



# Women Entrepreneurship in India: Major Issues and Challenges

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## ABSTRACT:

Entrepreneurship is the process of creating new things with risk. Women entrepreneurship was a neglected area during the past, but with the spread of education and awareness among the women it has been changed and the women have emerged as today's inspirational entrepreneurs. In the present scenario women are taking initiative for the growth of economic development. The development of education among women raises the development of employment. It enhances the capabilities of women to be entrepreneurs. Women come forward to deal with bigger challenges. They can increase their potential in every field. They are conscious of their existence and their rights. Women entrepreneurs in the form of generation of employment, income and to improve the social status of women leaders are risk takers, opportunist, and innovator, enthusiastic and hard working. They can create a specific identity for the male dominating society. It is said that family is a chariot with wheels which are driven by both the male and female members of the family. If one of the wheels is lagging behind, the chariot i.e. the family will not be able to grow and develop. In the same way when we speak about a nation, the Women entrepreneurship plays a dominant role in the economic development and makes significant contributions to the economic growth of the country. The development of the country would be very slow if the women entrepreneurship is ignored and stopped to join the main stream of productive activities. This paper discusses the significance of women entrepreneurship and also focuses the role of women entrepreneurs in the Indian economy and also their contributions to the economic development. It also identifies the current status of women entrepreneurs, challenges and future progress of women entrepreneurs .

**KEYWORDS:** Women Entrepreneurship, Empowerment, Financial Burden, Loan, Subsidy

## INTRODUCTION

“Women Entrepreneurs” are 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. The educated women at present do not confine themselves within the four walls of their house. They always wish to engage themselves in something productive and in earning to make their living. Despite limiting themselves by being dependent on men’s earning, they wanted to be economically independent to meet their needs. Today, the role of fulfilling the needs of the family and children is highly pressured on women than the men of their family. They also work and contribute financially to support the family. Generally in our society women are always considered to be weaker and they have to listen to the men of their house and obey to their husband and respect the men in the society. It reveals that women are always made to be dependent on male dominated society not only in their families but also outside, throughout their lifetime. But these days, lot of women entrepreneurs have emerged and they are said to be leaders who are assertive and persuasive and willing to take risks. In this cut throat competition, these women have managed to come to the forefront, survive with their initiative and able to succeed with their hard work and perseverance. It is primarily due to the push and pull factors that despite the support extended by the family in general and by the life partner in particular, women opting to become entrepreneurs find it challenging to stand in the business independently. The urge to do business based on their interest and to contribute substantially for the economic development of all the members of their family as the major bread winner by women entrepreneurs reveals aptly that women are capable and prove to become successful entrepreneurs. Push factors point out that women plunge into entrepreneurship due to the fact of family compulsion and also they are pushed to the situation of shouldering the family responsibility on their head. Anyhow, it is good to learn and see the women emerging largely in doing business / engage in entrepreneurship.

## MATERIALS AND METHODS

For this research paper the data is collected from the secondary sources of articles published in the journals, books on the themes of entrepreneurship and its allied areas, websites, census surveys and from the published reports of RBI and NABARD. Reports relating to entrepreneurship that come on the newspaper are also taken into consideration as a source of referral.

### Objectives of the Study

1. To find out the factors responsible for the women to become entrepreneurs.
2. To study various problems and challenges faced by women entrepreneurs.
3. To study the policies, programmes, institutional networks and the involvement of support agencies in promoting women entrepreneurship

## **Motivational factors for the women getting into entrepreneurship in India**

Innovative thinking of women pushes them to explore the possibility of entrepreneurship. Some women in India have freedom to take decision by themselves as they would like to establish independently. The educational qualification easily fetches job for women and some of them, after gaining sufficient experiences, starting entrepreneurship. Women want self-identity and to be respected in the male dominated society. Good cooperation of family members make the women engaged in business. Some women come out of their limitations by breaking the traditional roles and bondage and become a role model to the younger generation. Few success stories of friends and relatives in entrepreneurship encourage women to involve in business. Having a goal of setting a bright future of their wards makes them work hard and shine in entrepreneurship. The need for additional income pushes the women to engage in entrepreneurial activities. Government policies and procedures are also the motivating factors for starting up entrepreneurial activities. Some women want to be outstanding in what they do in their business and this fetches jobs to many who have been facing the problems of unemployment and sometimes an underemployment.

## **Factors responsible for Low Progress of Women Entrepreneurs in India**

Several problems and constraints that the women entrepreneurs encountered in their entrepreneurial activities have resulted in restricting the expansion of women entrepreneurship.

Male dominant society easily does not allow women for doing entrepreneurship with the fear that women would get into risks. Always stiff competition is ahead of women entrepreneurs and therefore they find it extremely difficult in carrying out marketing of their products with both the organized sector and their male entrepreneurs. This condition makes the women entrepreneurs liquidating themselves in entrepreneurship activities. Most of the women entrepreneurs do face lack of support from their family members and society. The financial institutions have the strong idea that women would leave the business at any point of time due to their family obligations of fully becoming a homemaker and therefore, financial support rendered to women entrepreneurs is very little. This situation puts an obstacle for the women to become a successful entrepreneur in the developing country like India. Women's family obligation at home in nurturing/bringing up the children and doing domestic chores do not allow the women to get into entrepreneurship. Keeping a balance in business and family is a difficult task for the women entrepreneurs, as they are having strong family bonding and relationship. The development of women entrepreneurs are affected largely due to high production cost of some business operations. Women are having lack of awareness about the financial assistances like loan, schemes and incentives offered by the financial sector and therefore women are finding difficult to expand and also strengthen their business enterprise. Generally, very few women are techno savvies and therefore, they do not know how to access the information like technology relating to their business, recent methods, current updates and training, innovative schemes to widen their business, availing concessions and finding alternative markets to involve and sell the products. The less education of women

entrepreneurs leads to a low level of achievement in their business enterprise. Achievement motivation is high among male entrepreneurs but this is very less for women entrepreneurs .

