

“Problems and Prospects of Women Entrepreneurs in India”

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Date of Submission: 18-02-2024

Date of Acceptance: 29-02-2024

ABSTRACT

Entrepreneurship is a fastest growing concept of a competitive economy. The educated Indian women have to go a long way to achieve equal rights and position because traditions are deep rooted in Indian society where the sociological set up has been a male dominated one. The educated women do not want to limit their lives in the four walls of the house. They demand equal respect from their partners. The progress is more visible among upper class families in urban cities. And the women who start up their businesses have to face some teething problems. Women Entrepreneurship is considered to be an effective instrument for the economic empowerment of the women. Despite number of measures and incentives taken by the government of India the women entrepreneurs are not increasing at a greater rate. This is due to some practical problems in the process of entrepreneurship by women. This paper attempts to analyze and highlight various Problems and Prospects of Women Entrepreneurs in India.

Keywords: Entrepreneurship, Women, Business, problems, prospects.

“Women are the largest untapped reservoir of talent in the world” – Hilary Clinton

I. INTRODUCTION

Women constitute around half of the total world’s population. So is in India also. They are, therefore, regarded as the better half of the society. In traditional societies, they were confined to the four walls of houses performing household activities. Gone are the days when women in India

remained confined within four walls of their homes and their immense strength and potential remained unrecognized and unaccounted for. The fact remains that the citadels of excellence in academic, politics, administration, business and industry are no longer the prerogatives of men in India. In the modern societies, they have come out of the four walls to participate in all sorts of activities. The global evidences support that women have been performing exceedingly well in different spheres of activities like academics, politics, administration, social work and so on. Now they have also plunged into industry and running their enterprises successfully. But this is not an easy task as they face a lot of challenges in building up their enterprise. Women entrepreneurs are those women who think of a business enterprise, initiate it, organize and combine factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

II. CONCEPT OF WOMEN ENTREPRENEURS

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 women entrepreneurs as — an entrepreneur is one who owns and controls an enterprise having a share of capital of not less than 51 percent as partners/shareholders/directors of private limited company/ members of co-operative society.

Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stand on their own legs. A sense towards independent decision-making on their life and career is one of the motivational factors behind this urge. Along with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such a situation is described as pull factors. While the push factors for women engaged in business activities are family compulsion and their responsibility.

III. LITERATURE REVIEW

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

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

ShrutiLathwal, (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.

IV. OBJECTIVES OF THE STUDY

1. To study the various problems encountered by Women Entrepreneurs in India.
2. To know various government schemes for the development of Women Entrepreneurs in Indian Economy.
3. To find out the future prospects for the development of women entrepreneurs in India.

V. METHODOLOGY OF STUDY

The present study is mainly based on secondary data. The data were collected from books, journals, websites and annual reports.

VI. PROBLEMS FACED BY WOMEN ENTREPRENEURS

The problems and constraints experienced by women entrepreneurs have resulted in

restricting and inhibited the expansion of women entrepreneurship.

The major problems encountered by women entrepreneurs are:

Finance is considered as the lifeblood of any business enterprise. The majority of business women have to rely on self-generated finance during the initial period of their business. Women generally do not have any assets to use as a security for obtaining loans. Also the access to external funds is limited. The availability of bank credit appears to increase once businesses become established or when they develop good relationship with the bank. Again, many banks also consider women less credit-worthy and discourage women borrowers. Women still face more difficulties in obtaining credit due to informal perception of the lending agencies.

Problems with administrative requirements are considered as one of the major issues of female entrepreneurs. Due to lack of skills women entrepreneurs cannot handle business activities in an effective way. Women Entrepreneurs must be educated and trained constantly in order to obtain the skills and knowledge that are required to handle functional areas of business management.

INSUFFICIENT TRAINING PROGRAMS

Women are ignorant of new technologies in their use, due to lack of access to technical training programs. Training programs and workshops for every type of entrepreneur is available through the social and welfare associations, based on duration, skill and the purpose of the training program. Such training programs are useful to the female entrepreneurs who want to set up a small or medium scale unit on their own.

Lack of sales and marketing skills are the most commonly reported problem faced by female entrepreneurs, after finance and Indian women are neither fully aware of changing market conditions nor they effectively utilize the services of media and internet. And due to limited mobility of women, they find it difficult to capture the market and because of which they tend to depend on middleman.

