

WOMEN ENTREPRENEURS IN INDIA: PROGRESS AND PROSPECTUS

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Abstract: Across the world, entrepreneurs have been considered as instrumental in initiating and sustaining socio-economic development both in developed and developing countries. The emergence of women on the economic scene as entrepreneurs is a significant development in the emancipation of women and securing them a place in the society, which they have all along deserved. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today women entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. Now a day, because of women empowerment women are stepping-stone into the industries and are taking the place of men. Accordingly, a woman entrepreneur is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and at least 51% of the employment generated in the enterprise to a woman. The main aim of this research paper is to study the present status of women entrepreneurs in India, identify the problems faced by women entrepreneurs in setting up their own enterprises and suggesting remedial measures to accelerate the women entrepreneurship.

Keywords: Economic Participation, Emancipation, Entrepreneur, Women Empowerment.

INTRODUCTION

Today's business in a developing country like India is built around human capital is one of the valuable factors. Globalization and Liberalization of markets encouraged women to come forward to become an entrepreneur and start new industries. It is a common assumption that majority of women in India are economically non-productive as they are not involved in activities that are financially remunerative but this trend is gradually changing. Women across regions have started showing interests to be economically independent. It is the group of women or single women running an enterprise or company in order to earn profit. A role of modern women is not confined to the traditional role as a mother and housewife; it has and is undergoing changes. As woman gets educated, she begins to think of herself as an independent person, she is aware of her own identity, potentials and decision making capabilities. In the past women is taken only as house manager but with the change of time, change of thinking and spread of education the role of women in society is also changed.

Interested women with creative and innovative ideas are coming forward to start the small and medium sized enterprises. A women entrepreneur is a person who is an enterprising individual with an eye for opportunities and an uncanny vision, commercial acumen with tremendous perseverance and above all a person who is willing to take risk with the unknown because of the adventurous spirit she possesses. Now a days the women is not only a housewife but she plays different roles like academic,

teaching, politics, software development, business management, Bank Manager, Civil Officer, I.A.S. etc.

The need of more women entrepreneurs has to be studied for two reasons, the first one is that women entrepreneurship is an important untapped source of economic growth and the second reason is that the women entrepreneurs create new jobs for themselves and others; they can provide different solutions to management, organization and business problems. Among these reasons, women run organized enterprises with their skill and knowledge, their talents and abilities in business and a compelling desire of wanting to do something positive.

According to Government of India "An enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women". Schumpeter's defined the entrepreneur in an advanced economy as "an individual who introduce something new in the economy- a method of production not yet tested by experience in the branch of manufacturing, a product with which consumers are not yet familiar, a new source of raw material or of new markets and the like".

An Entrepreneur is one who always searches for truth respond to it and exploit it as an opportunity. Entrepreneur takes risks to explore new profitable business opportunities. "Entrepreneur is an employer, master, merchant but explicitly considered as a capitalist". The women entrepreneur is also the one outcome of this fast changing society. But the women entrepreneur in Indian context has

to face a lot of challenges to survive in this male dominating society.

OBJECTIVES OF THE STUDY

The present study aims at fulfilling the following objectives.

1. To study the status of women entrepreneurs in India.
2. To explore the difficulties of women entrepreneurs in India.
3. To suggest remedial measures for uplifting the women entrepreneurs.

SCOPE OF THE STUDY

The study is confined to entrepreneurial activities run and managed by women in Indian economy. The functional scope of the study is to suggest remedial measures for the successful growth and development of women entrepreneurs. For this the Secondary data has collected from various books, national and international journals, publications from various websites which focused on various aspects of Women Entrepreneurship.

REVIEW OF LITERATURE

There are various surveys and studies that indicate that women entrepreneurship is on the rise of world over. In India too, there has been a substantial escalation in women entrepreneurship and several surveys conducted of late, further validate this overwhelming phenomena.

