

Status of Women Entrepreneurs in India—A Study of Challenges Faced & Future Prospects

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Abstract—Entrepreneurs play very important role in socio-economic welfare of all countries either developed or developing. They identify the needs of the society, obtain the resources for production and coordinate them for some productive purpose which fulfills need of an economy and society. Today business is built around human capital and 'women' are one of the valuable factors. Globalization and Liberalization of market encouraged women to come forward to become an entrepreneur and start new ventures. Presently the role of modern women is not restricted to the traditional role of being at home only to take care of the members; it has changed and undergoing to be changed dynamically. Women with inspired and inventive ideas are coming forward to start the small and medium size business which they can operate from their home and can fulfill their household obligations as well in a very smooth way.

The objective of this paper is to discuss the challenges faced by woman in accessing finance and successful operation of their business. It also highlights some of the typical challenges regarding acceptance as women entrepreneur in the family and society.

Keywords: Business, Challenges, Entrepreneurship, Society, Women.

1. INTRODUCTION

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined women entrepreneurs as —an enterprise owned and controlled by 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. 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 a 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. It is a common assumption that majority of women in India are economically non-productive as they are not involved in activities that are financially remunerative. But this trend is gradually changing. Today's women are taking

more and more professional and technical degrees to cope up with market need and are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. It is perhaps for these reasons that Government Bodies, NGO's, Social Scientists, Researchers, and International Agencies have started showing interest in the issues related to entrepreneurship among women in India. Nowadays, the glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P's, Pickle, Powder and Papad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a layoff. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies to achieve independence & flexibility, for maintaining a balance between work & family, to make optimum use of technical education & qualifications. One major key feature of all successful Indian women entrepreneurs is that they have a clear vision and motivation for their business. They find a niche in a particular market and find a correct way to fill it properly. They give life to their business by being focused on their vision and are able to bring new product or service to the market, which actually becomes a strong and positive factor for the success of their business enterprise. Women entrepreneurship represents a vast

untapped source of innovation, job creation and economic growth in the developing world.

2. OBJECTIVES OF THE STUDY

The present study aims at fulfilling the following objectives:

1. To portray the current profile of women entrepreneurs in India.
2. To explore the reasons why women start business of their own.
3. To critically examine the types of issues faced by women entrepreneurs in the corporate world.

3. LITERATURE REVIEW

G. Palaniappan, C. S. Ramanigopal, A. Mani (19 March 2012) analyzed that skill; knowledge and adaptability in business are the main reasons for women to emerge into business ventures. Cohoon, Wadhwa and Mitchell (2010), in their study identified top five financial and psychological factors motivating women to become entrepreneurs. These are desire to build the wealth, the wish to capitalize own business ideas they had, the appeal of startup culture, a long standing desire to own their own company and working with someone else did not appeal them. Singh, Surinder Pal, (2008) identified the obstacles in the growth of women entrepreneurship. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting and pulling to grow and support the winners etc. Purnamita Dasgupta (2005) explored that women's labour force participation rate in rural India was negatively influenced by education, ownership of land, age and number of young (below 5 years) in household. Monthly per capita expenditure negatively affected the decision to participate in the labour force and was of greater significance for BPL households.

4. RESEARCH METHODOLOGY

Sources of Data, Area of Study and Sampling Design

The sample survey was conducted in East Delhi region in the state of New Delhi. Many trading, manufacturing, Service organizations were visited for conducting the research study. The study has used both the primary data and secondary data. Field survey method was employed to collect primary data from 100 women respondents in three areas from East Delhi using Simple Random Sampling technique. The age group of respondents was 20 years and above. A framed questionnaire was prepared and administered in person to all the respondents. The information collected has been edited for reliability and consistency and presented in a master table for analysis. The raw data collected are classified, edited and tabulated for analysis. Secondary data is obtained from books, journals, magazines, internet, official and institutional records etc.