As women are accepting a subordinate status, they lack confidence of their own capabilities, even at home; family members do not have much faith in women possessing the abilities of decision-making and are reluctant to stand beside their entrepreneurial growth. To a certain extent, this situation is changing among Indian women and yet to face a tremendous change to

increase the rate of growth of women entrepreneurs.

Woman has to perform multiple roles be it familial or social irrespective of her career as working woman or an entrepreneur. Only few women are able to manage both home and business efficiently, contributing enough time and energy to perform all their responsibilities in priority. The success of the business depends on the support of the family members extended to a woman.

A woman is dominated by men in her family as well as at the corporate level. Always women have to obtain permission from men for almost everything. They are not treated equally. As a result, this becomes one of the main barriers for women to enter into business.

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. As such, women do not enjoy the right over the property in any form and they have limited access over external sources of funds, even getting loans from either a bank or financial institution becomes extremely difficult.

Due to primary household responsibilities towards family, time gets divided between the two worlds. Because of restricted timings for work women cannot travel frequently and be away for longer periods. Since, mobility is restricted this will have an adverse impact on business.

Access to technology and problems with intellectual property protection were regarded as the problems for women entrepreneurs. The lack of computer knowledge is a major problem as computer skills are a key part of any business.

VII. STEPS TAKEN BY THE GOVERNMENT

Women, being almost 50% population of India, have a key role to play as far as economic development of country is concerned. The Government has increased the importance of women by adopting various schemes and programs for the development of women entrepreneurship. At present, the Government of India has over 27 schemes for women empowerment operated by different departments and ministries. Women entrepreneurs needs to be made known about these schemes which gives them lot of benefit and motivate them to make the best use of it.

VIII. SUGGESTIONS FOR THE GROWTH OF WOMENENTREPRENEURS

Right efforts are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Following efforts can be taken into account for effective development of women entrepreneurs.

- Awareness programmes about entrepreneurship should be conducted in order to educate the women.
- Healthy business environment should be promoted for the development of women entrepreneurship.
- There should be proper platform where problems faced by women entrepreneurs can be addressed.
- Women should be encouraged to take all the benefits introduced by the Government to promote the status and level of women entrepreneurs in the country.
- Women entrepreneurs should get support and encouragement from their family, society and Government.
- There should be a continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs.
- Organize various training programmes to develop women entrepreneurs professional competencies in managerial, leadership, marketing, financial, production process, profit planning, maintaining books of accounts and other skills. This will encourage women to undertake business.
- Women should always try to upgrade themselves in the changing times by adapting the latest technology benefits. Women must be educated and trained constantly to acquire the required skills and knowledge in all the functional areas of business management. This can facilitate women to excel in decision making process and develop a good business network.
- For all developmental programmes consider women as specific target group.
- Adequate training programmes on management skills to be provided to women community.
- Encourage women's participation in decision-making.
- Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.

- Continuous monitoring and improvement of training programmes.
- Activities in which women are trained should focus on their marketability and profitability.

IX. FUTURE PROSPECTS FOR THE DEVELOPMENT OF WOMEN ENTREPRENEURS

Across the world, it is observed that the ratio of women entrepreneurs is increasing enormously. The development of Women entrepreneurs is very much visible in India and their over- all contribution to Indian economy is also significant. Today the role of Women entrepreneurs in economic development is important because women are entering not only in selected fields but also in fields like Trade, Industry and Engineering. Business ownership provides women with the independence they crave and with the economic and social success they need. Nationally, business ownership has great importance for future economic prosperity. Globally women are enhancing, directing and changing the face of how business is done today. Ultimately, female business owners must be recognized for who they are, what they do, and how significantly they impact the World.

X. CONCLUSION

Women are an important human resource of the nation and every state should try to utilize them in a better way as mediators of economic growth and development. Encouragement for women entrepreneurship is one of the best ways for that. But unfortunately it is seen that the traditional mind set of the society and negligence of the state and respective authorities are the barriers for women entrepreneurship development in India. Therefore, there is need of continuous attempt to inspire, encourage and motivate women entrepreneurs.

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