

35. ROLE OF WOMEN ENTREPRENEURS IN OUR INDIAN ECONOMY: ISSUES AND CHALLENGES -AN OVERVIEW

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ABSTRACT

The emergence of women entrepreneurs and their contribution to our economy is very significant in India. There is a constant rise in the number of women entrepreneurs since 1990's. The current generation of women-owned enterprises are actively seeking capital for developing their business and is also using modern technology to create a mark in the domestic and international markets. It is important to note the participation of women in economic activities as self employed individuals. The new generation women entrepreneurs are not only generating employment for themselves in the organised and unorganised sector but they are also providing employment opportunities to others. A very important point to be noted is to give due recognition to women for the contribution they have made in the various social, economic, political as well as cultural activities. In the past few years women entrepreneurs have contributed significantly in the development and progress of our country due to urbanization along with education and awareness. However women face many constraints in their lives as they do not get full support from their family and are not treated as equals which in turn restricts her freedom to prove her potential. They have to go

a long way to achieve equal rights as our Indian society is male dominated and these traditions are deep rooted. To break this tradition, women have to be assertive and will have to take bold decisions and also should be willing to take risk to succeed in this world of cut throat competition. It is to be noted that the economic status of women is now accepted as an indicator which shows that the society has developed.

KEYWORDS

Women entrepreneurship, women empowerment, government policies, status of women entrepreneurs, NGO.

INTRODUCTION

Women entrepreneurs in India have been exploiting the opportunities that come their way. They contribute in increasing the country's net national product and per capita which are important for our economic growth. In India empowering women has become an integral part of the development of our economy. Now a day s women are able to excel in this field and also able to maintain work life balance. Women entrepreneurs are a group who initiate and organise and also operate business enterprise. Women entrepreneurship is a composite skill, the resultant mix of many traits and qualities and they have the ability to bring together many factors that include tangible and

intangible factors. The term "Women Entrepreneurship means an act of business ownership that empowers women and increased their strength and position in the society. The number of women entrepreneurs have grown in a period of time especially in the 1990's and has created a niche in the export market. Indian women entrepreneurs have brought in an expansion and has turned dynamic in their field. The expansion of women owned businesses is one of the indications that it will continue unabated. Their contribution towards expansion in employment and revenues has exceeded in numbers over a period of time. Women owned business possess the potential and contribute more and hence it is essential to formulate strategies to support and sustain their efforts in the right direction.

IMPORTANCE OF WOMEN ENTREPRENEURS

As our country needs to mobilise and use all resources to the maximum including human resources, the involvement of women in economic activities is of great importance not only from human resource point of view but even from the view of raising the status of women in our society. Economic status of women is now accepted as an indicator of a society's stage of development. Hence it becomes imperative for the government to frame certain policies that help in the development of entrepreneurship among women. There is a need for due recognition that has to be given for the role and contribution of women in the various economic, social and cultural activities.

REVIEW OF LITERATURE

Bowen & Hisrich, (1986), has done studies especially on women entrepreneurship. The study shows that the women entrepreneurs are relatively educated but not in the management skills, more masculine

or instrumental, high in internal locus of the control than other women in their values similar to have had entrepreneurial fathers, relatively likely to have only children and they are unlikely to start the business in the male dominated industries and experiencing need of some additional managerial training.

Singh (2008) finds the reasons & factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He briefed about the obstacles that come in the growth of women entrepreneurship. He noted that it is mainly the lack of interaction with successful entrepreneurs, and not accepting women as entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. The study advocates, economic ministry & social & welfare development ministry of the Government of India.

Tambunan (2009) made a study on the developments of women entrepreneurs in the Asian developing countries. It mainly concentrated on the women entrepreneurs in the small and medium enterprises. It shows that the representation of women entrepreneurs in this region is low due to low level of education, capital and also religious constraints. However it was noted that the women entrepreneurs in the small and medium enterprises are from the category of forced entrepreneurs and was mainly for earning better family income.

