



## Economic Benefits of Women Empowerment

Mrs.M.V.Madhavi

Department of HRM, Acharya Nagarajuna University, Guntur -522510

Dr. N.A. Francis  
Xavier

Department of commerce, Andhra Loyola College, Vijayawada  
-520008

### ABSTRACT

*Empowerment of women and Entrepreneurship has emerged as an important issue in recent times. The economic empowerment of women and Entrepreneurship is being regarded these days as a Sine-quo-non of progress for a country; hence, the issue of economic empowerment of women and Entrepreneurship is of paramount importance to political thinkers, social scientists and reformers. The Self Help Groups (SHGs) have paved the way for economic independence of rural women. The members of SHGs are involved in Micro – Entrepreneurships. Through that, they are becoming economically independent and providing employment opportunities to others. This article deals with empowerment of women through entrepreneurship and the advantages entrepreneurship among the women. "Economic empowerment of women and entrepreneurship led to development of family and community".*

**KEYWORDS :** Women Empowerment, Women Entrepreneurship, SHGs, Micro-Enterprise.

### 1. INTRODUCTION

The last two decades have witnessed phenomenal changes with regards the status and work place participation of women in India. Women's entrepreneurship development has emerged particularly in the wake of increasing globalization, with the support of progressive social, economic and political cross currents, technological advancement, and the media.

In the 1950s, only those women who had no male income-earners within their family became themselves income generators. In the 1960s, women began to start small enterprises at home. Those were activities for self-occupation rather than for achieving financial autonomy. In the 1970s, income generation and career choices became equally important for many women. In entrepreneurial roles, the women increasingly wanted their enterprise to grow and succeed.

Women often joined their fathers' or husbands business as contributing partners on an equal footing in the 1980s. They made personal choices, stood up for their convictions and had the courage to make new beginnings. The women in 1990s increasingly learnt to live alone, travel alone and if need be to rear children alone. In the twenty first century even more opportunities arise for women and they increasingly venture to build enterprises. We are on the threshold of the 21<sup>st</sup> century. During the past half-a-century, India has witnessed a positive transformation in women's empowerment and economic development while retaining a great diversity in its political and social system.

It is noticeable that entrepreneurship development and empowerment are complementary to each other. Women empowerment depends on taking part in various development activities. In other words, the involvement of women in various entrepreneurial activities has empowered them in social, economic and cultural fields.

### 2. REVIEW OF LITERATURE

In a recent ILO-WED 3 year project covering five countries in Africa and Asia, 45000 beneficiaries were reached, 80% of them women. Impact studies in one country showed that monthly profits by women-led businesses increased by 50% and their sales multiplied by four after following training and receiving support from the project; Also 11% more men involved declared having taken on household chores. The project succeeded in improving policy messages for the inclusion of women entrepreneurs' needs and supporting partners to better serve women entrepreneurs with a set of gender sensitive enterprise tools. ILO-WED is in 25 countries in Africa, South East Asia, Arab States and Latin America.

The UNIDO Programme "Rural and Women Entrepreneurship Development" (2003), During this programme WE has participated in the project and enhanced their bargaining power, women developed awareness of the essential role of personal initiatives and self confidence to develop in business and 70 women has started their own business

and also on an average able to generate employment opportunities to 2 or 3 persons.

### 2.1 WOMEN ENTREPRENEURS:

The number of employed women has been steadily climbing, and the number of selfemployedwomen has been rising even faster. Over the past 15 years, the number of femaleemployees rose by 30%, more than double the pace seen among male employees. But thisimpressive growth is dwarfed by the dazzling 50% growth seen among women who wereself-employedduring the same period.

Profiles of Women Entrepreneurs at 5<sup>th</sup> Global Forum (2013), Female entrepreneurs in developing countries are currently hailed as the new rising stars of the economies and different stakeholders have commended them as an important source of Economic growth and development.

