

## ROLE OF WOMEN IN ENTREPRENEURSHIP: ISSUES AND CHALLENGES

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### ABSTRACT

*Today in this era of globalization women in the business is a recent phenomenon in India. The spread of education and increased awareness are aiding women to spread their wings into areas which were monopoly of men. Today modern women entrepreneurs are determined to prove that no field is unapproachable to them if sufficient facilities and training are made available for them in this male dominating society. But the trend is changing. Women across India are showing an interest to be economically independent. Women are coming forth to the business arena with the ideas to start small and medium enterprise. They are willing to be inspired by role models, the experience of other women in business arena. The myth that women cannot engage in productive employment needs to be dispelled. They can be encouraged to set up small and medium scale industries on their own initiatives. Entrepreneurship development for women is a factor in economic development in India. The present paper focuses on the achievements of women entrepreneurs and the problems and hurdles faced by them even today in the 21<sup>st</sup> century.*

**KEYWORDS:** *Women Entrepreneurs, Globalization, Economic Development.*

### Introduction

In the advance countries of the world, there has been a phenomenal increase in the number of self employed women after Second World War. Women entrepreneurs have been making a significant impact in all segments of economy. The areas chosen by women are retail trade, restaurants, hotels, education, cultural insurance and manufacturing. In developing economics the small, medium and cottage industries are able to create livelihood to the poor and the needy of the society. In the Indian context participation of women as industrial entrepreneurs, however is comparatively a recent phenomenon commencing from 70's onwards.

The women are endowed with innate power that can make them successful entrepreneur. Women entrepreneurship is inherent and also a natural process. Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. Entrepreneur has been considered instrumental in imitating and sustaining socio-economic development. There are evidences to believe that countries which have proportionately higher percentage of entrepreneur in there population have developed much faster as compared to countries, which have lesser percentage of them in the society.

### Role of Women Entrepreneurs

Women Entrepreneur may be defined as the women or a group of woman, who initiate, organize and operate a business enterprise. The government of India has defined a women Entrepreneurship as "an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to

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women". In India, women constitute around 48% of the population but their participation in the economic activities is only 34%. As per the human development report (2007), India ranks 96<sup>th</sup> on the gender related development index of 137 nations. The gender empowerment measures, which estimate the extent of women participation in the country's economic and political activities, rank India as 110<sup>th</sup> of 166 nations. In emerging complex social scenario, women have a pivotal role to play. Now women have taken up entrepreneurial role in order to create a meaning for themselves. The traditional role of housewives is gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income.

According to Frederick Harbisonson like a male entrepreneur women entrepreneurs have following functions:

- Explore the prospects of starting new enterprise.
- Introduction of new innovations or running of successful once presently in existence.
- Undertaking of the risk and handling of economic and non-economic uncertainties.
- Coordination, administration and control.
- Supervision and providing leadership in all aspects of the business.

#### **Factors Influencing Women Entrepreneurs**

Setting up an enterprise is not an easy job for women entrepreneurs and at the same time running the enterprise is a greater task. A challenge is always there for these women entrepreneurs who run their enterprise successfully earning profit and ensuring the growth of enterprises which will severely test their entrepreneurial skill and survival of the unit.

There are many factors which influence the survival of the women entrepreneurs:

- Building confidence
- Developing risk taking ability
- Economic independence
- Establishing their own creative ideas
- Establishing their own identity
- Motivation
- Equal status in the society
- Greater freedom and mobility
- Achievement of excellence

#### **The Various Constrains Faced by Women Entrepreneurs**

Women entrepreneurs especially in India have to face various constrains which forms a barrier in their overall development of entrepreneurship.

Some of the constrains are as follows:

- **Family Responsibilities:** In India, the involvement of a women in the family leaves little time and energy for business. The success of married women depends upon supporting husband and family. There arises a role conflict in many women entrepreneurs. Such conflict prevents them from taking prompt decision in business.
- **Social Attitudes:** Despite constitutional quality there is a discrimination against women. In a tradition bound society, women suffers from male reservations in rural areas women face resistance not only from males but also from elderly females who have accepted inequality
- **Low Mobility:** Women on their own find it difficult to get accommodation in towns. One of the biggest handicaps for women entrepreneurs is mobility of travelling from place to place.
- **High cost of production:** High cost of production is another problem which undermines the efficiency and restricts the development of women enterprises.
- **Lack of Education:** In India literacy among women very low. Due to lack of education, majority of women are unaware of technological development, marketing knowledge etc... Lack of information and experience creates further problems in setting up running of business enterprise.

