



## Women entrepreneurship in India-A Case study

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### ABSTRACT

Women in India are playing an important role in country's governance, economic development and social progress. Women's participation in work is an indicator of their status in a society. Women contribute to the economy in many ways. Gone are the days when women were considered only the household entities commanded by males. India has experienced rapid growth and development in the past years in many spheres. The contribution of women is omnipresent and all pervasive in every sphere of life. The presence of women in various decision making bodies helped develop confidence among other women. In India, recent statistics appear to show that women's workforce participation rates have declined. There are a number of challenges and obstacles faced by women entrepreneurs. The purpose of this study is to identify the major problems faced by women entrepreneurs.

**KEYWORDS :** entrepreneurs, finance, economic, competition

### INTRODUCTION

Entrepreneurship is the core of economic development. An entrepreneur is a key factor of entrepreneurship and an economic man who tries to maximize his profits by innovation and gets satisfaction from using his capabilities. Women entrepreneur may be defined as a woman or a group of women, who initiate, organize and operate a business enterprise. Every woman wants to start her own business but cannot survive in our Indian environment. Development of women is a policy objective of every country. Government and non government bodies are paying their attention towards women contribution through industrial ventures and self employment. Women are given priorities in all spheres of services-financial, administrative, and judicial and education. Increasing service sector also promotes the women entrepreneurship. In developed countries paid work offers more opportunities for women mobility and empowerment; it usually leads to greater social recognition of the work. Women's work participation rates are relatively low in India because the surrounding society is not giving women opportunities and freedom to engage in productive work, nor recognizing the vast amount of work performed by women. Women became a driving force of the socio-economic development of the country; all these become possible only with the active participation of women who are causing a change of qualitative growth of future generation as well. Social and economic development of women is necessary for development of any country. At present, the central and state government announces many schemes for potential women entrepreneurs (who may not have adequate educational background and skills) in India, which provides assistance for setting up training-cum-income generating activities for needy women to make them economically independent. In addition to this there are certain concessions and special incentives for women entrepreneurs. Women entrepreneurs create new jobs for themselves and others also. Successful women entrepreneurs consider their problems as a step to success and innovation and as a challenge faced boldly. Purpose of the study is to find out various internal, external, motivating and de-motivating factor of women entrepreneurship.

### OBJECTIVES OF THE STUDY

1. To study the nature of women entrepreneurs in India.
2. To study the problems encountered by women entrepreneurs.
3. To suggest the measures for success of women entrepreneurs in India.

### RESEARCH METHODOLOGY

#### SAMPLE SIZE

The sample size was fixed to 120 women entrepreneurs in the area of kharar.

#### SAMPLING METHOD

'CONVENIENT' sampling method is used for this study.

### DATA COLLECTION

For this study both primary and secondary data are used. Primary data are collected directly from 120 women entrepreneurs in Kharar. Secondary data are collected from books, publications and journals, relevant website etc.

### TOOLS FOR DATA COLLECTION

The questionnaire was designed and developed on the basis of the objective of the study. Primary data were collected through direct discussion and interview. For collection of information from women entrepreneurs, questionnaire administered to the sample of the women entrepreneurs in Kharar and interview schedule were used.

### TOOLS FOR ANALYSIS

The data collected through the schedules from primary sources have been processed and the results are analyzed by using the percentiles.

### ANALYSIS

#### INTERPRETATIONS REGARDING CHALLENGES FACED BY WOMEN ENTREPRENEURS

##### Problem of Finance

Study among women entrepreneurs in Kharar points out, financing the enterprise as major problem faced by the women entrepreneurs. 58% respondents say that they are facing problem of getting finance. More than 50 per cent of the women used their own Funds or funds borrowed from their spouse or family to set up their business. Finance is a critical resource for venture creation. Women entrepreneurs should have adequate knowledge and information of the various financial institutions which are rendering financial incentives. They suffer shortage of finance due to two main reasons firstly, the bank considers women are less credit-worthy and discourage women borrowers to start business. Women report that bank officials tend to ignore them in meetings and prefer speaking to their husbands or male business partners. Secondly, women do not generally have property on their name to use them as collateral for obtaining funds from external sources.

##### Stiff Competition

Study shows that 68% of women respondents in this area are facing stiff competition for marketing their products with both organized sector and their male counterparts. Many of the women enterprises have imperfect organizational set up. They have not enough money to advertise their products. They are lagging behind their competitors in key areas. Such a competition ultimately results in the winding up of enterprises.

##### Problem of Labor

It is observed that 49% of respondents are facing various labour problems in their units. Male laborers hesitate to work with women

employer. High labour absenteeism is the major labour problem in Kharar. Attitude of employees or workers, trade union problems, inadequate protection of labour law to employers and gender discrimination are some labour related problems.

