

# UPLIFTMENT OF WOMEN ENTREPRENEURS IN INDIA

**Dr. K. Lakshmi Priya**

Assistant Professor

Department of Commerce

SNGC Chavadi, Coimbatore

**Fathimath Shabana.P.K**

Research Scholar

SNGC Chavadi, Coimbatore

## ABSTRACT

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.

The present paper discuss about women entrepreneur-reasons why women become entrepreneurs-assistance of government for women entrepreneurs-problems of women entrepreneurs-suggestions to develop women entrepreneurs.

**KEYWORDS:** Women, entrepreneurs

## INTRODUCTION

Women entrepreneurs represent a group of women who have broken away from beaten track and are exploring new ventures of economic participation. Women look up entrepreneurship from a different perspectives depend upon their education. The women who have higher educational qualification are looking at it has a challenge, ambition and doing something fruitful while other women with moderate qualifications cannot think of it beyond a tool for earning money. The factors that favour women in running organised industries are their skill,knowledge,their talent and abilities in business and compelling desires to do something positive.

Women constitutes the family that leads to society and Nation. Overall development of women is necessary for the development of society and nation. The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. Women entrepreneurship has been recognized during the last decade as an important untapped source of economic growth. Entrepreneurship development among rural women helps to enhance their personal capabilities and increase decision making status in the family and society as a whole. Women entrepreneur may be defined as a woman or group of women who initiate, organize, and run a business enterprise.

In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called "women entrepreneurs". The Government of India defines that women entrepreneurs are women participation in equity and employment of a business enterprise. Accordingly, the Government of India (GOI2006) has defined women entrepreneur as "an enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women." However, this definition is subject to criticism mainly on the condition of employing more than 50 per cent women workers in the enterprises owned and run by the women.

Objectives of the study

- \* To knowthe reasons for women to become entrepreneurs.
- \* To know the problem faced by women entrepreneurs.
- \* To know the various measures taken for the development of women entrepreneurs.
- \* To suggest various measures to develop women entrepreneurs.

## Reasons for Women becoming Entrepreneurs

### 1. Freedom to work and live on their own terms.

If women wants successful career with an equally successful home and family life, becoming an entrepreneur is the way to make it happen. This kind of dream life is achievable (with effort). As a business owner, women run the show

by setting their own hours and creating the ideal blend of work/life balance. When they start their own business they will enjoy having the liberty to make it happen on their own terms. Though it may take a while to figure out their perfect schedule, they are still the one in charge and can make as many changes necessary to live life on their own terms.

## 2. The opportunity to build something for themselves

It is a great feeling to know that women are creating and building something that is all theirs. It's exciting to work for themselves, instead of someone else. There is a sense of pride that women get as a business owner that they won't get anywhere else. Entrepreneurship has no boundaries. No matter what a woman's background, education or experience level, they can succeed as a business owner with the right formula.

## 3. More gender equality.

Traditionally male-dominated fields, like technology, are opening up more and more to women. Where it once was unusual to see a female CEO in certain industries, it is becoming commonplace today. Businesswomen are rising to the top in every field.

## 4. Work Life Balance

It is very beneficial to have a good work life balance. First of all, one has to get to spend more time with family and friends.

When the time permits, they think to enjoy outside of work that make creativity, like reading or getting out to exercise etc. this will reduce stress and help make you more productive at work as well as being healthier.

## 5. Pursue a Passion

Women are working for themselves to live out their dreams.

## 6. Be their own Boss

Being their own boss is definitely the biggest benefit of working themselves.

## Steps Taken By the Government to Develop Women Entrepreneurs in India

The Government of India has also formulated various training and development cum employment generation programs for the women to start their ventures. These programmes are as follows:

### 1. Steps taken in Seventh Five-Year Plan:

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

#### a. Specific target group:

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

#### b. 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.

#### c. Developing new equipments:

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

#### d. Marketing assistance:

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

#### e. Decision-making process:

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

### 2. Steps taken by Government during Eight Five-Year Plan:

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.

### 3. Steps taken by Government during Ninth Five-Year Plan:

Economic development and growth is not achieved fully without the development of women entrepreneurs. The Government of India has introduced the following schemes for promoting women entrepreneurship because the future of small scale industries depends upon the women-entrepreneurs:

- Trade Related Entrepreneurship Assistance and Development (TREAD) scheme was launched by Ministry of Small Industries to develop women entrepreneurs in rural, semi-urban and urban areas by developing entrepreneurial qualities.

