



A STUDY ON CHALLENGES FACED BY WOMEN ENTREPRENEURS IN INDIA

Commerce

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ABSTRACT

An entrepreneur is an individual who, rather than working as an employee, founds and runs a small business, assuming all the risks and rewards of the venture. The entrepreneur is commonly seen as an innovator, a source of new ideas, goods, services and business/or procedures. Entrepreneurs play a key role in any economy. These are the people who have the skills and initiative necessary to anticipate current and future needs and bring good new ideas to market. Entrepreneurs who prove to be successful in taking on the risks of a startup are rewarded with profits, fame and continued growth opportunities. Those who fail suffer losses and become less prevalent in the markets. Entrepreneurship serves as a catalyst of economic development of the country. It is one of the largest sections for capital accumulation. In fact economic growth is the result of the efforts taken by the entrepreneurs. Similarly entrepreneurs can dictate the economic growth by their actions and decisions. Now many have begun to realize that for achieving the goal of economic development, it is necessary to promote entrepreneurship both qualitatively and quantitatively in the country. Only active and enthusiastic entrepreneurs fully explore the potentialities of the country's available resources – labour, technology and capital.

KEYWORDS

INTRODUCTION

Before the 20th century, female operated small businesses as a way of supplementing their income. In many cases, they were trying to avoid poverty or were replacing the income from the loss of a spouse. At that time, the ventures that these women undertook were not thought of as entrepreneurial. Many of them had to focus on their domestic responsibilities. The term entrepreneur is used to describe individuals who have ideas for products and/or services that they turn into a working business. In earlier times, this term was reserved for men.

Women became more involved in the business world only when the idea of women in business became palatable to the general public; however, this does not mean that there were no female entrepreneurs until that time. In the 17th century, Dutch colonists who came to what is now known as New York City, operated under a matriarchal society. In this society, many women inherited money and lands, and through this inheritance, became business owners. One of the most successful women from this time was Margaret Hardenbrook Philipse, who was a merchant, a ship owner, and was involved in the trading of goods.

During the mid 18th century, it was popular for women to own certain businesses like brothels, alehouses, taverns, and retail shops. Most of these businesses were not perceived with good reputations; because, it was considered shameful for women to be in these positions. Society frowned upon women involved in such businesses; because, they detracted from the women's supposed gentle and frail nature. During the 18th and 19th centuries, more women came out from under the oppression of society's limits, and began to emerge into the public eye. Despite the disapproval of society, women such as Rebecca Lukens flourished. In 1825, Lukens took her family business of Iron works, and turned it into a profit-generating steel business.

In under developed economies the need of entrepreneurship is been recognized as the major factor of growth in an economy. As the number of entrepreneurs increasing in an economy the growth rate is high, reduction of employment and it also helps in the economic growth of the country. Entrepreneurship serves as a catalyst of economic development of the country. It is one of the largest sections for capital accumulation. In fact economic growth is the result of the efforts taken by the entrepreneurs. Similarly entrepreneurs can dictate the economic growth by their actions and decisions. Now many have begun to realize that for achieving the goal of economic development, it is necessary to promote entrepreneurship both qualitatively and quantitatively in the country. Only active and enthusiastic entrepreneurs fully explore the potentialities of the country's available resources – labour, technology and capital.

Key Elements Of Entrepreneurship:

- Innovation
- Risk Taking
- Vision

- Organizational skills

Women Entrepreneurs Government of India has defined women entrepreneur is "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". In most countries, regions and sectors, the majority of business owner/managers are male (from 65% to 75%). However, there is increasing evidence that more and more women are becoming interested in small business ownership and/or actually starting up in business. In addition, rates of self employment among women are increasing in several EU countries. Although there are no official statistics relating businesses to the gender of their owner/manager, there is a good deal of evidence to suggest a significant increase in female entrepreneurship.

According to the Women's Financial Network, women start businesses at two times the rate of men. While women are starting more businesses than men, they find it harder at the outset to grow their businesses and access venture capital. Women entrepreneurs constitute 10 % of the number of entrepreneurs in our country. "All over the world there is a realization that the best way to tackle poverty and enable the community to improve its quality of life is through social mobilization of poor, especially women into self help groups. Ever since independence a number of innovative schemes have been launched for the upliftment of women in our country. Indian government has taken lot of initiatives to strengthen the institutional rural credit system and development programmes.

Viewing it in the welfare programmes of Ninth Five Year Plan (1997-2002) and shifting the concept of Development to Empowerment. The Indian government adopted the approach of Self Help Groups (SHGs) to uplift the rural poor women. The empowerment of women through Self Help Groups (SHGs) would lead to benefits not only to the individual woman and women groups but also the families and community as a whole through collective action for development.

Most women business owners in Indian organization were either housewives or fresh graduates with no previous experience of running a business. These women business owners were in traditionally women - oriented business like garments, beauty care, and fashion designing, which either do not require any formalized training or are developed from a hobby or an interest into a business. The classic example will be of herbal queen Lady Shehnaz Hussain who started her herbal-based treatment from a relatively small scale. Infact, she started literally from her kitchen domain to a chain of beauty parlors spread out across the nation and world.

METHODOLOGY

The main aim of the research was to identify the key issues and problems facing women entrepreneurs (i.e. women running their own

businesses), co-entrepreneurs (i.e. female entrepreneurs assisting their spouses) and entrepreneurs from ethnic minorities. It is a descriptive research work carried out by the researcher. Secondary data is the source for this study.

