

**Women Entrepreneurship In India**

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**ABSTRACT**

Till the beginning of the century, man has enjoyed a dominant position in our society. But with the increase in education rate among girls/women leads to change in position, technological innovation and modern way of thinking which can reduce the disparity between man and women, and bring about equality and equity between them, the need of the day is women empowerment both through provision of employment and enterprise creation. Women constitute around half of the total world population and also in India. They are regarded as the better half of the society. Today's Indian women are enjoying the fruit of globalization marking an influence on the domestic and international sphere. They have carved a niche for themselves in the male dominated world. Indian women well manage both burden of work in household front and meeting the deadlines at the work place. Many corporations are more eager to work with women-owned businesses, and a host of organizations are helping to get them up and running. Appropriate training and interventions are needed to bring qualitative changes in this situation. An attempt is made in this study to examine the quality of women enterprise management in socio-cultural milieu and to project the management training needs of women entrepreneurs. Keeping in view the findings of the study, perceptions of women entrepreneurs and insights of experienced trainers - confidence building, competence, connections and capital are projected as essential management training needs.

Keywords;- Business Women, Entrepreneurs, Management & Women.

**INTRODUCTION:**

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

Entrepreneurship is a more suitable profession for women than regular employment in public and private sectors since they have to fulfill dual roles. Entrepreneurship emerges from an individual's creative spirit into long-term business ownership, job creation, and economic security. Female entrepreneurs seek the professional and personal support that is found in business associations. Economic globalization has encouraged the expansion of female business ownership. Women bring commitment and integrity because they care about economic empowerment, entrepreneurial development and innovation. Women have been taking increasing interest in recent years in income generating activities, self employment and entrepreneurship. This is seen in respect of all kinds of women both in urban and rural areas. Women are taking up both traditional activities (knitting, pickle

making, toy making, jam and jelly) and also nontraditional activities (like computer training, catering services, beauty parlor, gym etc.). It is clear that more and more women are coming forward to set up enterprises. Generally, women who initiate a micro-enterprise do it because of the factors which limit their capacity to start large ventures-low levels of self-confidence, little access to technical information, poor local market conditions, regulatory barriers and no access to capital. Some micro enterprises offer a meaningful source of income and satisfaction. Women who try to enter an industry, either in managerial or in entrepreneurial role are generally exposed to various environmental constraints. Starting and operating business involves considerable risk and effort on the part of the entrepreneur, particularly in the light of highest failure rate. Perhaps, this rate is even higher in the case of women entrepreneurs who have to face not only the usual business problems but also their family problems. This not only limits the scope of their contribution to the industrialization process, but also undermines the productive utilization of an available human resource, that is most needed in our country. Development as entrepreneurs is a recently discovered phenomenon for women for which they need motivation, training and family support.

### **Meaning of Entrepreneurs:**

The word ' entrepreneur' derives from the French word "Entreprendre" (to undertake) .in the early 16th Century it was applied to persons engaged in military expeditions, and extend to cover construction and civil engineering activities in the in this 22nd century the meaning of entrepreneurs has changed. Entrepreneurship is more than simply "starting a business." The definition of entrepreneurship is a process through which individuals identify opportunities, allocate resources, and create value. This creation of value is often through the identification of unmet needs or through the identification of opportunities for change. Entrepreneurs see "problems" as "opportunities," then take action to identify the solutions to those problems and the customers who will pay to have those problems solved.

Entrepreneurial successes are simply a function of the ability of an entrepreneur to see these opportunities in the marketplace, initiate change (or take advantage of change) and create value through solution.

### **Women Entrepreneurship :**

Women entrepreneurship has been recognised as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organisation and business problems. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks, etc.

Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs). Thus, governments across the world as well as various developmental organizations are actively undertaking promotion of women entrepreneurs through various schemes, incentives and promotional measures.

