



A Study on Issues and Challenges of Women Entrepreneurship in India

Narayan Shivanand Ghanti

Teaching Assistant, P.G. Department of Commerce, SRFGC College, Belagavi-590017, Karnataka State

ARTICLE INFO

Article history:

Received: 18 May 2021;

Received in revised form:
03 June 2021;

Accepted: 15 June 2021;

Keywords

Entrepreneurship,
Economic Growth,
Women Development,
Human Resources.

ABSTRACT

Entrepreneurship plays an important role in the growth of Indian economy and society. And the social and economical development of women is imperative for the development of a society or Nation. Development of entrepreneurship values, culture and qualitative business development are the major prerequisites for industrial growth. Women have gradually come out of the four walls to all types of economic activities including entrepreneurship or private enterprises in India. Women empowerment through entrepreneurship has become an integral part of developmental efforts for Major three significant reasons: women development, economic growth and social stability in the society. This article talks about emphasizing on women entrepreneurs as the potentially emerging human resources in the 21st century. The primary objective of this paper is to know the problems and challenges of women entrepreneurship in India. In the 21st century women's are no more additional resources confined to homes they are rather than the educated knowledgeable innovative part of the overall population possessing the capacity to transform economy into thriving enterprises. Findings and results from the analytical and descriptive study some recommendations will be made with a view to promoting the spirit of women entrepreneurship and helping women entrepreneurs become successful in the country.

© 2021 Elixir All rights reserved.

1. Introduction

Entrepreneurship plays an imperative role in the economic progress of any society. So the development of entrepreneurship culture and qualitative business development services are the major requirements for the economic growth of a country. Entrepreneurship emerges from an individual's creative or inventive spirit into long-term business ownership, employment creation, capital formation and economic security. Entrepreneurial skills are particularly essential for industrialization and for mitigation of mass unemployment and poverty. Entrepreneurship is an economic activity in which an individual or group of individuals. With the advancement of education and technology in modern lives, women are active partakers in overall human progress. It's worth-noticing that women are an emerging economic force, which cannot be neglected by the policy makers. Therefore, the modern world's democratic economy depends on the equal participation of both men and women in any kind of enterprise. In women's entrepreneurship, women initiate a business, manage all resources of production, undertake risks, face challenges, provide employment to others and handle the business independently. So the definition of women entrepreneurship cannot be made out at all on the basis of sex or gender and hence could be extended to women entrepreneurs without any predispositions or restrictions.

2. Objectives of the study

- To know the issues and problems faced by women entrepreneurs in India.
- To assess the contribution of women entrepreneurs to the economic development of India.

- To assess the role of government in the progress of women entrepreneurs.
- To offer some suggestions and recommendations to promote the spirit of women's entrepreneurship in India.

Research Methodology

As a conceptual study, the present paper focuses on an extensive study of the secondary data collected from various books, national and international journals and publications from various websites, which focus on diverse aspects of women entrepreneurship.

Review of literature

B.S.Navi (2014) 1. Studied the problems and prospects of women entrepreneurs. It was concluded that women in India are no longer an able and remain confined to within four walls of house. They are playing an important role in developing countries and contributing to entrepreneurial activities.

Cheruvath (2007) 2. He examines the current status of female entrepreneurs in the country. They have discussed many challenges faced by women entrepreneurs; for instance, low level of education and socio-cultural restrictions. They also offer important suggestions to improve women entrepreneurship by way of accurate training, inculcating an entrepreneurial attitude in them, attribution augmenting, understanding their entrepreneurial inspiration and, most significantly, removal of discerning social duties compulsory to them.

Goyal and Prakash (2011) 3. He examines the reasons for slow progress of women entrepreneurs in India and suggests various schemes for promotion and development of women entrepreneurship in India.

Gurumoorthy (2000)4. Author observes that the process of economic development would be incomplete and lopsided, unless women are fully involved in it. So, women entrepreneurs should be regarded as individuals who take up roles in which they would like to adjust their family and society, economic performance and personal requirements.

Malyadri (2014)5. analyses that women entrepreneurs need to be better organized into Women Entrepreneurs Association, which might help identify higher potential business opportunities, develop a market for their products, improve product quality and marketing skills, practice good financial management and secure better premises.

