



PROBLEMS OF WOMEN ENTREPRENEURS IN INDIA

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Abstract

There is considerable entrepreneurial talent among the women. Women though constitute nearly half of the total population are not equal participants in socio-economical and political spheres. It was fully realized that the progress of the nation was integrally linked with the status of women. In every nation the growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Hence women's development is directly related with the national development.

The present paper focuses on the Concept of women entrepreneurs, major challenges they face in their efforts to engage in entrepreneurship, Remedial Measures to overcome the problems faced by the women entrepreneurs, Government Schemes and future prospects of women entrepreneurship in India.

Key words: Entrepreneurship, Women Entrepreneurs, Government Schemes

Introduction:

The topic of women entrepreneurs has attracted a considerable amount of academic attention in recent years. Indeed, it is fast becoming a primary focus for scholars, practitioners, and policy makers worldwide who work in the field of small business management and entrepreneurship. Generally speaking, women entrepreneurs have been in the minority in comparison to their male counterparts and are still the largest underrepresented group in entrepreneurship. However, it is now widely accepted that women as entrepreneurs make a valuable contribution to national economies around the world in terms of job creation, economic growth, and wealth generation. Contrary to traditional perceptions about women entrepreneurs starting mainly small and home-based enterprises, it has also been reported that women are now leading the so-called "new economy companies," with success in high technology, life sciences, and professional services. Thus, the need to increase their participation in the enterprise arena is becoming more important to future economic growth.

Definition of Women Entrepreneurs:

Woman entrepreneurs may be **defined** as a women or a group of women who initiate, organize

and operate a business enterprise.

According to **Government of India**, a women entrepreneurs is defined as “an enterprise owned and controlled by a women and having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women”.

A woman entrepreneur has been defined in the literature as “a woman who has initiated a business, is actively involved in managing it, owns at least 50% of the firm, and has been in operation one year or longer” (**Moore & Buttner, 1998, p. 13**).

In their study of Danish women entrepreneurs, **Neergaard Nielsen, and Kjeldsen (2006)** suggest that the broad definition of women entrepreneurs can cover the following categories:

- Self-employed entrepreneur: a woman who establishes a new venture as her primary occupation, typically in a traditional sector.
- Traditional, self-employed worker: a woman who takes over and runs an existing company.
- Growth-oriented entrepreneur: a woman who sets up a limited company and may be viewed as a salaried employee of that company.
- Leisure or hobby entrepreneur: a woman who starts a business to generate a second income.
- Family-owned business: a woman who inherits a company from her parents.
- Networked entrepreneur: a woman who is a free agent and works from project to project. Sometimes this category of entrepreneur is referred to as portfolio working.

In a similar vein, **Bruni, Gherardi, and Poggio (2004)** describe broad patterns of women’s entrepreneurship and suggest that women entrepreneurs can be profiled as follows:

- Aimless young women: those who set up a business as an alternative to career advancement in their current workplace. Such women do not typically have children.
- Dualists: those who have substantial work experience and need to reconcile work and family responsibilities.
- Return workers: women who have quit their previous jobs to look after their families and are motivated by economic considerations.
- Traditionalists: women with family backgrounds in which owning and running a business is a long-established tradition.
- Radicals: women who are motivated by a culture antagonist to conventional entrepreneurial values and who set up initiatives intended to promote the interests of women in society.

Challenges and Problems:

Some of the challenges and problems faced by women entrepreneurs are discussed below.

1. Family Support: Be it a married woman or an unmarried woman, family support is an imperative factor. Women have to balance between household work and business work. Especially in the tier-II and tier-III cities, women are often chained back due to their responsibilities towards their family. This creates a major hindrance towards their success. The way out to this issue is to make your family understand the importance of your dreams. It takes time, but they will certainly understand if you keep trying.

2. Difficulty in raising funds: Investment is an integral part of any business. Some investors may hesitate to invest in businesses that are run by women. This may be because of the preconceived notion that women aren't as competent as men in terms of business and family is a priority for them. Remember this quote: "Action speaks louder than words." Be confident about your dream and let the world hear what you can do and plan to do. A business always needs funds; try to start with whatever you manage to raise. Let your work do wonders and attract investors who will be willing to invest in your business.

For example, **KiranMazumdar Shaw** initially faced many problems regarding funds for her business. Banks were hesitant to give loan to her as biotechnology was a totally new field at that point of time and she was a woman entrepreneur, which was a rare phenomenon.

3. Limited mobility: Many women entrepreneurs are unable to travel to different cities or country as they are restricted by their own family members. The situation of the Indian cities, environment, and inability to drive vehicles are some of the main causes. The problem lies in the perception of people. To overcome, make sure your family knows your limit and gain their trust.

4. Lack of Education: Women are generally denied of higher education, especially in rural areas and under developed countries. Women are not allowed to enrich their knowledge in technical and research areas to introduce new products.

5. Role Conflict: Marriage and family life are given more importance than career and social life in Indian society.

6. Unfavourable Environment: The society is dominated by males. Many business men are not interested to have business relationship with women entrepreneurs. Male generally do not encourage women entrepreneurs.

