



## Women Entrepreneurship- Probs & Prospects

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### ABSTRACT

*With the growing interest in entrepreneurship in general, there has been a growing interest and research that focused on women's entrepreneurship. Women have become aware of their existence their rights and their work situation. The tradition, customs, socio cultural values, ethics, motherhood subordinates to ling husband and men, physically weak, hard work areas, feeling of insecurity, cannot be tough etc. are some peculiar problems that the Indian women are coming across while they jump into entrepreneurship. The paper talks about the status of women entrepreneurs and the problems faced by them when they ventured out to carve their own niche in the competitive world of business environment.*

**KEYWORDS :** Entrepreneurship, Woman, Empowerment, Opportunities, Business Environment

### Introduction

The growth of the proportion of women entrepreneurs in developing countries has drawn the attention of both the academic and the development sector. Donors, international public institutions, national and local governments, NGOs, private companies, charities, knowledge institutes and business associations have initiated programs or policies to promote and develop women's entrepreneurship. Women entrepreneurs have been designated as the new engines for growth and the rising stars of the economies in developing countries to bring prosperity and welfare. A variety of stakeholders has pointed at them as an important 'untapped source' of economic growth and development (Minniti and Naudé, 2010). The World Economic Forum identified women entrepreneurs as "the way forward" at their annual meeting in 2012 (WEF, 2012). Others speak of women entrepreneurs as if they are the 'New Women's Movement'. They state: "forget aid, focus on foreign investment in women entrepreneurs as key drivers for growth and development" (Forbes, 2011). As compared to men, there is a slight lower number of women worldwide engaged in entrepreneurial activity. An important resource of data is the Global Entrepreneurship Monitor project, which estimates that more than 187 million women are engaged in entrepreneurial activity (GEM, 2012). On a global scale, the gender gap does not seem to be that alarming. GEM data (2012) demonstrates that men make up 52% of all entrepreneurial activity, compared to 48% of women entrepreneurs. In fact, some data suggest that women have outpaced men in the rate of new business they form (Minniti and Naudé, 2010).

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to create something new and an activity which creates value in the entire social ecosystem. It is the psyche makeup of a person. It is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which makes him/ her think about life and career in a given way.

The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during the last two decades, increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be.

### Entrepreneurship For Women

Entrepreneurship is an idea or vision which a woman holds to explore and optimize which could help her create new jobs & economic em-

powerment among her fellow beings. Across the globe, generations of women from very different backgrounds show very encouraging sign of entrepreneur spirit. It is to be hoped that governments at all levels will work to provide an

environment in which this spirit may flourish. Delmar, (2000). Over 200 million women are employed across all industry sectors, with half of this number is in developing countries. Gem report, (2007). Entrepreneurship by definition implies being in control of one's own life and activities. Gundry, yoseph and posig, (2002). This women empowerment is exactly the real barrier which society does not acknowledge and therefore majority of woman potential remains untapped, which can be a powerful resource in economic growth of every economy. Helms, (1997).

For a woman entrepreneurship is not a new concept but certainly keeps woman hesitant to be among startups due to societal and community trends and pressures. Many other factors do influence to keep woman away to be potential entrepreneurs especially in developing countries.

Hisrich, (1999). Developed nations have provided gender equality platforms to keep the woman workforce motivated to be entrepreneurs. However, women still face financial insecurity, business insurance & human resource challenges plus resistance from their male counterparts to be successful woman entrepreneurs.

### Factors Forcing women to become Entrepreneurs

- To materialize their idea into a capital
- For their empowerment and freedom
- To prove their worth among their male family members
- To establish their own rules for their work
- To overcome the deficiencies they faced during their job experience
- A long term standing desire to own their own company
- Working for someone else did not appeal to them

### Certain social factors also prevail as far as the women opting for entrepreneurship.

- Socio-economic factors
- Money is not the sole objective
- Building their own self-confidence
- Want to contribute something positive to the community
- Bring out their creativity and turn it into an innovation
- Materialize their ideas
- Economic independence
- Establishing their own creative idea
- Establishing their own identity
- Achievement of excellence
- Building self confidence
- Developing risk taking ability