5. DISCUSSION AND ANALYSIS

The paper has been suitably categorized in two Sections: viz., Section I: *Current Status, Growth and Impact of Women Entrepreneurs* and Section II: *Analysis and Findings of survey*

Section I: Current Status, Growth and Impact of Women Entrepreneurs

Women constitute around half of the total world population. So is in India also. They are therefore, regarded as the better half of the society. In traditional societies they were confined to the four walls of houses performing house hold activities. In modern society they have come out of the four walls to participate in all sort of activities. Women entrepreneurs tend to be highly motivated & self-directed; they also exhibit a high internal locus of control & achievement. Researchers contend that women business owners possess certain specific characteristics that promote their creativity and generate new ideas and ways of doing things.

The Indian women are no more treated as beautiful showpieces. They are also 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. In a recent survey it is revealed that the female entrepreneurs from India are generating more wealth than the women in any part of the world. Despite significant gains made by women in Innovation and new technology, there is still a lot to do to plug in the innovation gap and eliminate illiteracy. With the changing position of women and their growing involvement in business domains, along with the growing importance of science and technology in the modern economy, there is now an urgent need to develop the innovation among women, in order to promote and take full advantage of their skills in all fields. Some of the major problems identified are women's family obligations, Gender inequality etc. Other problems encountered by women entrepreneurs are as follows (as shown in Fig. 1):

1. Problem of Finance, Low-level risk taking attitude, and the male - female competition. 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.
2. 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.
3. Women entrepreneurs do not have organization 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.

- In India, majority of women are still illiterate. Illiteracy is the root cause of socio- economic problems. Due to the lack of education, women are not aware of business, technology and market knowledge. Also, lack of education cases low achievement motivation among women.
- 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.

Inspite of above mentioned problems, it can be said that today Indian women entrepreneurs are in a better position wherein women participation in varied fields of entrepreneurship is increasing at considerable rate, efforts are being taken at the economy as well as global level to enhance woman’s involvement in the enterprise sector. This is mainly because of attitude change, diverted conservative mind-set of society to modern one, daring and risk-taking abilities of women, support and cooperation by society members, changes and relaxations in government policies, granting various upliftment schemes to women entrepreneurs etc.



Fig. 1: Key Problems of Women Entrepreneur

Section II: Analysis and Findings of Survey

The survey was conducted with a sample size of 100 women entrepreneurs using the questionnaire technique. The results of the sample survey are summarized below:

Although the survey was conducted with women above 20 years of age. It was found that most of the women

entrepreneurs respondents are above 30 years of age are more. (Fig. 2)

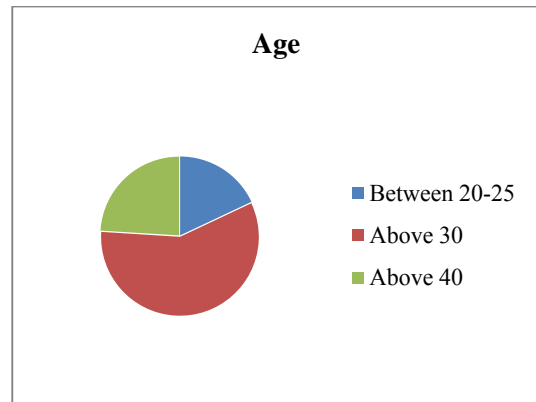


Fig. 2: Age criteria of respondents

- Regarding increase in their societal recognition and self-confidence, about 78% of the women entrepreneurs are opined that, their self-confidence and self-esteem have increased after becoming women entrepreneurs. It is easy to understand the above situation; most of the women entrepreneurs are in positive attitude to achieve something more in near future (Fig. 3)
- Regarding balance between family life and business, 59% of the respondents are giving equal priority to family and business. About 43% of the respondents are opined that life partner (husband) support a lot to become an entrepreneur, where as 26% of the respondents are opined that they are self-decision makers where as 19% of the respondents opined that they will be motivated by parents, remaining 12% respondents will be motivated by friends and others.

