



Problems and Prospects of Women Entrepreneurship

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ABSTRACT

The appearance of entrepreneur in a society depends to a great extent on the socio, economic,religious,technical, cultural and psychological phenomenon which is existing in the society."Women entrepreneurship is one of the most important awakenings in global business especially India because of liberalization globalization and privatization. The policies of institutional frame work and back up by the government for developing entrepreneurial skills, starting up of industries and economic empowerment of women."In Hindu scriptures, woman has been described as the embodiment of Shakti, However, in real life she is treated as Abala. Women are leaving the workforce in drove in favor of being at home. Not to be a homemaker; but as job-making entrepreneur. The increasing presence of women in the business field as entrepreneurs literally changed the demographic characteristics of business and economic growth of the country. Women-owned businesses are playing active role in society and the economy, inspiring academics to focus on this interesting phenomenon. Women across regions showing interests to be an economically independent. Interested women with creative and innovative ideas are coming to start small and medium sized enterprises."An enterprise owned and controlled by a women having a minimum financial interest of 51% the employment generated by the enterprise to women"-Government of India.This paper focuses on the problems, issues,needs, challenges faced by women entrepreneurs and the alternative solutions suggested in order to overcome them and analyze the schemes for prospective Women Entrepreneurs designed by Indian government.

KEYWORDS :

0.1 Introduction:

Women have been successful in breaking their confinement within the limits of their homes by entering into varied kinds of professional and services women entrepreneurs have proved to be on par with their men counterparts in business acumen and are emerging as smart and dynamic entrepreneurs. There are many reasons for women to enter into entrepreneurial ventures in a predominantly society. Entrepreneurship among women is an important avenue through which women can overcome their subordination within the family and the family and the society as a whole. Therefore, development of entrepreneurship among women has received special attention of the policy makers. In this direction, a special character in the seventh plan has converted into the integration of women in economic development. The new industrial policy has stressed the need for conducting special Entrepreneurial Development Programme (EDPs) for women.

Besides this, today, a network of institutions exists in the country to promote women entrepreneurship. The commercial banks and the financial institution are an integral part of this network. Many organizations / institutions and association promote and develop women entrepreneurship by providing financial assistance at concessional rates of interest and organize industrial fairs and exhibitions. Entrepreneurship Development Programme (EDPs) for women creates entrepreneurial awareness among them. Besides organizing short-term EDPs for women, continuous training in all management areas is need of the hour.

Therefore, women in 70's opened up new frontiers and developed not only aspirations but ambitions for self employment and employment generation. These women wanted home, marriage, children, as well as occupation. They accepted the share of the work and responsibilities for success and growth of their enterprise. They wanted their voices to be heard as leaders to employees and as managers of the enterprises to the outside business environment. However, all of them accepted both their social and occupation roles balancing between the two.

In 80's, the number of women pursuing highly sophisticated technological and professional education increased. They entered into family business as equally contributing partners. They made personal choices, stood up for their convictions, and had the courage to make new

beginnings. For them the society was hostile and sometimes they developed a sense of guilt for not playing appropriate traditional and social roles. The women of the 90's were capable, competent, and confident. They were clear of their goals, processes and the dynamics of goal accomplishment.

1.2 Reasons for slow progress of women entrepreneurs in India

There are about 130 Million women starting businesses and another 95 million already establishing stage as per the reports of Global Entrepreneurship. Yet we face a huge equality gap. In only seven countries—Panama, Thailand, Ghana, Ecuador, Nigeria, Mexico and Uganda—do women take part in business at rates equal to men's; in some countries, like Pakistan, they rarely take part at all. Even when women are active business owners, they do not reach their potential: women own almost three in ten American firms, yet employ only 6% of the country's workforce and account for barely 4% of business revenues. Women Entrepreneurs encounter two sets of problems i.e. general problems entrepreneurs and problems specific to women entrepreneurs. These are discussed below,

Lack of Skills and Knowledge in Business Administration –

Women in India are lagging far behind in the field of education. Most of the women (around sixty per cent of total women) are illiterate. Due to lack of skills and knowledge in business administration women entrepreneurs are facing problems in handling the business activities successfully. Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management.

