



WOMEN ENTREPRENEURS IN INDIA - EMERGING ISSUES AND CHALLENGES

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Abstract

Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization. The policy and institutional framework for developing entrepreneurial skills, providing vocation education and training has widened the horizon for economic empowerment of women. However, women constitute only one third of the economic enterprises. There exist a plethora of successful business women entrepreneurs both in social and economic fields in India. They are performing well. Government of India has also introduced National Skill Development Policy and National Skill Development Mission in 2009 in order to provide skill training, vocational education and entrepreneurship development to the emerging work force. However, entrepreneurship development and skill training is not the only responsibility of Government and therefore other stakeholders need to shoulder the responsibility. In Hindu scriptures, woman has been described as the embodiment of shakti. But in real life she is treated as Abla. Women are leaving the workforce in droves in favor of being at home. Not to be a homemaker, but as job-making entrepreneurs. The increasing presence of women in the business field as entrepreneurs has changed the demographic characteristics of business and economic growth of the country. Women-owned businesses enterprises are playing a more active role in society and the economy, inspiring academics to focus on this interesting phenomenon. This paper focuses on the problems, issues, challenges faced by women entrepreneurs, how to overcome them and to analyse policies of Indian government for and problems faced by them while pursuing their business.

Key Words : Entrepreneurship, Enterprise, Competency, Motivation, Stakeholders

INTRODUCTION

A quiet revolution is taking shape right now among women. Unlike the Quiet Revolution that began in the 1970s which saw women leave the home and enter the workforce in droves, women today are leaving the workforce in droves in favor of being at home. But unlike generations of women before, these women are opting to work in the home not as homemakers—but as job-making entrepreneurs. It is a general belief in many cultures that the role of women is to build and maintain the homely affairs like task of fetching water, cooking and rearing children. Since the turn of the century, the status of women in India has been changing due to growing industrialization, globalization, and social legislation. With the spread of education and awareness, women have shifted from kitchen to higher level of professional activities.

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 memorable and inspirational entrepreneurs. In almost all the developed countries in the world women are putting their steps at par with the men in the field of business. The role of Women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. Their role is also being recognized and steps are being taken to promote women entrepreneurship. . Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to

sustain and strive for excellence in the entrepreneurial arena.

Women Entrepreneurs:

Women Entrepreneurs may be defined as the woman or group of women who initiate, organize and co-operate a business enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. Women are doing a wonderful job striking a balance between their house and career. 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.

Characteristics of Woman Entrepreneur in India :

The woman entrepreneur in India has various qualities. A woman or a group of women manages the whole business of enterprise. She prepares various plans and executes them under her own supervision and control. There may be some persons to help her but ultimate control lies with the woman. A woman entrepreneur must provide at least 51 percent of the employment generated in her enterprise to women. A woman entrepreneur takes calculated risk. She faces uncertainty confidently and assumes risk. She has to tie up capital and wait for good returns. A woman entrepreneur likes to take realistic risks because she wants to be a successful entrepreneur. The most critical skill required for industrial development is the ability of building a sound organization. A woman entrepreneur should have courage to own the mistakes and correct them. The main function of a woman entrepreneur is to make decision. She takes various decisions regarding the

activities of her enterprise. She decides about the type of business to be done and the way of doing it. A woman entrepreneur must be clear and creative in decision making process. A woman entrepreneur is one who incubates new ideas, starts her enterprise with these ideas and provides added value to society based on their independent initiative. A distinguishing feature of a woman entrepreneur is the willingness to work hard. She has to follow the principle, "Hard-work is the key to success. A woman entrepreneur is an achievement oriented lady, not money hungry. She works for challenge, accomplishment and service to others. Achievement orientation is a derive to overcome challenges, to advance and to grow. A woman entrepreneur must be optimistic. She should approach her venture with a hope of success and attitude for success rather than with a fear of failure. The positive thinking of woman entrepreneur can turn the situation favorable to her. Women entrepreneurs face the adversities boldly and bravely. She has faith in herself and attempts to solve the problems even under great pressure. A woman entrepreneur is energetic, single-minded, having a mission and a clear vision. She should be a lady of creative thinking and analytical thinking. She must be intelligent, adaptable and problem solver. Leadership quality is one of the most important characteristic of a woman entrepreneur. It is the process of influencing and supporting others to work enthusiastically towards achieving objectives.

