



## WOMEN ENTREPRENEURS IN INDIA- CHALLENGES AND OPPORTUNITIES



**Arun.K.V<sup>1</sup>**

<sup>1</sup>Asst.Professor,  
Dept of Commerce and  
Management Studies,  
SAFI Institute of Advanced Study  
Vazhayoor  
Malappuram, Kerala  
India

**Haris Unnipulan<sup>2</sup>**

<sup>2</sup>M.Phil Scholar  
Sree Narayana Guru College  
Bharatiyar University,  
Coimbatore,  
Tamil Nadu, India.

### ABSTRACT

**E**ntrepreneurship is the core of economic development. It is a multi- dimensional task and essentially creative activity. Entrepreneur is key factor of entrepreneurship. 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. The position and status of women in any society is an index of its civilization and progress.

Today women entrepreneurship becomes significant tool for women empowerment. Women entrepreneurs need to enhance their living standard into a comfortable level along with their family which in turn helps in development of the country. Generally entrepreneurs are strength of any successful economy in the world. In the process of empowerment, women need to realize their strength, weakness, opportunities and threats and move forward to come out their own potential in order to achieve their goals through self development. Moreover they want new challenges and opportunities for self fulfillment. Women entrepreneurs must have an intention to fulfill their dreams and it must be transferred into an idea enterprise. This paper focuses towards the problems and opportunities of women entrepreneurs in India.

**KEYWORDS:** *Entrepreneurship Development, Women Entrepreneurs, Opportunities, Challenges, Empowerment*

### INTRODUCTION

Women Entrepreneur is any women who organizes and manages any enterprise, especially a business. Women Entrepreneurs may be defined as the women 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. Out of total 940.98 million people in India, in the 1990s, females comprise 437.10 million representing 46.5 percent of the total population. There are 126.48 million women

workforce but as per the 1991 census, only 1, 85,900 women accounting for only 4.5 per cent of the total self-employed persons in the country were recorded. As per a rough estimate the numbers of SSIs are expected to be 2.5 billion having 9% women entrepreneurs in to it. Considering this trend, women participation in another five years was 20 % more, raising the number of women entrepreneurs to about 5, 00,000. Combined effect of motivational drive, preparation of information material, conducting training, creation of women industrial estates, and training of promoters and use of mass media all together is bound to accelerate the process of women entrepreneurship development.



## OBJECTIVES OF THE STUDY

- ◆ To evaluate the factors responsible for encouraging women to become entrepreneurs
- ◆ To study the policies, programmes, institutional networks and the involvement of support agencies in promoting women's entrepreneurship.
- ◆ To examine the challenges and opportunities of women entrepreneurs in India

## RESEARCH METHODOLOGY

The study is based on secondary data which is collected from the published reports of RBI, NABARD, SSI Reports, newspapers, journals, websites, etc.

## REASONS FOR WOMEN BECOMING ENTREPRENEURS

Many studies indicate that women start businesses for fundamentally different reasons than their male counterparts. While men start businesses primarily for growth opportunities and profit potential, women most often found businesses in order to meet personal goals, such as gaining feelings of achievement and accomplishment. In many instances, women consider financial success as an external confirmation of their ability rather than as a primary goal or motivation to start a business, although millions of women entrepreneurs will grant that financial profitability is important in its own right.

The following are the different reasons for women becoming entrepreneurs Innovative thinking

- ✧ New challenges and opportunities for self fulfillment
- ✧ Employment generation
- ✧ Freedom to take own decision and be independent
- ✧ Government policies and procedures
- ✧ Family occupation
- ✧ Need for additional income
- ✧ Bright future of their wards
- ✧ Success stories of friends and relatives
- ✧ Role model to others
- ✧ Support of family members
- ✧ Education and qualification
- ✧ Self identity and social status

## CHARACTERISTICS 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 characteristics that promote their creativity and generate

new ideas and ways of doing things.

One key characteristic of all successful women entrepreneurs is that they have vision. They find a niche in a particular market and find a way to fill it. They give life to their vision/business and either personally or finding a way to make it happen. This "vision" keeps them focused and able to bring product or service to the market.

