



A STUDY ON PROBLEMS AND OPPORTUNITIES OF WOMEN

ENTREPRENEURSHIP IN INDIA

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Abstract

Entrepreneurship plays an important role in the development of a country. It improves the wealth of the nation in general and of the family in particular. Now women are willing to do any job that men do. In today's society women have shifted from job seekers to job providers. Women use their skills, knowledge and abilities in their venture and become successful entrepreneurs. It breaks the gender inequalities. Now a days Government has realised the importance of women entrepreneurship. As a result, Government has formulated various training and development programmes for the women to start a new business. Even though, many women are facing a lot of problems such as shortage of finance, lack of self-confidence, family problems, shortage of raw materials, lack of support from family etc.

Keywords: Entrepreneurship, Women Entrepreneurship, Women Entrepreneurs

Introduction

Entrepreneurship act as the basis for the economic development of a country. The word entrepreneur is derived from the French word 'Entreprendre' which means 'to undertake'. Thus entrepreneur is a person who undertakes the risk of a new enterprise. Entrepreneur a person who start a business taking on financial risks with the hope of profit. A person who undertakes the risk of starting a new business venture is called an entrepreneur. Women entrepreneurs are those who think of business enterprise, initiate it, organize and combine the factors of production, operate the enterprise, undertake risks and handle economic uncertainty by having a controlling interest in that particular enterprise. Government of India has defined women entrepreneur is "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 women". The emergence of women entrepreneurs in a society depends, to a great extent, on the economic, religious, cultural, social, psychological and a host of other factors. It also helps in tapping the inherent talent prevailing among them and acts as a solution for many problems faced by them such as dowry, low recognition in society, poverty, and unemployment



and excessive dependence on male members. There is greater dynamism in the rate of growth of female employment. The emergence of women entrepreneurs is to be viewed as socio-economic empowerment of women. Women most often start their new venture in order to meet personal goals, such as gaining feelings of achievement and accomplishment. Women Entrepreneurs have been making a significant impact in all segments of economy of the world. Their willingness for the future is apparent in their growing confidence, in their strengths and in their desire to seek different forms of work in order to achieve a new balance between work and home.

Objectives of the study

- ❖ To identify the problems in starting and running women entrepreneurship in India.
- ❖ To know whether adequate training, awareness and marketing facilities are available for women entrepreneurs.
- ❖ To know the organisations that empowering women entrepreneurs.
- ❖ To suggest remedies for the smooth functioning of women entrepreneurship.

Methods

The study includes the problems and opportunities of women entrepreneurship in India. Secondary data were used for data collection. The secondary data were collected from various journals, magazines, research papers and internet.

Features of women entrepreneurship

- ❖ Most women with small income are likely to become entrepreneurs.
- ❖ Women with small facilities are likely to become entrepreneurs.
- ❖ A majority of women entrepreneurs are married. With the support of their husband they accepted entrepreneurship.
- ❖ Most spinsters face difficulties in obtaining financial support to start their enterprises.
- ❖ A large number of women with little or no education and training enter into the business field.
- ❖ Many women become entrepreneurs out of economic necessity.
- ❖ Women's sincerity and hard work is the cause for sustainability and growth.
- ❖ Women entrepreneurs are security oriented rather than growth oriented.
- ❖ Most women prefer stabilization of income and minimization of risk.
- ❖ Business enterprises of women lack working capital, this causes low profit margin.



Why women become entrepreneurs?

- To become economically independent
- To establish their own enterprise
- To establish their identity in the society
- To achieve Excellency in their endeavour
- To build confidence to themselves
- To develop risk assuming ability
- To claim equal status in the society
- To secure greater freedom and mobility

Following are the Industries promoted by women entrepreneurs:

Now a days women are engaged in Agarbati manufacturing, Papad making, Embroidery, Handicrafts, Catering service, Running schools and tutorials, Beauty parlours, Working women hostels, booths, Photographic studios, Women hostel, Travel agencies etc.

Problems faced by Women Entrepreneurs

Family restrictions: Women are expected to spend more time with their family members. They do not encourage women to travel extensively for exploiting business opportunities.

Problem of Finance: Finance is considered as the 'life blood' of a business. However, women Entrepreneurs suffer from shortage of finance. Women do not generally have property on their name to use them as collateral for obtaining funds from external sources. So their access to the external source of fund is limited. Secondly, the bank also considers women are less credit-worthy and discourage women borrowers on the brief that they can at any time leave their business.

Scarcity of Raw Material: Most of the women enterprises are faced by the scarcity of raw material and necessary inputs for production.

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.

