

# Women Entrepreneurs: Opportunities, Challenges and Problems with Reference to India-An Analytical Review

**Dr. K.Kamalakkannan**

M.Com, M.Phil, MBA, M.A (Psychology), B.Lisc, Ph.D  
Assistant Professor (Sl. Grade),  
School of Management & Commerce  
Shri Ramasamy Memorial University (SRM)  
5<sup>th</sup> Mile, Tadong, Gangtok, East Sikkim-737102  
Email: [kksahakk@gmail.com](mailto:kksahakk@gmail.com), Contact No.7358950948

## **Abstract**

*Entrepreneurship is a rapidly rising concern of a modern competitive economy and its contribution in economy is viably recognized worldwide. It plays a key role in the economic development of the country. Entrepreneurship is not only applies to men but also women. In today's world, women entrepreneurs are playing very vital role and they have become important part of the global business environment and it's really important for the sustained economic development and social progress. In India, though women are playing key role in the society, but still their entrepreneurial ability has not been properly tapped due to the lower status of women in the society. The main purpose of this paper is to find out the status of women entrepreneurs in India Therefore a 'Women entrepreneur' can be defined as "the Women or group of women, who initiate, organize and operate a business enterprise". Likewise the Government of India (GOI) has defined it as "an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women". Against all odds, Indian women cope up and emerged as successful entrepreneurs. Against this back drop, an exertion has been initiated to focus a bird's eye view on the introduction, position of women Entrepreneurs in India, practical problems that are being encountered by them, their prospects and suggestions followed by a logical conclusion. On the basis of this study some suggestions are given to encourage spirit of women entrepreneurship to become a successful entrepreneur.*

**Keywords:** Women Entrepreneurs Introduction, Opportunities, Challenges, Problems,, Economic Development

## **Introduction**

Women Entrepreneurs may be define as the women or a group of women who commence and operate a business venture. . Like a male entrepreneurs a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertake risks, introduction of new innovations, coordination, administration and control of

business and providing effective leadership in all aspects of business. Government of India has described women entrepreneurs as an enterprise/venture owned and controlled by women having at least financial interest of 51% of the capital and giving at least 51% of employment generated in the organization to women.

Women Entrepreneurs are highly increasing in the economies of almost all countries. The hidden business potentials of women have been increasing with the growing sensitivity to the role and economic status in the society. The knowledge, Skill and compliance in business are the core reasons for women to come forward into business ventures. Women entrepreneurs engage in business due to push and pull factors which give confidence to women to have an self-sufficient occupation and stands on their foots. Logic towards independent decision-making on their life and career is the motivational factor behind this insists on 'Women Entrepreneur' is a person who accepts challenging role to meet her personal desires and turn out to be economically independent. A strong desire to do enormous positive is an integral quality of entrepreneurial women, who is competent of contributing values in both family and social life. With the introduction of media, women are conscious of their own qualities, rights and also the work situations. The glass ceilings are shattered and women are found indulged in every line of business from achier to telecommunication.

Women constitute 50% of the world's population, do the two-thirds of world's work hours, receive 10% of the world's income and own less than 1% of the total property. However, in this LPG scenario, rapid changes have been occurred in all sectors. Speed of education, coupled with a revolutionary change in the field of information and technology brings a significant change of the status of women in the society.

## **Objectives of the study**

- To find out the challenges, opportunities etc
- To find out the factors which encourage women to become entrepreneurs?
- To study the scheme given by the government to women entrepreneurs.
- To find out the problems faced by women entrepreneurs.
- To find the conclusions and offer suggestions

### Literature review

Tambunan, (2009), made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining overwhelming importance; more than 95% of all firms in all sectors on average per country. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study revealed that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes.

Das, 2000 performed a study on women entrepreneurs of SMEs in two states of India, viz, Tamil Nadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women in western countries. However, Indian women entrepreneurs faced lower level of work-family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for starting and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of

business setup and operated by women is much lower than the figures found in western countries.

### Status of Women entrepreneurs in India

In India women account for only 5.2% of the total self employed persons. There were more than 1, 53,260 women Entrepreneurs claiming 9.01% of the total entrepreneurs in India during 1998-99. Decision relating to site selection for establishment of enterprise for women is based on proximity to home. Women entrepreneurs face more difficulties than their male counterparts in the start-up stage of enterprise due to lack of experience of technical training and marketing. Self-assessment by women entrepreneurs displays great differences from the characteristics normally associated with male entrepreneurs such as passive vs. active and private Vs Social. Albeit, quite a good number of reports divulges that they have excelled in Engineering, Electronics and Energy. They have been manufacturing solar cookers in Gujarat, Small Foundries in Maharashtra and T.V. Capacitors in Orissa. They have been recognized during the last decade as an important untapped source of economic growth. According to 2010 statistics, Proportion of female main workers to the total population is 16.65% in rural areas and 9.42% in urban areas. This shows overall less contribution of women in work but more percentage of women workers in rural areas. Thus they have been largely neglected both in society in general and in the social sciences.