OBJECTIVES OF THE STUDY

- To know the reasons that motivate women to become entrepreneurs
- To know some of the successful women entrepreneurs in India

- To study about the problems faced by women entrepreneurs
- To know the various government schemes that are offered to encourage women entrepreneurship in India.

REASONS THAT MOTIVATE WOMEN TO BECOME ENTREPRENEURS

1. Employment generation
2. Innovative thinking
3. To face new challenges
4. Need for additional income
5. Freedom to take decisions and to be

- independent
6. Motivation from friends and other relatives.
7. To increase the standard living .
8. To increase socio economic awareness
9. To be daring and prove oneself in competitive jobs
10. To have a self identity
11. Various attractive incentives and schemes offered by the government.
12. To take up family responsibility and business obligation

WOMEN ENTREPRENEURSHIP IN INDIA

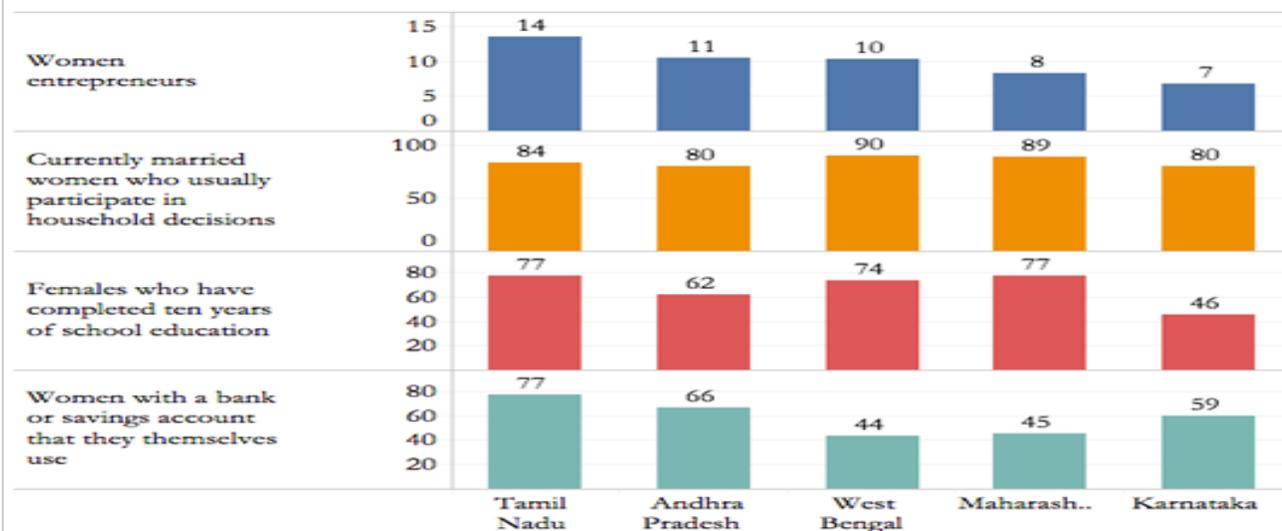
States	No of Units Registered	No. of Women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujrat	3872	1538	39.72
Karnatka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71
Total	57,452	18,848	32.82

Source: www.wikipedia.org Economic survey(2008-09)

WOMEN ENTREPRENEURS ASSOCIATION IN INDIA (EAI) ARE AS FOLLOWS:

- ALEA: Association of Lady Entrepreneurs of Andra Pradesh.
- AWEK: Association of Women Entrepreneurs of Karnataka.
- BMUS: Bihar Mahila Udyag Sangh.
- CWEI: Consortium of Women Entrepreneurs.
- FIWE: Federation of Indian Women Entrepreneurs.
- MOOWE: The Marketing organisation of Women Enterprises.
- MAWE: Mahakaushal Association of Women Entrepreneurship.
- SEWA: Self Employed Women’s Association.
- SAARC: Chamber of Women Entrepreneurship Council.
- TSS: Tie Stree Shakthi.
- WEAT: Women Entrepreneurs Association of TamilNadu.
- WEC: Women Empowerment Corporation