## CHALLENGES FACED BY WOMEN ENTREPRENEURS 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:

- ✧ 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 abla i.e. weak in all respects. In a male dominated society, women are not treated equal to men that act as a barrier to woman'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.
- ✧ 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

- ✎ Unlike men, women mobility in India is highly limited due to many reasons. A single women 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.
- ✎ Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.
- ✎ The educational level and family background of husbands also influences women participation in the field of enterprise.
- ✎ Absence of proper support, cooperation and back-up for women by their own family members and the outside world people force them to drop the idea of excelling in the enterprise field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them.
- ✎ Many women take the training by attending the Entrepreneurial Development programme without an entrepreneurial bent of mind. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews, etc.
- ✎ High production cost of some business operations adversely affects the development of women entrepreneurs. The installations of new machineries during expansion of the productive capacity and like similar factors discourage the women entrepreneurs from venturing into new areas.

- ✎ Women controlled business are often small and it is not always easy for women to access the information they need regarding technology, training, innovative schemes, concessions, alternative markets, etc. Just a small percentage of women entrepreneurs avail the assistance of technology and they too remain confined to word processing software in the computer. They hardly make use of advanced software available like statistical software SAP, Accounting Package like TALLY, Animation software 3D MAX, internet, etc
- ✎ Lack of awareness about the financial assistance in the form of incentives, loans, schemes etc. by the institutions in the financial sector. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
- ✎ Achievement motivation of the women folk found less compared to male members. The low level of education and confidence leads to low level achievement and advancement motivation among women folk to engage in business operations and running a business concern.

Apart from the above discussed problems there may occur other series of serious problems faced by women entrepreneurs as improper infrastructural facilities, high cost of production, attitude of people of society towards the women modern business outlook, low needs of enterprise. Women also tend to start business about ten years later than men, on average. Motherhood, lack of management experience, and traditional socialization has all been cited as reasons for delayed entry into entrepreneurial careers.

### **GOVERNMENT SCHEMES FOR WOMEN EMPOWERMENT**

Development of women has been a policy objective of the government since independence. Until the 70s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures.

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 Pariyojana (RGMVP)
- \* Priyadarshini Project- A programme for rural women empowerment and livelihood in Mid Gangetic Plains.
- \* NABARD- KFW-SEWA Bank project
- \* Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

### **OPPORTUNITIES FOR WOMEN ENTREPRENEURS IN INDIA**

Women entrepreneurs believe good enough to contribute for the society well being in order to tap the

opportunities in entrepreneurship. They have many responsibilities towards society betterment. In recent days women entrepreneurs are performing extremely fantastic.

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

### **SUGGESTIONS FOR THE DEVELOPMENT OF WOMEN ENTREPRENEURS IN INDIA**

Right efforts on from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Following efforts can be taken into account for effective development of women entrepreneurs.

1. Consider women as specific target group for all developmental programmes.
2. Better educational facilities and schemes should be extended to women folk from government part. Adequate training programme on management skills to be provided to women community. Encourage women's participation in decision-making.
3. Vocational training to be extended to women community that enables them to understand the production process and production management.
4. Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
5. Training on professional competence and leadership skill to be extended to women entrepreneurs. Training and counseling on a large scale of existing women entrepreneurs to remove psychological causes like lack of self-confidence and fear of success.
6. Counseling through the aid of committed NGOs, psychologists, managerial experts and technical personnel should be provided to existing and emerging women entrepreneurs.

7. Continuous monitoring and improvement of training programmes.
8. Activities in which women are trained should focus on their marketability and profitability. Making provision of marketing and sales assistance from government part.
9. To encourage more passive women entrepreneurs the women training programme should be organized that taught to recognize her own psychological needs and express them.
10. State finance corporations and financing institutions should permit by statute to extend purely trade related finance to women entrepreneurs.
11. Women's development corporations have to gain access to open-ended financing.
12. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures.
13. Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.
14. Repeated gender sensitization programmes should be held to train financiers to treat women with dignity and respect as persons in their own right.
15. Infrastructure, in the form of industrial plots and sheds, to set up industries is to be provided by state run agencies.
16. Industrial estates could also provide marketing outlets for the display and sale of products made by women.
17. A Women Entrepreneur's Guidance Cell set up to handle the various problems of women entrepreneurs all over the state.
18. District Industries Centres and Single Window Agencies should make use of assisting women in their trade and business guidance.
19. Programmes for encouraging entrepreneurship among women are to be extended at local level. Training in entrepreneurial attitudes should start at the high school level through well-designed courses, which build confidence through behavioral games.
20. More governmental schemes to motivate women entrepreneurs to engage in small scale and large-scale business ventures.
21. Involvement of Non Governmental Organizations in women entrepreneurial training programmes and counseling.

## CONCLUSION

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. 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.

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