Woman is dominated by men in her family as well as business. Often, she has to obtain permission from men for almost everything. They are not treated as equals. Her freedom is restricted. She always has to consult and get the approval from men.
- **Low Risk-Bearing Ability:** This is so right from the childhood; her parents take decisions for her and after marriage her husband takes over. She is protected throughout and thus the risk bearing ability gets reduced.
- **Social Recognition:** Society does not give due recognition to Women Entrepreneurs. They are looked down as small and weak.
- **Short of Self Confidence:** In India women have lack of self confidence in their strength and ability. The family members and the society are unwilling to stand beside their organizational growth. To a certain degree, this situation is charging with Indian Women and yet to face an incredible amend to boost the rate of growth in Entrepreneurship.
- **Training Programs:** Depending upon the needs, duration, skill and the purpose of Entrepreneur there are various workshops and training programs available the social & welfare association. Such kinds of programs are really helpful to new and young Entrepreneurs who desire to start a small and medium sized business on their own. On account of the above-mentioned reasons, the enterprise of women faces several problems in finance, marketing and expansion etc.

### **7.4.3 How to Overcome:**

**A. Role of Women Entrepreneurs:** Women Entrepreneurs tend to be highly motivated & self-directed; they also exhibit a high internal locus of control & achievement. Researchers contend that women business owners possess certain specific characteristic that promote their creativity and generate new ideas and ways of doing things.

### *Entrepreneurial Dynamism in India*

One key characteristic of all successful entrepreneurs is that they have vision. They find a niche in a particular market and find a way to fill it. Entrepreneurs are also very self-motivated. They don't wait for someone to tell them to get to work. The following talents are:

- Sharp Communication Skills
- Good Interpersonal Skills
- Consensus building competencies
- Very High Level of Emotional Quotient
- Good Decision-Making Capabilities

**B. Women Entrepreneurship key to Success:** Today's world is not static, it is dynamic, and more women are deciding to launch their own businesses for a variety of reasons.

- To Achieve Independence & Flexibility
- To Balance Work & Family
- To make optimum use of Technical Education & Qualification

### **C. The Government Schemes and Association for Encouraging Women Entrepreneurship**

- Self-Help Groups:** The self-help groups are the club of small number of self-employed rural or urban women entrepreneurs who join together to take care of group well-being. This group with the help of the financial institutions and other non-Governmental organization get their requirement fulfilled. This is a freewill affiliation. Each member puts up little amount cover send money and rest of needed money will be taken care of by non-Governmental organizations and Government.
- Small Industries Development Bank of India (SIDBI):** This trust was established in 1968. The trust was started with the main objectives of helping women entrepreneurs. Establishing Kamila trust in U.K in 1994 to market the product of Women's India Trust in London under the name of "Kashi" and extended export activities to Australia, Europe and Germany.
- Small Industries Development Organization (SIDO):** It conducts various programs including Entrepreneurship Development Programs for Women. It has introduced product-oriented

Entrepreneurship Development Programs in the areas like repairing of television, printed circuit boards, leather goods, screen printing.

- d. **National Bank of Agriculture and Rural Development (NABARD):** NABARD is an autonomous financial institution provides liberal credit to rural women entrepreneurs.
- e. **Self-Employed Women's Association:** It is a merchandise union of women which was registered in 1872 under Trade Union Act. The Members of Self-Employed Women's Association has extended its operation to the global level and has the opportunity of receiving grants from international organizations such as Ford Foundation, INICEF, ILO, etc., and Government of India is also providing funds to this organization.

At Present, the Government of India has over 27 schemes for women Entrepreneur, some of the schemes are in the following:

- The Women Entrepreneurship Platform (WEP)
- Bharatiya mahila Bank
- Dena Shakti Scheme
- Mudra Yojana Scheme
- Annapurna Scheme
- Shree Shakti Loan for Women Entrepreneurs
- Micro Credit Scheme
- Working Women's Forum
- Trade Related Entrepreneurship Assistant and Development (TREAD)
- Entrepreneurial Development Program (EDPS)

## **7.5 Conclusion:**

India is a male dominated society and women are assumed to be economically as well as socially dependent on male members. According to the study it has been observed that women are very good entrepreneurs, and prefer to choose the same as they can maintain work balance in life. Even though we have many Successful Women Entrepreneurs in our country, but it should be cross-checked with the Real Entrepreneurs. These factors may vary from place to place and business to business but Women Entrepreneurship is necessary for the growth of any economy whether it is large or small.



They are competent to balance their duties of both Motherhood and Entrepreneurship but they comprise of almost half of all businesses owned today. Governments have come forward with so many beneficial schemes like facilities, concessions and incentives exclusively for Women Entrepreneur. Women Entrepreneur face so many problems from financial, marketing, health, family and other problems point of view. The Governments and Financial Institutions must enforce some measurable guidelines for Women Entrepreneurs from time to time.

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