Mahajan (2013)6. indicates and emphasizes the women entrepreneurs as the potentially emerging human resource in the 21st century. She analyzes the status of women entrepreneurs in India and also studies the success story of Hina Shah, the most successful women entrepreneur of India in plastic packaging and Founder of International Entrepreneurship Development Centre (ICECD). In his research paper,

Rathe and Yadav (2017)7. study the situation of women entrepreneurship in rural areas of India, thereby highlighting the current scenario of women entrepreneurs and their contribution to economic empowerment of rural India. They also focus on the future prospects of women entrepreneurs and government initiatives for making women entrepreneurs more successful.

Rawal (2018)8. discusses the similarity and the contrast between social and economic entrepreneurship alongside explaining the traits for a social entrepreneur. He further explains the concepts of social needs and social innovations from the point of view of entrepreneurship.

Swetha and Rao (2013)9. depict the role of women's entrepreneurship in India. They observe that Indian women entrepreneurs have significantly contributed to the industrial development of India. They infer that apart from giving good citizens to the nation, women have also given good organizations to the nation.

Ghosh and Sharma (2003)10. Unfolds the significance of women entrepreneurship and also focuses on the role of women entrepreneurs in Indian economy and also their contributions to the economic development.

Vijayakumar and Jayachitra (2013)11. analyze that women-owned business enterprises are playing a more active role in society and economy, thereby inspiring the academics to focus on this interesting phenomenon. Their paper focuses on the problems, issues, challenges faced by women entrepreneurs, ways to overcome them and analyze policies of the Indian government for finding solutions to the problems faced by them while pursuing their business.

Evolution of women entrepreneurship in India

The role of women at the workplace has undergone a dramatic change in the last 50 years, just as the view of entrepreneurship over the centuries. Just five decades ago, there were only a few women who owned and operated their own businesses. The Second World War brought many more women into the workforce, but such accepted social values as the male being the head of the house and women being dependent and staying indoors did not create an environment conducive for women to work unless there was a necessity. Of late, women have tried to shed this traditional moulds. Also, there have been significant social, political, and economic changes that have created opportunities for women as well as given them greater acceptance and recognition in the corporate world. A woman entrepreneur includes a

woman or a group of women who initiate, organize, and operate a business enterprise. Slowly they are making their mark as business women and giving their male counterparts a run for their money. Women entrepreneurs have been on the Indian business scene for quite some time now and have achieved remarkable success. However, their number in relation to the overall number of small scale enterprises is still very small. Worldwide too, the trend is not very much different.

Challenges and problems of women entrepreneurship in India

1. Financial Problem

It refers to the major problem of women entrepreneurs that arise due to the lack of access to funds. It is really difficult for them to arrange the requisite fund as they may not possess any tangible security and credit in the market. Generally, the family members of women entrepreneurs do not have confidence in their capability of running the business successfully.

Women entrepreneurs even face problems in financing day-to-day operations of enterprises, including purchasing raw materials and paying wages to labour. The lack of access to funds makes the condition of women entrepreneurs extremely vulnerable. The complexities and the complications in the process of obtaining bank loans usually deter women from establishing enterprises.

2. Production Problem

Production problems act as a main problem that discourages women from entrepreneurs. The data shows that the participation of women entrepreneurs in the production is minimal due to complications involved in the production process. In a manufacturing enterprise, production involves the coordination of a number of activities. Improper coordination and delay in execution of any activity causes problems in production. This may become difficult for women entrepreneurs to coordinate and control all the production activities.

3. Marketing Problem

Marketing problem refers to the problems of women entrepreneurs in marketing their products or services. Lack of mobility and heavy competition in the market makes the women entrepreneurs dependent on middlemen. Middlemen take a huge amount of money to market the products. Women entrepreneurs lack information on changing markets and find it difficult to capture the market and make their products popular.

4. Socio-Cultural Barriers

Socio-cultural barriers refer to the constraints and barriers imposed on women entrepreneurs by the society. In conventional countries, such as India, the major role of a woman is acknowledged towards her family. She has to perform primarily her family duties irrespective of her career as a working woman or an entrepreneur. A woman entrepreneur has to bear double responsibilities, she has to manage her family as well as her business.

In our society, more importance is given to educating a male child than a female child. This results in lack of education and vocational training of women. Lack of education and technical skills becomes the root cause of lack of awareness of opportunities available by women entrepreneurs. Our society even gives more preference to male labor than to female labor. A male labor is paid more wages than a female labor. It is ascertained that male labor forces are generally reluctant to work under a female boss.

