

## WOMEN ENTREPRENEURS: PROBLEMS AND PROSPECTS

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**Abstract:** *The Indian women have carved out a niche for themselves in the male dominated world. Indian women balance work efficiently both in the home front and at the work place. Gender equality and economic development are the two sides of the same coin. The entrepreneurial procedure is the same for men and women, however, in practice, many problems and challenges are faced by women, which inhibit them from exercising their full potential as entrepreneurs. The main objective of the present paper is to find out the reasons why women want to become entrepreneurs, to ascertain the different types of women entrepreneurs, to analyse the problems of women entrepreneurs and to suggest measures so that women can be successful entrepreneurs. The traditional mindset, lack of development programs, education, entrepreneurial knowledge, negative attitude of financial institutions, lack of knowledge of market, work life balance issues create hindrance in the path of women entrepreneurs. The negative perception towards women by banks, financial institutions also generate hindrance to obtain finance. Without money, they are not able to initiate their venture properly. Women should attempt to maintain work life balance. Measures should be taken to persuade, motivate and train the women entrepreneurs.*

*Key Words:* women entrepreneurs, strengths of women, problems, measures

### Introduction

**When women move forward, the family moves and the**

**nation moves.....-Pandit Jawaharlal Nehru**

In traditional Indian society, women were confined to four walls. In the present scenario, they are participating in different types of social and economic activities including entrepreneurship. In India empowering women through entrepreneurship has become an integral part of development programme. Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined a women's entrepreneurship as "an enterprise owned and controlled by women having a minimal financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated by the enterprise to women".

At present in India, more and more women are taking up entrepreneurial activity. Women are becoming economically independent. The Indian

women have carved out a niche for themselves in the male dominated world. Indian women balance work both in the home front and at the work place. Gender equality and economic development are the two sides of the same coin. The entrepreneurial procedure is the same for men and women, however, in practice, many problems and challenges are faced by women, which inhibit them from exercising their full potential as entrepreneurs. Government introduces different types of schemes for the sake of women, women are growing well day by day in all sectors and in all areas. Their contributions are more as scientists, software engineers, technocrats, economists, professors, lawyers, doctors and as a businessman also. So, it is clear evidence that contribution of women for economy is essential and considerable.

### Objectives

The main objective of the present paper is

- To find out the reasons why women want to become entrepreneurs

- To ascertain the different types of women entrepreneurs
- To analyse the problems of women entrepreneurs
- To suggest measures so that women can be successful entrepreneurs

### Research Methodology

This paper is based on secondary data collected from publications through various websites, journals and books which focused on various aspects of Women Entrepreneurship.

### Review of Literature

According to Deshpande Sunil and Sethi Sunita, (2009) now India is in a better position because of introduction of women as entrepreneur. This is mainly due to change of attitude of people towards women, courageous and risk-taking capabilities of women, support from society, changes and relaxations in government policies, granting various upliftment schemes to women entrepreneurs etc.

According to Roshan Lal and Badrinarayan H.S (2011) women entrepreneurs are essential for achieving the economic growth of the nation. There are certain obstacles which hinder the growth of women entrepreneurs. Encouragement should be in such a manner which allows women to participate and take up all kinds of business as an entrepreneur. Government should provide proper training to women entrepreneurs. Government should use sophisticated methods to impart knowledge in all functional areas. Promoting Women entrepreneurship is surely a successful path to develop Indian economy. Apart from these women also required psychological motivation.

According to Meenu Goyal and Jai Prakash (2011) family obligations and responsibilities of women prevent them from becoming successful entrepreneurs. The financial institutions are having wrong opinion about women entrepreneurs, because at anytime they might become again housewife. Indian women give more importance to family members. They should handle dual role as a housewife and businessmen. If there is no support from family members it is difficult for women to succeed as an entrepreneur.

Mishra.S.P. (1996) reported that women entrepreneurs faced many obstacles specifically in marketing their products (including family responsibilities) which they have to overcome in order to have the same opportunities as men. In addition, in some countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in the labour force is a prerequisite for improving the position of women in society and self-employed women.

Benard and Victor (2013) examined the growth of women entrepreneurs in Dar es Salaam

city of Tanzania on strengths, weaknesses, opportunities and threats. It used a sample of 130

women entrepreneurs and simple random sampling technique for the selection of sample. The

study found that the major strength was the need for financial independence for women

entrepreneurs. It also observed that the major opportunity was the desire to become the owner of the business which leads to women entrepreneurship. It further found that lack of education was the weakness among women and the major threat to be the pressure of child care in the family.

### Strengths of Women Entrepreneurs

Women Entrepreneur is a person who accepts challenging role to meet her personal needs

and become economically independent. Various reasons can be attributed to why women are becoming entrepreneurs. Educated women are not restricting themselves to the

house hold activities; they are trying to spend their time for doing business or any activities which give benefit to them and to their family and thus they have chosen entrepreneurship as their main income generating activity. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers; interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. The following are the reasons for women becoming entrepreneurs.

- Innovative thinking
- Education and qualification
- Self identity and social status
- Employment to others
- Role model to others
- Government programmes and policies
- Support of family members
- Need for additional income
- Family occupation
- Economically independent

### **Types of Women Entrepreneurs**

#### **1) Entrepreneurs in large and medium sector**

In large and medium sectors, women with higher educational qualifications and expertise, take the initiative and manage the business. A woman entrepreneur who has received basic managerial training and educational qualifications, generally even an MBA degree, sometimes may head the medium sector and large units. These women due to their qualifications and different opportunities that are available to them are in a very superior position and have a competitive edge over others to set up and manage the units.

