

## “Opportunities & Challenges of Women Entrepreneurship: An overview”

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**Abstract:** India is male dominated country where women are always considered as a weaker section and were recognized as inferior as compared to male counterparts. This differential treatment proved to be the major obstacle in the way of women development in all fields of life especially in entrepreneurship. The concept of women entrepreneurship in India is of recent origin and has gained momentum since the early 1980s due to liberalization of economics Today world is at a surprising pace due to Liberalization, Privatization and Globalization along with ongoing IT revolution and is bringing new opportunities and challenges for women in the business world today. Although the big corporations are dominated males but women are entering the new millennium by conquering the world markets through small and medium sized firms, being both their founders and managers. The Women entrepreneurship not only contributes to economic development of country but also to the economic well-being of the family and communities. Despite number of measures and incentives taken by the government of India the women entrepreneurs are not increasing at a greater rate. This paper attempts to analyze and highlight various opportunities and challenges faced by the women entrepreneurs while operating the venture.

**Keywords:** women entrepreneurship, economic growth, opportunities, challenges

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### I. Introduction

Entrepreneurship is the organisation of an economic activity, with the goal of reaping the benefits and profits that accrue from it and assuming all the risk that arise there from. Women constitute almost half of the total population in the world. But their representation in gainful employment is comparatively low. In most countries, average earnings of women are lower than those of men (Mathur, 2011). Women work participation has also been increasing since last few years in different countries of the world. Women work participation in the year 2000-01 was highest is in U.S.A., i.e. 45% and lowest in India, i.e. 31.6%. Women work participation percentage in some countries of the world is depicted in table 1.1.

**Table 1.1** Women Work Participation Percentage in the World

Country	Percentage
India (1970-71)	14.2
India (1980-81)	19.7
India (1990-91)	22.3
India (2000-2001)	31.6
USA (2000-01)	45
UK (2000-01)	43
Indonesia (2000-01)	40
Sri Lanka (2000-01)	35
Brazil (2000-01)	35

**Source:** <http://www.internationalentrepreneurship.com/total>

Over the last few decades there has been a slow but steady change taking place with respect to development of women. Women are regarded as better half of the society. In traditional Indian societies, they were confined to four walls. In modern society, they come out of four walls to participate in all types of activities including entrepreneurship. In today’s era of Liberalization, Privatization and Globalization along with ongoing IT revolution, Indian women are forced to establish their own business to ensure a more secure job and safer existence of the family. The women-owned firms have the potential to make significant contributions to job creation and economic growth of self and the country. In order to promote self-employment, develop entrepreneurship capabilities and support small businesses for women, both states as well as central government of India are taking initiatives. In India, early phases of women entrepreneurship was regarded as extension of

their kitchen activities (3 Ks- Kitchen, Kids, Knitting) to 3 Ps, viz. Pickles, Powder and Pappad. But with growing awareness women have started shifting from 3 Ps to 3 modern Es, viz. Engineering, Electronics and Energy. Indian women had undergone a long way and are becoming increasingly visible and successful in all spheres and have shifted from kitchen to higher level of professional activities. Before 1980s, there was a timid participation of women in the entrepreneurial activities. Now it has gained momentum due to liberalization of economics and increased attention and assistance by governments, international donors, and Non-governmental organisations (NGOs). The International Women's Year provided further encouragement to the emergence of women entrepreneurs in India. Further, the International Women's Decade, 1975-85 witnessed a spurt of women entrepreneurs in different parts of Madhya Pradesh. Now many women are turning towards self employment and entering the industrial scenario to establish enterprises of their own. The range of industries started by women entrepreneurs includes Beauty Parlour, agarbathi making, garment making, leather and paper based, food and food processing industries. Now-a-days elite women of India are making a mark in the nonconventional fields also such as: electrical and electronic goods, engineering and garment exporting industries and consultancy in various fields.

## II. Review of Literature

**Charumati, (1997)** has conducted the SWOT analysis of women entrepreneurs in Tamil Nadu. The study reveals that women entrepreneurs were confident of overcoming the minor weaknesses and threats by utilizing their major strengths and opportunities.

**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.

**Rajani & Sarada, (2008)** Women need for effective enterprise management, a large quantity of co-operation and encouragement in the sphere of activity, at all levels home and in society and from governmental organisations.