Socio-cultural barriers: Woman has to carry out multiple roles in family or social irrespective of her work as working woman or an entrepreneur. In our public, more significance is being given to male child as compared to female child. This attitude results in lack of schooling and



necessary training for women. As a result this impediments the progress of women and handicap them in the world of work.

Stiff Competition: Women entrepreneurs do not have organizational set-up to pump in a lot of money in 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.

Family Ties: Family problems are important barriers for the success of women entrepreneurship. Lack of family support and social support discourage women in starting and running enterprises.

Organisations that Empower Women Entrepreneurs in India

Following are some of the global, national and local organisations that empower women entrepreneurs in India:

Global organizations empowering women entrepreneurs

Goldman Sachs – ISB 10000 Women Program

The unique aspect of this program is that it strives to provide women with an education in business management – one that will help them succeed in their venture. 10000 women from across the globe learn the basic skills of **running a business** likewriting a business plan, accounting, marketing and seeking investments for their business. The program is supported by various non-profit organizations across the world.

The Cherie Blair Foundation for Women

Based in London, this non-profit organization was set up to benefit women entrepreneurs. They facilitate access to technology, business skills training, networks and finance by working in partnership with other organisations through three programmes: Enterprise Development, Mobile Technology and Mentoring. This organization lays special emphasis on investing in women from developing regions like Africa, Asia and the Middle East. While providing access to finances is the foundation's main area, they also provide business and technical knowledge and networking platforms for women.

Carma – Creating Access to Resources and Markets

A for profit company, Carma helps nurture aspiring entrepreneurs – anyone who has an idea they want to execute. While a large number of their mentees are women, Carma does its work across genders, ages and geographies. They charge a fee depending on the whether the



business is just starting up or has already been in the market and then conduct virtual mentoring for a period of 6 months. Carma's approach is a logical, practical and ROI driven one.

WeConnect International

This is a corporate led non-profit organization which helps empower women entrepreneurs by connecting them with other corporates and helping accelerate their growth.

National organizations empowering women entrepreneurs

FIWE: The Federation of Indian Women Entrepreneurs

Based out of Delhi, FIWE was established in 1993. It now has over 15000 members and around 28 member associations. The aim of this organization is to help empower women entrepreneurs through trainings on technical know-how, industry research, expertise, and skill development. They concentrate largely on the SME segment.

TREAD: Trade Related Entrepreneurship Assistance and Development

The MSME (Micro, Small and Medium Enterprises) Ministry runs a scheme in both urban and rural areas to help overcome the developmental hurdles faced by women. This organization helps develop the entrepreneurship skills of women in non-farm activities by providing them with information and counselling with respect to trade.

CWEI: Consortium of Women Entrepreneurs of India

A leading organization in the field, CWEI works with UN Women, the MSME Ministry and the Ministry of Rural Development. They are in the forefront of all initiatives concerned with assisting women entrepreneurs – help them learn better marketing skills, work with tribal and backward women to integrate them with urban organizations and devising new and innovative methods for arranging financing for women run businesses.

Stree Shakti by Tie

The Indus Entrepreneurs movement 'Stree Shakti' aims at connecting and enabling enterprising women from different classes of society through a series of on-ground focused programmes. They are a leading organization in mentoring, educating and providing inspiration.

In an insightful conversation, well-known professor, and founder of Carma, Nandini Vaidyanathan, led me to the understanding that awareness and desire to excel amongst women, even in small towns, is on the upswing and places like Goa, Lucknow, Kanpur and Surat are actually epicentres of female entrepreneurial activity. Infact in the Goldman Sachs –



ISB program, around 8 women are from Goa. This is when locally available resources and networking systems become even more valuable.

Local organizations empowering women entrepreneurs

NWEA: The Noida Women's' Entrepreneur Association

It was set up to help businesswomen in Noida deal with the hurdles that come with their ventures. The organization plays the role of a mentor and lobbyist for its members.

10. The Government of Goa

The Goa state government runs various schemes to assist women in self employment. One such scheme run by the Directorate of Industries helps benefit women by giving them financial advantages such as increased capital contribution.

Best Price Members Women's council

Retail giant Walmart, which came into India in collaboration with Bharti, has launched a forum in Chandigarh in order to help women understand the issues they will face with a start up and to help scale up the business.

Promotion of women entrepreneurs

The following steps can be taken to promote women entrepreneurs:

- ❖ Women promotional organizations should establish specific strategies to promote women entrepreneurship. Those strategies should include counseling, mentoring, training and the development of new policies.
- ❖ The Government should establish an infrastructure and programs that support women entrepreneurship.
- ❖ The training institutions should launch a need based training program. They should include more topics on global environment challenges and offer more practical programs on marketing and financial management.
- ❖ The programs in marketing management should be based on case studies and innovative skill development programs should be offered.
- ❖ There should be special training cell for women entrepreneurs.
- ❖ There is also a need for opening more training institutions catering to the needs of vast number of untrained women entrepreneurs.
- ❖ The promotional and regulatory agencies should be motivated to be considerate, understanding and helpful towards women entrepreneurs.



