

# Women Entrepreneurship In India: Challenges And Opportunities

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## Abstract

Women Entrepreneurship is an important phenomenon, since there is the constant need to utilize the skill of entrepreneurship among women for economic development and women empowerment. This paper touched upon the areas of meaning and definition of entrepreneurship, concept of women entrepreneurs in India, problems of women entrepreneurs, types of women entrepreneurs and opportunity recognition in development arena. Also it highlights on the dynamic need and career option through entrepreneurship, youth enterprise and entrepreneurship development in India. Entrepreneurship training through different institutions in India, development of entrepreneurship in India, entrepreneurial opportunities in future is discussed in this paper. This paper suggest measures to improve the entrepreneurship and in particular on women entrepreneurship. 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. Women entrepreneurs must have an intention to fulfill their dreams and it must be transferred into an idea enterprise. This paper focus towards the problems and opportunities of women entrepreneurs in India.

**Keywords:** Entrepreneurship, Economic Development Entrepreneurship, Women entrepreneur, Empowerment, Problems, opportunities, Challenges, Self-Fulfillment

## Introduction

Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. 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. Today women are aware of their own traits, rights and also the work situations. Women Entrepreneurs are having confidence to initiate, organize and operate a business enterprise. This paper highlights the problems and opportunities of women entrepreneurs in India.

Nearly half of the Indian populations comprise of women. But, their participation in the economic development of the nation is lower as compared to men; this is because of the fact that women in this country are restraints by the age old cultural and religious dogmas, to take an active part in economic development of the country increased recently, this is because of the increasing level of women education, economic need of the women, unemployment problem and their own personal ambitions. The women Entrepreneurs should shift their attention from depending on others. They should train

themselves to be an independent woman. The women Entrepreneur should have the ability to adapt to new technologies. The different type of enterprises where women Entrepreneurs are doing business includes handloom, handicrafts, readymade garments, eatables, incense stick making, doll making, tailoring, embroidery in traditional sector, beauty parlor, restaurant, retail marketing, DTP and Xeroxing etc.

The sociologists feel that certain communities and cultures promote entrepreneurship like for example in India we say that Gujaratis and Sindhis are very enterprising. Still others feel that entrepreneurs are innovators who come up with new ideas for products, markets or techniques. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. 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. It is estimated that women entrepreneurs presently comprise about 10% of the total number of entrepreneurs in India, with the percentage growing every year. If the prevailing trends continue, it is likely that in another five years, women will comprise 20% of the entrepreneurial force (Saidapur et.al, 2012). Education of woman have no doubt given them immense confidence & encouragement to serve & discover new business avenues. However the ground realities do differ to a great extent as far as geographical boundaries are concerned. Globally women are considered as weaker gender physically and emotionally, therefore prospects open for them to develop into business professionals is an area still quite unexplored and needs attention. Wenekers, (1999).

### Meaning And Definition

An entrepreneur is a person having specific skill,

ability, knowledge, awareness and self-confidence who bears the risk of operating a business in the face of uncertainty about the future conditions. The term "entrepreneurship" comes from the French verb "entrepreneur" and the German word "unternehmen", both means to "undertake".

The word "entrepreneur" was applied to business initially by the French economist Richard Cantillien, who describes an entrepreneur as a person who purchases the means of production for combining them into marketable products at profit motive in future. An entrepreneur is a person who starts an enterprise.

### Concept of Women Entrepreneurs

Women entrepreneurs may be defined as a woman or group of women who initiate, organize and run a business enterprise. In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called Women Entrepreneurs. The Government of India has defined Women Entrepreneurs based on women participation in equity and employment of a business enterprise.

Accordingly women entrepreneur is defined 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 the employment generated in the enterprise to women. In the official proclamation women are at par with men. But in real life, the truth prevails otherwise. The Indian women enjoy a disadvantageous status in the society. The much low literacy rate (40%), low work participation rate (28%) and low urban population share (10%) of women as compared to 60%, 52% and 18% respectively of their male counterparts well confirm their disadvantageous position in the society. Our age old socio-cultural traditions and taboos arresting the women within four walls of their houses also make their conditions

more disadvantageous. These 4 factors combine serve as non-conducive conditions for the emergence and development of women entrepreneurship in the country. Given these unfavorable conditions, the development of women entrepreneurship is expectedly low in the country. This is well indicated by a dismally low level of women (5.2%) in total self-employed persons in the country. Further, women entrepreneurs in India accounted for 9.01 % of the total 1.70 million entrepreneurs during 1988-89.

