

## **WOMEN ENTREPRENEURSHIP-THE LARGEST UNTAPPED RESERVOIR OF TALENT IN INDIA**

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### **Abstract**

*‘When young people take action we can make real progress’*

*Entrepreneurship is an incitation for the economic development of a country. To achieve the aim of higher economic growth, entrepreneurs of a country should be looked upon in both qualitative and quantitative nature. It is only the entrepreneurial factor in the process of production which can explore the potentialities of resources such as labour, capital and technology. So contribution of both the genders whether be male or female is essential in economic activities for healthy Nation building and hence will further pave the wave for gender sensitive industrial policy formulation. This paper talks about the status of women entrepreneurship and also analyze the factors which motivates women to start their own venture and the problems faced by them when they ventured out to carve their own niche in competitive world business environment.*

**Keywords:** *Entrepreneurship, Venture, Financial, Economy.*



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## **INTRODUCTION**

The term ‘entrepreneur’ has been derived from the French word “entreprendre” which means to undertake. The literal Dictionary meaning of word “ENTREPRENEURSHIP” refers to the activity of setting a business or businesses, taking on financial risk, in the hope of profit.

Government of India has defined women entrepreneurship as “an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving atleast 51% of the employment generated in the enterprise to women.”

According to Schumpeter “The entrepreneur in an advanced economy is an individual who introduce something new in the economy-a method of production not yet tested by experience in the branch of manufacturing, a product with which consumers are not just familiar, a new source of raw material or of new markets and the like.”

Thus, women entrepreneurs are those women who initiate, organize, and operate business enterprises and want to prove their mettle in innovative and competitive jobs.

### **WEARING TOO MANY HATS:**

“You can tell the condition of a nation by looking at the status of its women”-Jawaharlal Nehru, the first Prime Minister of India quoted.

In Hindu scriptures, women have been described as embodiment of Shakti. But in real life she is treated as 'abla'. It is a common assumption that majority of women in India are economically non productive as they are not involved in activities that are financially remunerative. But this trend is gradually changing. Indian society has seeped the social stigma, and it starts at home where a women does not have the choice of delegation of work to anyone. They often carry this into workplace, and take on too much of work rather than find the best person there to get the job done. This makes them invest more energy working in their business. Team building and tapping resources are key to running a successful business rather than being a one women show.

The impact of globalization and its subsequent riches are being indulged in as competitively as men fold in the country. With the spread of education and passage of time women have started shifting from 3P's: "powder", "pappad", "pickle" to 3E's "energy", "electronics", "engineering". Women entrepreneurs are being recognised and appreciated not just nationally but globally in International sphere. Women these days end up being the backbone of not just their homes but also for the economy of the country. It is often more of a great responsibility than a privilege, considering there is relatively more of an onus on them to find the right balance between their family and carrier.

### **WOMEN ENTREPRENEURSHIP IN INDIA**

The Sixth Economic Census released by the Ministry of Statistics and Programme Implementation, presents a worrisome picture of status of women entrepreneurs in our country.

\*The Survey shows that women constitute only 13.76% of total entrepreneurs i.e 8.05 million out of 58.5 million entrepreneurs.

\*Another revelation is that out of these entrepreneurs 2.76 million women (34.3% of total entrepreneurs) work in agriculture sector whereas 5.29 million females(65.7% of total entrepreneurs)work in non agriculture sectors.

In the India Development Report, the World Bank mentioned that the country had one of the lowest female participation in the workforce ranking 120 among 131 countries for which data was available.

India which is yet to step up in overall conditions conducive to the success of women entrepreneurs, has ranked lowest in "Women Business Ownership Index", a survey has revealed. This index uses 12 indicators and 25 sub indicators in 54 economies across Asia Pacific, Middle East, and Africa, North America, Latin America and Europe representing

78.6% of World's female labourforce. According to this index India scored an overall 41.7 points ranking 49 among 54 economies globally with comparatively low in Women Business Ownership.