7. Lack of persistent Nature: Women generally have sympathy for others. They are very emotional. This nature should not allow them to get easily cheated in business.

8. Lack of Mental strength: Business involves risk. Women entrepreneurs get upset very easily when loss arises in business.

9. Lack of Information: Women entrepreneurs are not generally aware of the subsidies and incentives available for them. Lack of knowledge may prevent them from availing the special schemes.

10. Stiff Competition: Women face lot of competition from men. Due to limited mobility they find difficult to compete with men.

Remedial Measures:

Some of the remedial measures that can be undertaken to promote women entrepreneurship in India, are as follows.

1. Promotional Help: Government and NGOs must provide assistance to entrepreneurs, both in financial and non financial areas.

2. Training: Women entrepreneurs must be given training to operate and run a business successfully. Training has to be given to women who are still reluctant to take up the entrepreneurial task.

3. Selection of Machinery and Technology: Women require assistance in selection of machinery and technology. Assistance must be provided to them in technical areas so that the business unit become successful.

4. Finance: Finance is one of the major problems faced by women entrepreneurs. Both family and government organizations should be liberal in providing financial assistance to them.

5. Marketing Assistance: Due to limited mobility, women are unable to market their goods. Assistance must be provided to help them to market their goods successfully in the economic environment.

6. Family support: Family should support women entrepreneurs and encourage them to establish and run business successfully.

7. Skill development: Increase skill development and capacity building processes for soft skills, technology and management skills.

8. Ease of doing business: Simplify the external entrepreneurial ecosystem by enabling ease of doing business, including easy access to credit facilities such as collateral-free loans from banks, FIs and MFIs.

9. Create awareness: Create awareness of government scheme eligibility criteria, documentation and clearance mechanisms. Bring in smarter technology, single-window clearances and better interdepartmental co-ordination to enable simpler, faster, transparent and effective service delivery for women startups.

Thus by adopting the aforesaid measures the problems associated with women can be solved.

Government Schemes:

The government programme for women development began as early as 1954 in India but the actual participation began only in 1974. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

- Integrated Rural Development Programme (IRDP)
- Training of Rural Youth for Self-Employment (TRYSEM)
- Prime Minister's Rojgar Yojana (PMRY)
- Women's Development Corporation Scheme (WDCS)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Rashtriya Mahila Kosh
- Khadi and Village Industries Commission
- Indira Priyadarshini Yojana
- SIDBI's Mahila Udyam Nidhi Mahila Vikas Nidhi
- SBI's Sree Shakti Scheme
- NGO's Credit Schemes
- National Banks for Agriculture and Rural Development's Schemes

The efforts of government and its different agencies are ably supplemented by nongovernmental organizations that are playing an equally important role in facilitating women empowerment.

Future Directions

While a considerable proportion of the academic literature to date has focused on the barriers to women's entrepreneurship and the differences between male and female entrepreneurs, attention is now beginning to turn to the particular opportunities open to women in the new-venture creation process. While on the one hand, it is accepted that women can and do start businesses in non-traditional industries such as construction and high technology, on the other, there is still a tendency for women to engage in non-manufacturing sectors with small-scale business ventures in retail, consultancy, information technology (IT), craft, and professional services. However, recently, there has been some evidence in the literature that there is a disproportionate share of women entrepreneurs in the creative industries. Such industries have been highlighted as one of

the fastest growing sectors of the global economy and are defined as those activities that have their origin in individual creativity, skill, and talent, and which have a potential for wealth and job creation. While not exclusively, they include designer fashion, film, theatre and the performing arts, advertising, architecture, publishing, broadcast media, recorded music, and arts and crafts.

In particular, women are operating, and indeed flourishing, in the film and media and fashion and design sectors, now heralded as the new glamour industries of the 21st century. To date, the extent of women's participation in these particular industries, which also include broadcast media, publishing, and literature, has not been the subject of concerted academic research; however, their potential for growth is now widely recognized.

Women would also appear to be particularly well suited to the services sector in general, which, given the decline in some economies of the manufacturing industry, opens up huge potential for development. Furthermore, the valuable role that women play in managing family businesses, either solely or in partnership with their spouses, has also been noted in the literature. Anecdotal evidence exists showing that women can successfully take over existing firms, turn around floundering businesses, and start seemingly small-scale ventures, which they successfully build up for onward sale in a relatively short time. Such opportunities for women entrepreneurs require further study as they offer considerable potential for economic development.

Conclusion

Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. The major problems of women entrepreneurs are social attitude, shortage of raw materials, finance problems, marketing problems, role conflict and mental strength. However, to overcome these problems, Women entrepreneurs should adopt modern management concepts and improve their competitive strength and also adopt modern technology and marketing strategies. Many women have come forth to overcome these difficulties and have carved a niche for themselves in the Indian entrepreneurial scene. Names like Upasna Taku, founder of Mobikwik, Sabina Chopra, founder of Yatra.com, Richa Kar, founder of Zivame, Falguni Nayyar founded Nykaa etc. are great examples of an ever growing list of successful Women Entrepreneurs.

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