



# WOMEN ENTREPRENEURSHIP IN INDIA – OPPORTUNITIES AND CHALLENGES

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**Abstract:** Women entrepreneurs play a crucial role in India's wake of globalization and economic liberalization. Women entrepreneurship has the potential to create new economic opportunities for India and contribute to overall growth, leading to poverty reduction. The increased educational status of women and varied aspirations for better living necessitated a change in the lifestyle of Indian women, leading to the emergence of women entrepreneurs. The sociological setup of Indian society has been male-dominated, which presents a significant challenge to women entrepreneurs. The lack of direct ownership of property, a poor degree of financial freedom for women, and a limited degree of entrepreneurial skills and finance in economically rich and poor women are among the major issues that impede the growth of women entrepreneurship in India. Regardless of the progress made by women entrepreneurs in India, there are still several hurdles that they must overcome to achieve equal rights and positions. Even though women entrepreneurs in India face many challenges, but there are still many success stories of women who have been able to overcome these obstacles and establish thriving businesses. This article aims to explore the challenges and opportunities of women entrepreneurship in India.

**Index Terms - Women, entrepreneurship, economic development, opportunities, challenges.**

## **I. INTRODUCTION**

Women entrepreneurship is gaining importance in India in the wake of economic liberalization and globalization. The policy and institutional framework for nurturing entrepreneurial skills, imparting vocation education and training has widened the horizon for economic empowerment of the women. However, women constitute one third of the economic enterprise. There are scores of successful women entrepreneurs both in economic and social fields in India.

The entry of women into business in India is traced out as an extension of their various activities. The glass ceilings are shattered and women are found indulged in every line of business. Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. 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 various factors. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

## DEFINITION

According to Schumpeter's concept, "Women who innovate, imitate or adopt a business activity are known as women entrepreneurs".

According to Government of India - An enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated by the enterprise to women.

According to APJ Abdul Kalam "Empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

## II. OBJECTIVES OF THE STUDY

- To explore the opportunities and challenges faced by women entrepreneurs.
- Identify the financial, marketing and production constraints that female entrepreneurs face in their business.

## III. RESEARCH DESIGN

The research design for this paper is based on a qualitative analysis that involves an extensive review of relevant literature on women entrepreneurship in India. The data for this paper is gathered from various secondary sources including articles, research publications, online references from various websites and case studies.

## IV. REVIEW OF LITERATURE

Singh & Sandhu, (2017): Education is a key factor in the development of women entrepreneurship in India. Education plays a vital role in empowering women entrepreneurs with the knowledge and skills required to succeed in the business world.

Global Entrepreneurship Monitor (GEM) Report, (2018): The rise of women entrepreneurship in India is a significant development in recent years, as women are playing an increasingly important role in the economic growth and development of the country. According to Global Entrepreneurship Monitor (GEM) Report (2018), India ranks third in the world in terms of the percentage of women entrepreneurs. Even with this progress, women entrepreneurs still face a number of challenges in India.

Women entrepreneurs in India face the challenge of the absence of mentorship and support networks, as the number of women mentors and role models is relatively low. This lack of guidance and support makes it difficult for women entrepreneurs to succeed. Additionally, women's work-life balance and family obligations are significant hurdles that impede their ability to devote time and effort to their businesses, as they are expected to fulfill traditional roles as caretakers GEM, (2018).

Rao, (2019): One of the main reasons for the slow progress of women entrepreneurs in India is the patriarchal societal structure that has been deeply ingrained in the culture of the country. Traditional gender roles and expectations often limit women's access to resources and opportunities, including education and finance, and make it difficult for women to establish themselves in the business world.

Nair, (2019): Another major obstacle for women entrepreneurs in India is access to finance. Women entrepreneurs often face difficulty in obtaining loans and other forms of financial support due to the patriarchal attitudes of the financial institutions and society as a whole. The lack of collateral, property ownership and a credit history are some of the reasons that hinder women from accessing financial assistance. Moreover, women face social and cultural biases that make it difficult for them to secure investment and funding.