Businesswomen & Women Empowerment Indicators Top 5 States



NOTE: Figures in percentage

Source: www.tn.gov.in

WOMEN ENTREPRENEURS ARE CATEGORISED INTO THREE SECTORS

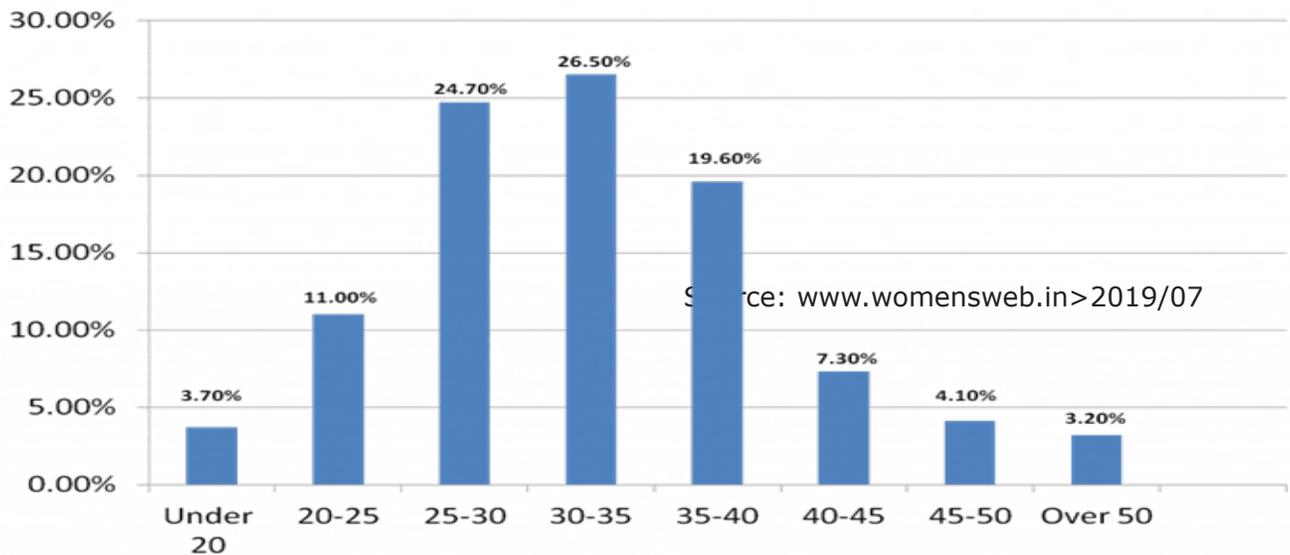
- **Women entrepreneurs in the large and medium sector:** Here the women are highly educated and skilled to manage their business. These women take up superior position and have a competitive edge over the others and manage business like men.
- **Women entrepreneurs in small sector :** In this case women don't have education or any formal training. They get into the field that they are familiar like with weaving ,making pickles or handicrafts etc, while some indulge in pottery business. They need some special privilege during the initial period to overcome the social and practical handicaps as they lack knowledge regarding many aspects.
- **Women in the third category:** These women are the ones who work in cities and slums with lower means of livelihood. They need government support to obtain finance and also manufacture and sell government things like stationary ,chalk ,files etc. Between 2014 and 2019 the number of women owned businesses climbed about 21% to a total of nearly 13 million .Employment grew by 8% to

9.4 million while the Revenue rose from 21% to 1.9 trillion .If our economy is to grow by 9 to 10 percent consistently in the next three decades then we have to create a system that support women to become entrepreneurs. Even among India's educated urban elite, women entrepreneurs face discrimination. According to sixth Economic census released by the Ministry of Statistics Program Implementation, women constitute around 14 percent of the total entrepreneur base in India (i.e) 8.05 million out of the total 58.5 million entrepreneurs. Some of the entrepreneurs have taken up due to lack of work opportunities while some have become entrepreneurs as they were driven by a specific mission or goal. Earlier the average employment in the enterprises owned by women entrepreneurs was only about 1.67 people per business but in 2012,a survey was conducted by women's web on Women and Entrepreneurship in India which looked at the key motivations and challenges of women entrepreneurs to see what has changed in these years. Similarly Women and Entrepreneurship in India 2019 study was conducted online between

December 2019 and April 2019 and the response from around 220 women entrepreneurs across the country were received.

