



## Women Entrepreneurship- Probs and Prospects

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### KEYWORDS :

In this dynamic world, women entrepreneurs are an important part of the global quest for sustained economic development and social progress. In India, though women have played a key role in the society, their entrepreneurial ability has not been properly tapped due to the lower status of women in the society. It is only from the Fifth Five Year Plan (1974-78) onwards that their role has been explicitly recognized with a marked shift in the approach from women welfare to women development and empowerment. The development of women entrepreneurship has become an important aspect of our plan priorities. Several policies and programs are being implemented for the development of women entrepreneurship in India.

An entrepreneur is someone that organizes, manages, and assumes the risk of a business enterprise. The entrepreneur is a visionary and an integrated person with outstanding leadership qualities; with a desire to excel, who gives top priority to research and development. An entrepreneur is one of the important segments of economic growth. An entrepreneur is a catalytic agent of change and works for the good of people. One who takes initiative, has innovative skills for innovation and who looks for high achievements. "Women entrepreneur refers equally to someone who has started a one woman business to someone who is a principal in family business or partnership or to someone who is shareholder in a public company which she runs".

The Government of India has defined a women entrepreneur 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." Although small businesses owned by women have traditionally focused on fashion, food and other services sector, but recently women entrepreneurs have been moving rapidly into manufacturing, construction and other industrial field. Women owned business are lightly increasing in the economics of almost all countries. The hidden entrepreneurial potential of women has gradually been changing with the growing sensitivity to the role and economic status in the society. It means women have the potentials, skill, knowledge and adaptability to run a business successfully.

Women Entrepreneurs are inspiring. Today, more women are breaking free from the traditional, gender-specific roles and venturing into the business world. Not only are they holding high corporate positions but they are also successful women entrepreneurs. The steady rise in female entrepreneurs can be due to many different reasons, most of which share the same rationale as their male counterparts—passion for their ideas, the desire to become their own boss, and the need to address philanthropic causes.

### CONCEPT OF WOMEN ENTREPRENEURS

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stand on their own legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddle with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and

as an urge to do something new. Such a situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

### REASONS FOR WOMEN BECOMING ENTREPRENEURS

The glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P's, Pickle, Powder and Pappad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering. 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. 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 to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a layoff. 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. These are some of the reasons:

- Self identity and social status
- Education and qualification
- Support of family members
- Role model to others
- Success stories of friends and relatives
- Bright future of their wards
- Need for additional income
- Family occupation
- Government policies and procedures
- Freedom to take own decision and be independent
- Employment generation
- New challenges and opportunities for self fulfillment
- Innovative thinking

### Problems of Women Entrepreneurs/ reasons for slow progress of women Entrepreneurs in India

Women Entrepreneurs encounter two sets of problems i.e. general problems of entrepreneurs and problems specific to women entrepreneurs. The greatest deterrent to women entrepreneurs is that they are women. These are discussed follows.

#### 1. Problem of Finance

Finance is regarded as life blood for any enterprise is in big or small. However women entrepreneurs suffer from shortage of finance on two counts. Firstly women do not generally have property on their names to use them as collateral for obtaining funds from external sources. So that access to the external sources funds is limited. Secondly the banks also consider women less credit-worthy and discour-

age women borrowers on belief that they can at any time leave their business. Lack of awareness about the financial assistance in the form of incentives, loans, schemes etc. by the institutions in the financial sector. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.

## 2. Scarcity of Raw Materials

Most of the women enterprises are plagued by the scarcity of raw materials and necessary inputs. Added to this are high prices of raw materials, on one hand and getting raw material at the minimum of discount on the other.

## 3. Male dominated Society

The constitution of India speaks of equality between sexes. But in practice women are looked upon as abla i.e. weak in all respects. In male dominated Indian society, women are not treated equal to men. This turn serves as a barrier to women entry into business.

## 4. Lack of Education

In India around 60% of women are still illiterate. Illiteracy is the root cause of socio-economic problem. Due to the lack of education women are not aware of business, technology and market knowledge. Also lack of education causes low achievement motivation among women. The educational level and family background of husbands also influences women participation in the field of enterprise.