Problem of Women Entrepreneurs in India:

Women in India are faced many problems to get ahead their life in business. Women entrepreneurs face many problems in their efforts to develop their enterprise. There are umpteen problems faced by women at various stages beginning from their initial commencement of enterprise, in running their

enterprise. The main problems faced by the women entrepreneurs in India are as follows:

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 to their name. 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 to run venture successfully. Obtaining the support of bankers, managing the working capital, lack of credit resources are the problems which still remain in the males domain. Women are yet to make significant mark in quantitative terms. Marketing and financial problems are such obstacles where even training doesn't significantly help the women. Some problems are structural in nature and beyond the control of entrepreneurs.

Marketing problems:

Women entrepreneurs often depend upon the middlemen for marketing their products who pocket large chunk of profit. The middlemen exploit the women entrepreneurs. Women entrepreneurs also find it difficult to capture the market and make their products popular. A lot of money is needed for advertisement in these days of stiff competition from male entrepreneurs. Women entrepreneurs also lack energy and extra efforts needed to be investing and to win the confidence of customers and popularize the products. Women entrepreneurs continuously face the problems in marketing their products. It is one of the core problems as this area is mainly dominated by males and even women with adequate experience fail to make a dent.

Shortage of raw materials:

The shortage of required raw materials is also one of the big problems faced by women entrepreneurs. Women entrepreneurs find it

difficult to procure the required raw materials and other necessary inputs for production in sufficient quantity and quality. The prices of raw materials are quite high and fluctuate. Women entrepreneurs encounter the problems of shortage of raw-materials. The failure of many women co-operations in 1971 such as these engaged in basket making were mainly because of the inadequate availability of forest-based raw materials.

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. But they have to face severe competition from organized industries.

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.

High cost of production:

The high cost of production is another problem which undermines the efficiency and restricts development of women entrepreneurs. It is necessary to increase efficiency, expand productive capacity to reduce the cost of production. High cost of production undermines the efficiency and stands in the way of development and expansion of women's enterprises, government assistance in the form of grant and subsidies to some extent enables them to tide over the difficult situations. However, in the long run, it would be necessary to increase efficiency and expand productive capacity and thereby reduce cost to make their ultimate survival possible, other than these, women entrepreneurs so face the problems of labour, human resources, infrastructure, legal formalities, overload of work, lack of family support, mistrust etc.

Absence of Entrepreneurial Aptitude:

One of the biggest problems of women is the lack of entrepreneurial aptitude.

They have no entrepreneurial bent of mind. 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 bent of mind. As per a study, involvement of women in small scale sector as owners stands at mere 7 percent. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews etc.

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.

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. The woman entrepreneur cannot succeed without the support and approval of husband. Their success in this regard also depends upon supporting husband and family. Thus, occupational back grounds of families and education level of husbands have a great influence on the growth of women entrepreneurship. Women also face the conflict of performing of home role as they are not available to spend enough time with their families. They spend long hours in business

and as a result, they find it difficult to meet the demands of their family members and society as well. Their inability to attend to domestic work, time for education of children, personal hobbies, and entertainment adds to their conflicts.

Patriarchal Society:

One of the biggest problems 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. Any deviation from the norm is frowned and if possible, immediately curbed. Women also have to face role conflict as soon as they initiate any entrepreneurial activity. It is an uphill task for women to face such conflicts and cope with the twin role.

Lack of entrepreneurial training:

Large number of women is no proper and sufficient technical and professional training to set-up a new venture. All women entrepreneurs are given the same training through EDPs. Second-generation women entrepreneurs don't need such training as they already have the previous exposure to business.

Legal Formalities:

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

Travelling:

Women entrepreneurs cannot travel from one place to another as freely as men do. Women have some peculiar problems like staying out in the nights at distant places etc.

Credit Facilities:

Though women constitute about 50 per cent of population, the percentage of small scale enterprise where 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 loans and running about involved do deter many women from venturing out. At the same time, a good deal of self-employment programme has been promoted by the govt. and commercial banks. Challenges Facing Women Entrepreneurs Entrepreneurship isn't a walk in the park for anyone and it can be even more challenging if you are of the "female persuasion". Even with all of the advancements that women have made in the business world, there is still a long way to go before the success rate is level between male and female entrepreneurs. Below are some of the top challenges that female entrepreneurs need to overcome in general in order for woman-owned businesses to be more successful as a whole.