A Report published by ESCAP in 2005 titled "Developing Women Entrepreneurs in South Asia" pointed out that in India, a majority of women entrepreneurs in SMEs fall within the age group 25-40 years. The states of Gujarat, Maharashtra and Karnataka count a greater proportion of entrepreneurs mostly women from families which are already in business or have service-related backgrounds. The Indian society has evolved as a traditionally male-dominated one. Women tend to be considered as the weaker sex and socio-economically dependent on men throughout their life. Women mostly occupy subordinate positions and execute decisions generally made by other male members of the family. Despite an equal population, very few women were self-employed and the majority of them were engaged in the informal sector like agriculture, agro-based industries, handicrafts, handloom and cottage-based industries.

#### NUMBER OF WOMEN ENTREPRENEURS REGISTERED IN INDIA

Women Entrepreneurship States	No. Of Units Registered	Rank	No. Of Women Entrepreneurs	Rank	Percentage
Tamil Nadu	9,618	1	2,930	2	30.36
Uttar Pradesh	7,980	2	3,180	1	39.84
Kerala	5,487	3	2,135	3	38.91
Punjab	4,791	4	1,618	4	33.77
Maharashtra	4,339	5	1,394	6	32.12
Gujarat	3,872	6	1,538	5	39.72
Karnataka	3,822	7	1,026	7	26.84
Madhya Pradesh	2,967	8	842	8	28.38
Other States	14,576	9	4,185	9	28.71
<b>Total</b>	<b>57,452</b>		<b>18,848</b>		<b>32.82</b>

SOURCE: Report of MSMEs, 12th Five Year Plan 2012-2017

#### WOMEN ENTREPRENEURSHIP DEVELOPMENT IN INDIA IN COMPARISON TO LEADING NATIONS

An attempt has been made to make a comparative study of women entrepreneurship development in selected leading countries vis-a-vis India by analyzing the data regarding percentage of women work participation in Table 1. The data presented in Table 1 shows that USA is at the top followed by UK in terms of women work participation. India's position in women work participation is the lowest in comparison to other countries. Women work participation in India has got momentum recently as the percentage of work participation went from 14.2% in 1970-71 to 31.6% in 2010-2011.

**Table 1:-Country Ranking Based On Women Work Participation**

COUNTRY	PERCENTAGE
USA	45
U.K	43
CANADA	42
INDONESIA	40
SRI LANKA AND BRAZIL	35
FRANCE	32
INDIA	31.6

Above Table 2 discloses that Tamil Nadu stands first out of the total number of units registered in India.Regarding the number of women entrepreneurs in India, the first place goes to Uttar Pradesh followed by Tamil Nadu which holds the second place.It is understood from the table that Tamil Nadu has taken more steps to improve the growth and development of women entrepreneurs in Tamil Nadu with the help of financial institutions and government agencies.

And after the states there comes point of cities.The top 5 Indian cities with women entrepreneurs are Bangalore, NCR, Delhi, Mumbai and Hyderabad.More and more efforts should be taken both by the Government and the public of the country to raise and build women entrepreneurs for the economy.

**CHALLENGES FACED BY WOMEN ENTREPRENEURS:-**

Since the 21st century , more and more of women are pursuing for higher, technical and professional education and their proportion in the workforce has also increased. With spread of education and awareness , women have shifted from kitchen , handicrafts, and traditional cottage industries to non traditional higher levels of activities. Even government has laid special emphasis on conducting entrepreneurial training programmes for women to enable them to start ventures. Financial institutions and banks have also set up special cells to assist women entrepreneurs.

According to National Sample Survey Organisation (NSSO), only 14% of business establishments in India are being run by women entrepreneurs. This data also reveals that most of these women run companies which are small scale and about 79% of them are self financed. To bring the wave of empowering women entrepreneurship certain challenges has to be drawn back from the economy. Lets have a look at the challenges faced by women entrepreneurs in India.

### **1.NO DIRECT OWNERSHIP OF THE PROPERTY**

There is no doubt that the right of property is given as a legal provision in India. But the Right to Property for women is still a question mark. A very few women have on paper the right to property, but they are actually not aware of this right. They become aware of it when there are problems in the family due to family disputes. This is a cause which keeps them in a 'pervasive cycle of poverty'.