- **Shortage of Finance:** Women entrepreneur always suffer from inadequate financial resources and working capital. They lack access to external funds due to absence of tangible security and credit in the market. Women entrepreneur also face the problem of obtaining working capital for financing day to day operations of their enterprise.
- **Inefficient Arrangement for Marketing and Data:** In order to market their product women entrepreneur are often at the mercy of middle men who pocket the chunk of profit. Although the middle men exploit the women entrepreneur, the elimination of middle men is difficult because it involves a lot of running about.
- **Stiff Competition:** Many of the women entrepreneurs have imperfect organizational setup. They have to face severe competition from organized industries and male entrepreneurs.

#### **Policies and Schemes for and Development of Women Entrepreneurs in India**

The development of women entrepreneurship should form an integral part of the entire development process. Regarding the development of women entrepreneurship following suggestions should be incorporated

- Treat women as specific target groups in all development programs.
- Increase women's participation in decision-making.
- Provide marketing assistance at the state level.
- Properly diversify vocational training facilities for women to suit their needs & skills.
- Encourage appropriate technologies, equipment's and practice for reducing their drudgery and increase their efficiency and productivity.

The new industrial policy of the government has recommended that product and process oriented courses may be conducted to enable women to start small scale industry. The objective of such courses should be to give representation to women in the field of small industry development with a view to uplift their status in the economic and social field hence promotion of women entrepreneurs should form and integral part of overall development.

This may offer two advantages:

- Economic growth
- Women development

Women should be motivated to come out of their traditional occupation for accepting more challenging and rewarding economic activities. The government has been implementing the rural employment generation programme (REGP), a credit linked subsidy programme through the khadi and village industries commission (KVIC), in the country, to provide self-employment opportunities to un-employed persons in rural areas, including women. Under REGP, women entrepreneurs entitled to higher rate of margin money assistance as compared with general category entrepreneurs similarly under the Prime Minister Rojgar Yojna (PMRY) implemented in both rural and urban areas, self-employment opportunities are made available to educated un-employed youth. This two is a credit-linked subsidy scheme and is implemented to the district industries center of the states and union territories, with the loans being provided by the banks.

#### **Women Entrepreneurs' Association**

With the growth of women entrepreneurs, a few associations of entrepreneurs have been setup as national and international level. The main objective behind the formation of these associations is to create a congenial atmosphere for developing women entrepreneurship in rural and urban areas. These associations seek to achieve the following objectives:

- To provide a meeting ground for women entrepreneurs.
- To conduct entrepreneurial development programs for women.
- To organize seminars and conferences on entrepreneurship with the help of national and international bodies.
- To secure wider dispersal of entrepreneurship among women.
- To establish useful contacts for promoting women entrepreneurship.
- To perform other activities to improve the operational efficiency of women entrepreneur etc.

Some of the associations of women entrepreneurs in India and abroad are described below:

- **NAYE:** The national alliance of young entrepreneurs has a separate wing for women entrepreneurs. This wing is the leading organization women entrepreneurs in India. It seeks to create unity among female entrepreneurs and encourages them to participate actively in the countries industrialization. It urges central and state government to provide fiscal incentives and facilities to women entrepreneurs, such liberal allocation of lands and sheds, easier follow credits, excess to up to date technology, training etc. it also organizes conferences of women entrepreneurs.
- **Indian Council of Women Entrepreneurs:** It is rendering valuable services for the promotion of women entrepreneurship in the country.
- **FICCI Ladies Organization:** This organization inspires women to take active part in business and other field. It organizes meetings and discussions. It also recognizes women who have made a mark in the field of industry.
- **Natioal Commision on Self Employed Women in the Informal Sector:** The commission expects a vast network of mahila mandals in India to obtain raw materials, credit and market assistance for women entrepreneurs. It has suggested consumer cooperatives, supermarkets, state emporia and government depots as channels for marketing produce of women entrepreneurs.
- **World Association of Women Entrepreneurs (WAVE):** Its aim is to bring together all women who are qualified to take upon active and leading part in employer organization along with their male colleagues. It seeks to explore and advise on the means by which the rights and duties of women in business and industry could be accredited and improved.
- **Associated Country Women of the World (ACWW):** The association has more than one crore women as its member from more than 60 countries. It provides a network through which member groups support and help one another. It is actively promoting women entrepreneurship in rural and agricultural areas.

### Conclusion

With the assistance from the family members and the government, women can join the main streams of national economy. A number of schemes such as Swyam Siddha, Swablamban and support to training cum employment programme are in progress where mobilized as viable self-help groups are utilizing micro credit with the help of agencies like the rashtriya mahila kosh for income generating activities or getting trained in various traditional trades and crafts as well as newly emerging vocations or skill up gradation and capacity building. To facilitate the employment of women away from their homes, schemes such as working women Hostels with day care centers and crèches are also being implemented. Care and protection of women in distress is a focused area of attention.

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