
WOMEN ENTREPRENEURS IN INDIA: CHALLENGES AND EMPOWERMENT

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Abstract: No country can flourish by neglecting the potential of its women workforce. With economic liberalization and globalization, women entrepreneurs are increasing globally. The concealed entrepreneurial capabilities of women have been gradually coming ahead with the developments in socio political environment in society. Skill, adaptability and knowledge in business are the main drivers for women to undertake new business ventures. There exists a plenty of successful women entrepreneurs in a variety of sectors in India. Their outstanding performance in their respective fields has set an example for various emerging women entrepreneurs. However, they have to encounter a large number of challenges like male domination, family obligations, lack of education, lack of self confidence, finance problem, limited mobility, limited managerial skills, etc. Although, Government of India has taken a large number of policy measures in this regard, yet, there is a long way to go. This paper focuses on the challenges faced by women entrepreneurs in India, how to overcome them and to enumerate the policies of Indian government for their empowerment.

Keywords: Empowerment, Growth, Problems, Women Entrepreneurs.

Introduction: J. A. Schumpeter defined women entrepreneur as “Women who innovate, imitate or adopt a business activity”. The Government of India has defined women entrepreneurs on the basis of the participation of women in equity and employment of a business enterprise. The Government of India has defined women entrepreneur as “an enterprise owned and controlled by a woman 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.” In brief, women entrepreneurs comprise of those women who think about a business venture, introduce it, organize and assemble the agents of production, carry out all the business activities and bear risks and manage economic uncertainty involved in running a business venture.

Women controlled businesses are increasing all over the world. The concealed entrepreneurial capabilities of women have been gradually coming ahead with the developments in socio political environment in society. Skill, adaptability and knowledge in business are the main drivers for women to undertake new business ventures. Women entrepreneur undertakes more challenges to satisfy her personal desires and become financially autonomous. A vigorous passion to do something positive is an inherent trait of entrepreneurial woman, who is proficient enough to contribute morals in family as well as social life. Due to the onset of media, women are becoming conscious of their own capabilities and also possibilities for career and personal growth. The glass ceilings are demolished and women are now active in every sort of business from pickle making to electric cables. Women are expanding as interior decorators, publishers, exporters, designers, garment manufacturers, beauty experts and still investigating new channels of commercial involvement. Although, in India, female population is a little less than male population, the business world is still dictated by male. This paper focuses on the challenges faced by women entrepreneurs in India, how to overcome them

and to enumerate the policies of Indian government for their empowerment.

Review of literature: Basargekar (2007) observed that there are several negative and positive drivers which have promoted entrepreneurship amongst women. The desire to start one’s own business, desire to explore abilities are some of the positive drivers. At the same time there are some negative drivers such as lack of job opportunities in the organized sector, pressure of handling dual responsibility of domestic work and career, etc., which are also equally important for encouraging entrepreneurship amongst women. Also, it was observed that women entrepreneurs face a number of problems such as socio-cultural barriers, financial constraints, managerial and technical constraints, and so on. Murthy and Latha (2010) asserted that the women entrepreneurs need to be praised for their increased application of latest technology, expanded investments, discovering a slot in the export market, building ample job opportunities for others and setting the direction for other female entrepreneurs in the organized sector. Although women entrepreneurs have exhibited their potential, the truth remains that they are competent of providing much more than what they already are. For harnessing their potential and for their persistent growth and development, it becomes essential that adequate strategies for inspiring, encouraging and maintaining their endeavors in this direction should be formulated. Saurabh (2012) observed that the women entrepreneurs met restrains in facets of financial, marketing, family, health and location problems. What women need for enterprise management is little training, finance, co-operation and encouragement in the sphere of activities, at all levels - home, the society and the government. Siddiqui (2012) identified some of the major problems of women entrepreneurs in India like women's family obligations, gender inequality, problem of Finance, low-level risk taking attitude, and the male - female competition. It was also emphasized that the problems of women entrepreneurs can be