**Lall & Sahai, (2008)** conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges & future plan for expansion, based on demographic variables. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

**Reitz & Henrekson (2000)** has studied that that women-owned businesses were “underperforming” only because the growth preferences of women were lower than those of men by analyzing the sales, profitability and employment.

**Shashtri and Sinha, (2010)** Women Entrepreneurs need encouragement and support from their families, social circles and most importantly the government. Government should make initiations to provide financial supports to women entrepreneurs.

**Shruti Lathwal, (2011)** studied that most of women entrepreneurs belonging to semi-educated or uneducated class of workers cannot visualize a female boss in their field of work.

**Rizvi and Gupta (2009)**, found that government sponsored development activities have benefited only a small section of women, namely the urban middle class. This may be primarily due to their level of education, access to information and family support.

**Kabeer, N. and Natali, L. (2013)** shows that gender inequality leads to inefficiencies that stifle economic growth by raising gender-based barriers against women's entrepreneurship development.

**Mathur, (2011) and Singh N.P, (1986)** Both have argued in the fact that in Indian, most of the women are very serious about family obligations but they do not equally focus on career obligations like entrepreneurship.

**Parihar & Singh, (2006)** has studied on Constraints Faced by Women Entrepreneurs in Jammu” on 240 respondents engaged in various industrial activities. The study suggested that the attitude of women entrepreneurs need to be reoriented towards the promotion of leadership qualities. The government has to take efforts to provide market assistance, provision of land, create awareness of its schemes and assistance to women entrepreneurs.

### Research Methodology:

The research is descriptive in nature and the data is secondary collected from different published books and papers, articles published in different journals, periodicals, conference paper, working paper and websites. The

research drafting and analysis is based on the outcome of various researchers whose research has been considered as a springboard for preparing the present research work

**Objectives of the Study:**

- To analyze and highlight the various opportunities available for women entrepreneurs in India.
- To know the future prospects for the development of women entrepreneurs in India.
- To study and examine the support given by the government and other agencies to women entrepreneurs.
- To analyze the influencing factors which encourage women to become entrepreneurs
- To study and explain the challenges faced by women entrepreneurs

**Area of the Study:**

The area of study has been taken as Bhopal district of Madhya Pradesh. Bhopal is the capital city of Madhya Pradesh and is considered as establishing hub for business ventures in the near future.

**Opportunities for women entrepreneur**

Although the India is male dominant entrepreneurship country but it is showing steady growth among the women entrepreneur since from 1980. There are various opportunities in India that compels the women to enter into entrepreneurship. Several women are becoming entrepreneurs especially the middleclass women due to pull and push of traditional and changing values. Under the pull factors, the women entrepreneurs choose a profession as a challenge as an adventure with an urge to do something new and have an independent occupation. Under the push factors women take up business enterprises to get over financial difficulties when responsibility is thrust on them due to family circumstances. Some women possess essential qualities such as, ability to manage details, dedication to work they take up, tolerance and kindness towards people. Due to Liberalization, Privatization and Globalization along with ongoing IT revolution, more women are gaining the interest towards entrepreneurship. The liberalization of economics and increased attention and assistance by governments, international donors, and Non-governmental organisations (NGOs) has forced Indian women to become the entrepreneur. The International Women's Year provided further encouragement to the emergence of women entrepreneurs in India. Despite this there are fewer women industrial entrepreneurs, struggling to establish and run their industries. The task therefore is to develop strategies for bringing more women into the entrepreneurial arena and provide them organized support; (Sundaran 1998.)

**Challenges faced by the women entrepreneurs:**

Women in India are performing various multiple responsibilities. They want to be efficient workers and try hard to fulfill the job duties. At the same time they want to be good wives, good mothers and better home managers. She wants to maintain her status in the society and be respected by the other members of the family. Her sincerity towards all the responsibilities is itself a cause of trouble. However, the challenges faced by the women entrepreneurs can be briefly discussed in following areas:

**Challenge of Finance:** The majority of women rely on their self generated finance during the start up period of their business but somehow in the middle of their day to day operations they need external finance which they find very difficult to acquire and thereby miss or deviate from the route to success. More than half of the cases were identified as mismanagement of finance led to closure of the venture. Financial support as well as financial viability, therefore, is the most important considerations of any business proposition.