## 5. Market Oriented Risk

A number of women have to face the challenges of market because of stiff competition. Many business women find it difficult to capture the market and compete with their product. They are not fully aware of the changing market conditions. High production cost of some business operations adversely affects the development of women entrepreneurs. The installations of new machineries during expansion of the productive capacity and like similar factors discourage the women entrepreneurs from venturing into new areas.

## 6. Motivational Factors.

Successful businessmen can be self motivated through setting up a mind and taking up risk and accepting social responsibilities on shoulder. The other factors such as family support government policies financial assistance etc. are also important to set up business. Achievement motivation of the women folk found less compared to male members. The low level of education and confidence leads to low level achievement and advancement motivation among women folk to engage in business operations and running a business concern.

## 7. Lack of Confidence

Women lack confidence in their strength and competence. Lack of self-confidence, will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work. The family members and the society are reluctant to stand beside their entrepreneurial growth.

## 8. Training Programs

Training programs are essential to new rural and young entrepreneurs who wish to set up a small and medium scale unit. The programs enrich the skill and potential of women entrepreneur. Many women take the training by attending the Entrepreneurial Development programme without an entrepreneurial bent of mind. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews, etc.

9. Women entrepreneurs have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.

10. Unlike men, women mobility in India is highly limited due to many reasons. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.

11. Indian women give more emphasis to family ties and relation-

ships. Married women have to make a fine balance between business and family. The business success also depends on the support of the family members extended to women in the business process and management.

12. Many women take the training by attending the Entrepreneurial Development programme without an entrepreneurial bent of mind. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews, etc.

13. Women controlled businesses are often small and it is not always easy for women to access the information they need regarding technology, training, innovative schemes, concessions, alternative markets, etc. Just a small percentage of women entrepreneurs avail the assistance of technology and they too remain confined to word processing software in the computer. They hardly make use of advanced software available like statistical software SAP, Accounting Package like TALLY, Animation software 3D MAX, internet, etc

## STEPS TAKEN BY THE GOVERNMENT

Development of women has been a policy objective of the government since independence. Until the 70s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognised the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures. The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction. In the second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes. The Third and Fourth Five-Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure. The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare. The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth. The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment. The Eight Five-Year Plan (1992-97) focused on empowering women, especially at the Gross Roots Level, through Panchayati Raj Institutions. The Ninth Five-Year Plan (1997-2002) adopted a strategy of Women's Component Plan, under which not less than 30 percent of funds/ benefits were earmarked 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. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

- 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
- Women's Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women's Forum
- Indira Mahila Yojana

- Indira Mahila Kendra
- MahilaSamitiYojana
- MahilaVikasNidhi
- Micro Credit Scheme
- RashtriyaMahilaKosh
- SIDBI's MahilaUdyamNidhi
- MahilaVikasNidhi
- SBI's Stree Shakti Scheme
- NGO's Credit Schemes
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- National Banks for Agriculture and Rural Development's Schemes
- Rajiv Gandhi MahilaVikasPariyojana (RGMVP)
- Priyadarshini Project- A programme for 'Rural Women Empowerment and Livelihood in Mid Gangetic Plains'
- NABARD- KfW-SEWA Bank project
- Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment.

### SUGGESTIONS FOR THE GROWTH OF WOMEN ENTREPRENEURS

Right efforts from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. The following measures are suggested to empower the women to seize various opportunities and face challenges in business.

- There should be a continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs.
- An Awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.
- Attempts should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes, to improvise their over-all personality standards.
- Adequate training programmes on management skills to be provided to women community. Vocational training to be extended to women community that enables them to understand the production process and production management.
- Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
- Women in business should be offered soft loans & 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. Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.
- 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.
- Women's entrepreneurship must be examined both at the individual level (i.e. the choice of becoming self-employed) and at the firm level (the performance of women owned and managed firms) in order to fully understand the differences between men's and women's entrepreneurship.
- 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 giving suitable decisions in the favor 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.

- Entrepreneurship is not a bed of roses to women. Women participation in many kinds of economic activities to complement to their family income, their participation in no way reduces their family duties. The task of women has become more tedious and full of challenges.

### Conclusion

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. If every citizen works with such an attitude towards respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservative and rigid thought process which is the biggest barrier in our country's development process.

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