eradicated by appropriate training, incentives, encouragement and motivation, social recognition of their entrepreneurial abilities, and family's moral support. **Ilahi (2012)** identified a large number of socio-economic constraints for women entrepreneurs like male domination, family obligations, lack of education, lack of self confidence, finance problem, limited mobility, limited managerial skills and so on. It was also suggested remedial measures like training programmes, Government assistance, easy finance, etc. **Vijayakumar and Jayachitra (2013)** found that the developing nations are absolutely in dire need to motivate women entrepreneurship as women workforce is instantly available to exploit the uncharted dimensions of business undertakings. The government funded development activities have assisted only a marginal section of female folk. The large bulk of them are still unaffected by shift and expansion activities have benefited only the urban middle class women which constitute a small section of women entrepreneurs. Women entrepreneurs must be carved adequately with entrepreneurial qualities and skills to meet changing trends and challenging international markets, and also be proficient enough to survive and sustain in the local economic field. **Kumbhar (2013)** revealed that absence of definite agenda of life, absence of balance between family and career obligations of women, poor degree of financial freedom for women, absence of direct ownership of the property, the paradox of entrepreneurial skill & finance in economically rich and poor women, no awareness about capacities, low ability to bear risk, problems of work with male workers, negligence by financial institutions, lack of self-confidence, lack of professional education, mobility constraints and lack of interaction with successful entrepreneurs are major problems of women entrepreneurship development in India. **Singh (2013)** emphasized that the empowerment of women has become one of the most important concerns of 21st century not only at national level but also at the international level. Government initiatives alone would not be sufficient to achieve this goal. Society must take initiative to create a climate in which there is no gender discrimination and Women have full opportunities of self decision making and participating in the social, political and economic life of the country with a sense of equality.

Data and methodology: This study is an observatory study based on secondary data. The data has been collected from various published sources, books and websites.

Growth of women entrepreneurship in India: In India, women constitute nearly half of the country's total population. Therefore, they are rightly considered as the "better half of the society". Officially, they are proclaimed to be at par with men. But, this is not true in real life. We live in a male-dominated society where women are not regarded as equivalent partners both outside and inside the four walls of the house. Actually,

they are treated as abla, i.e., helpless and male dependent. Hence, the Indian women have an adverse status in the community. Our antiquated socio-cultural customs and taboos imprisoning the women within the four walls of their houses also worsen their conditions. These aspects collectively serve as discouraging conditions for the evolution and growth of women entrepreneurship in India. Consequently, the women entrepreneurship is expected to be flourished at a slower pace in the country.

In India, women entrepreneurship is a recent phenomenon. Earlier, there were 3 Ks, viz., Kids, Kitchen and Knitting which over a time shifted to 3 Ps and now exists 3 Es. Women entrepreneurship is tracked out as an expansion of their kitchen activities primarily to 3 Ps, viz., Pickles, Pappad and Powder. Both pull and push factors forced Indian women to be plugged into business. Pull factors entail the factors that boost women to initiate a venture with an impulse to do something on their own. Push factors includes the factors which motivate women to undertake their own business to help along their financial difficulties and accountabilities. With increasing awareness about business and advancement of women education over the time, women have begun switching from 3 Ps to captivate to 3 modern Es, viz., Electronics, Engineering, and Energy and other industries under Integrated Rural Development Programmes. Indian women have excelled in these fields. Women entrepreneurs have proved beyond doubt that given a chance, they can surpass their male counterparts. Smt. Yamutai Kirloskar (Mahila Udyog Limited), Kiran Majumdar Shaw (Bio-Technology), Swati Piramal (Healthcare), Smt. Sumati Morarji (Shipping Corporation), Naina Lal Kidwai (Banking), Vandana Luthra (Slimming and Fitness), Smt. Shahnaz Hussain (Beauty Clinic) and Ekta Kapoor (Television and film industry), are some ideal names of successful and established women entrepreneurs in our country. Women have traditionally played an important role in the small business development as owners, managers and workers. Industries with highest concentration of women owned firms are health care and self assistance (53%), educational services (45%) and administrative and waste management services (37%) whereas, industries with lower concentration are construction (8%) and finance and insurance (20%).

Problems of women entrepreneurs: In India, women entrepreneurs have to struggle a lot and encounter a large number of problems to succeed in business. Some problems are general and faced by every entrepreneur, but some problems are specific to women entrepreneurs. These problems are discussed as follows:

Financial problems: Finance is considered as "life blood" for any business organization, whether it is small or big. However, women entrepreneurs experience shortage of funds in two ways. Firstly, women do not generally own property on their names such that it can be used as collateral for procuring funds from extraneous sources. Therefore, they have a limited

access to the external sources of funds. Secondly, women are also considered less credit-worthy by banks and financial institutions and, therefore, women borrowers are discouraged on the presumption that they can leave their business at any time. Because of such a situation, women entrepreneurs are constrained to rely on their personal savings, if any and borrowings from relatives and friends who are expected to be inadequate and insignificant. Thus, due to the scarcity of funds, women enterprises fail.