#### **Family problems**

Lack of social support and family support discourage 67% women respondents in starting and running enterprises in Kharar. In this area, it is mainly a women's duty to look after the children and other members of family. In case of married women, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business. Their success in this regard also depends upon supporting husband and family. Thus, occupational back ground of families and education level of husbands have a great influence on the growth of business.

#### **Production and Raw Material problem**

Out of sample, 43% Women entrepreneur in Kharar not only struggle at the time of establishment of enterprises but at operation stage also; they have lots of different functional difficulties. Usually women entrepreneurs have to overcome with problems of production process like, lack of technical skills, lack of utilities and infrastructure facility. 34% respondents encounter the problems of shortage of raw-materials. High cost of production, shortage of raw materials, lack of skilled workers, frequent power failure, difficulties in disposing of wastage, and high cost of inputs are some other production related problems they are facing.

#### **Male-Dominated Society**

Today India offers a lot of opportunities to women. Nevertheless India is still a male dominated society, where women are often seen as subordinate and inferior to men. The constitution of India speaks of equality between sexes. But, in practice, women are looked upon as weak in all respects. In the male dominated Indian society, women are not treated equal to men. A woman is not allowed to open a bank account or own land without her husband's or father cosignatory. This gender discrimination served as an obstacle in Kharar for 52% women entrepreneur's entry into business.

#### **Lack of Education**

In area of Kharar, around half (50%) of women are still illiterate. Illiteracy is the root cause of socio-economic problems. Due to the lack of education women are not aware of business, technology and market knowledge and also cause low achievement, lack of motivation among women. Further creates problem in setting up and smooth running of enterprises in this area.

#### **Low risk-bearing ability**

A woman in India led a protected life. They are less educated and economically not self-dependent. All these reduce their ability to bear risk involved in running an enterprise. Risk-bearing is an essential requisite for a successful entrepreneur. Majority (59%) of women entrepreneurs of this area do not want to take risk. They always walk at safe side.

#### **Lack of training**

29% of respondents say that they have limited access to vocational and technical training to set-up a new business in Kharar. Women tend to have an educational background which is less relevant in preparing them for business ownership. More women have training in 'non-practical' subjects such as arts. They also lack relevant managerial, directly professional qualification and entrepreneurial experience.

#### **Legal formalities**

It is not easy to start a business, the lengthy list of legislations, licenses and permits, bureaucracy and red tape can have entrepreneurs in a tizzy. 40% Women entrepreneurs find it extremely difficult in complying with various legal formalities in obtaining licenses.

#### **Travelling problem**

Many women entrepreneurs are unable to travel to different cities or different countries as freely as men do and they are restricted by their own family members. The situation of the Kharar environment and inability to drive vehicles are some of the main causes. The problem lies in the perception of the people. 65% Women have some peculiar problems like staying out in the nights at distant places.

#### **Social attitude**

Another problem of women entrepreneurs is the social attitude in which she has to live and work. There is discrimination against women in India despite constitutional equality. Women do not get equal treatment in male-dominated society and male ego puts barriers in their progress.

#### **Marketing Related Problems**

25% of sample women entrepreneurs are weak in marketing the products and finding customers and have less access to proper market; they sell their product either in local market or through the middle man. Storage of product, transportation, credit sales, advertisement and marketing costs, lack of market information, poor bargaining power, and poor ability to fix the price are marketing related problems faced by women entrepreneurs in Kharar.

#### **Management Related Problems**

Efficient management helps to reduce the cost and increase in production. It is found that 43% women respondents have low managerial skill. Because of small size of firm they cannot employ skilled and trained managers in their business. Even they themselves are not able to acquire managerial skill due to time constraints

#### **REMEDIES TO OVERCOME THE PROBLEMS**

The financial institutions and banks must create special cells for providing easy finance to women entrepreneurs at concessional rate of interests and on easy repayment basis. Women entrepreneurs should be ensured of proper supply of scarce raw materials on priority basis. A subsidy may also be offered to them. Proper training shall be given to the women entrepreneurs through Government Programs. The cumbersome formalities should be avoided in sanctioning the loans. Co-operative institution and Banks use a share of their profit for the promotion of women entrepreneurs. Proper encouragement should be provided for setting up marketing co-operatives to provide the input at reasonable rate. To overcome make sure your family knows your limit and gain their trust.

#### **CONCLUSION**

It is observed that even though we have many successful women entrepreneurs in our country, still the situation is disappointing one. However, even though India is moving away from the male dominated culture, discrimination is still highly visible in rural as well as in urban areas, throughout all strata of society. Our women entrepreneurs, social welfare workers, scientists, politicians and economists are leading the way for a brighter future. Considering the fact and figures, here I would like to say that women's contribution in India's economy can bring positive social change, contribute to the growth of the country and their role and performance cannot be disregarded. The challenges faced by women entrepreneurs need to be addressed by the educational institutions especially in terms of business planning and inculcation of managerial skills. The results reveal that success of women enterprises depends on the formal education and the training received.