- ❖ Motivate new women entrepreneurs into this field through audio visual media.
- ❖ Simplify the procedure of licensing and government regulations to start a new business enterprise.
- ❖ Banks and other financial institutions must provide credit to women entrepreneurs on both priority and concessional terms.
- ❖ Women should be motivated to come out of their traditional occupation for accepting more challenging and economic activities.
- ❖ Workshops and seminars should be organized frequently for the officials of financial and supporting agencies and for women entrepreneurs to make their relations more cordial.
- ❖ Women are entering into entrepreneurship even in the face of socio-cultural, economic, technical, financial and managerial difficulties. Women entrepreneurship movement can gain momentum by providing encouragement, appropriate awareness, training, environment and support. This would definitely enhance their socio-economic status, a prerequisite for women's empowerment.

Future of Women Entrepreneurship

With the pace of new economic reforms in our country, there would be a widespread development of business and industry throughout the length and breadth of the country. Women entrepreneurs are bound to get the best scope in the country, provided they overcome certain constraint on their parts.

- 1) Most of the women do not have complete independence in taking a decision to start a business enterprise. They are influenced by the male members of the family.
- 2) Most of them do not have economic independence also, as a result of which she finds it difficult to raise funds for investment in business.
- 3) A woman in the family is not allowed to bear any business risks and she is always demotivated by the family members for starting any enterprise by mentioning to her that she might not get support from the outside environment in business. She is not trained at all to take any risks in her life.
- 4) Most of the women are not adequately educated. Given the percentage of literacy among women is below 15%, a woman is not allowed to learn more than other male members of the family. A woman does not get any opportunity to learn the advance knowledge of



science and technology. As a result of which she does not know, in what area of business activity she should become manufacturer.

- 5) As a woman, she is generally discouraged from having a free interaction with the members of the larger society; she does not get the exposure of the market opportunities that are available.
- 6) Most of the women get married at a very late age and then their bookish knowledge obtained by them from their schools and colleges becomes stale.
- 7) There is no positive and supportive environment in the family itself, as a result of which a woman does not have a courage to come out of her own moorings.
- 8) Normally in a backward or developing country, the Society is male dominated. If a woman is seen to be successful as enterpriser, people become jealous to her and try to create all kinds of problems for her. Even male subordinates and customers normally have a negative reaction towards her.
- 9) On account of her inability to get outside exposure, a woman hardly gets sufficient information regarding the avenues open for self-employment.
- 10) A woman is very often unaware of procedures and formalities to be followed for getting guidance including information regarding finance. The bankers are also sceptical about their enterprising ability while giving loans to her.
- 11) Women entrepreneurs all the world over, have experienced a hostile discrimination while they are doing business. The discouragement is tremendous when a woman starts a new enterprise.
- 12) Unmarried women find it more difficult to think of starting a business, since she is not sure, whether after her marriage her husband and other members of her family, would allow her to continue the business.

Conclusion

To summarize, Women are working in this multifaceted world. There is an increasing trend that more and more women are becoming interested in starting up in business. Many women are facing a lot of problems such as shortage of finance, lack of self-confidence, family problems, shortage of raw materials, lack of support from family etc. But things are slowly changing. Women are coming out with success by defeating all the difficulties and problems that they are facing.



Women are fighting these barriers and overcoming obstacles to attain their fullest potential. Women are still seen venturing into domains largely untouched by their male counterparts in terms of businesses. There are cultural and societal norms that hinder equal participation of women in ventures that men undertake. In addition, rates of self-employment among women are increasing in several countries. Even though an integrated approach is necessary for making the movement of women entrepreneurship a success. In order to ensure that the development of women entrepreneur takes place as fast as possible, there is a need to set up apex bodies at all levels as to ensure fair gender economic life. There are some of the global, national and local organizations that empower women entrepreneurs in India. They promote women entrepreneurs to a great extent. More financial institutes are realizing the merits of investing in women entrepreneurs' ventures. One of the most obvious reasons to invest in women leaders in India is that women control the vast majority of household spending. So unless you are a business that is focused mostly on men, women are more likely to better understand customer perspective. Another is that women are often better at building long-term relationships. Lasting relationships benefit a business tremendously, as only so much can be achieved without trust with employees, customers, suppliers, shareholders, government, etc.

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