5. Lack of Confidence

It refers to the personal problem of women entrepreneurs. Women have been dependent on their family members for a long time. They have been always protected and guided by the male members of their family. Right from taking any decision to go anywhere they are accompanied by male. This makes women feel less confident even about their own capabilities. Despite these all barriers women entrepreneurs have proved themselves in all the walks of industrial activities. They are successfully performing and managing their roles at work and home. They have made a great level of adjustment and tuning between two roles of a woman. They are confident, creative, and are very much capable of running an enterprise, regardless of all the barriers in their path. They are equally talented as men and need a congenial environment to grow themselves. Entrepreneurship does not depend upon man or woman. It is an attitude of mind and requires suitable motivation duly supported by cordial external conditions. Therefore, women entrepreneurs need to be supported by a congenial environment to develop the risk-taking and decision-making qualities

6. Lack of Education

Women are by and large denied higher education, especially in rural areas in underdeveloped countries. Women are not allowed to enrich their knowledge in technical and research areas to introduce new products. Due to the lack of education women are not aware of business tactics, technology and knowledge of the market. Thus, lack of education creates a range of problems for women in setting up and running business enterprises.

7. Low Risk-Bearing Ability

Women in India lead a protected life. They are less educated and economically not self-dependent, because of which their ability to bear risk involved in running an enterprise is debilitated. While risk-bearing is an essential requisite of a successful entrepreneur, mostly women are deficient in that skill and proficiency.

8. Family Restriction

In Indian familial system, it is mainly a woman's duty to look after the children and other members of the family. Man plays a secondary role. In the case of a married woman, she has to strike a fine balance between her business and her family. A Woman is expected to spend more time with her family members. Therefore, the involvement of women in the family leaves little or no energy and time for them to exploit business opportunities.

9. Market-oriented Risks

Due to stiff competition in the market and lack of mobility of women, women entrepreneurs remain mostly dependent on middlemen. All the same, to understand the changing market conditions, they can effectively utilize the services of media and the internet.

10. Motivational Factors

Women need self-motivation, which can be realized through a mindset for a successful business, attitude to take up risk and behaviour towards the business society by shouldering the social responsibilities. Other factors are family support, government policies, financial assistance from public and private institutions and also the environment apposite for women to establish business units.

11. Other problems

- Family restrictions in the society
- Lack of education problems
- Male dominated society
- Low risk bearing ability

- Lack of confidence

Successful women entrepreneurs in India

1. Radhika Ghai Aggarwal is the co-founder and CMO, Shopclues.com. Having more than 15 years of marketing experience in several industries including fashion, lifestyle, advertising and public relations among others, she became co-founder of Shopclues.com in Silicon Valley in 2011. Today, this e-commerce business has become India's largest successfully managed marketplace and has over 7 million visitors every month. The company serves more than 9 thousand cities.

2. Dr. Kiran Mazumdar-Shaw, Chairman and Managing Director of Biocon Ltd. – The business and managerial skills of Dr. Kiran Mazumdar-Shaw has made her one of the richest business entrepreneurs in India. She ranks among the elite ranks of the Indian business fraternity and is a member of premier business organizations like CII, MM Bangalore and others.

3. Indra Nooyi, a former CEO of PepsiCo, is presently on the Amazon's Board of Directors. After completing a Master's degree from the Yale School of Management, she worked as a product manager at Johnson & Johnson. Later, she joined the Boston Consulting Group as a strategy consultant. In 1994, she started working at PepsiCo, and, thereafter, she led the company as CEO from 2006 to 2018. In February 2019, she was elected a member of Amazon's board of directors. In 2017, she held the title of the World's 11th Powerful Woman as per Forbes.

4. Ekta Kapoor, creative head of Balaji Telefilms – The daughter of star actor Jeetendra and sister of Tushar Kapoor, Ekta Kapoor is known in almost all Indian households for her K series serials. She is one of the front runners of Indian television industry and has been responsible for the huge profits of her company Balaji Telefilms. Balaji has made crores of profit under her.

5. Sunita Narain, an environmentalist and political activist – A renowned social activist fighting for the importance of the Green concept of sustainable development, Sunita Narain has made India proud. She has been currently chosen as the director of the Society for Environmental Communications. She was also awarded the prestigious Padma Shri award in 2005.

6. Neelam Dhawan, Microsoft India managing director – A major name in the Indian business scene, Neelam Dhawan is the managing director of Microsoft's sales and marketing operations. She is well known for implementing business strategies which have earned enormous profits for Microsoft.

7. Ritu Kumar, an Indian fashion designer, began her fashion career in Kolkata. Initially, she started making bridal wear and evening clothes. After some decades, she entered the international market. She has been operating her business in New York and several cities of France. In 2013, she received the Padma Shri award from the Government of India.