Racquel Goddard(Founder and Managing Director of IDaedle Consulting limited) shares "When you do stumble just keep getting up, listen to that voice inside you that knows you can do it, the voice that says it won't necessarily be easy, but it will all be worth it.

Phan Thi Tuyet Mai(Founder and General Manager of TMTM) said" I have failed many times in both life and business, but failure isthe basis of success."

Perihan Abou-Zeid(Co-Founder and CEO of Qabila Media Productions) shares "Just forget you are a woman, and work as a business person. Being business savvy is what makes you successful regardless of age, gender or background."

Binta Coudy (Dévice President of Jjiguene Tech Hub) says "It's in the most difficult times that we discover our capabilities. When you are passionate, you do not give up. Women are the strength of family, the strength of a country, a continent. So women, never give up - our countries need us.

Singh, Sehgal, Tinani and Sengupta conducted a study on 60 successful women entrepreneurs from in around Delhi revealed that, majority of the women entrepreneurs were married, and in the age group of 26 to 35 years. The reasons for the choice of business are in the order of high demand for product, processing skills, ready market, future prospects and creativity. The reasons for women to become entrepreneurs were to keep busy, to earn money on their own, to pursue hobby as an earning activity, by accident and circumstances beyond-control.

Surti, K. and Sarupriya, D. (1983)investigated 40 women entrepreneurs with minimum two years experience. They examined the role of stress, the effect of demographic variables such as marital status, type of family on stress and how women entrepreneurs cope with

stress. Results indicated that unmarried women entrepreneurs experienced less stress and self-role distance than married women entrepreneurs. Women entrepreneurs from joint families experienced less stress, probably because they share their problems with other family members. External focus of control was significantly related to the stress role and fear of success was related to result- inadequacy and role-inadequacy dimensions of stress. While many entrepreneurs used intrapersistent coping styles, such as taking action to solve problems, avoidance was more common than approach – oriented styles of coping.

HinaShah (2013) in the area of women's entrepreneurship, and although government policies and promotion strategies have been giving new opportunities to women, few have come forward. According to the same MSME Annual Report 2011-12, only 13.72 per cent of enterprises in the registered MSME sector were enterprises managed by women, representing about 2.15 lakh (or 215,000 enterprises across the country).

Gundry and Welsch (2001) compared women-owned businesses that exhibited high levels of growth with low or no growth businesses in order to understand the relationship between strategic choices paths and the firms' growth orientation. High-growth women entrepreneurs differed from low-growth women entrepreneurs along the following dimensions: selection of strategies that focused on market expansion and new technologies, greater intensity of commitment to business ownership, and willingness to incur greater opportunity costs for the success of their firms. High-growth women entrepreneurs provided more organization structure; planned earlier for growth, used a team-based approach to the business; were concerned about reputation and quality; had adequate capitalization; and used a wider range of financing services for business growth (Gundry & Welsch, 2001).

Kuratka and Richard (2001) in their book on entrepreneurship started that entrepreneurship is the dynamic process of creating incremental wealth. This wealth is created by individuals who take the major risks in terms of equity, time and career commitment of providing value to some products or services the product or service itself may or may not be new or unique but value must somehow be infused by the entrepreneur by securing and allocating the necessary skill and resources. The delivery of micro finance to the poor is smooth; effective and less costly if they are organized into SHGs. SHG is promoting micro enterprise through micro-credit intervention. Micro enterprise is an effective instrument of social and economic development.

## 2.2 WOMEN AND SMALL BUSINESS MANAGEMENT:

For many reasons, not enough people running a small business as sufficiently more attractive than working as an employee of a firm, large or small, or in a public organization. These reasons apply as much to women as to men, but there are certain additional factors which make entrepreneurship an even less attractive or viable option for women.

Although there has been an encouraging upturn in women running businesses in the past decade or so, much more needs to be done to overcome the specific factors which discourage them from starting / taking over small firms. And even more importantly, we have to create an environment in which those women who do run a small business can more easily grow their firm. In overcoming these obstacles, the work of the Businesswomen Associations is crucial, since they act as platforms for empowering and encouraging women entrepreneurs.