Not Being Taken Seriously:

Within the business world, women's opinions and advice are not always viewed as "expert" compared to a man's opinion. And when a female starts a business, sometimes family, friends, and others in the business community can view it as a hobby or a side project to family duties, rather than a bona fide business. Seeking out extra support can help to help overcome this bias, but women need to realize that this is a true gender bias obstacle.

Letting Fear Stand in the Way:

In general, women can be less prone to taking risks and can let their own fears (such as the fear of failure, fear of success, fear of being on their own etc.) stand in the way of "going for it" and pursuing the path of entrepreneurship. Confidence is a great way to combat these fears and the best way to feel confident in

what you are doing is to make sure that you are as prepared as possible before you start your business endeavor. Also, believe in what you bring to the table and value your time, efforts and capabilities.

Role of Government to Develop Women Entrepreneurs 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 congenial environment is needed to be created to enable women to participate actively in the entrepreneurial activities. 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 Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures. These programmes are as follows:

In the seventh five-year plan, a special chapter on the "Integration of women in development" was introduced by Government with following suggestion:

Specific target group: It was suggested to treat women as a specific target groups in all major development programs of the country.

Arranging training facilities: It is also suggested in the chapter to devise and diversify vocational training facilities for women to suit their changing needs and skills.

Developing new equipment: Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments and practices.

Marketing assistance: It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.

Decision-making process: It was also suggested to involve the women in decision-

making process. The Government of India devised special programs to increase employment and income-generating activities for women in rural areas. The following plans are launched during the Eight-Five Year Plan:

- Prime Minister Rojgar Yojana and EDPs were introduced to develop entrepreneurial qualities among rural women.
- 'Women in agriculture' scheme was introduced to train women farmers having small and marginal holdings in agriculture and allied activities.
- To generate more employment opportunities for women KVIC took special measures in remote areas.
- 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.
- Several other schemes like integrated Rural Development Programs (IRDP), Training of Rural youth for Self employment (TRYSEM) etc. were started to alleviate poverty. 30-40% 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 the following 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) scheme was launched by Ministry of Small Industries to develop women entrepreneurs in rural, semi-urban and urban areas by developing entrepreneurial qualities.

- Women Component Plan, a special strategy adopted by Government to provide assistance to women entrepreneurs.
- Swarna Jayanti Gram Swarozgar Yojana and Swarna Jayanti Sekhari Rozgar Yojana were introduced by government to provide reservations for women and encouraging them to start their ventures.
- New schemes named Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.
- State Industrial and Development Bank of India (SIDBI) has introduced following schemes to assist the women entrepreneurs. These schemes are:

(i) Mahila Udyam Nidhi

(ii) Micro Credit Scheme for Women

(iii) Mahila Vikas Nidhi

(iv) Women Entrepreneurial Development Programmes

(v) Marketing Development Fund for Women

Further, the tenth five Year Plan aims at empowering women through translating 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. Consortium of Women entrepreneurs of India provides a platform to assist the women entrepreneurs to develop new, creative and innovative techniques of production, finance and marketing. There are different bodies such as NGOs, voluntary organizations, Self-help groups, 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).
- Small Industry Service Institutes (SISIs)
- State Financial Corporations
- National Small Industries Corporations
- District Industrial Centres (DICs)SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas.

Under Mahila Vikas Nidhi grants loan to women are given to start their venture in the field like spinning, weaving, knitting, embroidery products, block printing, handlooms handicrafts, bamboo products etc. In 1993, Rashtriya Mahila Kosh was set up to grant micro credit to pore women at reasonable rates of interest with very low transaction costs and simple procedures.

Conclusion

Entrepreneurship is presently the most discussed and encouraged concept all over the world to overcome economic challenges. Women being the vital gender of the overall population have great 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 strategies which can help support entrepreneurial culture among youth. Media has the potential to play the most vital 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. Developing countries are definitely in dire need to encourage women entrepreneurship as

women workforce is promptly available to exploit the unexplored dimensions of business ventures. 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 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. The large majority of them are still unaffected by change and development activities have benefited only a small section of women i.e. the urban middle class women. Women are willing to take up business and contribute to the nation's growth. Their role is being recognized and steps are taken to promote women entrepreneurship. Resurgence of entrepreneurship is the need of the hour. Women entrepreneurs must be moulded properly with entrepreneurial traits and skills to meet changing trends and challenging global markets, and also be competent enough to sustain and strive in the local economic arena.

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