According to the recent reports and studies female entrepreneurship has attracted a lot of attention in recent years in light of concrete evidence that it supports economic growth and development.

## V. OPPORTUNITIES FOR WOMEN ENTREPRENEURS

Women entrepreneurship has emerged as a matter of concern in the recent years. It lays stress on utilizing women's leadership skills, decisiveness, and innovative ideas for economic and social development. Over the past years, there has been a rise in recognition and acceptance of women in leadership positions in the corporate sector. Leading conglomerates are appointing female CEOs, today, there are more women running Fortune 500 businesses than at any time in the past. Women are accepting entrepreneurship and are successfully leading businesses, facing and overcoming various challenges. They are properly utilizing various opportunities and prospects for accomplishing their own and their organization's goals and objectives.

### ❖ Opportunities Based on Business

Women entrepreneurs are bestowed with numerous business opportunities depending upon their area, choice of industry, capacity to invest, technical and non-technical skills etc.,

When a woman decides to become an entrepreneur she has extensive opportunities to tap into. The following are the opportunities unfolding in different spheres of commerce.

- In the sphere of manufacturing women can start ventures like Agarbathi manufacturing, papad making, bedspread making, embroidery, export of handicrafts, apparel manufacturing, sweet stalls, manufacturing soft drinks, pickle making, manufacturing garments, handicrafts, printing press etc.
- In the sphere of service industries, women entrepreneurs may try their hand in ventures like catering service, computer centres, tutorial centres, Typewriting institutes, beauty parlours, dry cleaning, small restaurants, tailoring, crèche, florist shops, event management etc.,
- In the realm of trading ventures, women can enter the ventures like fancy stores, diagnostic centres, milk distribution, sweet stalls, drug stores, grocery stores, textile retailing, cool drinks parlour, coffee parlour, cell phone repairs, photo studios, photocopier firms, working women's hostel etc.,
- Highly educated, experienced and broadly exposed women technocrats can start larger venture like running hospitals, coaching centres, diagnostic laboratories, manufacturing activities, suited to their field of specialisation, advertisement and media firms, call centres, hotels etc.,

### ❖ Financial Opportunities

All Banks in India provide financial support to the women Entrepreneur, in the form of micro small loans to buy raw materials and equipment.

### ❖ Non-Financial Support

Women entrepreneurs are provided with the following non-financial support in the form of:

- Putting in Policies, regulations and legal structures suitable to women entrepreneurs.
- Financial counselling and training.
- Business advisory service.
- Handling legal barriers.
- Establishing Commercial linkages.
- Client research.
- Profitability and Efficiency analysis.
- Offering and designing the products based on their needs.
- Lower rate of interest.
- Collateral free loans.
- Simplified processing system.
- Flexible repayment system based on business nature.

### ❖ Opportunities Created by Associations

There are various associations like Self Help Groups (SHG), Federation of Indian Women Entrepreneurs (FIWE), Women's India Trust (WIT), Small Industries Development organization (SIDO), National Bank for Agriculture and Rural Development (NABARD), Self Employed Women's Association (SEWA), Association of Women Entrepreneurs of Karnataka (AWAKE), The International Centre for Entrepreneurship and Career Development, TIEStree Shakti (TSS), Tamil Nadu Corporation for Development of Women Ltd. (TNCDW), Marketing Organization of Women Enterprises (MOOWES),

Women Entrepreneurs Promotion Association (WEPA), Women Entrepreneurs Association of Tamil Nadu (WEAT) are aggressively promoting women entrepreneurship in India.

Similarly, MSE cluster development programme bear a substantial portion of the project cost in respect of ventures owned and managed by women entrepreneurs. The percentage of guarantee given by Credit Guarantee Fund Scheme for Micro and Small Enterprises extend upto 80% for MSEs owned and operated by women.