## 2.3 WOMEN EMPOWERMENT:

The Government of India had ushered in the new millennium by declaring the year 2001 as 'Women's Empowerment Year' to focus on a vision 'where women are equal partners like men'. The most common explanation of 'women's empowerment' is the ability to exercise full control over one's actions. The last decades have witnessed some basic changes in the status and role of women in our society.

The discrepancy in the ideology and practice of the empowerment policy of women in India constitutes its continued social, economic and social backwardness. Women make up 52% of our country's population.

Hence there can be no progress unless their needs and interests are fully met. Empowerment would not hold any meaning unless they are made strong, alert and aware of their equal status in the society. Empowerment would become more relevant if women are educated, better informed and actively involved in entrepreneurial activities despite all the social hurdles, many women have become successful in their works. These successful women have made name & wealth for themselves with their hard work, diligence, competence and will power. Following is the list of few top Women Entrepreneurs in India:

Indra nooyi, Indian born American, Indra Krishnamurthy Nooyi, born October 28, 1955 is the Chairperson and Chief Executive Officer of PepsiCo, one of the world's leading food and beverage companies.

DR. Kiran M. Shaw, Chairman & Managing Director of Biocon Ltd. She became India's richest woman in 2004, was educated at the Bishop Cotton Girls School and Mount Carmel College in Bangalore. She founded Biocon India with a capital of Rs.10, 000 in her garage in 1978. Her applications for loans were turned down by banks then – on three counts – biotechnology was then a new word, the company lacked assets, women entrepreneurs were still a rarity. Today, her company is the biggest biopharmaceutical firm in the country.

Naina Lal Kidwai, She was the first Indian woman to graduate from Harvard Business School. Fortune magazine listed Kidwai among the world's top 50 Corporate Women from 2000 to 2003. According to the Economic times, she is the first woman to head the operations of a foreign bank in India. (HSBC).

Ekta Kapoor, Creative Head of Balaji Telefilms, She is the daughter of Jeetendra and sister of Tushar Kapoor. She has been synonymous with the rage of soap operas in Indian TV, after her most famous venture 'Kyunki Saas Bhi Kabhi Bahu Thi' which was aired in 2000 on Star plus. Ekta dominates Indian Television. At the 6th Indian Telly Awards 2006, she bagged the Hall Of Fame award for her contributions.

Neelam Dhawan, Managing Director, Microsoft India, She is a graduate from St. Stephens College in 1980, passed out from Delhi's Faculty of Management studies in 1982. Then she was keen on joining FMCG majors like Hindustan Lever and Asian Paints, both rejected Dhawan, as they did not wish to appoint women for marketing and sales.

## 3. ENTREPRENEURSHIP DEVELOPMENT OF WOMEN THROUGH SELF HELP GROUPS (SHGs):

Women comprise half of human resources they have been identified as key agents of sustainable development and women's equality is as central to a more holistic approach towards establishing new patterns and process of developments that are sustainable. [Birendra Kumar Jha, 2009]. The contribution of women and their role in the family as well as in the economic development and social transformation are pivotal. Women constitute 90 per cent of total marginal workers of the country. Women who are engaged in agriculture form 78 per cent of all women in regular work [Harendar Kumar, 2009]. Experience of NIRD action research projects reveal that, the operational aspects, such as the extent of enabling that goes into the community self help processes and sharpening the mind set of women.

Men and the project administrators are low or critical components that determine their extent to which empowerment may or may not take place. The role of micro-credit is to, improve the socio and economic development of women and improve the status of women in households and communities. The micro entrepreneurs are strengthening the women empowerment and remove the gender inequalities. Self Help Group's micro credit mechanism makes the members to involve in other community development activities. Micro credit is promoting the small scale business enterprises and its major aim is to alleviate poverty by income generating activities among women and poor.