**Table 1: Status of women entrepreneurship in India**

S. No	Name of the State	No. of units Registered.	No. of women Entrepreneurs	Percentage (%)
1	Tamil Nadu	9619	2933	30.49
2	Uttar Pradesh	7981	3183	39.84
3	Kerala	5488	2136	38.91
4	Punjab	4792	1619	33.77
5	Maharashtra	4339	1396	32.12
6	Gujarat	3874	1538	39.72
7	Karnataka	3822	1028	26.84
8	Madhya Pradesh	2961	844	28.38
10	Other States and U.Ts	14571	4186	28.71
	Total	57,462	18,863	32.82

### Reasons for women to become entrepreneurs in India:

Self esteem, recognition, Self determination, and career goal are the key drivers for choosing to entrepreneurship by women. Sometimes, women choose such career path for proving their potential, caliber in order to achieve self satisfaction. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities. The days have gone when women always passed her whole life within the boundaries of house now women are found indulged in every line of business. The entry of women into business in India is an extension of their normal home activities. But with the spread of education and passage of time women started shifting from doing work at home or kitchen to the business venture. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. Women Entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. 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.

## Challenges of Women Entrepreneurs in India

### Lack of working capital:

To be women and to do something on their own becomes quite difficult for them because of lack of access to funds as women do not possess any tangible security and credit in the market. Before marriage she has to depend on father and after marriage she has to follow the footsteps of the husband.

### Male dominated society

A woman is dominated by men in her family as well as business. Often she has to obtain permission from men for almost everything. They are not treated as equals. Her freedom is restricted. She always has to consult and get approval of men.

### Socio-cultural barriers:

Woman has to perform multiple roles be it familial or social irrespective of her career as working woman or an entrepreneur. In our society, more importance is being given to male child as compared to female child. This mindset results in lack of schooling and necessary training for women.

### Self confidence:

Women entrepreneurs because of their inherent nature, lack self-confidence which is essentially a motivating factor in running an enterprise successfully. They have to strive hard to strike a balance between managing a family and managing an enterprise.

### Gender Inequality:

India is a male dominated traditional society where women are not supposed to be equal to men folk. They are treated as subordinate to husbands and men, physically weak and lesser confident to be able to shoulder the responsibility of entrepreneur.

### Education:

Women in India are lagging far behind in the field of education. Most of the women (around sixty per cent of total women) are illiterate. Those who are educated are provided either less or inadequate education than their male counterpart partly due to early marriage, partly due to son's higher education and partly due to poverty. Due to lack of proper education, women entrepreneurs remain in dark about the development of new technology, new methods of production, marketing and other governmental support which will encourage them to flourish.

### Finance:

Sl. No.	Name of State/ UT	No. of enterprises managed by women	No. of women enterprises	Sl. No.	Name of State/ UT	No. of enterprises managed by women	No. of women enterprises
1.	Jammu & Kashmir	5640	5742	20.	Jharkhand	7271	7865
2.	Himachal Pradesh	3515	3722	21.	Orissa	33274	38233
3.	Punjab	30190	29068	22.	Chhattisgarh	11766	10034
4.	Chandigarh	2059	2243	23.	Madhya Pradesh	62351	68823
5.	Uttaranchal	8706	8804	24.	Gujarat	55361	53703
6.	Haryana	10087	9620	25.	Daman & Diu & Dadra & Nagar Haveli	167	213
7.	Delhi	13368	14383	27.	Maharashtra	80662	100670

Women entrepreneurs suffer a lot in raising and meeting the financial needs of the business. Bankers, creditors and financial institutions are not coming forward to provide financial assistance to women borrowers on the ground of their less creditworthiness and more chances of failure.

### Technology Impact:

Women entrepreneurs face technology obsolescence due to non-adoption or slow adoption to changing technology which is a major factor of high cost of production.

### Risk Capacity:

Women in India are by nature weak, shy and mild. They cannot bear the amount of risk which is essential for running an enterprise. Lack of education, training and financial support from outsiders also reduce their ability to bear the risk involved in an enterprises.

### Law:

Fulfilling the legal formalities required for running an enterprise becomes an uphill task on the part of a women entrepreneur because of the prevalence of corrupt practices in government offices and procedural delays for various licenses, electricity, and water and shed allotments.

### Participation of women in SSI sector

The participation of women in SSI sector has been identified in three different roles. Some women were owners of enterprises, some were managers of enterprises and some were employees. With regard to ownership, an SSI or a SSSBE managed by one or more women entrepreneurs in proprietary concerns, or in which she/ they individually or jointly have a share capital of not less than 51 % as partners/ share holders/ Directors of Private Limited Company/ Members of Co-operative Society is called a 'Woman enterprise.

