

## ENTREPRENEURSHIP: ISSUES AND CHALLENGES TO WOMEN OF INDIA

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### ABSTRACT

*As Pandit Jawaharlal Lal Nehru has once said that "When women move forward, the family moves, the village moves and then ultimately the Nation moves forward." Entrepreneurship refers to the act of setting up a new business so as to take advantages from new opportunities. Entrepreneurs play an important role in shaping the economy as they help in creation of new wealth, new jobs by inventing new products, process and services. It has been well recognized that economic development of the today's woman is crucial for economic development of any country specially a developing country like India. Government of India is making very hard efforts to boost up the number of skilled women entrepreneurs in India. Many efforts had been made by the government at policy level, many programmes and schemes have been launched to support and promote entrepreneurship, particularly for women entrepreneurs in both urban and rural areas. But still, there seems a gap in activities of government of India and actual situations faced by entrepreneurs. In this research paper, an effort has been made to highlight the issues and challenges related with entrepreneurship that the women of our country face in the present times. This research paper lists down certain issues and challenges faced by entrepreneurs to meet their desired level of success and also some of the suggestions have been made to improve entrepreneurial situation in India.*

**Keywords:** *Entrepreneurship, Women Entrepreneurs, Urban & Rural Areas, Skilled Women, Economic Development.*

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### Introduction

Women's entrepreneurship should be a matter of great importance that needs to be studied separately mainly for two reasons. The first reason being that the importance of women's entrepreneurship has been recognized during the last decade as a significant untapped source of economic growth. Women entrepreneurs create new job opportunities not only for themselves but also for others, and also provide society with different solutions to managerial, organizational and business problems as well as to the exploitation of entrepreneurial opportunities. However, they still denote a marginal of all entrepreneurs. Thus, there exists a market failure due to discriminating against women's possibility to become successful entrepreneurs. This market failure needs to be addressed by policy makers and stakeholders so that the economic potential of this vital group can be fully utilized and properly channelized in the development of the nation. The purpose of this paper is to examine the issues, constraints and opportunities being faced by women entrepreneurship in developing countries at micro- and macro-level perspectives and seeks to provide a detailed interpretation of opportunities and constraints brought by entrepreneurship.

**Women Entrepreneurs:** Women entrepreneurs are the females who ventures out into different activities like manufacturing, assembly, service, etc.

*"Women who innovates, imitates or adopts a business activity"*

J. Schumpeter

Government of India defined Women entrepreneurs in terms of its participation in equity and employment. Government of India, "A women enterprise is defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment to women."

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According to the recent reports and studies female entrepreneurship has attracted a lot of attention in recent years in light of concrete evidence that it strongly supports the economic growth and development of a nation. Women plays a vital role in the economy not only as consumers but also as producers.

#### **Objectives of the Study**

- To discuss the problems or issues faced by women entrepreneurs in India
- To discuss the major factors affecting the development of women entrepreneurship in India
- To discuss the measures needed to improve the state of women entrepreneurship in India

#### **Review of Literature**

**Danish Ahmed Ansari (2016)**, in the study on Women Entrepreneurship in India (an empirical study) studies the present position of women entrepreneurs and stated that India's position in women entrepreneurs is quite low as compared to as compared to other leading countries, however the participation of women in entrepreneurial activities is gaining momentum. In his study it has been observed that females are proving themselves as good entrepreneurs and have many success stories in urban India but the same is not true in rural areas. The main objective of his study is to find the major motivational and demotivational factors of women entrepreneurs. The major findings of his study are that the majority of women entrepreneurs are in SSI and even in these, many of units are sick due to lack of finance. He suggested that government and other financial institutions should come forward with many lucrative schemes like concessional interest rates, subsidies, and etc. must be enforced from time to time.

**Jaishree Lawatre (2016)** in her study on women entrepreneurship and rural development, she discussed the concept and principal of rural entrepreneurship, with keeping a focus on women. She also discussed the types of rural entrepreneurship and different challenges faced by women entrepreneurs. She also highlighted the various skills like business education, training and capacity building programs. She also suggested that along with government, universities and educational institutes should also come forward with increased focus on development of women entrepreneurs.

**Mishra and Kiran (2014)** talked about the entrepreneurial development of women, particularly from rural background. They pointed out that women are becoming socially and economically independent and empowering themselves by setting up their own ventures. Women entrepreneurship is gaining great importance in the economic development of the nation. This study highlighted the factors that can be tapped to enhance entrepreneurial skill of women entrepreneurs in rural areas.

**Dangi and Ritika (2014)** in their study revealed the importance of MSMEs in India and problems faced by women entrepreneurs in India. There researched paper highlighted the role of MSMEs in bringing substantial industrial development in India.

**Cohoon, Wadhwa and Mitchell (2010)** presented an empirical study on the established and successful women entrepreneurs and identified top motivational factors that motivate women to take up entrepreneurial activities. The important factors were desire to build the wealth, the wish to capitalize own business ideas and to move ahead in life. The challenges faced by women were more related with entrepreneurship rather than gender. Studies have found that most of the women establish enterprises before the age of 35 after gaining some job experience somewhere. The Women network report on Women in Business & in Decision Making focus on women entrepreneurs, about their problems in starting & running the business, family back ground, education, size of business unit.

**Tambunan, (2009)** in her study based on data analysis and review of recent literature found that women entrepreneurship is gaining momentum as well as importance in all sectors of the economy. The study also highlighted that the representation of women in entrepreneurial activities in the nation is low because of educational, financial, cultural and religious factors.