**Socio-cultural challenge:** In India, women have to perform the multiple responsibilities towards family and society irrespective of her career as working woman or an entrepreneur. These complicated responsibilities become the impediment in the progress of women and handicap them in the world of work.

**Marketing challenge:** women is lacking in sales and marketing skills that proves to be a graveyard of many small-scale women entrepreneurs. It has been found that the small-scale entrepreneurs, owing to their high achievement of market orientation, generally set higher goals in terms of marketing of their products/ services but later on find them difficult to achieve because of stiff competition, incurring huge advertisement cost and many other extraneous factors.

**Challenge in Occupational Mobility:** The challenge of shifting their product line from one line to another is the area where women entrepreneurs are very weak to establish as a winner and thereby occupational Mobility proves to be the weakness for women entrepreneurs.

**Challenge in Government Assistance** The women entrepreneurs were infuriated by the indifferent attitude of government officials of all the small industry related departments like taxation, labour, power, etc. i.e. when the authorities come to know that the unit is being run by a woman, they discourage allotting sales tax number and giving electricity connection. Above all they have ignorance about various procedures, laws, and complicated bureaucratic set-up while dealing with entrepreneurial support organizations.

**Production challenge:** The women entrepreneur has lack of management potential and therefore she is not able to control the overall activities production in a manufacturing enterprise. The improper coordination or

unintended delay in execution of any activity is going to cause production problems in the industry leads to closure of venture.

**HR related challenges:** The success of any business is based upon the efficient management of people in an organization. Most of the women entrepreneurs are lacking in management and are also unable to change the negative attitude of labour force. Moreover the women entrepreneurs admitted the lack of experience and self-confidence on their part to deal with personnel working in their organizations.

**Administrative and Regulatory Challenges:** The issues related to administrative and regulatory has been often found among the women entrepreneurs. Micro enterprises of all types can experience problems in meeting administrative and regulatory requirements, because of the disproportionate effect of compliance costs on small companies compared with large firms. As a consequence, it is not surprising that almost half the support organizations specializing in support for female entrepreneurs identified a problem for their clients in this respect. At the same time, with a few exceptions, administrative and regulatory barriers more significant for female owned businesses than for male owned firms of a similar size.

**Challenge of Management Skills or Training:** Women entrepreneurs lacked management skills to a greater extent than small businesses in general, perhaps because of their lower propensity to have had previous business experience Although difficulties in accessing business advice or support appears to be a minor rather than major problem for women entrepreneurs, a significant minority of specialist organizations felt that women are particularly disadvantaged in this respect. Difficulties with language caused problems for their clients or members, with five feeling that women faced specific difficulties in this respect.

**Male dominancy challenge:** India is known for its male dominance in the field of entrepreneurship. A woman is dominated by men in her family as well as in 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.

**Low risk bearing ability:** Indian women found her dependent right from the childhood. Before marriage parents take decisions for her and after marriage her husband takes over. She is protected throughout and thus possesses low risk bearing ability.

**Limited mobility:** Due to primary household responsibilities towards her family, her time gets divided between the two worlds. She has restricted timings for work due to which, she is not in a position to travel frequently and be away for longer periods. Thus, her mobility is restricted. This also has an implication on business.

**Lack of confidence:** In India women always remains dependent on family for every decision and thereby becomes unable bring self confidence. Due to this reason, even at home, family members do not have much faith in women possessing the abilities of decision-making.

Apart from the above hurdles, various policies and efforts have been made by various governmental and non-governmental agencies in order to promote and encourage the women women entrepreneurship. Entrepreneurship development in India has received much attention during the last few years. Several policies, Programmes, procedures and institutions have been formulated to support development of entrepreneurship among women in India. The following measures may be adopted to solve the problems faced by women entrepreneurs in India are given below:

### **1. Women empowerment programs to promote the women entrepreneurship in India**

- Support to training and employment program for women (STEP) (2003-04)
- Rashtriya mahila khosh (1993)
- Tamil nadu corporation for development of women (1983)
- Integrated rural development program(IRDP)
- Women’s development corporation scheme (WDCS)
- Indira priyadharshini yojana
- SBI’s sree shakthi scheme
- SIDBI’s mahila udyam nidhi mahila vikas nidhi
- Mahila samiti yojana
- Mahila vikas nidhi
- Working women’s forum
- Swa-Shakti Project
- Rural Women Development and Empowerment Project
- Indira Mahila Yojana (IMY)
- Employment and Income Generation-cum- Production Units (NORAID)
- Rashtriya Mahila Kosh (RMK)

### **2. Promotional Efforts Supporting Women Entrepreneurs in India-**

- ✓ Finance Cells:
- ✓ Marketing cooperatives.

- ✓ Supply of Raw materials
- ✓ Education and Awareness
- ✓ Training Facilities
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### **3. Agencies for Helping Women Entrepreneurs-**

- National Laboratories and Institutes.(National physical Laboratory, New Delhi, Central Fuel Research Institute,Dhanbad, Bihar)
- Commodity Boards and other organizations.(The all India Handicrafts Board, Ramkrishapuram, New Delhi, Tea Board,Kolkata)
- Specialized Trade Publications and(Automobile India, new Delhi, Central Glass & Ceramic Research Institute Bulletin,Kolkata)
- Technical Consultancy Organizations. (Andhra Pradesh Industrial & Technical Consultancy Organization Ltd Hyderabad, Gujarat Industrial & Technical Consultancy Organization Ltd. Ahmadabad)

However, entrepreneurs are advised to contact at least the following agencies to acquire essential knowledge about small scale industries, procedures and formalities.

- District Industries Centre
- Directorate/Commissioner of Industries Office
- State Financial Corporation Mahila Arthik Vikas Nigam
- Technical Consultancy Organization &
- Agencies Conducting Entrepreneurship Development Programmes.

### **4. Other Agencies that helps to Promote the Women Entrepreneurship :**

- National Bank For Agriculture And Rural Development (NABARD) .
- The Rural Small Business Development Centre (RSBDC)
- National Small Industries Corporation (NSIC)
- Small Industries Development Bank Of India (SIDBI)
- Rural And Women Entrepreneurship Development (RWED)
- World Association For Small And Medium Enterprises (WASME)
- Scheme Of Fund For Regeneration Of Traditional Industries (SFURTI)
- The District Industries Centers (DICs)
- Entrepreneurship Development Institute of India Ahmadabad
- Centre for Entrepreneurship Development M.P. and In other 15 states of country

## **III. Findings**

During the study it has been found that there are various constraints faced by the Indian women, among the major constraints that faced by the women is the absence of need for achievement, economic independence and autonomy. Most of the women are confined to their role as homemaker which acts as inhibition in her life. Sometimes they are incompetent in handling technical and other managerial activities, lack of information and experience pose hurdles in their entrepreneurial activities. It is also found the Indian women is unaware and incapable of utilizing the opportunities availed by the government and other agencies for the development women entrepreneurship.

### **Suggestions:**

Based on above study it is to be suggested that Awareness programmes regarding the entrepreneurship should be conducted in order to educate the women. Government should understand the importance of women entrepreneurship and arrange proper platform where problems encountered by women entrepreneurs could be addressed. Government needs to promote the status and level of women entrepreneurs by encouraging the women entrepreneurs to take the benefits of policy meant for women entrepreneurship. The important factor that increases the involvement of women into entrepreneurship is getting of support and encouragement from family and society. Apart from this easy availability of financial help without putting unrealistic conditions by banks and financial institutions also encourages the women entrepreneurship.

## **IV. Conclusion**

The economic development of a country depends upon the involvement of women into the entrepreneurship activities. India is known to be male dominant country where women are facing considerable hurdles while operating the venture. In spite of this, women entrepreneurship in India is still growing steadily and is providing job opportunities and income generating avenues for different segments of society. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. The Indian society is shifting from conservative attitude to progressive attitude. So, women are getting more opportunities not only in entrepreneurial work but also in other domains of human life.

Government and other agencies are taking various steps for the upliftment of women entrepreneurs by making the women entrepreneur a part of mainstream of national economy. Therefore the skills enhancement through encouraging entrepreneurship results in economic development of women and country.

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