**Table No. 1 Gender Related Development Index and its Component**

Rank	Country	Gender related development Index	As a per % of HDI	GDP per Capital
1	Australia	0.966	98.9	34923
2	Norway	0.961	99.6	53433
3	Iceland	0.959	99.0	44613
4	Canada	0.959	99.2	35812
5	Sweden	0.956	99.3	36712
6	France	0.956	99.4	33674
7	Netherland	0.954	98.9	38694
8	Finland	0.954	99.5	34526
9	Spain	0.949	99.4	31560
10	Ireland	0.948	98.2	44613
11	India	0.594	97.1	41024

**Sources: Human Development Report**

As shown in the above table, Gender related development index is significantly correlated with GDP per capita. The value of correlation coefficient comes 0.857371. Therefore, It can be treated as one of the parameter to show the economic condition & growth of the country.

### Major Barriers to Women Entrepreneurship

Women Entrepreneurs encounter two sets of problems i.e. general-problems entrepreneurs and problems specific to women entrepreneurs. These are discussed below,

#### a. Lack of Skills and Knowledge in Business Administration

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.

#### b. 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 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.

#### c. 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.

#### d. 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.

#### e. Lack of Interest and Motivation

In India, women are still illiterate. So, 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 poli-

cies, financial assistance etc. are also important motivational factors to set up business.

#### f. 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.. So the sincere efforts taken towards the improvement of women entrepreneurs may not reach the entrepreneurs in rural and backward areas.

#### g. 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 programmes 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 really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.

#### h. Problems 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, man-kind 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.

#### i. Lack of availability of finance

Finance is regarded as life blood 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. So 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 at any time leave their business. Women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit due to discriminatory attitudes of banks and informal lending groups.

#### j. Male dominated society

The constitution of India speaks of equality between sexes. But in practice women are weak in all respects. In male dominated Indian society, women are not treated equal to men. This in turn serves as an entry-barrier for women to start their own enterprise.

#### Prospects of Women Entrepreneurship in India

In the context of the opening up of the economy and the need for up gradation of technology, the Consortium of Women Entrepreneurs of India (CWEL) is a common platform to help the very women entrepreneurs in finding innovative techniques of production and marketing and finance. Prime-Minister Rozgar Yojna (PMRY), National Rural Employment Programme and (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Mahatma Gandhi National Rural Employment Guaranty Act (MGNREGA) are some of the important schemes floated by the Government which encourage women to enter into work entrepreneurial activities.

#### Supportive Measures for Women's Economic Activities and Entrepreneurship

- Direct & Indirect Financial Support • Nationalized banks
- State finance corporation
- State industrial development corporation
- District industries centers
- Differential rate schemes
- Mahila Udyog Needhi scheme
- Small Industries Development Bank of India (SIDBI)
- State Small Industrial Development Corporations (SSIDCs) Yojna

- Schemes and Programme
- Nehru Rojgar Yojna
  - Jacamar Rojgar Yojna
  - TRYSEM
  - DWACRA Technological Training and Awards
  - Shree Shakti Package by SBI
  - Entrepreneurship Development Institute of India
  - Trade Related Entrepreneurship Assistance and Development (TREAD)
  - National Institute of Small Business Extension Training (NSIBET)
  - Women's University of Mumbai Federations and Associations
  - National Alliance of Young Entrepreneurs (NAYE)
  - India Council of Women Entrepreneurs, New Delhi
  - Self Employed Women's Association (SEWA)
  - Association of Women Entrepreneurs of Karnataka (AWEK)
  - World Association of Women Entrepreneurs (WAWA)
  - Associated Country Women of the World (ACWW)

**Table2: Data of Women Entrepreneurship in India**

Women Entrepreneurship in States	No of Units Registered	No. of Women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujrat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71
Total	57,452	18,848	32.82

**Sources: Human Development Report**

The above table shows that in Tamilnadu 30.36% are women entrepreneurs. This no. is highest in U.P. Total % of women entrepreneurs in India is 32.82%.

**Conclusion**

Women have the potential and the determination to set up, uphold and supervise their own enterprises in a very systematic manner. Appropriate support and encouragement from the Society in general and family members in particular is required to help them scale new heights in their business ventures. The right kind of assistance from family, society and Government can make these Women Entrepreneurs a part of the mainstream of national economy and they can contribute to the economic progress of India in this era of globalization. The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise.

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