



A STUDY ON THE PROBLEMS AND PROSPECTS OF WOMEN ENTREPRENEURS IN INDIA

ABSTRACT

Family leads to society and society culminates into Nation, women are the important element of family. Economic Empowerment of Women is imperative for the Holistic growth and development of a nation.

The crucial and pivotal role in the economy is played by Entrepreneurs. Entrepreneurs have the expertise and the urge to give practical shape to excellent novel ideas to make the business venture profitable. The outcome for the perils undertaken is the profits. With the advent of globalization and liberalization there are plethora of opportunities which are emerging in India, society is inclined to concede leading roles to women. In recent years' service sector has grown enormously in the economic scene and it has brought to the fore innumerable number of opportunities for women. This study focuses on various factors influencing women entrepreneurship and recommends measures for removal of obstacles to women entrepreneurship from the Indian Perspective.

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INTRODUCTION

Government of India has defined women Entrepreneurs based on their holding of equity and participation in employment of a business undertaking. Accordingly a woman running an enterprise and has a minimum financial interest of 51% of the capital and giving at least 51% employment generated in the enterprise to women. For the economic development of the country, women should be propelled and motivated to take up entrepreneurship.

Women Entrepreneurs may be defined as a women or group of women who initiate, organize and run

a business enterprise, In terms of Schumpeterian concept of innovative entrepreneurs, women who innovative imitate or adopt a business activity are called women entrepreneurs

NEED FOR ENCOURAGING WOMEN ENTREPRENEURSHIP

The tables given below exhibits the participation of women in labour force is one of the significant aspects for the growth and development of the country. Status of countries or various categories as per human development report 2014.

HDI Rank	COUNTRY	HDI VALUE	PER CAPITA INCOME	Female%	Male%
Very High Human Development					
01.	Norway	0.944	63909	61.5	69.5
02.	Australia	0.933	41524	58.8	71.9
High Human Development					
50.	Uruguay	0.790	18108	55.5	76.8
51.	Bahamas	0.789	21414	69.3	79.3
Medium Human Development					
103.	Maldives	0.698	10074	55.9	77.1
103.	Mongolia	0.698	8466	56.1	68.8
135.	India	0.586	5150	28.8	80.9
Low Human Development					
145.	Nepal	0.540	2199	54.3	63.2
146.	Pakistan	0.537	4652	24.4	82.9

Source: Human Development Report 2014

Women Entrepreneurs in India (2014)

Status	No. of Units Registered	No. of Women Entrepreneurs	Percentages
Tamil Nadu	9618	2930	30.36
Uttarpradesh	7980	3180	39.89
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	31394	32.12
Gujarat	3872	1538	39.72
Karnataka	3822	1026	28.84
Madya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71
Total	57452	18848	32.82

Participation of women in labour force:-

Country	Percentage
India	-31.6
USA	-45
UK	-43
Indonesia	-40
Srilanka	-45
Brazil	-35

GROWTH OF WOMEN ENTREPRENEURSHIP IN INDIA

Last five decades have seen phenomenal changes in the status and work place diversity of women in India

In sixties women took small steps to start small one women enterprises at home and from home for self-occupation and engagement. The women in seventies opened up new frontiers and developed not only aspirations but ambitions for self-employment and employment generation. In eighties the number of women

pursing highly sophisticated technological and professional education increased. They entered in to the family business as equally contributing partners. The women of the nineties were capable, competent and confident. They were clear of their goals, processes and dynamics of goal accomplishment. In most cases they move out and outperformed their male counter parts.

21st century is the century of Telecom, IT and financial institutions, women expertise in all these industries has made them emerge as a force to reckon with. Many of these industries are headed and guided by women as pioneers and mavericks'. They have ventured to build enterprises to discover their relevance and meaning of life in themselves.

As per 1991 census only 185900 women according for only 4.5% of the total self-employed persons in the country were recorded. Majority of them are engaged in the unorganized sector like agriculture, agro based industries, handicrafts, handlooms and cottage based industries. There were more than 295680 women entrepreneurs claiming 11.2% of the total 2.64 million entrepreneurs in India during 1995 - 1996. This is almost double the percentage of women (5.2%) among the total populations of self-employed during 1981.

The present rate of 30% success of EDP training was likely to go up to 45% with growing experience and improved techniques of training and follow up.

OBJECTIVES OF THE STUDY

1. To study the various factors influencing women Entrepreneurs
2. To study the problems faced by women Entrepreneurs.
3. To review and find out the steps taken by the Govt. in promoting women Entrepreneurs.

REVIEW OF LITERATURE

Bowen & Hisrich, (1986) compared & evaluated various studies done on entrepreneurship including women entrepreneurship. It summaries various studies in this way that female entrepreneurs are relatively well educated in general but perhaps not in management skills, high in internal locus of control, more masculine or instrumental than other women in their values likely to have had entrepreneurial fathers, relatively likely to have fits born or only children, unlikely to start business in traditionally male dominated industries & experiencing a need of additional managerial training.