Melanne Verveerin (2010), Women entrepreneurs are a vital source of growth that can power our economies for decades, yet they face tremendous challenges to their full economic participation. The GEM Women's Report provides important data which is critical to our understanding of women-run SMEs.

Bhandari R. in the book "Entrepreneurship and Women Empowerment" (2010), Alfa Publications, talks about empowerment of women for the sustainable development of a community, he says social justice and freedom have a dynamic role to play to achieve such sustainability, but notion of sustainability often

becomes the victim of unsustainable tradition and political opportunism.

A survey was conducted by Women's Web (2012), where 100 Indian women entrepreneurs were interviewed and some of the findings of this survey were very interesting. Majority of the respondents were small and medium business owners. It also clearly indicates the confidence of women in India and how even at a young age, they are rearing to actualize their dreams.

The Dell Women's Global Entrepreneurship (2012), India study further substantiates the fact that women business owners in India are feeling confident and this is because business is doing well. When asked about expectations for business growth, women entrepreneurs in India are very optimistic about it.

So a broad insight into the literature review suggests that, today the Indian women entrepreneurs increasingly are a force to be reckoned with. According to the Women's Global Entrepreneurship study conducted in US, UK and India, commissioned by Dell (2012), has been found that the ideal country for a woman starting a business in 2012 in India that, a new wave of entrepreneurship is going to thrive in these turbulent times. So it becomes imperative for the researcher to examine the rise of Women Entrepreneurs in India over a period.

PRESENT STATUS OF WOMEN ENTREPRENEURSHIP IN INDIA

With the change of time there is tremendous upliftment in the status of Indian women entrepreneur. Women entrepreneurs are gaining a strong hold in most of the developing countries including India, Brazil etc. Another recent trend is women are increasingly coming on the fore front in private and government business organizations and occupying the top positions everywhere-like Indra Nooyi, Kiran Mazumdar Shaw, Naina Lal Kidwai, etc. Again, there is increased awareness and women entrepreneurs are increasingly finding easy to finance their business. Women entrepreneurs are also taking up issues of environmental changes too.

Table-1: Women - Work Participation

Country	Percentage
India	31.6
USA	45.0
U.K	43.0
Indonesia	40.0
Sri Lanka	45.0
Brazil	35.0

Source: World Bank Doing Business in India 2010.

Table-2: Women Entrepreneurship status in India

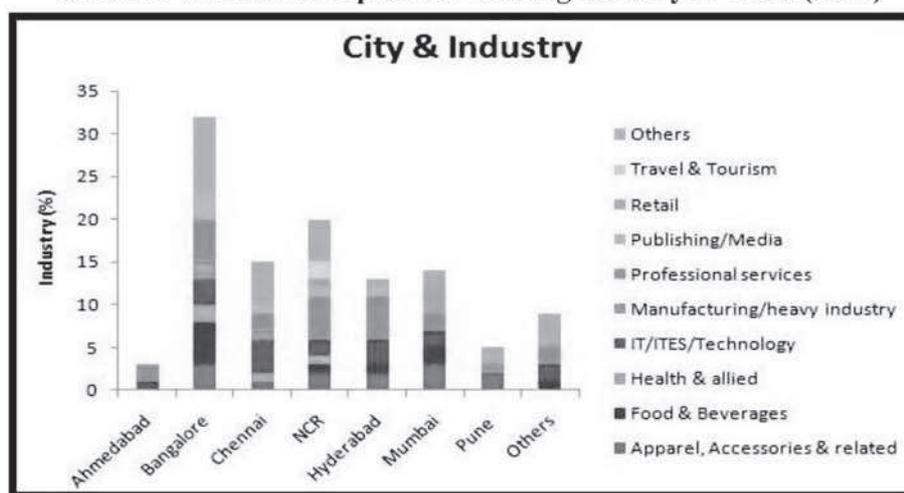
States	No of Units registered	No of Women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujarat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States and UTS	14576	4185	28.71
Total	57,452	18,848	32.82

Source: World Bank Doing Business in India 2010.

