

Women Entrepreneurs in India – Problems and Suggestions

SanthoshKumar.G

Assistant Professor of Management Studies
Bharath Institute of Science and Technology,
Selaiyur, Chennai, Tamil Nadu 600 073
Bharath Institute of Higher Education and Research

ABSTRACT

The role of women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. Their role is also being recognized and steps are being taken to promote women entrepreneurship. The Indian women are no longer treated as show pieces to be kept at home. They are also enjoying the impact of globalization and making an influence not only on domestic but also on international sphere. Women are doing a wonderful job striking a balance between their house and career. Women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development. Developing countries are definitely in dire need to encourage women entrepreneurship as women workforce is promptly available to exploit the unexplored dimensions of business ventures. Generally speaking, globally business world has realized and is working on war footing to create entrepreneurship as the final remedy to overcome all types of business and market challenges. Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. Women are willing to take up business and contribute to the nation's growth. Their role is being recognized and steps are taken to promote women entrepreneurship.

Keywords: Entrepreneurship Development, Professional Training, Marketing Assistance.

1. INTRODUCTION

Since the turn of the century, the status of women in India has been changing due to growing industrialization, globalization and social legislation. With the spread of education and awareness, women have shifted from kitchen to higher level of professional activities. Entrepreneurship has been a male-dominated phenomenon from the very early age, but time has changed the situation and brought women as today's most memorable and inspirational entrepreneurs. In almost all the developed countries in the world women are putting their steps at par with the men in the field of business. The role of women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. Their role is also being recognized and steps are being taken to promote women entrepreneurship.

WOMEN ENTREPRENEURS – MEANING

Women Entrepreneurs may be defined as the women or group of women who initiate, organize and co-operate a business enterprise. Government of India has defined women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51 percent of

the capital and giving at least 51 percent of employment generated in the enterprise to women. The Indian women are no longer treated as show pieces to be kept at home. They are also enjoying the impact of globalization and making an influence not only on domestic but also on international sphere. Women are doing a wonderful job striking a balance between their house and career. Women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development.

2. OBJECTIVES OF THE STUDY

- To identify the problems of women entrepreneurs in India.
- To study the role of Government to develop women entrepreneurs in India.
- To give suggestions to overcome the problems of women entrepreneurs in India.

3. RESEARCH METHODOLOGY

Secondary source of information is the base for the present study. The required source of information has been collected from various research publications, published newspapers, journals-online & printed magazines, web sites, books etc.,

CHARACTERISTICS OF WOMEN ENTREPRENEURS

- A woman or a group of women manages the whole business of enterprise. She prepares various plans and executes them under her own supervision and control. There may be some persons to help her but ultimate control lies with the woman.
- A woman entrepreneur must provide at least 51 percent of the employment generated in her enterprise to women.
- A woman entrepreneur takes calculated risk. She faces uncertainty confidently and assumes risk. She has to tie up capital and wait for good returns.
- A woman entrepreneur assembles, co-ordinates, organizes and manages the other factors namely land, labor and capital. She obtains factors of production from the society and supplies them finished product.
- A woman entrepreneur is one who incubates new ideas, starts her enterprise with these ideas and provides added value to society based on their independent initiative.
- Leadership quality is one of the most important characteristic of a woman entrepreneur. It is the process of influencing and supporting others to work enthusiastically towards achieving objectives.

FUNCTIONS OF WOMEN ENTREPRENEURS

As an entrepreneur, a woman entrepreneur has also to perform all the functions involved in establishing an enterprise. These include idea generation and screening, determination of objectives, project preparation, product analysis, and determination of forms of business organization, completion of promotional formalities, raising funds, procuring men, machine and materials and operation of business.

PROBLEMS OF WOMEN ENTREPRENEURS IN INDIA

Women entrepreneurs face many problems in their efforts to develop their enterprise. There are various problems faced by women at various stages beginning from their initial commencement of

enterprise, in running their enterprise. The main problems faced by the women entrepreneurs in India are as follows:

PROBLEMS 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. Thus, women enterprises fail due to the shortage of finance.

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. The failure of many women co-operatives in 1971 engaged in basket-making is an example how the scarcity of raw material sounds the death-knell of enterprises run by women.

RIGID 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.

MARKETING PROBLEMS

Women entrepreneurs often depend upon the middlemen for marketing their products who pocket large chunk of profit. The middlemen exploit the women entrepreneurs. Women entrepreneurs also find it difficult to capture the market and make their products popular. Women entrepreneurs also lack energy and extra efforts needed to be investing and to win the confidence of customers and popularize the products. Women entrepreneurs continuously face the problems in marketing their products.

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.

FAMILY CONCERNED

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.

LACK OF EDUCATION

In India, around three-fifths (60 percent) 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.

MALE-DOMINATED SOCIETY

Male domination is still the order of the day in India. The Constitution of India speaks of equality between sexes. 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.

LACK OF ENTREPRENEURIAL TRAINING

Large number of women is no proper and sufficient technical and professional training to set-up a new venture. All women entrepreneurs are given the same training through EDPs. Second-generation women entrepreneurs don't need such training as they already have the previous exposure to business.