Women entrepreneurs in the four southern states and Maharashtra account for over 50% of all women-led small-scale industrial units in India. A top 10 state-wise breakup is given below for ready reference.

S.No.	State/Union Territory	No Of SSI units	Percentage to total
1	Kerala	139225	13.09
2	Tamil Nadu	129808	12.2
3	Karnataka	103169	9.7
4	Maharashtra	100670	9.46
5	Andhra Pradesh	77166	7.25
6	Uttar Pradesh	72667	6.83
7	West Bengal	69625	6.55
8	Madhya Pradesh	68823	6.47
9	Gujarat	53703	5.05
10	Bihar	49443	4.65

Source: SIDBI, For Details Statewise information Please refer to: [http://smallb.sidbi.in/sites/default/files/knowledge\\_base/statewisedistributionofwomenentrepreneurs.pdf](http://smallb.sidbi.in/sites/default/files/knowledge_base/statewisedistributionofwomenentrepreneurs.pdf)

### **Tribulations Faced by Women Entrepreneurs**

Women in India are faced many problems to get ahead their life in business. A few problems can be detailed as:

1. 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.
  - a. 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.
  - b. 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.
2. 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).

3. **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.
4. **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.
5. **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.
6. **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.
7. **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 able, 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.
8. **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 infrast ructural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socioeconomic constraints also hold the women back from entering into business.

#### **Govt. Policies and Schemes for Women Entrepreneurs in India**

In India, the Micro, Small & Medium Enterprises development organisations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The

Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems.

There are also several other schemes of the government at central and state level, which provide assistance for setting up training-cum-income generating activities for needy women to make them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs.

In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. For instance, under Prime Minister's RozgarYojana (PMRY), preference is given to women beneficiaries. The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme. Similarly, under the MSE Cluster Development Programme by Ministry of MSME, the contribution from the Ministry of MSME varies between 30-80% of the total project in case of hard intervention, but in the case of clusters owned and managed by women entrepreneurs, contribution of the M/o MSME could be upto 90% of the project cost. Similarly, under the Credit Guarantee Fund Scheme for Micro and Small Enterprises, the guarantee cover is generally available upto 75% of the loans extended; however the extent of guarantee cover is 80% for MSEs operated and/ or owned by women.

#### **Push-Pull factors and Women in business**

Women in business are a recent phenomenon in India. By and large they had confide themselves to petty business and tiny cottage industries. Women entrepreneurs engaged in business due to push and pull factors. Which encourage women to have an independent occupation and stands on their onlegs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddled with household chores and domestic responsibilities women want to get independence Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

They have made their marks in business because of the following reasons:

1. They want to improve their mettle in innovation and competitive jobs.
2. They want the change to control the balance between their families and responsibility and their business levels.
3. They want new challenges and opportunities for self fulfillment.

#### **Role of women as an Entrepreneur's:**

1. **Imaginative:** It refers to the imaginative approach or original ideas with competitive market. Well-planned approach is needed to examine the existing situation and to identify the

entrepreneurial opportunities. It further implies that women entrepreneur's have association with knowledgeable people and contracting the right organization offering support and services.

2. **Attribute to work hard:** Enterprising women have further ability to work hard. The imaginative ideas have to come to a fair play. Hard work is needed to build up an enterprise.
3. **Persistence:** Women entrepreneurs must have an intention to fulfill their dreams. They have to make a dream transferred into an idea enterprise; Studies show that successful women work hard.
4. **Ability and desire** to take risk the desire refers to the willingness to take risk and ability to the proficiency in planning making forecast estimates and calculations.
5. **Profit earning capacity:** she should have a capacity to get maximum return out of invested capital.

A Woman entrepreneur has also to perform all the functions involved in establishing an enterprise. These include idea generation, and screening, determination of objectives, project preparation, product analysis, determination of forms of business organization, completion of formal activities, raising funds, procuring men machine materials and operations of business.