WOMEN ENTREPRENEURS RUNNING INDUSTRY IN INDIA:

Presently, Women entrepreneurs are diversifying from some set businesses. Normally they were involved in beauty

product business, beauty salon business, boutiques, restaurants etc. However now this trend is changing and they are diversifying into more technical businesses.

Chart-1: Women Entrepreneur running industry in India (2012)

Source: www.womensweb.in

In the above chart 59% of the report shows, in **Industry**, Professional services, IT/ITES, Apparel/Accessories and Food and Beverages are the four major sectors in which women own businesses

Bangalore takes the top position among all other cities in the presence of women entrepreneurs. Kolkata is the only absentee large metro (tucked away under 'others'), with all the others such as Chennai, the National Capital Region (NCR), Pune,

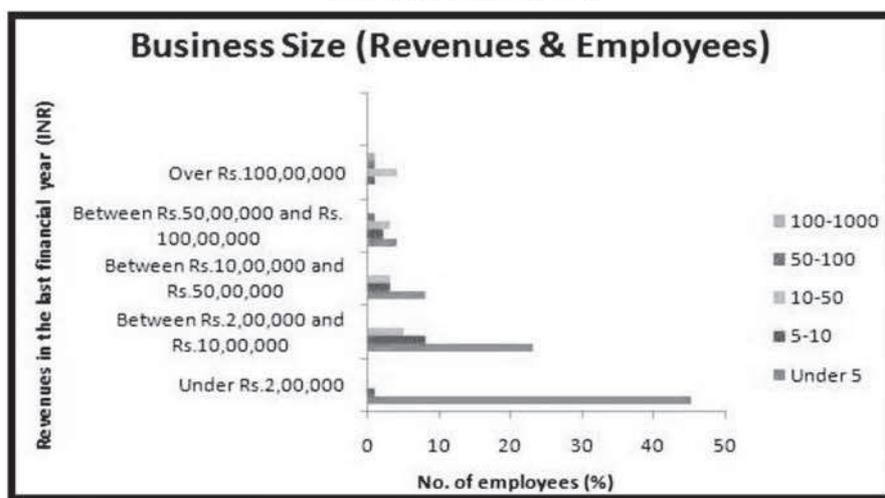
Mumbai and Hyderabad figuring in the chart-1

Table-3: Status of establishment of business in India – Comparisons among major Cities/Capitals

Sl. No	Country	Ease of Doing Business (Rank)	How many days to start a Business (Days)	Days to Enforce A Contract (Days)	Time to close a Business (Years)	Days to Export
1.	Ludhiana	1	33	862	7.3	21
2.	Hyderabad	2	33	770	7	26
3.	Bhuvaneshwar	3	37	735	7.5	17
4.	Gurgaon	4	33	1163	7	25
5.	Ahmadabad	5	35	1295	6.8	17
6.	New Delhi	6	32	900	7	25
7.	Jaipur	7	31	1033	9.1	22
8.	Guwahati	8	38	600	8.3	22
9.	Ranchi	9	38	985	8.5	21
10.	Mumbai	10	30	1420	7	17
11.	Indore	11	32	990	8	21
12.	Noida	12	30	970	8.7	25
13.	Bangalore	13	40	1058	7.3	25
14.	Patna	14	37	792	9.3	19
15.	Chennai	15	34	877	7.5	25
16.	Kochi	16	41	705	7.5	28
17.	Kolkata	17	36	1183	10.8	20

Source: World Bank Doing Business in India 2010.

Chart-2: Business size



Source: www.womensweb.in

From the above chart, it is clear that the majority of women-owned businesses are **micro-enterprises or small/medium-sized businesses**, with 73% reporting revenue of under ₹10,00,000 in the last financial year. Corresponding to this, 71% report shows that the majority are **under 5 employees**.