8. Suchi Mukherjee is the Founder and CEO of Limeroad. In 2012, she created an online clothing and lifestyle accessories marketplace, Limeroad. Today this company is known as Indian's most stylish online shopping website for both men and women. She received many awards like the Coolest Start-up of the Year (from Business Today), Infocom Woman of the Year in Digital Business, and Unicorn Start-up Award (NDTV).

9. Naina Lai Kidwai – Naina Lai Kidwai was listed by Fortune magazine as the World's Top 50 Corporate Women. She is the first Indian woman to crack the prestigious Harvard Business School. She is one of the top ten business women

and the first woman to head the operations of HSBC in India was awarded the Padma Shri award for her work.

10. Sulajja Firodia Motwani – Sulajja Firodia Motwani, a known name in Indian business is currently the Joint Managing Director of Kinetic Engineering Ltd and manages the overall operations and business development strategies. She has been nominated as the business 'Face of the Millennium' by magazine India Today and also as the 'Global Leader of Tomorrow' by the World Economic Forum."

11. Mallika Srinivasan, Director of TAFE India – Named as the one of the top ten business women of the year in 2006, Mallika Srinivasan is the director of TAFE India. Her skills and strategies have helped the company earn profits from a meagre Rs. 85 core to a mammoth Rs. 2,900 cores. She is also a leading figure in social services.

12. Dr. Jatinder Kaur Arora – Dr. Jatinder Kaur Arora has made India proud through her scientific research for development of women. Presently serving the prestigious post of a joint director in the Punjab State Council for Science and Technology, she was honoured with the national award for her brilliant works.

13. Zia Mody, Senior Partner – Zia Mody was listed as one of the top 25 most powerful business women by Business Today. Her strategies have helped AZB and Partners earn great profits. She has also been awarded as the Best Knowledge Manager by Financial Express.

14. Ritu Nanda, CEO, Escolife – The daughter of ace film personality, Raj Kapoor, Ritu Nanda has made her presence felt as one of the prominent business women of India. Currently serving as the CEO of Escolife, she was awarded the Best Insurance Advisor and entered the Guinness Book of Records for selling 17,000 pension policies in a day.

15. Kiran Mazumdar Shaw, the founder of Biocon Limited, is known as India's wealthiest self-made woman entrepreneur who found a biopharmaceutical firm in 1978. This firm has entered the US biosimilars market and is getting the attention of investors. As per Forbes, it's the first company to get approval from the USFDA. She has put a big fortune to build a deep R&D-based biotech firm. In 2019, she held the titles of India's 54th Richest Person and World's 65th Powerful Woman.

Growth and future challenges of women entrepreneurship

There is a saying that, when women bring life into this world, it contributes to society. When a woman entrepreneur creates an enterprise, it generates employment opportunities which ultimately creates wealth. Hence the contributions of women entrepreneurs are a prerequisite for nation building. Growth of women entrepreneurs can be a vehicle of their socio-economic empowerment. Socio-economic empowerment is a situation when women have control over their life and resources. Women are naturally endowed with the emotions of love. This positive energy could be used in managing human resources efficiently. All the women have all the resources to manage an enterprise. Women entrepreneurship can only bring about women empowerment. Women entrepreneurship is therefore, a natural process for women and encouragement of women entrepreneurs are the only solution for women empowerment. Women owned businesses are highly increasing in the economies of almost all countries. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. A Woman entrepreneur is a

person who accepts a challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who are capable of contributing values in both family and social life.

1. Women's entrepreneurship as an untapped source of economic growth;
2. Women have a lower participation rate in entrepreneurship than men;
3. Women choose different industries than men do;
4. Such industries are perceived as being less important to economic growth and development;
5. Mainstream government policies and programmes do not take into account specific needs of women entrepreneurs.

Findings and Discussion

1. Create the awareness about schemes for women entrepreneurs: nowadays women entrepreneurs are getting problems and challenges in their business therefore so many schemes are available for women entrepreneurs' especially through ministry of small and medium enterprises (MSME) but many women entrepreneurs are unaware about such schemes. Therefore there should be a proper awareness campaign through the industry institutes at central, state, districts and by NGOs. This will give a clear picture to the budding women entrepreneurs.