#### **2) Entrepreneurs within the small Sector**

Those women entrepreneurs, who donot have education or any formal training in management, however have developed skills in the small scale industry. They select the products with which they are familiar i.e. garments, weaving, pickles, dolls and handicrafts. Some have ventured into engineering, electronics, chemicals and pharmaceuticals. Some additionally make surgical instruments, furniture and pottery.

#### **3) The third category of women entrepreneurs**

These work in cities and slums to help women with lower means of livelihood. Their service motivated organization to help economically backward sections. They need Government support in promoting as well as obtaining finances at a concessional rate for their product. Preferential purchasing policy of government helps such institutions to manufacture and sell to the government things like files, chalk, stationery, etc.

### **Problems Faced by Women Entrepreneurs**

#### **Absence of Self Confidence**

Women are gaining education and rights equal to men but still they lack confidence for doing the entrepreneurial activities. They depend on family male members to do outside works. This dependency shows their lack of self confidence.

#### **Social Perception**

In the urban and mostly in rural areas, from the childhood they have been taught that the business domain is for men. This perception prevents women from taking risk as entrepreneurs.

#### **Exploitation by Middlemen**

In the initial start-ups, women are unaware about the market, network and they easily trust the middlemen. The middlemen take advantage of their unawareness and exploit them by

providing raw materials at high price and less profit on selling products.

#### **Negative Perception of Banks and Financial Institutions**

Banks and financial institutions always possess negative attitude regarding the loan payment capability of women. They perceive that women run their business in small level and might not be able to pay the instalment. Due to this reason, the women mainly depend on personal finance for starting the business and face lots of problem. However, according to a report by the United Nations Industrial Development Organization (UNIDO), "despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit".

#### **Cut Throat Competition**

The women face competition from men as well as from other women entrepreneurs. Mostly women do not know the proper channel of distribution of products. This lack of marketing knowledge also lags them in competition.

#### **Lack of Awareness about Government and Non Government Schemes**

This is true even the well established educated women do not know about various government

schemes. The government of India framed many policies and programmes for promotion of women entrepreneurs. But these policies and programmes is out of reach to women especially in rural areas.

### **Improper Balance between Work and Family Life**

Sometimes the family members do not support her and she has to discharge all the domestic responsibilities by herself. Due to this work inflexibility, the performance of the women entrepreneurs suffer compared to their male counterparts.

### **Negligence of Health Issues**

Women take care of elders, children and husband. For financial empowerment, recognition, self esteem, they want to involve themselves in entrepreneurial activities and work hard. Thus by holding the authority position in business and family, they ignore their personal health issues which create serious problems in future.

### **Lack of Professional Education and Training Programs**

Today women are educated but they are not well trained as entrepreneurs. This specific education is essential for doing business.

### **Lack of Interaction with Successful Women Owners**

The women entrepreneurs gain knowledge from their role models in growth of enterprises.

But in India, especially in rural areas, interaction with successful women entrepreneurs is not permissible.

### **Suggestions to Promote Entrepreneurship among Women**

- There should be change in the mindset of parents so as to educate their daughters, because economic development of nation can be achieved only through proper education. Women should upgrade their knowledge in all aspects so that they can take decisions on their own.

- Proper steps should be taken by government to check whether the schemes are reaching to actual beneficiaries or not. Rural people are still depending on agriculture as their income source, they should recognize that there is great need to develop their skills towards entrepreneurship.
- Family support should be more for women entrepreneurs so that they can gain success from their entrepreneurial activities. Women entrepreneurs are getting success when they get support from family and husband. So, there should be support from family and life partner.
- Women entrepreneurs should improve their marketing skills in order to develop their business.

### **The Government of India has many schemes for women.**

#### **Some of them are:**

1. Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
2. SIDBI's Mahila Udyam Nidhi
3. SBI's Stree Shakti Scheme
4. Annapurna Scheme
5. Dena Shakti Scheme
6. Udyogini Scheme
7. MahilaVikas Nidhi
8. MahilaSamitiYojana
9. Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
10. Entrepreneurial Development programme (EDPs)

11. Indira Mahila Yojana
12. Indira Mahila Kendra
13. Integrated Rural Development Programme (IRDP)
14. Khadi And Village Industries Commission (KVIC)
15. Management Development programmes
16. Women's Development Corporations (WDCs)
17. Marketing of Non-Farm Products of Rural Women (MAHIMA)
18. Micro Credit Scheme
19. Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
20. NGO's Credit Schemes
21. National Banks for Agriculture and Rural Development's Schemes
22. Priyadarshini Project
23. Prime Minister's Rojgar Yojana (PMRY)
24. Rashtriya Mahila Kosh
25. Trade Related Entrepreneurship Assistance and Development (TREAD)
26. Working Women's Forum
27. Training of Rural Youth for Self-Employment (TRYSEM)

## CONCLUSION

It is difficult to imagine family without women, similarly the development of economy is incomplete without the contribution of women. The traditional mindset, lack of development programmes, education, entrepreneurial knowledge, negative attitude of financial institutions, lack of knowledge of market, work life balance issues create hindrance in the path of women entrepreneurs. The negative perception

towards women by banks, financial institutions also generate hindrance to obtain finance. Without money, they are not able to initiate their venture properly. Women should attempt to maintain work life balance. Attempts should be there to persuade, motivate and train the women entrepreneurs. They should gain proper professional education and maintain the networks for marketing the products. Non government organizations, Self help groups, should make the efforts to aware the women about policies and schemes of government.

Entrepreneurship is an emerging field and globally important for every country. The participation of women in this field is globally accepted and important for development of any country. A women entrepreneur by her successful entrepreneurial activities proves her recognition and identity in society. The policymakers should focus on framing the different policies which help and promote the women entrepreneurs in their success. Social and economic development of women is important for overall economic development of any society or a country.

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