### **2.ABSENCE OF DEFINITE AGENDA IN LIFE**

The educated women do not like the limitation of their life with in the narrow boundary of the house. They want equal opportunity and respect from their parents as well as from the society. However, in India some women have reached good positions in the business world. Yet, most of the women are either illiterate or semi-literate in rural India. They haven't got a proper idea of self esteem and self respect. The question that arises immediately is how they can attain self respect and have a definite agenda to reach a good position in the society.

### **3.ABSENCE OF BALANCE BETWEEN FAMILY AND CAREER OBLIGATIONS**

Women in general are concerned about family duties. They show no equal concern for the duties in career. Women in India dedicate much of their lives for the welfare and care of their family members. But they fail to use their talent to create extra income source for their families. Some women have no least idea of self-reliance and can never think of it. But women need the support of the family members to succeed in business and extend their business and management.

### **4.LACK OF EDUCATION**

According to UNESCO'S Education Report , two third of the 774 million illiterate people in the World are female. Due to lack of qualitative education ,women are not aware of business, technology, and market imperfections. Awareness about individual's capacity should be created through increasing the level of education. It is very unfortunate that the educational system in India is facing a failure in creating awareness of ability and capacity of women and their hidden talent and power for handling economic activities. There is an increase in the level of education for women and social awareness to the role that women play in society, but it applies only to women in urban India and not in rural India. Environment in the urban areas is favourable for identifying and creating awareness about women capacity and capability for doing many things. On the contrary, the atmosphere in the rural areas is not conducive for developing the capacities and abilities of women.

## **5.LOW RISK BEARING ABILITY**

Women in India lead a protected life and are taught naturally by several things to depend on the male members of her family from their girlhood period. They are prevented from taking any risk even if they are ready and have the ability to bear it. But despite the restrictions imposed on women, some women have proved that they have the capacity to face and bear risks in entrepreneurial activities. They have identified their rights, capacities, potentials as well as have become aware of the potential situations. As a result, they have entered various business and professions. However, entrepreneurial activities are not performed by the women in large scale because of their lack of capacity. Therefore, the government should try through conducting many awareness programmes for women to make them identify and develop the risk bearing capacities.

## **6.NEGLIGENCE BY FINANCIAL INSTITUTIONS**

Banks and financial institutions play an important role of financiers to entrepreneurs in the developing countries for small and medium size firm operators who do not borrow from the capital market. But, these banks and financial institutions under estimate the women entrepreneurs, and are reluctant to provide credit to them because of their traditional mindset about women.

## **7.LACK OF ROLE MODEL**

Since the childhood women in our country are asked to remain confined to families. Majority lies in the hands of home makers, thus they are also developed in that atmosphere. Working women are always criticized by our culture. Hence they dont find a mentor or a role model on whose paths she can move on.

## **8.ENTREPRENEURIAL MINDSET**

It is oftenly believed that women of our country lacks the skills and confidence levels required for entrepreneur knowledge. They have a particular mindset of a fixed income every month which is really vague in business market conditions. Also steady working hours income and perks paid leaves are a problem for them.

## **9.LIMITED MOBILITY**

One of the major problems for women for entrepreneurial development is mobility. They never like to leave their place for business activities and prefer to stay and do business in their residential areas. Mobility is an important quality for an entrepreneur. As women entrepreneurs tend to do business in their local area of living their markets and in the market conduct remains low.

## **10.LIMITED MANAGERIAL ABILITY**

Management has become a specialized job which only efficient managers can perform. Women entrepreneurs are not efficient in managerial functions like planning, organizing, controlling, coordinating, staffing, directing, motivating etc of an enterprise. Therefore, less and limited managerial ability of women has become a problem for them to run the enterprise successfully.