Therefore, they could achieve self-sufficiency. Now-a-days economic development is one of the factors that have changed the entire scenario of social and cultural environment within the country especially for the women.

Women play a vital role in farm and home system. She contributes substantially in the physical aspect of farming, livestock management,

post harvest and allied activities. Her direct and indirect contribution at the farm and home level along with livestock management operation has not only help to save their assets but also led to increase the family income. She performs various farm, livestock, post harvest and allied activities and possesses skills and indigenous knowledge in these areas. The women were empowering themselves technically to cope with the changing times and productively using their free time and existing skills for setting and sustaining enterprises. They were engaged in starting individual or collective income generation programme with the help of self-help group. This will not only generate income for them but also improve the decision-making capabilities that led to overall empowerment.

### 3.1 EMERGENCE OF SHGs IN INDIA:

During 1991-92, NABARD launched 92 pilot projects on linking SHGs with Banks, in various parts of the country. In July 1991, RBI advised the banks to participate in the pilot project and to extend finance to SHGs as per the norms and guidelines of NABARD. In February 1992 detailed guidelines were issued to the commercial banks, explaining the modalities of the pilot project. Later the scheme was made applicable to RRBs and Cooperative Banks in May 1993. The NABARD-guidelines to banks for implementation of the pilot project allowed ample flexibility to the participating banks to innovative responses and observed variations in the grassroots level situations. It aimed at providing credit to the informal SHGs of rural poor, through the banking system, with minimal documentation and simplified procedures. The women are engaged in small-scale entrepreneurship programme with the help of Self Help Groups. Through that they were economically empowered and attaining status in family and community.

The SHG – Bank linkage programme, referred to as the Indian Micro-finance Model began formally in 1992 with a set of guidelines passed by NABARD and RBI enabling commercial banks to lend to SHGs without collateral. Loan repayment rates from SHGs of 98% against 32% from other programmes to the poor, convinced the banking sector of the viability of SHG lending. Currently, over 90% of SHGs in India consist exclusively of women and SHGs are the preferred strategy for both credit deliveries for the poor and women's empowerment. Targets of NABARD to credit link one million SHGs by 2008 have been overshoot by the exponential growth of these groups. Latest data showed that cumulatively banks have lent 39.04 billion (US \$ 156 million) to 1,079,091 SHGs (NABARD, 31 March, 2004). About 16 million poor households have gained access to formal banking system through SHG bank linkage programme. The Self Help Groups have become the focal point of development schemes under the unified poverty alleviation programme, "Swaranjayanti Gram Swarozgar Yojana" (SGSY) launched by the government of India. It has, however, been argued that development agencies committed to empowerment of women need to question the nature of the link between access to credit by targeting women, and the transformation of gender relations needed for empowerment and equality. Significant research and much anecdotal evidence suggest that women's empowerment cannot be assumed to be an automatic outcome of microfinance programs. Development agencies committed to the empowerment of women need to question the nature of the link between access to credit by targeting women, and the transformation in gender relations needed for empowerment and equality (Kabeer 1998; Mayoux 1998).

Andhra Pradesh is India's fifth largest State with a population of 76 million of which 3/4<sup>th</sup> live in 26500 rural villages. Today there are more than 25 lakh SHGs in the country, ninety percent of them are women Self-Help Groups. In this context and with this backdrop, this is a

modest attempt to study the impact of SHGs on women in the State of Andhra Pradesh. There are about 4.65 lakhs women SHGs in Andhra Pradesh covering nearly 61.70 lakhs poor women. Andhra Pradesh alone has about half of SHGs organized in the country. Since inception, an amount of Rs.1556.90 crore is mobilized as corpus by these groups.