### Problems Of Women Entrepreneurs

Generally women need to come across lot of struggles, challenges and obstacles in their personal life. When they turn into business they have to face many problems for every success. Despite effort is made by them they must be recognized positively and they faith to withstand by themselves.

■ **Lack of confidence** - In general, women lack confidence in their strength and competence. The family members and the society are reluctant to stand beside their entrepreneurial growth. To a certain extent, this situation is changing among Indian women and yet to face a tremendous change to increase the rate of growth in entrepreneurship.

■ **Socio-cultural barriers** - 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.

■ **Market-oriented risks** - Stiff competition in the market and lack of mobility of women make the dependence of women entrepreneurs on middleman indispensable. Many business women find it difficult to capture the market and make their products popular. They are not fully aware of the changing market conditions and hence can effectively utilize the services of

media and internet.

■ **Motivational factors** - Self motivation can be realized through a mind set for a successful business, attitude to take up risk and behavior towards the business society by shouldering the social responsibilities. Other factors are family support, Government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units.

■ **Knowledge in Business Administration** - Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network.

■ **Awareness about the financial assistance** - Various institutions in the financial sector extend their maximum support in the form of incentives, loans, schemes etc. Even then every woman entrepreneur may not be aware of all the assistance provided by the institutions. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.

■ **Exposed to the training programs** - Training programs and workshops for every type of entrepreneur is available through the social and welfare associations, based on duration, skill and the purpose of the training program. Such programs are really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.

■ **Identifying the available resources** - Women are hesitant to find out the access to cater their needs in the financial and marketing areas. Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young women

can be identified, trained and used for various types of industries to increase the productivity in the industrial sector. A desirable environment is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealings.

The attitude towards women today is not as rigidly discriminative as it was earlier. This is the outcome of the efforts made by the national and international agencies. The competent organs of United Nations (UN) have given sufficient time and energy to improve the declaration of International Women's Year (1975), Decade (1975-85) and International Status of women in various fields and eliminate discrimination against women through Women's Day (8 March) and several other measures. Since then, several government and voluntary agencies carried out symposia, seminars, workshops and conferences to highlight the importance of women activities including women entrepreneurship.

### **Opportunities for Women Entrepreneurs**

Entrepreneurial opportunities are characterized by the introduction of new goods, services, raw materials, markets and methods of organizing through the formation of new relationship. Entrepreneurial opportunities can be differentiated from other types of opportunities in that they involve the creation or identification of new ends and means unnoticed by other market participants. Successful entrepreneurs are able to identify the right opportunities to pursue because they have developed the ability to notice them.

Education is a boon to mankind, while lack of education to a person is a bane nowadays. Throughout the world, we can observe that the ratio of women entrepreneurs is growing tremendously. The emergence as well as development of women entrepreneurs is quite visible in India and their over-all

contribution to Indian economy is also very significant. Today the role of Women entrepreneur in economic development is inevitable because women are entering not only in selected professions but also in professions like trade, industry and engineering.

The industrial structure and the enterprises are undergoing a radical change. Information Technology has transformed the very technique of doing business. Individually, business ownership provides women with the independence they crave and with economic and social success they need. Nationally, business ownership has great importance for future economic prosperity. Globally, women are enhancing, directing, and changing the face of how business is done today. Ultimately, female business owners must be recognized for who they are, what they do, and how significantly they impact the world's global economy.

Women should be considered as specific target group for all development programmes. Govt. should extend better educational facilities and schemes to women folk. Adequate training programs on management skills should be provided to women community. Encourage women's participation in decision making. Vocational training should be extended to women community to enable them to understand the production process and management. Training on professional competence and leadership skills should be extended to women entrepreneurs. Activities in which women are trained should focus on their marketability and profitability. State Finance Corporations and financing institutions should permit by statute to extend purely trade related finance to women entrepreneurs. And lastly women's development corporation has to gain access to open-ended financing.

Solutions to overcome problems faced by women entrepreneurs

The only solution to overcome problems faced by women entrepreneurs is to make them financially independent. Hence microfinancing is the only way to obtain finance. Microfinance is financial institution that has become extremely popular especially in developing economies even if there are such programmes in the European Union and the United States. Grameen Bank, a microfinance organization and community development bank started in Bangladesh under the leadership of Muhammad Yunus is the best example of microfinancing institution. We need to open such micro financing institutions in a large number to make women more financially independent. To conclude, No doubt women are bold, confident and capable of doing every type of work, what they need is the financial independence.

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