Lack of Confidence –Due to lack of confidence in Indian women for their strengths and competence, the family members as well as 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. Investing money, maintaining the operations and ploughing back of money for surplus generation requires high risk taking attitude, courage and confidence. Though the risk-tolerance ability of the women in day-to-day life is high as compared to male members, while in business it is just opposite to that.

Socio-cultural barriers – Women's family and personal obligations are sometimes a great barrier for succeeding in business career. In India, only few women are able to manage both home and business efficiently, devoting enough time and energy to perform all their responsibilities in priority. The business success depends on the support of the family members extended to women in the business process and management. The interest of the family members is a determinant in the realization of women folk business aspirations.

Changes in Marketing conditions – Indian women are neither fully aware of the changing market conditions nor can effectively utilize the services of media and internet. The confidence to travel across day and night and even different regions and states are less found in women compared to male entrepreneurs. This shows the low level freedom of expression and freedom of mobility of the women entrepreneurs. Due to stiff competition in the market and lack of mobility of women, a business woman finds it difficult to capture the market and depends on middleman.

Absence of Interest and Motivation - In India, women are still illiterate. Therefore, Illiteracy causes low level achievement and advancement motivation among women. Successful women entrepreneurs must be self-motivated through setting up a mind and taking up risk and accepting social responsibilities on their shoulder. The other factors such as family support, government policies, financial assistance etc. are also important motivational factors to set up business.

Lack of Awareness about the schemes, policies and financial assistance – Every woman entrepreneur may not be aware of those financial institutions who extend their maximum support in the form of incentives, loans, schemes etc. Therefore, the sincere efforts taken towards the improvement of women entrepreneurs may not reach the entrepreneurs in rural and backward areas.

Insufficient Training programs – In India, women are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training. Due to lack of access to technical training programs for women entrepreneurs, it becomes structural difficulties and prevent the technology from being beneficial or even available for them. 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 useful to new, rural, and young entrepreneurs who want to set up a small and medium scale unit on their own.

Deficiency in identifying the available resources – Women are hesitant to find out the access to cater their needs in the financial and marketing areas. In spite of the mushrooming growth of associations, institutions, and the schemes from the government side, women are not enterprising and dynamic to optimize the resources in the form of reserves, assets humankind or business volunteers. Getting the raw materials from different sources with discount prices is the factor that determines the profit margin. Lack of knowledge of the raw materials and low-level negotiation and bargaining skills are the reasons, which affect women entrepreneur's business adventures. The failure of many co-operatives in 1971 engaged in based making is example how the scarcity of raw material sounds the death knell of enterprises run by women.

Non-availability of Funds – Finance is regarded as lifeblood for any business organization/ enterprise. Indian women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Therefore, that access to the external sources funds is limited. Again, many banks also consider women less credit – worthy and discourage women borrowers on belief that they can any time leave their business. Women's loan repayment rates are higher than men's are, women still face more difficulties in obtaining credit due to discriminatory attitudes of banks and informal lending groups.

Male dominated society: Even though our constitution speaks of equality between sexes, male chauvinism is still the order of the day. In male dominated Indian society, women not treated equal to men. Their entry to business requires the approval of the head of the fam-

ily. Entrepreneurship traditionally been seen as a male preserve. All these put a break in the growth of women entrepreneurs. This in turn serves as an entry- barrier for women to start their own enterprise.

Dual role-play at work place and home: Women in India very emotionally attached to their families. They are supposed to attend to all the domestic work, to look after their children and other members of the family. They are over burdened with family responsibilities like extra attention to husband, children and in laws, which take away a lots of their time and energy. In such situation, it will be very difficult to concentrate and run the enterprise successfully. Absence of proper support, cooperation, and back up for women by their own family members and the outside world people force them to drop the idea of excelling in the enterprise field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them.

1.3 Need for women entrepreneurship:

Women's are good share of population in the world. Traditionally outside the domain of economic activities. They must be made part of the economic & development, because it will ensure the economic & social development of the women along with the economy of the country. The economic status of women is now accepted as indicator of a society's stage development.

According to former President APJ Abdul Kalam, "empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation" when a woman is empowered it does not mean that another individual becomes powerless or is having less power. On the contrary, if a women is empowered her competencies towards decision-making will surely influence her family's behavior. In advanced countries, there is a phenomenon of increase in the number of self-employed women after the World War II in USA, women own 25% of all business, even though their turnover on an average are less than two – fifths of those of other small business. In Canada, women own one-third of small business in France it is one-fifth.