### Women enterprises and SSI units managed by women

The total number of women enterprises in the Total SSI Sector was estimated at 10, 63,721 (10.11 %). The estimated number of enterprises actually managed by women was 9, 95,141 (9.46 %). In the States of Mizoram, Orissa, Karnataka, Goa, Lakshadweep, Kerala, Tamil Nadu and Pondicherry, the share of women employment was significantly higher (more than 20 %). The position of women entrepreneurs and women enterprises is given State-wise in the following table.

8.	Rajasthan	29785	36371	28.	Andhra Pradesh	77347	77166
9.	Uttar Pradesh	54491	72667	29.	Karnataka	101264	103169
10.	Bihar	38170	49443	30.	Goa	677	810
11.	Sikkim	30	98	31.	Lakshadweep	61	67
12.	Arunachal Pradesh	131	150	32.	Kerala	137561	139225
13.	Nagaland	207	179	33.	Tamil Nadu	130289	129808
14.	Manipur	9168	10745	34.	Pondicherry	1089	1065
15.	Mizoram	3076	3700	35.	Andaman & Nicobar Islands	53	110
16.	Tripura	631	863				
17.	Meghalaya	3658	3580				
18.	Assam	11189	11757				
19.	West Bengal	71847	69625				

Source: msme may2018 Report

### Opportunities of Women Entrepreneurship in India

In this LPG Scenario, there is much prospect for entrepreneurship in India. The country needs to mobilize and utilize fully all its resources including human resources. The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of society's stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long-term objectives of the development programmes for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due recognition has to be accorded to the role and contribution of women in the various social, economic, political and cultural activities. The unexplored talents of women should be identified, trained and used for various types of activities to increase the productivity in the industrial sector, thus developing them into entrepreneurs, which is the need of the hour.

### Schemes for promotion and development of women entrepreneurs

In order to promote progressively women enterprises in the MSE sector, various schemes have been formulated by this Ministry and some more are in the process of being finalized, aims only at the development of women enterprises in India. The Government of India has over 27 schemes for women. Some of these are:

1. Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
2. Entrepreneurial Development programme (EDPs),
3. Indira Mahila Yojana, 4. Indira Mahila Kendra
5. Integrated Rural Development Programme (IRDP),
6. Khadi and Village Industries Commission (KVIC)
7. Management Development programmes, 8. Women's Development Corporations (WDCs)
9. Marketing of Non-Farm Products of Rural Women (MAHIMA), 10. Mahila Vikas Nidhi
11. Mahila Samiti Yojana, 12. Mahila Vikas Nidhi, 13. Micro Credit Scheme
14. Micro & Small

Enterprises Cluster Development Programmes (MSE-CDP) 15. NGO's Credit Schemes 16. NABARD- KfW-SEWA Bank project 17. National Banks for Agriculture and Rural Development's Schemes 18. Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains' 19. Prime Minister's Rojgar Yojana (PMRY) 20. Rashtriya Mahila Kosh 21. Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP) 22. SIDBI's Mahila Udyam Nidhi 23. SBI's Stree Shakti Scheme 24. Trade Related Entrepreneurship Assistance and Development (TREAD) 25. Working Women's Forum 26. Training of Rural Youth for Self-Employment (TRYSEM)

### Conclusion and Suggestion

In most countries, regions and sectors, the majority of business owner/managers are male (from 65% to 75%). However, there is increasing evidence that more and more women are becoming interested in small business ownership and/or actually starting up in business. Women are working in this multifaceted world. Although there are no official statistics relating businesses to the gender of their owner/manager, there is a good deal of evidence to suggest a significant increase in female entrepreneurship. One consequence of this is that women are a relatively new group of entrepreneurs compared with men, which means that they are more likely to run younger businesses. Let us try to eradicate all kinds of gender bias and thus allow 'women' to be a great entrepreneur at par with men. This in turn has some implications for the problems they face and their ability to deal with them. Thus by reckoning the vividly delineated discussion as cited supra, we can come to a conclusion that today's women have ventured into manufacturing, trading and service sector from the earlier days where they were limited only to the domestic jobs. The participation of women in the entrepreneurial activity makes them not only self-confident but also self-dependant. Thus, it provides them an opportunity of not only contributing to the economic development of the nation, but also enables them to give a better life to their family. The women make up for almost 50% of the population in India, however, only 10% of the firms in the MSME sector are owned by them. Hence, if supported, the women entrepreneurs can provide a much needed boost to



the economy by creating new employment opportunities. Empowering women entrepreneurs is crucial for achieving the goals of sustainable development and the bottlenecks hindering their growth must be reduced to enable full participation in the business. Apart from training programs Newsletters, mentoring, trade fairs and exhibitions also can be a source for entrepreneurial development.

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