### 3.2 AREAS OF MICRO-ENTERPRISE DEVELOPMENT:

Depending on number of factors ranging from landholdings, subsidiary occupations, agro climatic conditions and socio-personal characteristics of the rural women and her family member the areas of micro-enterprises also differ from place to place. The micro enterprises are classified under three major heads:

1. Micro-Enterprise development related to agriculture and allied agricultural activities like cultivating to organic vegetables, flowers, oil seeds and seed production are some of the areas besides taking up mushroom growing and bee – keeping. Some more areas can be like dehydration of fruits and vegetables, canning or bottling of pickles, chutneys, jams, squashes, dairy and other products that are ready to eat.
2. Micro-Enterprise development related to livestock management activities like dairy farming, poultry farm, livestock feed production and production of vermi composting using the animal waste can be an important area in which women can utilize both her technical skills and raw materials from the farm and livestock to earn substantial income and small scale agro-processing units.
3. Micro-Enterprise development related to household based operations like knitting, stitching, weaving, embroidery, bakery and flour milling, petty shops, food preparation and preservation.

### 3.3 ADVANTAGES OF ENTREPRENEURSHIP AMONG WOMEN:

Empowering women particularly women is a challenge. Micro enterprises in rural area can help to meet these challenges. Micro – enterprises not only enhance national productivity, generate employment but also help to develop economic independence, personal and social capabilities among women. Here are some of the personal and social capabilities, which were developed as result of taking up enterprise among women, are: Economic empowerment, improved standard of living, Self confidence, Enhance awareness, Sense of achievement, increased social interaction, Engaged in political activities, increased participation level in gram sabha meeting, Improvement in leadership qualities, Involvement in solving problems related to women and community, Decision making capacity in family and community.

Economic empowerment of women by micro entrepreneurship led to the empowerment of women in many things such as socio-economic opportunity, property rights, political representation, social equality, personal right, family development, market development, community development and at last the nation development.

Most women across the globe rely on the informal work sector for an income. If women were empowered to do more and be more, the possibility for economic growth becomes apparent. Empowering women in developing countries is essential to reduce global poverty since women represent most of the world's poor population. Eliminating a significant part of a nation's work force on the sole basis of gender can have detrimental effects on the economy of that nation. In addition, female participation in counsels, groups, and businesses is seen to increase efficiency. For a general idea on how an empowered women can impact a situation monetarily, a study found that of fortune 500 companies, "those with more women board directors had significantly higher financial returns, including 53 percent higher returns on equity, 24 percent higher returns on sales and 67 percent higher returns on invested capital (OECD, 2008)." This study shows the impact women can have on the overall economic benefits of a company. If implemented on a global scale, the inclusion of women in the formal workforce (like a fortune 500 company) can increase the economic output of a nation. Therefore, women can also help businesses grow and economies prosper if they have, and if they are able to use, the right knowledge and skills in their employment.

### 4. CONCLUSION:

Women's entrepreneurship is both about women's position in society and about the role of entrepreneurship in the same society. Women entrepreneurs faced many obstacles specifically in market their product (including family responsibilities) that have to be overcome in order to give them access to the same opportunities as men. In addition, in some countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in the labour force is a prerequisite for improving the position of women in society and self-employed women. Particularly the entry of women in micro enterprises will be encouraged and aggravated. Women can do wonders by their effectual and competent involvement in entrepreneurial activities. The women are having basic indigenous knowledge, skill, potential and resources to establish and manage enterprise. Now, what is the need is knowledge regarding

accessibility to loans, various funding agencies procedure regarding certification, awareness on government welfare programmes, motivation, technical skill and support from family, government and other organization. More over Formation and strengthening of women Entrepreneurs network must be encouraged. 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. This network helps to give lectures, printed material imparting first hand technical knowledge in production, processing, procurement, management and marketing among the other women. This will motivate other women to engage in micro entrepreneurship with the right assistance and they can strengthen their capacities besides adding to the family income and national productivity.

"You can tell the condition of a nation by looking at the status of its women"

- Jawaharlal Nehru.