Paucity of raw material: Majority of women enterprises are troubled by the paucity of raw material and essential inputs. This trouble is further deepened by the huge cost of inputs, on the one hand, and obtaining raw material at the least discount, on the other. In 1971, many women co-operatives engaged in basket-making were failed because of the scarcity of raw material.

Limited Mobility: In India, unlike men, women mobility is highly restricted due to various causes. If a single woman asks for a room, she is still looked upon with suspicion. Tiresome exercise involved in opening a venture coupled with the humiliating attitude of the officials towards women forces them to give up their plan of starting an enterprise.

Lack of Education: Around three-fifths (60%) of women in India are still illiterate. Inadequate education is the base cause of socio-economic issues. Women are unaware of business, market knowledge and technology due to the lack of qualitative education. Also, lack of education is the main cause of low achievement motivation among women. Therefore, insufficient education creates one type or other problems for women in establishing and operating business enterprises.

Stiff competition: Generally, women entrepreneurs do not possess organizational set-up to invest a huge sum for canvassing and publicity. Thus, for marketing their products, they have to face tight competition with both their male counterparts and organized sector. Such a competition finally leads to the winding up of women enterprises.

Family Responsibilities: In India, it is primarily a women's duty to take care of the children and other family members. Man's role is secondary. A married woman has to strike a proper balance between her family and business. Her total engrossment in family leaves a little or no time and energy to devote for business. Husband's approval and support seem to be crucial requirement for entry of women into business. Accordingly, the husband's education and family background positively impact entry of women into business activities.

Low Risk-Bearing Ability: Risk-bearing is a necessary prerequisite of a successful entrepreneur. Indian women prefer a protected life. As discussed earlier, they are less educated as well as economically dependent on others. Hence, their ability to tolerate risk involved in operating an enterprise is reduced.

Male-Dominated Society: Male fantacism is still the prevalent in India. Our constitution proclaims equality

of males and females. But, in practice, women are deemed to be abla, i.e. weak and helpless. They have to face male reservations regarding a women's role, capacity and ability and are treated accordingly. To summarize, women are not treated at par with men in our male-dominated Indian society. This, in turn, results into a barrier to entry of women into business.

Not only this, inadequate infrastructural facilities, high cost of production, shortage of power, social attitude, socio-economic constraints and low need for achievement also restricts the women from entering into business.

Empowerment of women entrepreneurs - government measures: No country can attain its prospects without appropriately investing in and elaborating the capabilities of women. In the interest of long-term development it is necessary to facilitate the empowerment of women. In many developing countries, including India, women have much less opportunities of education, jobs and income than men. Empowering women entrepreneurs is necessary for accomplishing the objectives of sustainable development and the gridlocks obstructing their growth must be removed to ensure their full involvement in the business. Ministry of Micro, Small and Medium Enterprises (MSME) has a wide range of schemes that specifically target to help the women entrepreneur. These are as follows:

In order to motivate women to establish their own enterprises, the Ministry of MSME has launched Trade Related Entrepreneurship Assistance and Development (TREAD) scheme. This scheme foresees economic empowerment of women by way of the development of their entrepreneurial skills. They are trained in non-farm activities. In this scheme, a grant of upto 30% of the total project cost is given by the Government of India to the Non-Government Organisations (NGOs) for stimulating women entrepreneurship. The lending agency finances the remaining 70% of the project cost as loan for undertaking those activities as anticipated in the project. Moreover, a grant of upto Rs.1 lakh per programme, to impart skills & training to women entrepreneurs, is given to training institutions / NGOs subject to certain conditions.

Lack of physical infrastructure is one of the greatest obstacles faced by any entrepreneur. IID Scheme is implemented by the ministry to provide developed sites having infrastructural facilities. The IID scheme has been included in the Cluster Development Programme of MSME. All the characteristics of IID Scheme have been maintained. Industrial estates having more than 50% women enterprises are given central grant of 80% of the project cost to build physical infrastructure, subject to a maximum of Rs.8 crores.