### **SUGGESTIONS TO IMPROVE PROBLEMS FACED BY WOMEN ENTREPRENEURS**

- 1.An awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.
- 2.Attempts should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes, to improve their over-all personality standards.
- 3.Organize training programmes to develop 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.
- 4.Vocational training to be extended to women community that enables them to understand the production process and production management.
- 5.A Women Entrepreneur Guidance Cell may be set up to handle the various problems of women entrepreneurs.
- 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.Educational institutes should be tied-up with various government and non-government agencies to assist in entrepreneurship development mainly to plan business projects.
- 8.International,National,Local trade fairs,Industrialexhibitions,seminars and conferences should be organized to help women to facilitate interaction with other women entrepreneurs.
- 9.Women in business should be offered soft loans and subsidies for encouraging them into industrial activities.The financial institutions should provide more working capital assistance both for small scale venture and large scale venture.Infrastructure, in the form of industrial plots and sheds, to set up industries , is to be provided by the state run agencies.
- 10.Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.

## **MEASURES TAKEN BY GOVERNMENT TO EMPOWER WOMEN ENTREPRENEURSHIP**

A congenial environment is needed to be created to enable women to participate actively in the entrepreneurial activities. There is a need of Government, non-Government, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India.

The Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures. These programmes are as follows:-

### **1.Steps taken in Seventh-Five Year plan**

In the seventh five year plan ,a special chapter on the “Integration of women in development” was introduced by Government with following suggestions:-

- \*Devise and diversify vocational training facilities for women to suit their changing needs and skills.
- \*To treat women as a specific target groups in all major development programs of the country.
- \*Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments, and practices.
- \*To provide the required assistance for marketing the products produced by women entrepreneurs.

### **2.Steps taken by Government during Eight-Five Year Plan**

- \*Prime Minister Rojgar Yojana and EDP’s were introduced to develop entrepreneurial qualities among rural women.
- \*‘Women in Agriculture’ scheme was introduced to train women farmers having small and marginal holdings in agriculture and allied activities.
- \*To generate more employment opportunities for women, Khadi and Village Industries Commission(KVIC) took special measures in remote areas.
- \*Several schemes like Integrated Rural Development Program(IRDP),Training of Rural Youth for Self Employment(TRYSEM)etc, were started to alleviate poverty. 30-40% reservation is provided to women under these schemes.



### **3.Steps taken by Government during the Ninth Five Year Plan:**

\*Swarna Jayanti Gram Swarozgar Yojana and Swarna Jayanti Sekhari Rojgar Yojana were introduced by government to provide reservations for women and encouraging them to start their ventures.

\*New Schemes named Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.

\*State Industrial and Development Bank of India(SIDBI) has introduced following schemes to assist the women entrepreneurs. These schemes are as follows:-

\*Mahila Udyam Nidhi

\*Mahila Vikas Nidhi

\*Micro Cordite Scheme for women

\*Marketing Development Fund for Women

#### **\*Training Programmes:-**

\*Support for Training and Employment Programmes of Women(STEP)

\*Development of Women and Children in Rural Areas(DWCRA)

\*Small Industry Service Institutes(SISIs)

\*State Financial Corporation

\*District Industrial Centres(DICs)

#### **\*MahilaVikas Nidhi**

SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas. Under Mahila Vikas Nidhi it grants loans to women to start their venture in the field like spinning, weaving, knitting, embroideryproducts, blockprinting, handloom handicrafts, bamboo products, etc.

#### **\*RashtriyaMahilaKosh**

In 1993,RashtriyaMahilaKosh was set up to grant micro credit to pore women at reasonable rates of interest with very low transaction costs and simple procedures.

### **DEVELOPMENT ACTIVITIES OF WOMEN ENTREPRENEURSHIP IN INDIA**

In India, entrepreneurship for the development of women is an essential part of human resource when compared with other countries.But, the growth of women entrepreneurship is very low in India, especially in rural areas.Moreover, women from middle class are less enthusiastic to change their role because of their fear to face the social backlash.The development is more found in the families at upper class society in urban areas.

Several institutional arrangements have been made to protect and develop women entrepreneurship in India. The Nationalized Banks and State Financial Corporations advance loans to women entrepreneurs on a preferential basis. State Industrial Development Corporations and District Industries Centres give loans, subsidies, and grants to small-scale women entrepreneurs. State level agencies help women entrepreneurs in preparing project reports, purchasing machinery and building and training and hiring staff. The Federation of Indian Chambers of Commerce and Industry (FICCI), FICCI Labour Organisation (FLO), National Alliance of Young Entrepreneurs (NAYE) and other voluntary agencies lend assistance to women entrepreneurs. Under the Social Education Scheme of Community Development Programme, Mahilasangams (Women's groups) were organized and women's Industrial co-operatives were set up in 1958. Within the overall aim of promoting regional co-operation by strengthening technology transfer mechanism in the Asia-Pacific Region, the Asian and Pacific Centre.