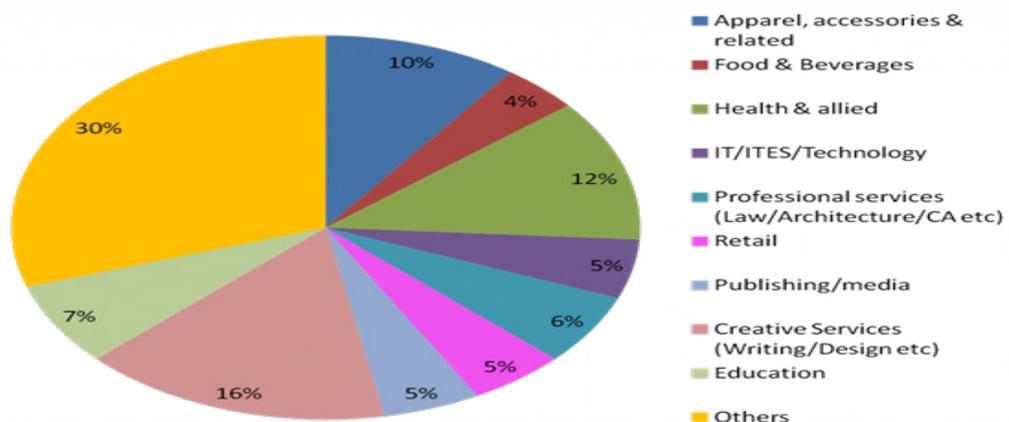
According to the survey it was noted that majority of women entrepreneurs who started business between age of 25 and 35 are 51.2 percent women fall under this category while 19.6 percent of women started their business between the age category of 35-40. It is noted that majority of the women entrepreneurs in urban areas have previous work experience before venturing into business and only around 11 percent of women start their business before the age of 25 or as soon as they finish their education.

When did you start your business ?



Similarly Industry wise, largest segment of women entrepreneurs, around 16 percent belong to creative and service category like writing and designing .While the second and third position is held by Health and Allied and also Apparel and accessories .Another 30 percent of the women entrepreneurs belong to other sectors like manufacturing and travel and tourism sector etc. It was found out that majority of women entrepreneurs take up the fields of creative and service field because it is only in this sector there is low entry barrier and they don't need much capital besides a computer or a mobility with internet connection.

Which industry does your business belong to?



Source: www.indianwomenstat.com

SOME OF THE SUCCESSFUL WOMEN ENTREPRENEURS IN INDIA ARE

1. Indra Nooji-CEO –PepsiCo
2. Chanda Kochar-MD and CEO ICICI Bank
3. Simone Tata-Chairperson Trent Limited
4. Neelam Dhwani-MD, HP India
5. Mallika Srinivasan-Director TAFE (Tractor and Farm equipment)
6. Jyoti Nayak- President, Shri Mahila Griha Udyog, Lijatapad
7. Akita Srinivasan- MD ,Sriram Investments Ltd.
8. Preetha Reddy, MD-Apollo Hospitals
9. Naina Lal Kidwai-Country Head of HSBC India
10. Priya Paul Chairperson of Apeejay Surrendra Park Hotels

SOME OF THE PROBLEMS FACED BY THE WOMEN ENTREPRENEURS ARE

1. Women face a major barrier one of the greatest deterrent to women entrepreneurs is that male chauvinism is still prevalent.
2. Women are looked upon as weak in all respects. They are not treated equal to men that acts a barrier to women entry into business.
3. Lack of self confidence and also fear in committing mistakes while doing their work also act a barrier.
4. As Indian Women give more emphasis to family ties and relationship, when they don't receive support from their family or male counterparts, they drop their idea of excelling in the enterprise field.
5. As many women are less educated, economically not stable and dependent on family for finance, their ability to bear risk and uncertainty is reduced.
6. Lack of awareness about the financial support or the incentives and loans offered by the various financial institutions.
7. Lack of technical know how or lack of access to technology.