## REFERENCES

- ARGAWAL AND UIJH BINA. (2010). "Gender and Green Governance: The Political Economy of Women's Presence Within and Beyond Community Forestry," New York, NY: Oxford University Press. | ANUPPALLE, R. REDDY(2008), Self-Help Groups in India - A Catalyst for Women Economic Empowerment and Poverty Eradication, 33RD GLOBAL CONFERENCE OF ICSW, TOURS (FRANCE) JUNE 30TH - JULY 4TH 2008. | A comparative study of self help groups (SHGS) (2004), organised and promoted by nongovernmental organisations (NGOS) and kudumbasree – a government organised nongovernmental organisation (gongo) in Kerala, towards empowerment of poor women, Ministry of Human Resource Development, Department of Women and Child Development | Jeevandeep Building, Sansad Marg - New Delhi. | BHATIA ANJU (2000), "Women Development and NGOs": Rawat Publication, New Delhi. | DONALD F. KURATKO, RICHARD M. HODGETTS (1997), "Entrepreneurship". Dryden Press Series in Entrepreneurship, Hardcover, USA. | Evaluation on policy; promotion of women innovators and entrepreneurship dg enterprise and industry European commission: E E C (GHK, Technopolis). | HINA SHAH,(2013) Creating an enabling environment for women's entrepreneurship in India. | ILO's women entrepreneurship activities: <http://www.ilo.org/wed> ILO Strategy on Promoting Women's Entrepreneurship Development, [http://www.ilo.org/gb/lang--en/WCMS\\_090565/index.htm](http://www.ilo.org/gb/lang--en/WCMS_090565/index.htm). | IntelWomenandtheWeb,(2012) . [http://www.intel.com/content/dam/www/public/us/en/documents/pdf/women-and-the\\_web.pdf](http://www.intel.com/content/dam/www/public/us/en/documents/pdf/women-and-the_web.pdf). | LALITA .N (2005), "Micro Finance and Rural Development": Gandhi gram Rural Institute, Gandhigram, Dindigal, Tamilnadu. | LIPI (2009) "Women Empowerment: Globalization and Opportunities" in Empowerment of Rural Women in India, Kanishka Publishers, New Delhi. | MISHRA.S.P (1996), Report "Factors Affecting Women Entrepreneurship in Small and Cottage Industries in India": International Labour Organisation, Swedish International Development cooperation Agency. | MEENU AGRAWAL, SHOBANA NELASCO (2009), "Empowerment of Rural Women in India" Kanishka Publishers, New Delhi | PRABHA SINGH (2009), "Rural Women and Development of Entrepreneurship with special reference to Punjab": Empowerment of Rural Women in India, Kanishka Publishers, New Delhi. | SINGH, N.P, AND SENGUPTA, R. (1985) Potential Women Entrepreneurs: Theory Profile, Vision and Motivation: An Exploratory Study, (Research Report Serial One, NIESBUD, New Delhi) | SWARANJAYANTI GRAM SWAROZGAR YOJANA (SGSY) is the umbrella self Help programme for the rural poor in India. Launched on April 1, 1999, the programme replaces the earlier self employment and allied programmes like IRDP. | SHOBANA NELASCO & JUNOFY ANTOZOZARINA (2009) "Rural women empowerment through Self Help Groups" in Empowerment of Rural Women in India, Kanishka Publishers, New Delhi. | 2nd OECD conference of Ministers Responsible for Small and Medium-Sized enterprises promoting entrepreneurship and innovative SMEs in a Global Economy,(2004): Organisation for Economic cooperation and development, Istabul, Tukey. | RAM NARESH THAKUR (2009) "Rural Women Empowerment in India", in Empowerment of Rural Women in India, Kanishka Publishers, New Delhi. | World Survey on the Role of Women in Development, (2009), Women's Control over Economic Resources and Access to Financial Resources, including Microfinance, New York: United Nations. | UNICEF(2007); "Equality in Employment," in The State of the World's Children. New York: United Nations Children's Fund. |