The APCTT implements projects which have been funded by multi- and bilateral donor organisations for technical training for women and programmes for technology exposure training for trainers in spreading technology to rural women. Under the banner of "Technology sharing among grass-root women's groups in the food processing sector" the Centre organized a series of workshops and technical training programmes, organized by the Centre during 1997-1998. In addition, various government agencies are involved in the development, promotion, monitoring, evaluation and expansion of women entrepreneurship programmes. Some of them are listed here, namely Entrepreneurial Development Institute (EDI), National Small Industries Corporation Limited (NSIC), Small Industries Development Organisation (SIDO), District Industries Centre (DIC), National Level Standing Committee on Women Entrepreneurs (NLSCWE), National Research Corporation of India, The National Alliance of Young Entrepreneurs (NAYE), Indian Council of Women Entrepreneurs (ICWE), Federation of Indian Chambers of Commerce and Industry (FICCI), National Commission of Self-employed Women in the Informal Sector (NCSEWIS), World Association of Women Entrepreneurs (WAWA), Associated Country Women of the World (ACWW), National Association of Women Entrepreneurs and Executives (NAWEE), The Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Self-Employed to Educated Unemployed Youth (SEEUY), Women Development Project (WDP), Development of Women and Children in Rural Areas (DWCRA), Science and Technology for Women (STW), Training of Rural Youth for Self Employment (TRYSEM),

National Institute for Entrepreneurship and Small Business Development(NIESBUD).The women entrepreneurs have to approach the nearest commercial banks, institutions, and co-operatives to know the different schemes and to take advantage of this programme of assistance.

Thus, a positive growth in terms in women entrepreneurship has been noticed.As more and more motivation and support are provided to them, it will definitely enhance their socio-economic status, which is a pre-requisite for the growth and development of women entrepreneurs.

### TOP WOMEN ENTREPRENEURS IN INDIA

NAME OF ENTREPRENEUR	ORGANIZATION
1.Indu Jain	Bennett,Coleman,and company which owns Times of India
2.KiranMazumdar Shaw	Founder Chairman and Managing Director of Biocon Limited.
3.IndraNooyi	CFO and President of Pepsico.
4.ChandaKochar	MD and CEO of India's largest Private Bank ICICI Bank.
5.Ekta Kapoor	Face of Indian Television
6.Aditi Gupta	CMO ,Shopclues Founder Menstrupedia
7.FalguniNayyar	CEO Nykaa,a beauty and wellness ecommerce platform.
8.Neeru Sharma	Cofounder Infibeam.com
9.RadhikaGhai Aggarwal	Co-Founder and CMO ,shopclues.com
10.Sabina Chopra	Founder Yatra.com

### CONCLUSION

The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India.The glass ceilings are shattered and women are found to be indulged in every line of business from papad to power cables.Even though we have many successful Women Entrepreneurs in our country,but as we have a male dominated culture there are many challenges which women entrepreneurs face from family and society.

Since 1980, the government of India has shown increasing concern for women issues through a variety of legislations promoting the education and political participation of women.There should also be efforts from all sectors to encourage the economic participation of women.

Along with adequate training, institutional and financial support a composite package needs to be encouraged. It can be said that today we are in a better position where women participation in the field of entrepreneurship is increasing at considerable rate, efforts are being taken at the economy as well as global level to enhance woman's involvement in the enterprise sector. This is mainly because of attitude change, diverted conservative mindset of society to modern one, daring and risk-taking abilities of women, support and cooperation of society by society members, changes and relaxations in government policies, granting various upliftment schemes to women entrepreneurs etc. Hence it is in hands of the people of a country to tap these untapped reservoirs of economy.

In the words of President APJ Abdul Kalam, "Empowering women is a pre-requisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

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