FACTORS INFLUENCING FOR WOMEN TO BECOME WOMEN ENTREPRENEURS:

There are several factors which can initiate entrepreneurship characteristics among women. Basic

entrepreneurial initiators are: personal motivations, socio-cultural factors, availability of ease finance, government schemes support and business environment. Some independent factors are market opportunity, family background, idea, challenge, and dream desire of status and economic independence. These factors vary according to parameters such as region, gender, age, family background and work experience. Several surveys conducted in different parts of the world regarding women entrepreneurship management show that women have provided to be good entrepreneurs for the following reasons:-

<p>A. MOTIVATION FACTORS</p> <ol style="list-style-type: none"> 1. Economic Necessity 2. Economic Independence 3. Self Actualization 4. Establishing their own creativity 5. Equal status in Society 6. Achievement excellence 7. Education and Qualification 8. Building Self Confidence 9. Developing Risk taking ability 10. Employment Generation 11. Family occupation 12. Greater Freedom and Mobility 13. Government Policy and Program 	<p>B. FACILITATING FACTOR</p> <ol style="list-style-type: none"> a. Innovative thinking b. Self satisfaction c. Co-operation of family d. Networks of contracts e. Financial facilities f. Experience and skills g. Support from family members
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PROBLEMS OF WOMEN ENTREPRENEUR

Women entrepreneur encounter two problems namely general problems of entrepreneur and problems specific to women entrepreneur. The problems are constraint experienced by women entrepreneur are resulted in restricting the expansion of the women entrepreneurship and they are as follows;

1. **Problems access to finance:** Women entrepreneurs are lacking access to finance because women generally do not have property in their names to use them as a collateral security for obtaining funds from external source. The bank also considers the women as less credit worthy and discourages the women entrepreneurs. The family members of her have little confidence in the capability of the women to run the business.
2. **Limited mobility:** Unlike men, women modality for travelling from place to place in India is limited due to the various reasons. Women on their own find it difficult to accommodate in smaller towns even the dual responsibility that the women have to cope with

- making business success as well as looking after the home, restrict in their mobility.
3. **Family Ties:** In India, it is mainly women duties to look after the children and other members of families. Her involvement in family leaves little energy and time to devote for business. Married women entrepreneurs have to make fine balance between the business and their home.
4. **Male Dominated Society:** Important barrier to the empowerment of women through enterprise is the main chauvinist prevalent social factor and believes are not conducive to the blossoming of women entrepreneur. This consideration act as a stumbling block in their strife for equal status with men in the economic activity.
5. **Role Conflict:** Entrepreneurship needs a high level of commitment, devotion and dedication. Women taking on mantle of entrepreneurship suffer from stress and strain caused by role overload and role conflicts.
6. **Lack of Education:** The greatest barrier of the entrepreneurial career among women is the lack of education. In India 60% of women are illiterate and illiteracy is the major problem of socio economic

backwardness. Lack of information and experience creates further problems in setting up of business.

7. **Discrimination in upbringing:** Right from early childhood, girl child is taught not to be aggressive. They are discouraged to move out of the family and take up the business. This attitude of the family members makes women weak and passive in approach.
8. **Low need For Achievement:** Need for achievement independence autonomy are the prerequisites for the success of the entrepreneurship. But women are proud to bask in the glory of their parents, husband, children etc. Their preconceived notions about the role in the life inhibit achievement and independence.
9. **Low Risk Bearing Ability:** Women in India need a protected life and they are confined to the four walls of house. They are less educated and economically not self dependent and lack the entrepreneurial initiative or training, inferiority complex, unplanned growth etc. all this reduces the ability of women to bear a risk.

10. **Lack of Self Confidence:** Women lack of self confidence in their own abilities which is partly due to socio cultural environment. Having accepted a subordinate status for long even at home members of their family do not appear to have total confidence in their abilities and on their decision making.

PROMOTIONS OF WOMEN ENTREPRENEURS:

India's first prime minister Pandit Jawaharlal Nehru said "When women are forwarded more, then the family moves, the village moves and the nation moves". In India Women constitute about 50 per cent of population but their participation in economic activity is only 34 per cent. There is a continuing concentration of women in low paid, low status occupation indicating that women are marginalized in the labour force.