**Singh (2008)** carried a study to identify the reasons & factors that influence entry of women in entrepreneurship and also explained the obstacles in the growth of women entrepreneurship. The factors identified were lack of contact with successful entrepreneurs, social acceptance as women entrepreneurs, family responsibility, gender discrimination, lack of social networking, low family and financial support.

#### **Challenges Faced by Women Entrepreneurs**

Women in India have faced many problems to get ahead in their business enterprises and ventures. They faced a series of problems right from the beginning till the enterprise functions. The problems of Indian women pertain her responsibilities towards family, society and work. Besides the above basic problems, other problems are also faced by women entrepreneurs. That is:

- **Problem of Finance**

Finance is considered as “life blood” for any enterprise, be it big one or small enterprise. The major reason the women entrepreneurs suffer from shortage of finance are: women do not generally have property on their names that can be used as collateral by them for obtaining funds from external sources. Thus, their access to the external sources of funds is limited. And, the attitude of the banks as they consider women as less credit- worthy and discourage women borrowers to take credit on the belief that they can leave their business anytime. Due to such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relatives. Thus, the reason of the failure of women enterprises is the shortage of adequate finances.

- **Stiff Competition**

Women entrepreneurs lacks the organizational set- up to pump in a lot of money for marketing and advertisement. Thus, they have to face tough competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately leads to the liquidation or closure of women enterprises.

- **Limited Mobility**

Unlike men, women are immobile in India due to various cultural and societal reasons. It is quite difficult for a woman to arrange the required procedural nods from various offices. Cumbersome exercise involved in starting an enterprise coupled with the officials humiliating attitude towards women compels them to give up an idea of starting an enterprise.

- **Family Ties**

In India, it is primarily a woman’s duty to look after the children and other family members. In case of married woman, it becomes very difficult for her as she has to strike a fine balance between her personal and professional life. Her total involvement in family as expected by society in leaves little or no energy and time to devote for her business venture. Support and approval of husbands seem necessary condition or women’s entry in to business. Accordingly, the educational level and family background of husbands positively influence women’s entry into business activities.

- **Lack of Education**

As per census 2011 only 65.46% females are literates in India. Illiteracy among females is one of the root cause of socio- economic problems. Due to the lack of education, females are not aware of opportunities available for then business, technology and market. Thus, lack of education creates problems for women in the setting up and running their own business enterprises and they hesitate to take steps out from normal activities to business activities.

- **Male Dominated Society**

Indian society is pre. 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.



- **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 infra structural 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.

- **Lack of Confidence**

It is popular in India when any women-run business it is her family members who stand beside her, also there are some cases found where women are entrepreneurs on just papers and her business is run by the male member of her family this happens due to existence of male ego and she is not allowed to work which again causes lack of confidence in her. This number is decreasing as women are facing and coping with such challenges with the coming years but still, this exists somewhere that causes challenges for women entrepreneurs because they are forced to feel that they do not possess enough skills.

- **Outdated Technology**

There are business which is small in size as they lack enough capital and capacity forcing them to have no or minute changes in technologies due to which these organizations do not develop with the development and this hinders the quality of products.

### **Factors Influencing Women Entrepreneurship**

Entrepreneurship has its supremacy and advantages, but it is not free of barriers. It is observed that there are a large number of factors influence and contribute to the emergence of women entrepreneurship. Some of the factors are analyzed based on past studies which are as follows:

- **The Gender Gap**

There are not just a few areas where women are the new and upcoming faces. This phenomenon is growing in many other fields. One of the attributing factors is the moderation of the gender gap. The thick lines in the allocation of different roles to males and females are getting thinner these days. The gender gap is bridging, females are leading in many fields and are paving their path to be leaders in business also.

- **Breaking Stereotype**

It's not only the comparison with men that has hampered the development and success of women until very recently. Previously, the numerous amount of stereotypes associated with women have limited them to their homes or inferior roles.

- **Role Models**

Females are now getting attracted to start their ventures by getting inspired by the successful examples being set by the women entrepreneurs. Feeling motivated with the emerging women who take on the authority to motivate and inspire young and talented minds, the participation of females in business activities is growing at rapid pace.

### **Suggestion to Development of Woman Entrepreneurship**

Here are few of the suggestions that could be taken into consideration for advancement and development of women as an entrepreneur:

- Women particularly living in rural areas should be exposed to awareness programmes related to entrepreneurship.
- Government should come up with better schemes for women entrepreneurs, keeping in mind their challenges and constraints.
- New training programmes should be framed and provided to women.
- Entrepreneurship could be taught as a mandatory or optional subject at school level.
- Counseling through the medium of successful women entrepreneurs or NGOs or specialists could be provided.
- A separate entrepreneurial guidance cell for women could be set up for all time assistance of information.
- Women entrepreneurs could be given provision of credit system at micro or enterprise level.

### Conclusion

Women entrepreneurship in India faces many challenges and requires a radical change in attitudes and mindsets of society. Therefore, programs should be designed to address changes in attitude and mindset of the people. It is important to promote entrepreneurship among women to improve the economic situation of the women. This can be made possible with the help of education as education is a powerful tool in bringing out the entrepreneurship qualities in a human being. Moreover, attempts to motivate inspire and assist women entrepreneurs should be made at all possible levels. Proper training should be given to the women by establishing training institutes that can enhance their level of work-knowledge, risk-taking abilities, enhancing their capabilities. Training institutes, should be monitored continuously, training programs should be designed to enhance the skills and abilities of the women entrepreneurs being produced in the country. However, efforts need to be taken at larger scale to give the position in the field of entrepreneurship that they deserve. The actions and steps that has been taken by the government sponsored development activities have benefited only a small stratum of society and more needs to be done in this area. Effective steps need to be taken to have entrepreneurial awareness and skill development of women entrepreneurs.

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