#### ❖ **Opportunities Created by Government**

Government both Union and Central have put in a number of schemes exclusively for promotion of women entrepreneurship namely:

- Stand-Up India Scheme for Women Entrepreneurs
- Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme for Women
- Mahila Coir Yojana
- Mahila E-haat
- Magalir Udavi Scheme
- Prime Minister's Rozgar Yojana (PMRY)
- Development of Women and Children in Rural India (DWCRA)
- Mudra Yojana Scheme for Women
- Udyogini Scheme
- TRYCEM

#### ❖ **Opportunities created through Training Programme**

Government of India has 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. This has been catalyzing the emergence of women entrepreneurs in India. The following training schemes are being implemented for promoting self-employment of women by Government of India.

- Development of Women and Children in Rural Areas (DWCRA)
- Small Industry Service Institutes
- State Financial Corporations
- National Small Industries Corporations
- District Industrial Centres

#### ❖ **Consortium of Women Entrepreneurs of India (CWEI)**

Consortium of Women Entrepreneurs of India (CWEI) was registered as a civil society in the year 1996 which is a non-profit organization in New Delhi. It is accredited by Government of India. It is a member of National Board, Ministry of MSME and is working closely with Ministry of Rural Development in the Public Private Partnership to support below poverty line families in India. They are rendering the following functions:

- They are acting as a springboard for enterprises started by the women.
- It is helping women achieve high economic empowerment.
- It is acting as a catalyst to improve the access of womenfolk to natural resources.
- It is providing technological support in the sphere of product design and development in the case of women owned enterprises.
- It is providing quality control, marketing and technological supports to women owned enterprises.
- It is spreading knowledge to women entrepreneurs about various government schemes.

In sum, it can be stated that women consortium is an agency providing a comprehensive service of various types to women owned enterprises.

## VI. CHALLENGES FOR WOMEN ENTREPRENEURSHIP

Though there is a tremendous growth in the women entrepreneurship in India, a number of research studies conducted in India have brought out the following problems and challenges encountered by women entrepreneurs during the course of their entrepreneurial journey.

### ❖ **Problem of Finance**

The access of women to external sources of funds is limited as they do not generally own properties in their own name. Financial institutions too do not consider women in general creditworthy as they are skeptical of their entrepreneurial capabilities of women. They impose stringent condition which discourages women to avail themselves of loan assistance from banks. In this context, they are pushed to rely on their own savings and small loans from friends and relatives. Because of the limited funds, women entrepreneurs are not able to effectively and efficiently run and expand their business.

### ❖ **Limited Mobility**

Indian women cannot afford to shed their household responsibilities towards their family even after they plunge into the venture started by them. This restricts the mobility of women entrepreneur significantly. The domestic responsibilities do not allow women entrepreneurs to freely move out of business enterprises in connection with business activities.

### ❖ **Lack of Education**

Illiterate and semi -literate women entrepreneurs encounter a lot of challenges in their entrepreneurial journey with respect to maintaining accounts, understanding money matters, day-to-day operations of the company, marketing the products, applying technology etc., This reduces the efficiency of operating the business successfully.

### ❖ **Lack of Network Support**

The successful operation of any venture irrespective of the size depends upon the network of support extended by various constituencies like family members, friends, relatives, acquaintances, neighbours, institutions and so on. Women entrepreneurs need much needed psychological support and wiser counseling especially during the time they actually encounter challenges. But it is reported that women entrepreneurs get very limited support in times of crisis from most of these constituencies.

### ❖ **Stiff Competition**

Women entrepreneurs have to face acute competition for their goods from organized sector and from their male counterparts. Since they are not able to spend liberally due to financial constraints, they are not able to compete effectively and efficiently in the market.

### ❖ **Gender Discrimination at Workplace**

Most of the industries are male dominated. It is more of a challenge when a woman comes in as a leader, and gives men directions. While most corporates believe in gender equality, and agree that the best person, irrespective of gender, should get the job, there have been many instances where a woman having a gender neutral name gets the job. This proves that unconscious organizational gender bias does exist. Women, right from a young age are instructed not to be 'bossy', whereas, men are encouraged to be assertive and aggressive.