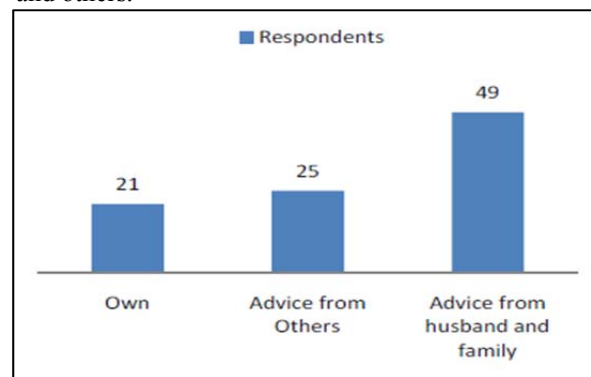


Fig. 3: Opinion and support of family and others

- The attitude and support of the family members was also enquired. About 78% of the respondents are of the opinion that attitude of the family members is helpful, being a women entrepreneur where as 10% of the respondents think that family support is not required to be

as an entrepreneur, remaining 7% and 5% are flexible and sympathetic as women entrepreneurs.(Fig. 4) About 49% of the respondents are opined that if they face any problem in the business first they give priority to discuss it with the family members and husband where as 25% of the respondents are opined that they are taking advice from other concern persons and 21% of the respondents responded that they are taking own decision making.

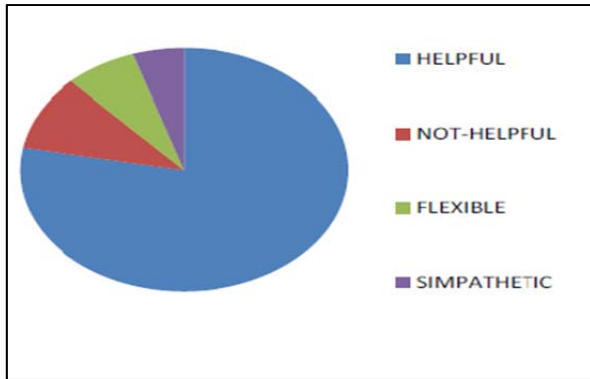


Fig. 4: Behaviour of family towards Women Entrepreneurs

- Regarding their future plans (as shown in Fig. 5) most of the women entrepreneurs are having aspirations about future.39% of the women entrepreneurs want to diversify the current business activities, where as 32% of the women entrepreneurs want to expand their operations where as 18% of the women entrepreneurs want to modernize their organization and remaining 11% of the women entrepreneurs want to continue with the present status.
- About 72% of the respondents said that they are well satisfied being a house wife and an entrepreneur. 89% of the respondent's opinion is that women entrepreneurs are focused and are having the future aspirations to expand the business.

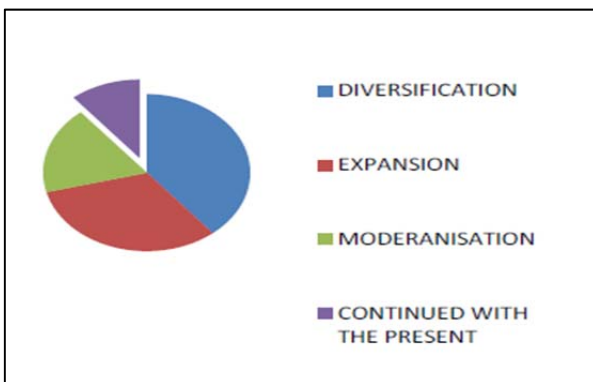


Fig. 5: Future plans of respondents

6. CONCLUSION

Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman- Entrepreneur. The problems of Indian women pertain to her responsibility towards family, society and lion work. Women in India are faced with many problems to get ahead their life in business. The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. The glass ceilings are shattered and women are found to be indulged in every line of business from papad to power cables. Even though we have many successful Women Entrepreneurs in our country, but as we have a male dominated culture there are many challenges which women entrepreneurs face from family & Society. Since 1980 the government of India has shown increasing concern for women issues through a variety of legislations promoting the education and political participation of women. There should also be efforts from all sectors to encourage the economic participation of women. Along with adequate training, institutional and financial support as a composite package needs to be encouraged. The paper concludes that the problems of women entrepreneurs can be eradicated by appropriate training, incentives, encouragement and motivation, social recognition of their entrepreneurial abilities, and family's moral support.

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