Table-4: Institutions supporting women entrepreneurship in India

Some of the systems which supported the women entrepreneurs over the period are as listed in the following table

INSTITUTIONS	YEAR
Central Bank of India Credit Schemes	1911
Self-Employment Women's Association	1972
National Bank for Agriculture and Rural Development (NABARD)	1982
State Government Schemes for Development of Women and Children in Rural Areas (DWCRA)	1982
Association of Women Entrepreneurs of Karnataka (AWAKE)	1983
Small Industries Development Bank of India (SIDBI)	1990
Federation of Indian Women Entrepreneurs (FIWE)	1993
Consortium of Women Entrepreneurship in India (CWEI)	1996
The Indus Entrepreneurs- Stree Shakti	2009
National Entrepreneurship Network-Goldman Sachs 1000 Women Entrepreneurs	2009
Google India Women on Web	2012

Employment gives economic status to women, economic status gives way to social status and there by empowerment. Following are the promotional measures to support women entrepreneurs.

1. PROMOTIONAL INSTITUTIONS

- a. **Federation of Ladies Organization:** FLO was formed in 1983 as a national level forum for women with the objective of women empowerment. FLO has

spectrum of activities in order to promote women entrepreneurship and professional excellence.

- b. **Federation of Indian Women Entrepreneur:** FIWE was started in 1993 at the fourth international conference of women entrepreneurs held in December at Hyderabad. Its main function was to establish networking and to provide a package of service to women entrepreneurs association in India. Association of women entrepreneurs in different

states are affiliated to FIWE, so that they can have networking.

- c. **National Women Development Corporation:** NWDC serves all women especially in rural and urban poor areas through promotion of women development in rural and urban areas.
- d. **World Association of Women Entrepreneurs:** The world association of Women entrepreneurs is an international women organization. It aims to bring together all women who are qualified to take up an active and leading part in employers organization along with their male colleagues.
- e. **Association of Women Entrepreneurs of Karnataka:** AWAKE was established in 1983 and has been recognized worldwide. It is an affiliation of Women World Bank in New York. It is one of India's institution for women totally devoted to entrepreneurship development.
- f. **Consortium of women entrepreneur of India (CWEI):** In the context of the opening up of the economy and the need for up-gradation of technology, the consortium of women entrepreneur of India started in year 2001 provides a common platform to help women entrepreneurs in finding innovative techniques of production marketing and finance.
- g. **Women's India trust (WIT):** The trust was established in 1968 by Kamila Tyabji. WIT centre at parnvel, 40kms, from Mumbai. The kamila trust UK was set up in the early 1990's with an aim of selling in England items produced by WIT family of women in India. Encourage by its London, WIT expanded the export activities to Australia, Europe, Germany from 1995 onwards. WIT had plans to launch computer training for women.
- h. **Self-help groups (SHGs):** A SHG's is a small, economical homogeneous and significant group of rural and urban poor, voluntarily formed to save and mutually agreed to contribute to common fund to be lent to its members a per group decision.

CREDIT INSTITUTIONS

1. **Small Industry Development Bank of India (SIDBI):** It assists the entire spectrum of SSI sectors including the tiny village and cottage industry through suitable schemes to meet the requirement of project, expansion, diversification, modification and modernization. It has three women specific scheme; they are Mahila Vikas Nidhi, Mahila Udam Nidhi and Marketing fund for women. These schemes give

financial assistance to women entrepreneurs to enable them to set up industrial units in small scale sector.