### ❖ **Insensitivity**

Women are more prone to a variety of emotions. Being mother, women are vulnerable to many emotions. They tend to have sympathy and empathy for others. This trait does not allow women entrepreneurs to take objective decisions in many contexts during the course of running the entrepreneurial venture. Besides, the weak emotions do not allow them to tolerate failures and disappointments arising during the normal course of their entrepreneurial journey. This inherently tone downs the effectiveness of their functioning.

### ❖ **Lack of Information**

Women entrepreneurs are reported not to be generally aware of subsidies and incentives available for them due to their poor literacy levels or due to their pre occupation with household responsibilities. This

lack of knowledge or limited knowledge about subsidies prevents them from availing themselves of special concessions, benefits and incentives awarded by Government and other agencies.

### ❖ **Dependent Culture**

In India, women however educated and talented are groomed to be dependent on their parents, life partners and children during the various phases of their life cycle. They could not take decisions on their own in many contexts due to this dependency factor. They have to take permission from their support groups to engage in any purposeful and gainful activity. They are not treated as equals unlike women in western countries. This cultural barrier does not allow them to start and manage their ventures according to their free will and pleasure.

## **VII. WAY AHEAD**

Women entrepreneurship in India faces many challenges and requires a radical change in attitudes and mindsets of society. Therefore, programs should be designed to address changes in attitude and mindset of the people. Women of the present times should be made aware regarding her unique identity and her contribution towards the economic growth and development of the country. Programmes can be conducted in which established and successful women entrepreneurs can advise and warn for the coming women entrepreneurs against the challenges they will face against being entrepreneur to boost the morale and confidence level of the upcoming entrepreneurs. Government should also play an important role by setting up policies and plan that supports entrepreneurship opportunities. It is not easy to promote women entrepreneurship in India as it requires elimination of various obstacles that includes changing the traditional attitudes and mindsets of people in society towards women. To provide opportunities of women entrepreneurship in India one needs to make aware the women regarding her position towards the value she can add towards economic growth and development of country. Education can play a crucial role in promoting women entrepreneurship and promotion of women entrepreneurship can be achieved by designing course curriculum that will impart the basic knowledge along with its practical implication regarding setting up of your own enterprise. Vocational training can also help by training, motivating and assisting the upcoming women entrepreneurs in setting up and managing of a new enterprise. Also women entrepreneurs who have successfully set up their enterprises can act as advisors for the upcoming women entrepreneurs. The advices taken from these successful entrepreneurs can prove beneficial for the upcoming women entrepreneurs by resulting in better involvement of women entrepreneurs in their enterprises.

### **Some Successful Leading Business Women in India**

- Akhila Srinivasan, Managing Director, Shriram Investments Ltd.
- Chanda Kocchar, Executive Director, ICICI Bank
- Ekta Kapoor ,Creative Director, Balaji Telefilms.
- Kiran Mazumdar-Shaw, Chairman and Managing Director, Biocon
- Ranjana Kumar ,Chairman, NABARD
- Renuka Ramnath, CEO, ICICI Ventures
- Ritu Kumar ,Fashion Designer
- Shahnaz Hussain, CEO, Shahnaz Herbals

## **VIII. CONCLUSION**

Women have emerged as successful entrepreneurs in this highly competitive business environment. They have proven that they are no less than their male counterparts in accomplishing the organizational objectives and in taking their company to the heights of success. Today, every country boasts of their successful women entrepreneurs who have reached the heights of success. Though they have been successful in their efforts, they have been through various difficult situations and have tactfully dealt with them. In spite of that, there are very few women who hold such high positions in major companies. In order to assist them and help them in accomplishing their own as well as the organizational goals, women entrepreneurs should be supported by their male counterparts, their colleagues, and their family so that they can proceed confidently towards the road of growth, success, and prosperity. However, efforts need to be taken at larger scale to give the position in the field of entrepreneurship that they deserve. The actions and steps that has been taken by the government sponsored development activities have benefited only a small strata of society and more needs to

be done in this area. Effective steps need to be taken to have entrepreneurial awareness and skill development to women.

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