

WOMEN ENTREPRENEURSHIP IN INDIA: A CONCEPTUAL STUDY

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Abstract: Entrepreneur is a person who wishes to become economically and financially independent and is also ready to accept challenges in order to meet their personal needs. Every woman has the ability to become an entrepreneur but they never got a platform to represent their forte. Although, the women in India are regarded both as source of power and also as weaker sex who is dependent on men folk. Although, in India it is always discussed that both the genders are equality however entrepreneurship in our nation is dominated by males. However, slowly and steadily with great efforts of government, changing socio-cultural environment and an increase in educational opportunities women entrepreneurship is making remarkable change. Therefore, Indian women have to go a long way in achieving their equal rights and the traditions related to the situation are rooted in Indian society. The present conceptual paper endeavors to discuss about women entrepreneurship in India—Rational for women choosing career as entrepreneurship, challenges faced by women entrepreneurs in India, Government measure to promote women entrepreneurship and suggestions for general development of women.

Keywords: Women entrepreneurs, Challenges, Government of India initiatives

INTRODUCTION

Women in India are regularly treated as weaker sex who throughout their life mostly depends upon men in their family as well outside the family. The power of decision making in the Indian Family culture lies only in the hands of males while the females only act as subordinates and executors of their decisions. Though the law makers in India talks about equality between genders but entrepreneurship in India is mostly observed as a male dominated. The definition of women entrepreneurs' given by Government of India —an organization which is under the ownership and control of women and which 51 per cent of the capital with minimal financial interest and which pays at least 51 per cent of the employment generated in the enterprise for women. In the recent years, the number of women owned firm has increased to three times the rate of all other firms and remarkable growth has been observed in their businesses (Fairlie, 2004). But still the proportion of women in high-growth industry is very low. This has drawn the attention of both

the academic as well as the development sector. The modern era is demanding the change in the traditional set up of India. To transform the social fabric of the Indian society a remarkable change is necessitated in the life style of both urban and rural area women such as educational status varied aspirations for their better living and others. Therefore, the Indian women needs to go a long way to get their equal rights and position as social traditions are ingrained in the Indian society. The present conceptual paper endeavors to discuss about women entrepreneurship in India—Rational for women choosing career as entrepreneurship, challenges faced by women entrepreneurs in India, Government steps taken for the upliftment women entrepreneurship and suggestions for the overall development of women.

OBJECTIVES AND RESEARCH METHODOLOGY

Following objectives have been formulated after the review of secondary the data which is taken from

newspapers, journals, websites, published reports on of the Reserve Bank of India, NABARD, Census Surveys and the published research papers.

- To examine the motivational factors which are responsible for inspiring women to become an entrepreneur.
- To study the challenges faced by women entrepreneurs.
- To study the policies construct by the Government for promoting women's entrepreneurship.

MOTIVATIONAL FACTORS LEADING TO WOMAN ENTREPRENEURS

In the Globalized world, the doors opened for women to get indulged in every line of business. It started with the extension of three essential activities of kitchen commonly known as 3P's, Pickle, Powder and Pappad and now in new generation with awareness of education 3P's transformed to modern 3E's i.e., Energy, Electronics and Engineering. Management Skills, Education and Versatility in business are the key reasons for women to emerge into entrepreneurship. The inborn quality of entrepreneurial women to keep a passion of doing something positive enabling them to do wonders in both family and social life. Additionally, the development of technology and the opportunities in digital era are helping in transforming the job seekers into job creators. Earlier, at most of the time women start a business due to unforeseen circumstances, such as widow, divorce, financial reasons and others. However, in today's world as more women are willingly opting to draft their own destinies. They are flourishing in all different areas of industries.