Cohoon, Wadhwa & Mitchel, (2010) present a detailed exploration of men & women entrepreneur’s motivations background and experience. The study is based on the data collected from successful women entrepreneurs. Out of them 59% had founded two or more companies. The study identifies top five financial & psychological factors motivating women to become entrepreneurs. These are desire to build the wealth the wish to capitalize own business ideas they had the appeal of startup culture, a long standing desire to own their

own company and working with someone else did not appeal of startup culture, a long standing desire to won their own entrepreneurship rate rather than gender. However, the study concluded with the requirement of further investigation very important to women, which provides encouragement & financial support of business partners, experiences & well developed professional network.

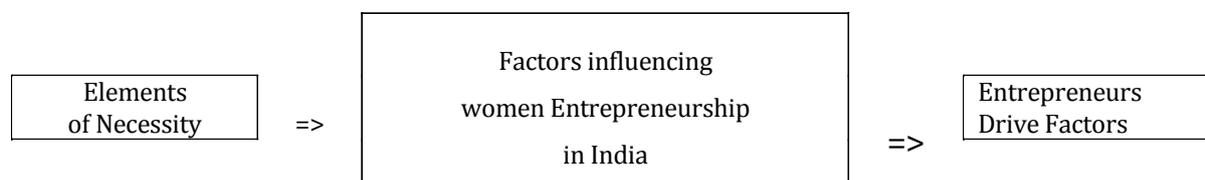
Darrene, Harpel and Mayer (2008) performed a study on finding the relationship between elements of human capital and self employment among women. The study showed that self employed women differ on most human capital variable as compared to the salary and wage earning women.

Singh, 2008 identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their business 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.

METHODOLOGY

The present study is an empirical study based on secondary data. The secondary data and information have been analyzed for this study extensively. The secondary data and information have been collected from various websites, published books, journals, periodicals and from prime directories.

Factors influencing women Entrepreneurship:-



Elements of necessity => Elements of Necessity are inadequate family income, Disillusioned with salaried employment, unemployment and need for flexible work hours because of family commitments.

Environmental Drive Factors => They are self-reliance, desire for wealth, aspiration for power, social status, co-operation, support of family members and a strong network of contacts. The most significant aspect is self-esteem mentioned in terms of accomplishment which

induces women to commence their own business venture and eventually make it culminate in to profitable venture.

PROBLEMS AND CHALLENGES OF WOMEN ENTREPRENEURS IN INDIA

Women entrepreneurs in India encounter many problems and issues to develop their business enterprise. There are Plethora of problems and challenges faced by women right from the commencement of enterprise and



in the subsequent of functioning of the business firm. The core problems and challenges encountered by them are as follows.

1. Inadequate finance: Women Entrepreneurs face lot of hassles in meeting the financial requirements of the firm. Obtaining the support of bankers, managing the working capital and lack of credit resource take a toll on their performance.
2. Marketing problem=> women entrepreneurs rely on the intermediaries for marketing their products who siphon off substantial portion of profit.
3. Paucity of Raw Materials => The paucity of raw materials is also one of the monumental problems faced by women entrepreneurs. They find it difficult to procure the required raw materials and other imperative inputs for manufacture in sufficient quantity and quality.
4. Intense competition => In this era of globalization women face intense competition from organized industries and male counterparts possessing immense exposure.
5. Limited managerial capability =>
Women Entrepreneurs may not be expert in each and every activity of the business firm. She is handicapped to devote adequate time and energy for all types of activities.
6. Lacking in Entrepreneurial inclination or bent of mind.
One of the biggest handicap of women is the absence of entrepreneurial aptitude. This becomes a major impediment in their functioning as basic requirement of becoming an entrepreneur is innovative risk bearing and vision.
7. Aversion to taking risk => women entrepreneurs refrain from taking risk in comparison to that of their male counterparts, as they lead a protected life.
8. Family squabbles => The women entrepreneurs cannot succeed without the help and support of husband. Their success in this regard depends upon supporting husband and family. Women also encounter challenges in their role as home maker as they are not available to spend enough time with their families. This issue may perpetuate conflicts in families.
9. Patriarchal society:- Indian constitution is explicit about equality between sexes, male Hegemony is

still this order of the day. Entrepreneurship has been traditionally a male bastion all this retards the development of women entrepreneurs.

10. Absence of Apt. Training
There is no proper technical and professional training to start a new venture. All women entrepreneurs are given the same training through Entrepreneurial Development Programmes. Second generation women entrepreneurs don't need such training as they already have the previous exposure to business.
11. Complying with the legal formalities.
Women Entrepreneurs find it intricate, complex and tedious to comply with legal formalities like obtaining license and approval from various authorities.
12. Burden of travel=> As Entrepreneurs it becomes imperative to travel. Women entrepreneurs' ability to travel gets hampered because of safety issues.
13. Not being taken seriously => in the business world, women's views are not taken seriously in comparison to that of man's opinion.
14. Nice and people pleasers: females are tutored to be nice and people pleasers which can lead to seeking the approval of others. Subsequently women can have a tough time saying NO which can lead to under charging for their products and services. This typically comes, at the expense of their own requirements and business.