ROLE OF WOMEN ENTREPRENEURS

- Women has to play multiple roles.
- Sometimes she has to play the role of either wife or mother.
- Or she has to adorn the role of parents or daughter.
- Simultaneously in the social setting she has to play the different roles in community.
- Playing these roles, women sometimes submerged her own self role and her own real.

STATUS OF WOMEN ENTREPRENEURS

Since the 21st century, the status of women in India has been changing as a result to growing industrialization and urbanization, spasmodic mobility and social legislation. Over the years, more and more women are going in for higher education, technical and professional education and their proportion in the workforce has also been increased. With the spread of education and awareness, women have shifted from the kitchen, handicrafts and traditional cottage industries to non-traditional higher levels of activities. Even the government has laid special emphasis on the need for conducting special entrepreneurial training programs for women to enable them to start their own ventures. Financial institutions and banks have also set up special cells to assist women entrepreneurs, this has boomerang the women entrepreneurs on the economic scene in the recent years although many women's entrepreneurship enterprises are still remained a much neglected field. However, for women there are several handicaps to enter into and manage business ownership due to the deeply embedded traditional mindset and stringent values of the Indian society. Lets us look at what these obstacles that are faced by women entrepreneurs.

PROBLEMS FACED BY WOMEN ENTREPRENEURS

Problem of Finance:

Finance is regarded as "life-blood" for any enterprise, be it 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. Thus, their access to the external sources of funds is limited. Secondly, the banks also consider women less credit-worthy and discourage women borrowers on the belief that they can at any time leave their business. Given such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relatives who are expectedly meager and negligible. Thus, women enterprises fail due to the shortage of finance.

Scarcity of Raw Material:

Most of the women enterprises are plagued by the scarcity of raw material and necessary inputs. Added to this are the high prices of raw material, on the one hand, and getting raw material at the minimum of discount, on the other. The failure of many women co-operatives in 1971 engaged in basket-making is an example how the scarcity of raw material sounds the death-knell of enterprises run by women (Gupta and Srinivasan 2009).

Stiff Competition:

Women entrepreneurs do not have organizational set-up to pump in a lot of money for canvassing and advertisement. Thus, they have to face a stiff competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women enterprises.

Limited Mobility:

Unlike men, women mobility in India is highly limited due to various reasons. A single woman asking for room is still looked upon suspicion. Cumbersome exercise involved in starting an enterprise coupled with the officials humiliating attitude towards women compels them to give up idea of starting an enterprise.

Family Ties:

In India, it is mainly a women's duty to look after the children and other members of the family. Man plays a secondary role only. 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.

Support and approval of husbands seem necessary condition for women's entry into business. Accordingly, the educational level and family background of husbands positively influence women's entry into business activities.

Lack of Education:

In India, around three-fifths (60%) of women are still illiterate. Illiteracy is the root cause of socio-economic problems. Due to the lack of education and that too qualitative education, women are not aware of business, technology and market knowledge. Also, lack of education causes low achievement motivation among women. Thus, lack of education creates one type or other problems for women in the setting up and running of business enterprises.

Male-Dominated Society:

Male chauvinism is still the order of the day in India. The Constitution of India speaks of equality between sexes. But, in practice, women are looked upon as abla, i.e. weak in all respects. Women suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In nutshell, in the male-dominated Indian society, women are not treated equal to men. This, in turn, serves as a barrier to women entry into business.

Low Risk-Bearing Ability:

Women in India lead 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 of a successful entrepreneur. In addition to above problems, inadequate infrastructural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio-economic constraints also hold the women back from entering into business.

Role of Government to Develop Women Entrepreneurs in India

The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Therefore, a congenial environment is needed to be created to enable women to participate actively in the entrepreneurial activities. There is a need of Government, nonGovernment, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India. The Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures.

These programmes are as follows:

In the seventh five-year plan, a special chapter on the "Integration of women in development" was introduced by Government with following suggestion:

Specific target group: It was suggested to treat women as a specific target groups in all major development programs of the country.

Arranging training facilities: It is also suggested in the chapter to devise and diversify vocational training facilities for women to suit their changing needs and skills.

Developing new equipments: Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments and practices.

Marketing assistance: It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.

Decision-making process: It was also suggested to involve the women in decision-making process.

The Government of India devised special programs to increase employment and income-generating activities for women in rural areas. The following plans are launched during the Eight-Five Year Plan:

Prime Minister Rojgar Yojana and EDPs were introduced to develop entrepreneurial qualities among rural women.

'Women in agriculture' scheme was introduced to train women farmers having small and marginal holdings in agriculture and allied activities.

To generate more employment opportunities for women KVIC took special measures in remote areas. Women co-operatives schemes were formed to help women in agro-based industries like dairy farming, poultry, animal husbandry, horticulture etc. with full financial support from the Government.

Several other schemes like integrated Rural Development Programs (IRDP), Training of Rural youth for Self employment (TRYSEM) etc. were started to alleviate poverty. 30-40% reservation is provided to women under these schemes. Economic development and growth is not achieved fully without the development of women entrepreneurs.

CONCLUSION

Even though female entrepreneurship and the formation of female-owned business networks is steadily rising, there are a number of challenges and obstacles that female entrepreneurs face. One major challenge that many female entrepreneurs face is the effect that the traditional gender-roles society may still have on women. Entrepreneurship is still considered as a male-dominated field, and it may be difficult to surpass these conventional views. Other than dealing with the dominant stereotype, female entrepreneurs are facing several obstacles related to their businesses.

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