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

ROLE OF GOVERNMENT TO DEVELOP WOMEN ENTREPRENEURS IN INDIA

The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Therefore, a friendly environment is needed to be created to enable women to participate actively in the entrepreneurial activities. The Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures. These programmes are as follows: In the seventh five-year plan, a special chapter on the "Integration of women in development" was introduced by Government with following suggestion:

- **Specific target group:** It was suggested to treat women as a specific target groups in all major development programs of the country.
- **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.
- **Developing new equipments:** Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments and practices.

- **Marketing assistance:** It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.
- **Decision-making process:** It was also suggested to involve the women in decision-making process.

Economic development and growth is not achieved fully without the development of women entrepreneurs. The Government of India has introduced the following schemes during Ninth Five-Year Plan 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.
- Women Component Plan, a special strategy adopted by Government to provide assistance to women entrepreneurs.
- Swarna Jayanti Gram Swarozgar Yojana and Swarna Jayanti Shiksha Rozgar Yojana were introduced by government to provide reservations for women and encouraging them to start their ventures.
- New schemes named Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.
- State Industrial and Development Bank of India (SIDBI) has introduced following schemes to assist the women entrepreneurs. These schemes are:
 - Mahila Udyam Nidhi
 - Micro Credit Scheme for Women
 - Mahila Vikas Nidhi
 - Women Entrepreneurial Development Programmes
 - Marketing Development Fund for Women

Further, the tenth five Year Plan aims at empowering women through translating the recently adopted National Policy for empowerment of Women into action and ensuring survival, Protection and Development of women and children through rights base approach. 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. The following training schemes especially for the self-employment of women are introduced by government:

- Support for Training and Employment Programme of Women (STEP).
- Development of Women and Children in Rural Areas (DWCRA).
- Small Industry Service Institutes (SISIs)
- State Financial Corporations
- National Small Industries Corporations
- District Industrial Centres (DICs)

SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas. Under Mahila Vikas Nidhi 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.

SUGGESTIONS TO OVERCOME THE PROBLEMS OF WOMEN ENTREPRENEURS IN INDIA

Women entrepreneurship has been steadily climbing in recent years, but these new opportunities and growth are not without a unique set of challenges. Women entrepreneurs face many different "stumbling blocks," throughout their careers and offered the following suggestions:

FINANCE CELLS

A large number of various finance cells may be open to provide easy finance to women entrepreneurs. These special cells should provide finance to women entrepreneurs at low and concessional rates of interest and on easy repayment facilities. Efforts should be made to provide finance at the local level.

MARKETING CO-OPERATIVES

Marketing co-operatives should be established to encourage and assist to women entrepreneurs. Government should give preference to women entrepreneurs while purchasing their requirements. These marketing cooperating will help the women entrepreneurs to sell their products on remunerative prices. This will help in eliminating the middlemen.

SUPPLY OF RAW-MATERIALS

The required, scarce and imported raw-materials should be made available to women entrepreneurs at priority basis at concessional rate.

EDUCATIONAL AND AWARENESS

The educational and awareness programmes should be arranged to change the negative social attitudes towards women. The attitude of elders needs to be changed about the potential of girls and their due role in society.

TRAINING FACILITIES

Training and development programmes play very essential role for the development of entrepreneurship. Special training schemes should be so designed that women can get full advantages. Mobile training centers, part time training facilities etc. should be offered to attract more and more women to the training centers.

TEAM BUILDING

Many female entrepreneurs try to handle every aspect of the business alone, according to Wesman, and that's a recipe for failure. It's important that female entrepreneurs surround themselves with team members that have different strengths and expertise that can help run a successful business. Men in the business world tend to realize that, whereas women are used to multitasking.

HIDING FROM CASH FLOW ISSUES

Managing cash flow and following up on owed money and payments is critical to every successful business, but women tend to be less assertive when it comes to collecting money, according to Wes man. "This goes along with the issue of it being unladylike, or not feminine to discuss money, or think about money, or to collect it," she said. Owners need to face those debtors head on, and get what they are due.

GETTING TOO CLOSE WITH EMPLOYEES

While many small businesses adopt that "family" mentality, female entrepreneurs are often very guilty of getting too close with their workers, Wes man said. "They treat employees like family and friends," she said. "It's about having a good business relationship, but not getting involved in too personal relationship." When a relationship reaches that point, it becomes harder to make decisions in the best interest of the business, she said.

4. CONCLUSION

Developing countries are definitely in dire need to encourage women entrepreneurship as women workforce is promptly available to exploit the unexplored dimensions of business ventures. Generally speaking, globally business world has realized and is working on war footing to create entrepreneurship as the final remedy to overcome all types of business and market challenges. Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women. The large majority of them are still unaffected by change and development activities have benefited only small section of women i.e. the urban middle class women. Women are willing to take up business and contribute to the nation's growth. Their role is being recognized and steps are taken to promote women entrepreneurship.

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