There are different determinants for women entrepreneurship in India are classified into personal, family, market, society and legal factors but personal motivation is the key factor. Rathna et al. (2016) found that the key factors for women entrepreneurship are economic and financial need to supplement their family income, improve social status and overcome unemployment. Socio economic cultural, government policy, family status, personal characteristic, financial, market and network, ambition, skills and knowledge, family support, market opportunities, independence,

Government subsidy and job satisfaction and economic independence, achievement, equal status and establish own identity in society are the major factors (Hemavathy and Sheeba, 2015; Krishnamoorthy and Balasubramani, 2014; Behara and Niranjana, 2012). The motivating factors that influence women from other countries. Financial independence and autonomy was the key factors for women entrepreneurship in Afghanistan (Nehad, 2016). Self –motivation, family support, social networking and information and communication technology are the predominant factors for Pakistani women entrepreneurs (Abbas, et al., 2016). The push factor were unemployment, supporting family financially were prominent factors in South Africa (Fatoki, 2014) and in Malaysia independence, recognition, challenges were the pulling factors (Ismail, et al. 2012). In a summary following are few motivational factors:

1. Being Entrepreneur is Lifelong goal
2. To materialize their idea into a capital
3. Availability of infrastructural facilities
4. To share the family economic burden
5. Dissatisfaction with current job
6. Freedom from supervision
7. To improve the quality of life of their children
8. Gaining respect from other/Social Status
9. No other income Sources available
10. Responsibilities to run business due to death of a member

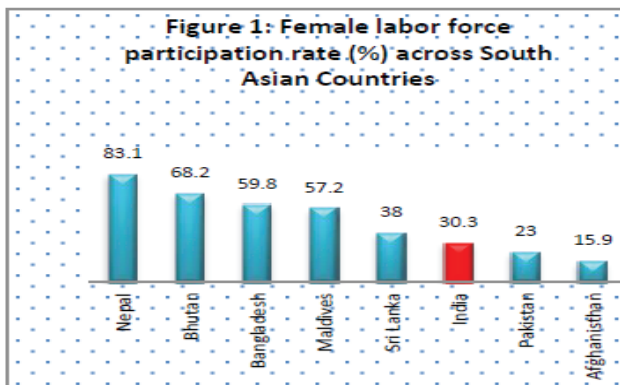
Challenges faced by women Entrepreneurs

Though we are part of modern era and more number of firms is owned by women but still the women face many problems and these hurdles quite vary from those experienced by men. Challenges faced by women are discussed as following:

After the economic liberalization in the early 1990s, India has experienced high economic growth. Although remarkable progress is done in gender equality in areas like primary education still, they performed poorly Gender Equality in Labor Force Participation (LFP) during the period 1993-94 and 2011-12, Women's Workforce (LFPR) participation rate is consistently lower than male participation. In India actual figure shows that in 2012,

approximately 35 to 40 million women ‘missing’ from labour force, which exhibit a hurdle in women potential to contribute in country’s economic growth. In India, women share of participation in labour force showed less compared to South Asian neighbours. The more worrisome fact is that during the same period, female participation rates have consistently declined especially in rural areas. One of the reasons for stagnation in urban LFPR is that the work opportunities for urban workers are limited in some areas. The case of apparel making, software industry and private home services identifies that workplace is slowly emerging for women, in manufacturing, trading and repair and software development industry.

According to the NSS Data, female LFPR demonstrated the trend of fluctuations in rural areas. Between 1999-00 and 2004-05, it increasing by 4 percentage points compared to 1993-94 and 1999-00. For 2011-12 it was reduced by 13.4 percentage points. On the other hand, urban women were LFPR approximately 20 percent during this period. In general, women’s participation in labor force is “skewed” in primary areas. In 2011-12, about two-thirds (62 percent) all female workers were in agriculture, whereas, only 13 percent in manufacturing and 15 percent (or less) were in service areas construction, education and business and repair services.



Source: WDI, World Bank

STRUCTURAL CHALLENGES

The first structural challenge is lack of education and knowledge in the field of skill development, basic business and women’s rights. Need-based entrepreneurship occurs when women are pushed to start a business to avoid unemployment instead of

starting a business as an opportunity. (Orhan and Scott, 2001). Since the 1990s, more women complete tertiary education in most countries than men. According to the most recent data available, with the available data, four out of five countries (80%) female had higher graduates than men. Despite better reach, there is a possibility of lower levels of education of women in the field of research. While there is a positive relationship between the workforce participation and the level of education of women (Gunduz-Hosgor and Smits, 2008), educational barriers will take longer due to the quality and speed of implementation.