- b) Women Component Plant, a special strategy adopted by Government to provide assistance to women entrepreneurs.
  - c) SwarnaJayanti Gram SwarozgarYojana and SwarnaJayantiSekhariRozgarYojana were introduced by government to provide reservations for women and encouraging them to start their ventures.
  - d) New schemes named Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.
  - e) State Industrial and Development Bank of India (SIDBI) has introduced following schemes to assist the women entrepreneurs. These schemes are:
    - i. MahilaUdyamNidhi
    - ii. Micro Credit Scheme for Women
    - iii. MahilaVikasNidhi
    - iv. Women Entrepreneurial Development Programmes
    - v. Marketing Development Fund for Women
4. Consortium of Women entrepreneurs of India provides a platform to assist the women entrepreneurs to develop new, creative and innovative techniques of production, finance and marketing.
- There are different bodies such as NGOs, voluntary organizations, Self-help groups, institutions and individual enterprises from rural and urban areas which collectively help the women entrepreneurs in their activities.
- 5. Training programmes:**
- The following training schemes specially for the self employment of women are introduced by government:
- a. Support for Training and Employment Programme of Women (STEP).
  - b. Development of Women and Children in Rural Areas (DWCRA).
  - c. Small Industry Service Institutes (SISIs)
  - d. State Financial Corporations
  - e. National Small Industries Corporations
  - f. District Industrial Centres (DICs)

**6. MahilaVikasNidhi:**

SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas. Under MahilaVikasNidhi grants loan to women are given to start their venture in the field like spinning, weaving, knitting, embroidery products, block printing, handlooms handicrafts, bamboo products etc.

**7. RashtriyaMahilaKosh:**

In 1993, RashtriyaMahilaKosh was set up to grant micro credit to poor women at reasonable rates of interest with very low transaction costs and simple procedures.

### Problems of women entrepreneurs

**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.

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.

**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

**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 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.

#### **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.

#### **9. Marketing Problems:**

Women entrepreneurs continuously face the problems in marketing their products. It is one of the core problems as this area is mainly dominated by males and even women with adequate experience fail to make a dent.

For marketing the products women entrepreneurs have to be at the mercy of middlemen who pocket the chunk of profit. Although the middlemen exploit the women entrepreneurs, the elimination of middlemen is difficult, because it involves a lot of running about. Women entrepreneurs also find it difficult to capture the market and make their products popular.

#### **10. Credit Facilities:**

Though women constitute about 50 per cent of population, the percentage of small scale enterprise where women own 51 percent of share capital is less than 5 percent. Women are often denied credit by bankers on the ground of lack of collateral security. Therefore, women's access to risk capital is limited.

The complicated procedure of bank loans, the inordinate delay in obtaining the loans and running about involved do deter many women from venturing out. At the same time, a good deal of self- employment programme has been promoted by the govt. and commercial banks.

#### **11. Heavy Competition**

Many of the women enterprises have imperfect organizational set up. But they have to face severe competition from organized industries.

#### **12. High cost of production**

High cost of production undermines the efficiency and stands in the way of development and expansion of women's enterprises, government assistance in the form of grant and subsidies to some extent enables them to tide over the difficult situations. However, in the long run, it would be necessary to increase efficiency and expand productive capacity and thereby reduce cost to make their ultimate survival possible, other than these, women entrepreneurs so face the problems of labour, human resources, infrastructure, legal formalities, overload of work, lack of family support, mistrust etc.

In addition to above problems, inadequate infrastructural facilities, shortage of power, social attitude, low need for achievement and socioeconomic constraints also hold the women back from entering into business.

### **SUGGESTIONS TO DEVELOP WOMEN ENTREPRENEURS**

- \* Govt has to consider women as a specific target group for in developmental programmes.
- \* Better educational facilities and schemes should be extended to women folk from government part.
- \* Adequate training program on management skills to be provided to women community.
- \* Encourage women's participation in decision-making.
- \* In Banks and finance institution, special cells may be opened for providing easy finance to women entrepreneur. These cells should be manned by women officers and clerks. Further finance may be provided at concessional rates of interest.
- \* Women entrepreneurs should be encouraged and assisted to set up co-operatives with a view to eliminate middlemen. These co-operatives will pool the inputs of the women enterprises and sell them on remunerative prices.
- \* Scares and imported raw materials may be made available to women entrepreneurs on priority based.
- \* Steps may be taken to make family members aware of the potential of girls and their dual role in society. At the same time there must be change in negatives social attitude towards women.
- \* Honest and sincere attempts should be undertaken by the government and social organizations to increase literacy among females.
- \* In rural areas self employment opportunities should be develop for helping women.
- \* Marketing facilities for the purpose of buying and selling of both raw and finished goods should be provided in easy reach.

**CONCLUSION**

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial area.

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