Women entrepreneurs have been making a significant impact in all segments of the economy in India, Canada, Great Britain, Germany, Australia, and the United States. The areas chosen by women are Retail trade, Hotel, Education, Art & Culture, Health & Beauty Care, Insurance and Manufacturing. Factors leading women to be an entrepreneur: Women entrepreneurs choose business enterprises not only as a Profession but also as a challenge. To come out of financial difficulties, now a days women responding to independent occupation and inching towards self-dependency. With the spread of education and new approaches/awareness, women entrepreneurs are achieving higher level of 3E's, namely: (i) Engineering (ii) Electronics (iii) Energy. However, we should not forget certain Psycho-Social Barriers, which hinders the growth of women entrepreneurs.

1.4 Support from government institutions

India too gained momentum in developing Women Entrepreneurship. After new economic policy of 1991 created drastic change in Indian economy due to Liberalization, Privatization, and globalization, which led entry of domestic and foreign firms into the Indian market.

Government of India has started many EDP's (Entrepreneurship Training and Development Programme) centers to encourage young entrepreneurs and took initiation to startup small and medium enterprises by providing various schemes for the development and promotion of the women entrepreneurs like Trade related entrepreneurship assistance and development scheme for women (TREAD), Micro & Small Enterprise Cluster Development programme (MSE-CDP), Mahila Udyog Nidhi scheme (MUNS), State Finance Corporation, Shree Shakthi Package by SBI Self employed women's association Indian Council for women entrepreneurs, World Association of Women Entrepreneurs (WAVE) etc.

1.5 Success and Growth of women entrepreneur

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. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. The glass ceilings are shattered and women found involved in every line of business from Pappad to Power Cables. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers, interior decorators, exporter's publishers, garment manufacturers, and still exploring new avenues of economic participation. In India, although women constitute the majority of the total population, the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world. Some of the successful entrepreneurs in India Kiran Mazumdar shaw, chairman & managing director of Bicon Ltd., Ekta Kapoor, Head of Bala-ji Telefilms, Neelam Dhawan, Managing director, Microsoft india, Indu jain, Chairman of Times group etc.

1.6 Women Entrepreneurship & Economic Development

Earlier days women concentrated on their traditional works. But change in pace of time, they have equally participated with men and contributing to great extent not only to the family but great extent to business activities. Women entrepreneurs have been making a significant impact in segment of the economy of Eastern countries, like U.S.A., Germany, Holland, U.K., France., Sweden, Cannada . But in India were found to comprise of only 18% of the total work force in 1991 which has been found to be too low by census, various women's organization and development agencies. Most of them are engaged in the unorganized sector like agriculture, agro based industries,

Participation of women as industrial entrepreneurs is comparatively a recent phenomenon commencing from 70s onwards. There were more than 2,95,680 women entrepreneurs calming 11.2% of the total during 1995-96. This is almost double the percentage of women 5.2% among the total population on self-employed during 1981. Of this, a majority were concentrated in low paid, low skilled, low technology and low productivity jobs in the rural and unorganized sector, 90%(79.4 million) women workers were in the rural areas as against only 10%(8.6 million) in urban areas. Only 2.5 million women workers were in the organized sector a mere 12.4% of total employed.

Today we find women in different types of industries. It is the general impression that pappad, pickles and garments are products specially suitable for women. Selection of opportunity is based on the motives and special constraints for women. In a survey it is found that the following is the overall product selection by women entrepreneurs chemical-20%, Plastics-15%, Textile/Hosier-13%, Engineering-12%, elec5tronics 7%, leather-4%, General-29%. It is observed that selection of business venture is depending upon the background and education of an entrepreneur.

1.7 Conclusion

Women entrepreneurs have become a strong driving force in today's corporate world. Not only are they able to equalize their duties of both mother hood and entrepreneurship but also comprise of almost half of the business Houses today. Their primary goal is not monetary orientated rather personal satisfaction and community involvement at large. Many of them educated and assemble into groups in order to pool business ideas and resources together. Yes, despite the many opportunities, many prospective women entrepreneurs are intimidated to move forward. Overall, there are many promising forth-coming survey predictions for women business owners. They will continue to form female business networks, transition towards information technology, and rely strongly on e-commerce as their form of trade.

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