A second structural challenge, according to Landig (2011), is legal discrimination and lack of economic and political power. When women try to get a job or start a business, they have to face many obstacles, including access to finance, uneven opportunities in the application process, and the use of renting or buying a place to buy, approach to reasonable and high quality raw material for commercial products or lack of trust and respect, sexual harassment, community honor and salary gap. (Hisrich and Brush, 1988 Lee-Gosselin and Grise, 1990) Women lack of knowledge of marketing, strategic planning, human resource management and presentation of tax reports (Hisrich and Brush, 1988). Organization for Economic Co-operation and Development (OECD) (2012) suggest, permanent training in the business knowledge as tool of compensation for the deficient formal education in earlier life. OECD’s latest report (2012), affordable child care and care for the elderly was recommended if India expects improvement in rates of female participation in labor force.

About half of India’s 25-64 years of age did not reach primary education by 2011 (OECD report 2018). Educational achievement is improving among the younger generation, as in 2011, 36% of young adults of (25 to 34 years) received a higher secondary education. Nevertheless, it remains below the OECD average of 85% in 2017. Important gender differences in academic achievement in India: 70% of young women have not reached high school, compared to 58% young men.

The third structural challenge is regional differences (Landig, 2011) It is worrisome that the fast urbanization of India has not yet encouraged more women to join the workforce. This makes the greater public security and safe transit more important. In any measure,

the difference is particularly large and it has become widespread. In terms of female labor force participation rates, India is ranked 120 out of 131 countries and the rate of gender violence is unacceptably high. Developing in a comprehensive and sustainable way is needed much effort and skill when half the population does not fully participate in the economy. With 17% of GDP, the economic contribution of Indian women is less than half of the world average, and is unfavorable compared to 40% in China, for example (World Bank, 2018) for making societies more prosperous valuing women and girls is undoubtedly a critical factor. The economic empowerment of women is related to poverty reduction, because women also invest more of their earnings in their children and communities.

The fourth major challenge is both social and structural challenge due to limited government support.

In India, women entrepreneurs lack social acceptance or struggle to get money and government assistance for their businesses. There is a shortage of women entrepreneurs in India. Whether due to lack of resources, ecosystem bias, women's mentality or lifestyle problems, they have gone beyond men in the world of new companies and technology. The Master Card Index (MIWE) of Women Entrepreneurs has again seen this unfortunate situation in 2018, where women entrepreneurs have the ability to take advantage of This unfortunate state of affairs has once again come to light in the Master Card Index of Women Entrepreneurs (MIWE) 2018, where India capitalized on the opportunity to placed 52nd out of 57 countries when it came to the potential of businesswomen offered by their environment. These 57 economies share about 79 per cent of the world's women workforce. India was also ranked at 52 in 2017. It follows developed countries by a large margin, such as the United States (4) and China (29), and is only ahead of Iran, Saudi Arabia, Algeria, Egypt, and Bangladesh.

Policy makers across India and across the region should adopt a comprehensive approach to improve labour market outcomes for women by improving access and relevance of education and training programme. With the promotion of competencies, care, maternity protection and access to the provision of safe and accessible transportation, the development pattern that creates job opportunities. In addition to the standard

labour-force participation rates, policymakers should be more concerned about whether women can use better jobs or start a business, and take advantage of the new opportunities the labour market as a country grows. A policy framework should promote and allows participation of women. "Gender specific" The boundaries that most women face should be made with an active awareness. Gender-sensitive policies must be developed in context (ILO).

