

## PROBLEMS AND CHALLENGES OF WOMEN ENTREPRENEURS IN INDIA

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### ABSTRACT

Women entrepreneurs have been making a significant impact in all segments of the economy in all over the world. The areas chosen by women are retail trade, restaurants, hotels, education, cultural, cleaning, insurance and manufacturing .The New Thrust suggests following two factors pulling or pushing women in an entrepreneurship.Women entrepreneurship development is an essential part of human resource development. Liberalization of the Indian economy has created considerable employment opportunities for those, including women, who possess marketable skills and talent. The development of women entrepreneurship is very low in India, especially in the rural areas. Women have become aware of their existence their rights and their work situation. However, women of middle class are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities. Women, who succeed as entrepreneurs are risk taking personalities. The study has highlighted many factors that have motivated women entrepreneurs in starting an entrepreneurial career. Success has been seen mostly among the mid thirty and early age group. This paper focuses on women entrepreneur towards social development and their challenges. The women entrepreneurs have their own identity in the world of entrepreneurship.The women entrepreneur's experiences in terms of their motives and the obstacles they faced in establishing and growing their businesses. An attempt has been made to highlight the important issues relating to women entrepreneurs in the Indian context.

**Key words:** women entrepreneurs, economic development, Motivation, Social development, Challenges.

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## INTRODUCTION

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and 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% of the capital and giving at least 51% of employment generated in the enterprise to women. 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

Women constitute around half of the total world population. They are therefore regarded as the better half of the society. The global evidences prove that women have been performing exceedingly well in different spheres of activities like academics, politics, administration, social work and so on. Now they have started plunging into industry also and running their enterprises successfully. Women Entrepreneurship is both about Women pose in society and the role of Women Entrepreneurship in the same society. Women are faced with specific obstacles (such as family responsibilities) that have to be overcome in order to give them access to the same opportunities as men. Also, in some countries, women may experience obstacles with respect to holding property and entering contracts. Increased participation of women in the labor force is a prerequisite for improving the position of women in society and self-employed women.

At through small businesses owned by women have traditionally focused on fashion , food and other services sector, but recently women entrepreneurs have been moving rapidly into manufacturing, construction and other industrial filed. Women owned business are lightly increasing in the economics of almost all countries. The hidden entrepreneurial potential of women has gradually been changing with the growing senility to the role and economic status in the society. It means women have the potentials, skill, knowledge and adaptability to run a business successfully. Women entrepreneurs choose a Woman takes up business enterprises to Profession as a challenge and a get over financial difficulties and respond- adventure with an urge to do some - visibility is thrust on them due to family -thing new, liking for business and circumstances. With the spread of education and new approaches and awareness, women entrepreneurs are achieving higher level of 3E's, namely: (i) Engineering (ii) Electronics (iii) Energy.

There has been worldwide, exponential growth in women's entry into their own businesses in recent years. Women in many parts of the world have told inspiring stories of their efforts to set up and run an enterprise. These women have been considered to be entrepreneurs, less because of their financial risk taking and more because they have been pioneers in a business world previously reserved for men.

Women's entrepreneurship at all levels has been sponsored throughout the world as a strategy to reduce the feminization of poverty in an increasingly globalized economy. Not surprisingly, much of the literature on women in developing countries has focused on the large number of micro-business self-help enterprises set up by women and sponsored by various local and international NGOs. Women entrepreneurs in developing societies whose firms more closely approximate the size of those in more highly industrialized countries have received less research attention. That small but growing group of women who have managed to not only start a business of this type and maintain it successfully can be considered pioneers in facing the hurdles that women entrepreneurs must face in piloting their enterprise.

### **WOMEN ENTREPRENEUR IN INDIA**

In India during 2009-2010, out of total 940.98 million people, female comprise 437.10 million representing 46.5 percent of the total population. There are 126.48 million women workforce but as per the 1991 census, only 1, 85,900 women accounting for only 4.5 per cent of the total self-employed persons in the country were recorded. Majority of them are engaged in the unorganized sectors like agriculture, agro based industries, handicrafts, handloom and cottage based industries. As per the 2001 census report, there are of women workers of the total working population including formal as well as informal sector. In the era of L.P.G (Liberalization, Privatization, Globalization) the Indian women entrepreneurs are very fast entering the non –traditional sectors. This indeed is in response to their greater awareness.

As per a rough estimate the number of SSIs is expected to be 2.5 billion having 9% women entrepreneurs in to it. Considering this trend, women participation in another five years was 20 % more, raising the number of women entrepreneurs to about 5, 00,000. Combined effect of motivational drive, preparation of information material, conducting training, creation of

women industrial estates, and training of promoters and use of mass media all together is bound to accelerate the process of women entrepreneurship development.

### LEADING BUSINESS WOMEN IN INDIA

Sr.N	Name	Position	Company
1	Chanda Kapoor	Executive Director	ICICI Bank.
2	Ekta Kapoor	Creative Director	Balaji Telefilms
3	Jyoti Naik	President	Lijjat Papad
4	Lalita .D. Gupte	Jt.Managing Director (MD)	ICICI Bank.
5	Preeta Reddy	Managing Director (MD)	Apollo Hospital
6	Rashree Pathy	Chairman	Rashree Sugar and Chemicals Ltd.
7	Ravina Raj Kohli	Media Personality and Ex- President	Star News
8	Renuka Ramanath	CEO	ICICI Ventures
9	Tarajani Vakil	Former Chairman and MD	EXIM Bank.