### **Role of government policies and institutions for women entrepreneurship promotion in India:**

It is good to note that government of India has been laying a policy objective of empowering women since Independence. It is evident about the priorities given to women in the sectors including SSI sector. An increasing attention has been paid for the women's economic contribution through self-employment and industrial events by the government and non- governmental organizations. Five years plans of India from the post-independence reveals clearly about the importance given to women in development and also in entrepreneurship. The birth of social welfare board, establishment of Mahila Mandals and introduction of community development programmes are envisaged in the First Five-Year Plan (1951-56). The second Five- Year Plan (1956-61) paves the way for the process of development of women closely linked with the overall approach of intensive agricultural development programmes. The Third and Fourth Five-Year Plans (1961-66 and 1969-74) emphasize a good support and provide sufficient measures for the women to get educated through formal and also informal way. It clearly reflects that female education is a major welfare measure of these two five year plans. Going one step ahead, The Fifth Five-Year Plan (1974-79) promotes the women to undergo vocational training to earn their income regularly and also protect themselves with their continuous earning. (1980 – 1985) Sixth five year plans adopts a thrust of development approach in the areas of health, education and employment of women. Seventh five year plan (1985 – 1990) gives a special emphasis for raising the status of women systematically in social and economic spheres and also focuses on bringing women into the mainstream of national development. The main highlights of this plan are precisely to outspread and encompass direct benefits to women under the theme of "beneficiary oriented programmes". The Panchayati Raj Institutions was introduced by The Eight Five- Year Plan (1992-97). It brings not only a greater attention but also a good focus on empowering women. The Ninth Five-Year Plan (1997-2002) is significant for adopting a strategy of Women's Component Plan. This plan earmarked 30% of funds and benefits for women related sectors. The Tenth Five-Year Plan (2002-07) gives so much importance in empowering women by adopting a National Policy for Empowerment of Women (2001) into action. This policy paves the way for exercising rights based approach in order to ensure Survival, Protection and Development of women and children. The Eleventh Five Year Plan (2007-2012) proposed to undertake special measures for gender empowerment and equity which paves the way for gender mainstreaming process. The Twelfth Five Year Plan (2012 – 2017) as a follow up of eleventh five year plan, focuses on inclusive growth. This paves the way for including the women as a major category in the development process.

### **Recommendations for the Development of Women Entrepreneurship in India**

The following measures are suggested to empower the women to seize various opportunities and face challenges in business. Women need to be given awareness programmes on a mass scale, at panchayat level, about the possible areas to venture into business. Every state at district level should have a continuous

plan to motivate, inspire and co-operate women entrepreneurs by supporting the business with loan facilities and required training programmes. There must be a separate forum at the state level to represent the views of women entrepreneurs and to demand their needs to be fulfilled through coordination among government and financing institutions. At next level, all India forum for the women entrepreneurs could be established and thereby they could discuss entrepreneurial problems, grievances and issues. Any complaints or shortcoming faced by the women entrepreneurs and entrepreneurial allied problems could be filed to see the women walk in the path of economic development. It is need of the hour to enhance the quality of education imparted to women and also provide various opportunities for the aspiring women with training and practical experience of inspiring them to get into business. In order to encourage the women to embark on small business, it is necessary to develop their professional competencies through series of training programmes in the areas of managerial skills, leadership development, marketing techniques and tie-ups, different kinds of production and its process, strategic planning, profit planning, bookkeeping and maintaining the books of accounts. As a social responsibility, educational institutions should come forward to network with government and non-governmental organizations with a view to assisting the women in entrepreneurship development mainly to plan business projects. Educational institutions could take up the responsibility in helping the women to interact and discuss with successful women entrepreneurs by organizing seminars, conferences and trade fairs. Women who are engaged in business can be provided soft loans and subsidies which would encourage them into industrial activities. More working capital assistance could be provided to women entrepreneurs by the financial institutions. Women could be facilitated and also helped to tap the resources and mobilize funds from the available government schemes and incentives in order to develop their entrepreneurial activities in the state. Government and non-government organizations need to take steps in disseminating various policies, plans and strategies to women entrepreneurs to engage them in the field of industry, trade and commerce. Women entrepreneurs need to sharpen their skill and update their knowledge by adapting the latest technology benefits in their business.

## Conclusion

It is good to learn that Government of India enacted laws to guarantee the women to have equal rights of participation in political process, education and employments. The implementation shows that only a small sizable number of women from urban middle class have benefitted from the government sponsored development activities. Just enacting laws is not sufficient, but sustainable plans are to be done to effectively provide entrepreneurial related awareness, training, and skill development programmes to the aspiring women entrepreneurs. At the next level, it is a must that women entrepreneurs ought to be equipped with entrepreneurial traits and skills which can facilitate them to meet changes in trends and understand the challenges of global markets, and strive for excellence in the entrepreneurial arena. Various broader objectives like growth with equity can be achieved by enabling the development of women entrepreneurship. There is necessity of molding and shaping the women entrepreneurship with the

entrepreneurial traits and skills. This will enable the women to adapt with the changing trends in both the domestic and global markets and built up competencies enough to sustain and strive for excellence.

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