1. Limited access to funding: Generally the women entrepreneurs do not have sufficient levels of financial assets and start-up capital in comparison to men. This fact necessitates their move toward to financial agencies for availing additional resources. Many times, women lack alertness about the financial assistance offered by different institutions. They also have a incomplete experience and knowledge in the preparation of business plans which are necessary for obtaining the required finance to start a business. Moreover, most women are short of the information and the contacts essential to obtain credit. Banks also sometimes discourage women from taking loans because women entrepreneurs generally need a small credit amount.
2. Lack of training: Women entrepreneurs often do not have the required technical and managerial skills which are necessary to start and run a business. This might increase their reliance on intermediaries and office staff, especially for marketing and sales.
3. Struggling to take it seriously: most women CEOs are in an industry dominated by men or a workplace that does not want to admit their role of leadership. As a female businesswoman in an industry dominated by men, winning esteem has been a struggle.
4. Challenging social expectations: Most business owners who participate in network events can be related to this scenario: There are only a handful of women in seminars filled with people. When Business Women talks primarily about dealing with male officers, it can be disappointing.
5. To Counterbalance between work and family:

Parent as entrepreneurs have to really strive hard to dedicate time to both work and life.

6. Higher levels of illiteracy amongst women: Low level of literacy is the foundation of socioeconomic biasness in the Indian society which leads for women to struggle hard to set up their own ventures.

STEPS TAKEN BY THE GOVERNMENT

The predominant objective of the government since independence is Steps to be taken by the Government for the development of women. Earlier, welfare oriented was the only purpose for women's development. However after 1970 there was a shift from welfare approach to development approach. Opportunities make provided to women in all the sectors even in SSI sector. Both Government and non-government bodies became alert to contribute women's economic growth through theirself-employment. Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were established in the First Five-Year Plan for the welfare of women. Agricultural development programmes and the empowerment of women were intensively linked in the second Five-Year Plan (1956-61), for the overall development. Female education was considered as a crucial welfare measure in the third and Fourth Five-Year Plans (1961-66 and 1969-74). The Fifth Five-Year Plan (1974-79) gave importance for training women who required income and protection. In 1976, Women's welfare and Development Bureau was established under the Ministry of Social Welfare. There was a definite shift from welfare to development in Sixth Five-Year Plan (1980-85). Women's lack of access to resources was identified as an imperative factor for menacing their growth. The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. Additionally, priority was given to inculcate confidence, creating awareness among them for their rights and enhancing skill development for better employment. The Eight Five-Year Plan (1992-97) focused on Panchayati Raj Institutions to empower women at the Grass Roots Level. The Ninth Five-Year Plan (1997-2002) adopted a policy of Women's Component Plan, under which not less than 30 percent of funds benefits were reserved for women related sectors. 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. Presently, different departments and ministries of Government of India are operating over 27 schemes for women. Some of these are as follows:

1. Prime Minister's Rojgar Yojana (PMRY)
2. National Banks for Agriculture and Rural Development's Schemes
3. Marketing of Non-Farm Products of Rural Women (MAHIMA)
4. Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
5. Entrepreneurial Development programme (EDPs)
6. Management Development programmes
7. Women's Development Corporations (WDCs)
8. Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
9. Trade Related Entrepreneurship Assistance and Development (TREAD)
10. Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)

FUTURE PROSPECTS OF DEVELOPMENT OF WOMEN ENTREPRENEURS

The organizational structure in the organization is undergoing a drastic change. The methodology of doing business is IT and the Internet is revolutionizing. New types of ventures are created and there are new types of vacancies with respect to the organization of work, qualifications and management. The process of coming into existence and development of women entrepreneurs is clearly visible in India and their contribution to the Indian economy in particular is very important. Therefore, the government wants to continue this trend. Several of the initiatives were found to be very fruitful for women entrepreneurs such as easily availability of small loans, business networks and regional contact. These initiatives bring motivation among the women entrepreneurs and enabling them to utilize their managing skills and risk taking abilities while doing their business. Government programs for

skill development in promising signals, concessional loans for women-run businesses, and recent laws which double maternity leave and require child care facilities in companies which employ more than 50 people if it is implemented and respected, then these policies will eliminate some obstacles faced by women and provide a significant boost to the Indian economy.

CONCLUSION

There is no doubt that the number of women entrepreneurs had grown tremendously in the recent years and they will just double and triple in the coming years if the government supports and conditions will prevail through a long period of time.

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