2. **NABARD:** The National Bank for Agriculture and Rural Development seeks to remove the barriers of credit to women. It aims to treat women as risk free and provide linkages along with credit and identify the economic activity for women and to promote SHGs and link them with formal banking system.
3. **The Rural Small Business Development Centre (RSBDC):** It is the first of its kind set up by the world association for small and medium enterprises and is sponsored by NABARD. It works for the benefit of socially and economically disadvantaged individuals and groups. It aims at providing management and technical support to current and prospective micro and small entrepreneurs in rural areas.
4. **Rural and Women Entrepreneurship Development (RWED):** This programme aims at promoting a business environment and at building institutional and human capacities that will encourage and support the entrepreneurial initiatives of rural people and women.
5. **World Association for Small and Medium Enterprises (WASME):** It is the only International Non-governmental Organisation of micro, small and medium enterprises based in India, which set up an International Committee for Rural Industrialisation. Its aim is to develop an action plan model for sustained growth of rural enterprises.

Apart from these, there are several schemes to promote the non-farm sector, mostly initiated by the Government of India. For instance, there are schemes for entrepreneurship through subsidised loans like Integrated Rural Development Programme (IRDP), Prime Minister Rojgar Yojana (PMRY), schemes to provide skills like Training of Rural Youth for Self Employment (TRYSEM), and schemes to strengthen the gender component like Development of Women and Children in Rural Areas (DWCRA).

GOVERNMENT INITIATIVES TO EMPOWER WOMEN ENTREPRENEURSHIP

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are as follows:

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 (MDP), Women's Development Corporations (WDCs), Marketing of Non-Farm Products of Rural Women (MAHIMA), SBI's Stree Shakti Scheme, Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP), etc. The efforts of the government and its different agencies are supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite, there are certain gaps between the efforts of government and NGOs. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

SUGGESTIONS FOR THE DEVELOPMENT OF WOMEN ENTREPRENEURS

The following measures are suggested to empower the women to seize various opportunities and face challenges in business.

1. Awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.
2. Vocational training to be extended to women community that enables them to understand the production process and production management.
3. Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
4. Educational institutes should tie up with various government and non-government agencies to assist in entrepreneurship development mainly to plan business projects.
5. International, National, Local trade fairs, Industrial exhibitions, seminars and conferences should be organized to help women to facilitate interaction with other women entrepreneurs.
6. Women in business should be offered soft loans and subsidies for encouraging them into industrial activities. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures.
7. Making provision of micro and enterprise credit system to the women entrepreneurs at local level.
8. Self help groups of women entrepreneurs to mobilize resources and pooling capital funds, in order to help the women in the field of industry, trade and commerce can also play a positive role to solve this problem.
9. To establish All India Forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path of women entrepreneurs and taking strict stand against the policies or strategies that obstruct the path of economic development of such group of women entrepreneurs.
10. Counselling through the aid of committed NGO's, psychologists, managerial experts and technical personnel should be provided.
11. Making provisions of marketing and sales assistance from Government part.
12. There are various schemes and plans of government for the encouragement of women entrepreneurs but on ground level their execution is poor, there should be a strong monitoring of these policies at different levels of execution.
13. Government should organize training programmes to develop skills, professional competencies, leadership and information of marketing and financial at village level.
14. Flow of information in right direction with the help of NGO's and government organizations to about policies, plans and strategies on the development of women in the field of industry, trade and commerce.
15. There is a need on the part of the formal financial sector to build up an effective and efficient financial strategy to improve access of women entrepreneurs to banks and financial institutions. The banks should take up steps to reach the potential women entrepreneurs and encourage them to avail credit and credit plus service from banks.

CONCLUSION

It is observed that women entrepreneur networks are major sources of knowledge about women's entrepreneurship and they are increasingly recognized as a valuable tool for its development and promotion. Efforts are being taken at the economy as equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights and opportunities of participation in political process, education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only to a small section of women i.e. the urban middle class women. According to the study it has been observed that Women are very good entrepreneurs, and prefer to choose the same as they can maintain work life balance. Women sector occupies nearly 45% of the Indian population. Even though we have many successful Women Entrepreneurs in our country, but as we have a male dominated culture there are many challenges which women entrepreneurs face from family & Society. At this juncture, effective steps are needed to provide entrepreneurial

awareness, orientation and skill development programs to women.

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