8. Lack of mobility which also creates a biggest role in making an entrepreneur successful. A single women face many problems and is always looked upon with suspicion in India.

9. Many financial institutions are not confident about the abilities of women entrepreneurs and so bankers put unreasonable securities to get loan to women entrepreneurs.

10. Lack of Collateral is another problem faced by women as women in India rarely own property that could serve as collateral for start up loans,

11. Women receive lower wages than their male counterparts and generally occupy low skilled jobs in agriculture and services as they have less education than men on an average.

SUPPORTIVE MEASURES INTRODUCED BY THE GOVERNMENT

Government introduced certain supportive measures under the different five year plans. They took up the responsibility to play a supportive role to promote women entrepreneurs like arranging vocational training facilities according to their needs. Providing marketing assistance to women entrepreneurs and giving suggestions in decision making process. They launched PMRY AND EDP programs to help develop the entrepreneurial ability in rural women. Agricultural scheme was also introduced for women farmers and apart from this co-operative schemes were also introduced where full financial support was given to help women working in agro based industries like dairy farming, poultry and animal husbandaries etc.

Under the Ninth Five Year Plan, they launched (TREAD)- Trade Related Entrepreneurship Assistance and Development, to assist women entrepreneurs in semi urban and urban areas and also (SJGSY) –Swara Jayanti Sehkar Rozgar Yojana which provide reservations for women to start their

own businesses. Training programmes like STEP –Support for training and Employment Programmes for women and DWCRA-Development of Women and Children in Rural areas was also introduced. Apart from this some of the schemes introduced by Government are listed below.

- Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
- SBI Stree Sakthi Scheme
- Annapurna Scheme
- Udyogini Scheme
- SIDBI's Mahila Udyam Nidhi
- Mahila Samiti Yojana
- Dena Sakti Scheme
- Mahila Vikas Nidhi
- Entrepreneurial Development Program(EDP'S)
- Assistance to Rural Women in Non Farm Development Scheme (ARVIND)
- Indira Mahila Kendra
- Integrated Rural Development Program(IRDP)
- Khadi and Village Industries Commission(KVIC)
- Management Development Program
- Women Development Corporation(WDC)
- Micro Credit Scheme
- NGO'S credit Scheme
- National Bank for Agriculture and Rural Development Scheme
- Priyadarshini Project
- Prime Minister Rojgar Yojana(PMRY)
- Working Women's Forum
- Rashtriya Mahila Kosh
- TRYSEM –Training of Rural Youth for Self Employment

SUGGESTIONS AND CONCLUSION

The study here focuses on women entrepreneurship, an understanding of our Indian women and their identity and also their role in forming a new path. Though women in the middle class are not very eager to break their fear of social backlash, still there is a visible progress among the upper class families. In this study we are able to know the transformation that has occurred in the entrepreneurial world

where women have started playing a pivotal role in getting employed and also providing employment. Businesses owned by women are highly increasing in the economy and the hidden potential of women are gradually growing. Their skill, knowledge and adaptability in business are the reasons as to why women have ventured into business. As it is seen that a strong desire to do something and to create an identity on their own they are trying to break the glass ceiling and have found indulged in every line of business. They are proving their talents in various fields as designers, interior decorators, publishers and also creative field.

In India the entrepreneurial world is still dominated by the male section, while in advanced countries they have become prominent in the business world. As mentioned women in India face many constraints and the Government has taken up all possible measures and has introduced various schemes and incentives and subsidies that help promote women entrepreneurs. They are also conducting special training programme and entrepreneurial programme to encourage women to become entrepreneurs and enhance their productivity. Apart from all that is mentioned Government should assist women and offer incubator facilities where an entrepreneur can manufacture a product without investing much. Government and NGO should come forward and help in promoting small and medium enterprises of women with the support of constant counselling by special team members and help them choose the right business. On top of all these things mentioned family members should also be supportive and encourage talented women to become entrepreneurs.

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