Source: Economic Survey 2009-10

According to these successful women entrepreneurs the basic things behind their success is self confident, motivation, team work, and quick decision making ability and sticking to the work until it got accomplished. Living up to the moment and enjoying every thrills coming on the way is the best strategy to go unhindered. They feel family support also significant to their successful adventures.

### WOMEN ENTREPRENEURSHIP IN INDIA-2010-11

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States	No of Units Registered	No. of Women Entrepreneurs	Percentage %
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujrat	3872	1538	39.72
Karnatka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71

Source: Economic Survey 2009-10

The women entrepreneurs in Uttar Pradesh, Gujarat, Kerala, Maharashtra, Punjab and Tamil Nadu shows very high degree of growth due to industrialisation and growing awareness about business and due to growth of educational level, in professional education, urbanisation and democratic values awareness. Family support and motivational factors also influence the growth of women entrepreneurs. The Self Help Groups also plays various significant roles in development of women entrepreneurs in these states.

Shortage of self finance fixed and working capital, high rate of interest, competition from other units, lack of technical knowledge regarding enterprise, low benefit cost ratio, illiteracy, motivational and family background of women entrepreneurs are comparatively low in Karnataka, Madhya Pradesh and remaining states of India.

## PROBLEMS AND CHALLENGES OF WOMEN ENTREPRENEURS

Women Entrepreneurs encounter two sets of problems i.e. general and specific problems. These are discussed below

### 1. PROBLEM OF FINANCE

Finance is regarded as life blood for any enterprise is in 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. So that access to the external sources funds is limited. Secondly the banks also consider women less credit-worthy and discourage women borrowers on belief that they can at any time leave their business.

### 2. SCARCITY OF RAW MATERIALS

Most of the women enterprises are plagued by the scarcity of raw materials and necessary inputs. Added to this are high prices of raw materials, on the one hand and getting raw material at the minimum of discount on the other. The failure of many co-operatives in 1971 engaged in based making is example how the scarcity of raw material sounds the death knell of enterprises run by women.

### 3. MALE DOMINATED SOCIETY.

The constitution of India speaks of equality between sexes. But in practice women are looked upon as able i.e. Weak in all respects. In male dominated Indian society, women are not treated equal to men. This turn serves as a barrier to women entry into business. Their entry to business requires the approval of the head of the family. Entrepreneurship has traditionally been seen as a male preserve. All these put a break in the growth of women entrepreneurs.

### 4. LACK OF EDUCATION

In India around 60% of women are still illiterate. Illiteracy is the root cause of socio-economic problem. Due to the lack of education women are not aware of business, technology and market knowledge. Also lack of education causes low achievement motivation among women. Women in India are lagging far behind in the field of education. 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.

### 5. MARKET ORIENTED RISK

A number of women have to face the challenges of market because of stiff competition. Many business women find it difficult to capture the market and compete with their product. They are not fully aware of the changing market conditions.

## **6. MOTIVATIONAL FACTORS.**

Successful businessmen can be self motivated through setting up a mind and taking up risk and accepting social responsibilities on shoulder. The other factors such as family support government policies financial assistance etc. are also important to set up business.

## **7. LACK OF SELF CONFIDENCE**

Women lack confidence in their strength and competence. The family members and the society and reluctant to stand beside their entrepreneurial growth. Women entrepreneurs because of their inherent nature, lack of 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. Sometimes she has to sacrifice her entrepreneurial urge in order to strike a balance between the two.

## **8. TRAINING PROGRAMS**

Training programs are essential to new rural and young entrepreneurs who wish to set up a small and medium scale unit. The programs enrich the skill and potential of women entrepreneur.

## **9. Lack of entrepreneurial aptitude:**

Lack of entrepreneurial aptitude is a matter of concern for women entrepreneurs. They have no entrepreneurial bent of mind. Even after attending various training programmes on entrepreneurship women entrepreneurs fail to tide over the risks and troubles that may come up in an organisational working

## **SUGGESTIONS TO DEVELOP WOMEN ENTREPRENEURS**

Right efforts on from all areas 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.

1. Consider women as specific target group for all developmental programmers.
2. Better educational facilities and schemes should be extended to women folk from government part.
3. Adequate training programmed on management skills to be provided to women community.
4. Encourage women's participation in decision-making.
5. Vocational training to be extended to women community that enables them to understand the production process and production management.
6. Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.
7. Training on professional competence and leadership skill to be extended to women entrepreneurs.
8. Training and counseling on a large scale of existing women entrepreneurs to remove psychological causes like lack of self-confidence and fear of success.
9. Counseling through the aid of committed NGOs, psychologists, managerial experts and technical personnel should be provided to existing and emerging women entrepreneurs.
10. Continuous monitoring and improvement of training programmers.
11. Activities in which women are trained should focus on their marketability and profitability.
12. Making provision of marketing and sales assistance from government part.
13. To encourage more passive women entrepreneurs the Women training programmed should be organized that taught to recognize her own psychological needs and express them.

## CONCLUSION

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global



markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

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