SUGGESTIONS TO OVERCOME THE CHALLENGES AND PROBLEMS FACED BY WOMEN ENTREPRENEURS IN INDIA

1. A large number of finance cells may be formed to provides access to easy finance for the women Entrepreneurs. They should provide finance at concessional rates of interest and with convenient repayment facilities.
2. Marketing co-operatives should be established to motivate and help women Entrepreneurs. Government should give priority to women Entrepreneurs while acquiring their requirements.
3. Government must initiate steps to supply raw materials which are scarce to women entrepreneurs at priority basis at concessional rates.

4. The educational and awareness program should be arranged to alter the negative social attitudes towards women.
5. Training and development programs play a pivotal role for the growth of Entrepreneurship. Training schemes must be so designed that women can get full benefits.
6. Experts say, that women entrepreneurs should create a blue print envisaging a clear game plan about the product or service, their target audience and how the business will be operated on a daily basis. The blue print should also mention all the specific responsibilities of the promoter of business and the employers. The estimated cost of running the business for the maiden year should also be formulated.
7. To be successful it is necessary for women entrepreneurs to build vibrant team. The team members should have different strengths and expertise that can help them in running the business on effective and efficient lines.
8. Some women entrepreneurs have the tendency to under price their goods and series to the customers. They should adopt a rational policy in pricing where they should prescribe the appropriate price which will fetch them customer satisfaction as well as profits which are essential for their firms growth and development.
9. Managing cash flow and the subsequent pursuit of owed money is vital to every successful business, but women tend to be less assertive when it comes to collecting money from debtors. Women entrepreneurs need to encounter debtors head on and get their dues collected.
10. Mostly some women entrepreneurs develop close proximately with their workers. Experts say it is better to have good business relationship, but it is detrimental to get involved in too personal relationship, when a relationship culminates to that point, it become intricate to make decisions in the best interest of the business.

STEPS INITIATED BY THE INDIAN GOVERNMENT

Entrepreneurial development is not feasible without the growth and development of women entrepreneurs. In view of this a conducive environment is required to be created to empower women to participate with alacrity in the entrepreneurial activities. There is need for coordinated and concerted approach, among Government, Non-Government, promotional and

regulatory agencies to play the facilitating role in promoting women entrepreneurship in India. The Government of India has also devised number of training and development cum employment generation programs for women to start their ventures. The programs were as follows.

In the seventh five year plan a separate chapter was dedicated on the issue of integration of women in development with the following recommendations.

- ✳ Idea was mooted to treat women as a specific target groups in all major development programs of the country.
- ✳ To design and diversify vocation training facilities for women to match their changing requirements.
- ✳ To provide required assistance for marketing of products.

In the eight-five year plan the Govt. of India devised schemes to enhance employment and income generating activities for women in rural areas. They are as follows.

- ☆ To inculcate entrepreneurial qualities among rural women Prime Minister Rojgar Yojana and EOPs were introduced.
- ☆ To train women farmers having small and marginal holdings in agriculture and allied activities, women in agriculture scheme was introduced.
- ☆ To help women in agro based industries like dairy farming, poultry and animal husbandry women co-operatives were formed to give financial support from the government.
- ☆ Programs like integrated rural development programs (IRDP). Training of rural youth for self employment (TRYSEM) were started to eradicate poverty. In these reservation is provided to women.
 - The Government of India has introduced the following schemes during 9th Five year plan for promoting women Entrepreneurs in small scale entrepreneurs. They are as follows.
- ☆ To develop women entrepreneurs in rural, semi urban and urban areas, ministry of small industries launched trade related entrepreneurship assistance and development scheme.
- ☆ Special schemes were introduced by government to grant reservations for women and motivating them to commence their ventures.

- ☆ Women development corporations were created by the Govt. to help women entrepreneurs in availing credit and marketing facilities.

In the tenth Five year plan focus was at assisting women through giving shape to the national policy for empowerment of women and ensuring Survival, protection and development of women through rights base approach. The following training schemes especially for the self-employment of women are launched by the Government.

- ↪ Support for training and employment programme of women
- ↪ Development of women and children in rural areas.
- ↪ Small industry service institutes
- ↪ State Financial Corporations
- ↪ National small Industries corporations
- ↪ District Industrial Centres.

CONCLUSION

In the current scenario Entrepreneurship is the widely debated concept all over the world to surmount economic issues. Women being the pivotal element in the overall population have the mighty potential to contribute in the overall economic development of the nations. In view of this policies need to be synchronized to facilitate entrepreneurial culture among youth. It is the need of the hour to motivate women entrepreneurs to harness the unexplored areas of business ventures and scale greater heights. Equality of opportunity has emerged after independence to Indian women and laws guaranteeing for equal rights to take part in the political process. Ironically the government assisted promotional activities have benefited only a minuscule group of women.

The vast section of them was left out of the ambit of development activities women are decisions to undertake business venture and contribute to nation's development. Women entrepreneurs must be moulded aptly and inculcated with needed traits and skills to match the changing trends and challenges of globalization and also capable to sustain in the competitive market scenario.

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