Micro & Small Enterprises Cluster Development Programme (MSE-CDP) is another scheme introduced by the Ministry. This scheme provides assistance for common facilities, marketing etc. It aims at enhanced competitiveness, marketing of products, adoption of best manufacturing practices, technology improvement,

employment generation and so on.

Further, one more scheme for entrepreneurs is the Credit Guarantee Scheme which aims to guarantee better credit flow to micro and small enterprises by curtailing the risk perception of banks and financial institutions in lending without collateral security. In this scheme, guarantee cover is supplied to collateral free credit facility provided by member lending institutions (MLIs) on loans up to Rs.100 lakh to the existing as well as new micro and small enterprises. The guarantee cover of up to 75% of the loans extended is available, but for Micro and Small Enterprises owned and/or operated by women, the extent of guarantee cover is 80%.

To encourage the participation of women entrepreneurs in the International Exhibitions under Market Development Assistance (MDA) scheme it has been decided to grant rent free space in the exhibitions and compensate 100% economy class air fare of one representative.

A National Board for MSME (NBMSME) has been formed under the MSMED Act, 2006, to look into the various issues for the development of MSME sector. This board consists of three associations of women entrepreneurs, for providing representation to women entrepreneurs.

In addition to this, a large number of global, national and local organizations are completely dedicated to the task of women empowerment. Goldman Sachs- ISB 10000 women program, the Cherie Blair foundation for women, CARMA - Creating Access to Resources and Markets, WeConnect International, etc. work at global level; FIWE, TREAD, CWEI, Stree Shakti by Tie, etc. work at national level; and NWEA, the Government of Goa, the Best Price Members Women's Council, etc. are some local organizations.

Suggestions: In order to capture the full potential of women entrepreneurs and to motivate them for greater involvement in the activities of the enterprise, correct and focused efforts from all the spheres are required. Following steps can be taken in this direction:

- Women should be considered as specific target class for all grooming programmes.
- Government should try to impart better and quality education to the women community.
- Women community is required to be properly trained to improve their management skills. Also, vocational training should be imparted to them that can help them to better understand the production process.
- Women's role in decision-making should be encouraged.
- Enhancement of skills of the women should be done in women's polytechnics institutes and industrial training institutes. These skills are required to be engaged in training-cum-production plants.

- Training to enhance their professional competence and leadership skill needs to be granted to women entrepreneurs.

Existing women entrepreneurs need large scale training and counselling to remove psychological barriers like fear of success and lack of self-confidence. NGOs, management professionals, technical experts and psychologists can help in providing such training and counselling.

The above mentioned training programmes should be continuously monitored and upgraded.

Women should be trained in the activities regarding marketability and profitability so that they can face the stiff competition. Not only this, government should make provisions for sales assistance.

Better financing, credit and infrastructural facilities should be given to the women entrepreneurs at different levels.

Even financiers should be trained by gender sensitization programmes so that they can respect women and treat them with dignity.

A Women Entrepreneur's Guidance Cell is the need of the day to handle the numerous difficulties of women entrepreneurs and to provide them necessary guidance.

Programmes for boosting entrepreneurship among women need to be expanded at local level. In fact, training in entrepreneurial philosophy should initiate at the high school level by way of well-designed courses, which boost morale through behavioral games.

Government is required to take active measures by launching more schemes which can motivate women entrepreneurs to set up small scale and large-scale business ventures.

Conclusion: All entrepreneurs face certain challenges, but women often have additional challenges and bottlenecks because of their gender. Their male peers have lesser probability to encounter these problems. Working mothers experience even more demands regarding time, resources and energy. But it does not mean men are more successful than women. The increasing rate of success of women entrepreneurs reveals that they are imaginative, and able to achieve, in spite of the odds. Women often have such skills and innate capabilities that are advantageous in businesses. Women are likely to be great networkers, have inherent competencies for bargaining, and the capability to multi-task. Often, single mothers are good at assigning and budgeting; skills that they trust on to administer their families. By creating a strong business network, learning new tactics to maintain balance between work and life, getting inspiration from other successful women entrepreneurs, and, by keeping them updated, women entrepreneurs can attain new heights of success.

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