2. Financial Assistance to women entrepreneurs: Bank and financial institutions provide financial support to women entrepreneurs, it involves many formalities and procedures where the women entrepreneurs hesitate and neglect them. Therefore these formalities can be reduced and also financial assistance can be given for a more interesting free period so that many women entrepreneurs will be benefited it will lead to women entrepreneurs contribution to the GDP growth of the country.

3. Adequate training programs to entrepreneurs: It is necessary to industrial institutions which are coming under MSME's should consolidate for more motivational and technical training programs which will help the women entrepreneurs to overcome psychological and technological constraints.

4. Research development centre: New innovative ideas involve a series of research processes. Women entrepreneurs will not have a research and development department in their business. If there is a centre for research and development in every district it will help women entrepreneurs to go with innovative and new product development and also develop products with quality specification and ISO standard.

5. Establishment of a good marketing team: Women entrepreneurs should also develop a systematic marketing process in the organization. They should establish a sound marketing team which will take their product to every door step of consumers.

6. Government subsidy: The government should provide women entrepreneurs with adequate subsidies like exemptions from tax, VAT payment and other related aspects. This will help women entrepreneurs in a considerable manner.

Conclusion

Entrepreneurship development is the lifeblood of economy the country. It is one of the most important segments of economic growth and currently it's the most discussed and encouraged subject of all over the world to overcome economic challenges. Women being the half population have great capacity and potential as her Contribution is the most in overall economic development of

a nation. Therefore, programmes and policies need to be improved to not just encourage entrepreneurship, but also to implement strategic plans which can help and support entrepreneurial culture among the youth. Along with government schemes, media has the potential to play the major role in entrepreneurial development by creating and highlighting all such platforms in the country which can bring out the creativity and innovations among women and men to grow entrepreneurship culture in the society. Developing countries definitely need to encourage women's entrepreneurship as the women's workforce is instantly available to exploit the unexplored dimensions of business ventures. Generally speaking, the business world has realized and is that working on war footings to create entrepreneurship units as the final remedy to overcome all types of business challenges and market challenges across the world. In India, though the Central and State Governments have implemented various measures for the development of women Entrepreneur. An integrated approach from the governments, their agencies and non-governmental organizations is still lacking knowledge which is a must for enhancing the active participation of women in entrepreneurship. When a country focuses on women's entrepreneurship development automatically it leads to an increase in the GDP of the country.

References

- B. S. Navi (2014) "Problems and Prospects of women Entrepreneurs in Indian Industries", *Managing the Future*, Vol.4, No.1 pp106-110.
- Cheruvalath, R. (2007). "Indian Female Entrepreneurs as Catalysts for Economic Growth and Development," *The International Journal of Entrepreneurship and Innovation*, 8(2), 139-148.
- Goyal, Meenu and Prakash, Jai (2011) "Women Entrepreneurship in India—Problems and Prospects," *International Journal of Multidisciplinary Research*, Vol.1, Issue 5.

- Gurumoorthy, T.T. (2000). "Self-Help Groups Empower Rural Women," *Kurukshetra*, Vol. 48 (5).
- Malyadri G. (2014) "Role of Women Entrepreneurs in the Economic Development of India," *PARIPEX - Indian Journal of Research*, 3(3).
- Mahajan Shikha.(2013). "Women Entrepreneurship in India," *Global Journal of Management and Business Studies*, Volume 3, No 10, pp. 1143-1148.
- Rathee, Vijay and Yadav, Ritu (2017). "Role of Women Entrepreneurs in Economic Empowerment of Rural Areas," *International Journal of Emerging Research in Management and Technology*, Volume 6, Issue 12.
- Rawal Tripda. (2018). "A Study of Social Entrepreneurship in India," *International Research Journal of Engineering and Technology*, Volume: 5(1) pp.829.837.
- Swetha, T. and Rao Venugopal, K. (2013). "Entrepreneurship in India," *International Journal of Social Science and Interdisciplinary Research*, Vol. 2 (7).
- Sharma, Ranjana. (2017). "Women Entrepreneurs in India — Emerging Issues and Challenges," *International Journal of Development Research*, Vol. 07, Issue, 12, pp.17917-17923.
- Vijayakumar, A. and Jayachitra, S. (2013). "Women Entrepreneurs in India—Emerging Issues and Challenges," *International Journal of Development Research*, Vol. 3, Issue, 04, pp.12-17.

Websites

- www.wikipedia.com
- <https://www.economicdiscussion.net/entrepreneurship/women-entrepreneurs-in-india/32337>
- www.indianjournals.com
- www.msme.com
- www.msmeschemes.com
- www.google.com