### **Tips for Women Entrepreneurs**

Though there is some overlap in issues men and women face when starting a business, women entrepreneurs face some unique challenges and concerns. Here are six tips that can help women with their most common business start-up issues.

1. Start a business that works for you and fits with your personal life.
2. Don't sweat the bureaucracy.
3. For businesses with moderate to significant overhead, it is crucial to start the business with adequate funds.
4. If you need start-up or expansion financing, consider sources other than traditional banks.
5. Network like a social butterfly -- it is one of the best ways to market your business and create profitable opportunities.
6. Forge relationships with contacts before you need help from them.

### **Success Stories of Women Entrepreneurs in India**

- Story of Dream Weavers which started with Rs 500 and now makes Rs 25 lakhs.
- Story of Patricia Narayan, Winner of Ficci Woman Entrepreneur of the Year Award.
- Story of Sarala Bastian who set up a successful mushroom business with just Rs 15000.
- Success story of Kiran Majumdar Shaw, the Biocon Queen.
- Success story of Saloni Malhotra, founder of DesiCrew.
- Story of Revathi Krishna, the founder of Coffee, Books and More.
- Story of Lata Manohar's boutique - Vishuddi.
- Story of RadhaRajkrishnan, a successful entrepreneur in apparel business.

**Future Prospects of Development of Women Entrepreneurs:**

If we see the present business and entrepreneurship trend throughout the world, we can notice that the percentage or ratio of women entrepreneurs is growing tremendously. This is a good indicator as if the aforesaid condition prevails through a long period of time the number of women entrepreneurs will just double and even in certain sectors of economy it may triple in the coming 5-7 years. The emergence as well as development of women entrepreneurs is quite visible in India and their over-all contribution to Indian economy is also very significant. The occupational structure and the enterprises are undergoing a drastic change. IT and the Internet revolutionize the very method of doing business. New types of enterprises are created, and there are new requirements as regards the organization of work, qualifications and management. Entrepreneurial culture is undergoing a positive development.

The Government wants this trend to continue. Several of the initiatives are especially useful for women entrepreneurs' improvement of the entrepreneurial culture, regional contact points and entrepreneur networks as well as more ready access to financing, especially to small loans. These initiatives are to be further adjusted to appeal to women entrepreneurs. All this is providing immense confidence in the women entrepreneurs and enabling them to exercise their skills, risk taking abilities, uncertainty bearing attitude while working in an enterprise. To inspire confidence and to "sell one's idea" is the policy nowadays being adopted by women entrepreneurs. Above all, women want competent counselling in various fields: such as namely: financing, liquidity, budgeting, etc. Women entrepreneurs also want more appreciation of their idea on the part of the banks. Many say, however, that they themselves must also be better at selling their idea. More-over with increasing government and non-government and other financial institutions assistance for various women entrepreneurs within the economy there can be significant increase brought about in the growth of women entrepreneurship process. Still efforts are being made to coordinate with the enterprise activities of women and providing them utmost financial, morale, psychological support by various institutions working within the economy and world-wide.

**CONCLUSION:**

"Only a life lived for others is a life worthwhile". Yes. Today there is a greater awakening among women. In education, they have not only excelled but also become top makers. Likewise, in office and industry, many have shown brilliant results. Even in rural India with education, women have shown better performance. Educating women is absolutely essential in straightening her personality. The need of the hour is to provide an opportunity in a conducive atmosphere free from gender differences. The need for awareness motivation and courage to correct the faults of male counterparts is great challenges today. It is, therefore, encouragement of the growing intensity of motivation amongst educated young women for coming in the entrepreneurial stream and extends support with scientifically designed package of the technical and financial assistance. The non-governmental organizations have a bigger role in stimulating and nurturing the spirit of entrepreneurship among women. Towards this end, an integrated approach is necessary for making the movement of women entrepreneurship a success. For this purpose, both the government and non-government agencies have to play a vital role.



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