

Women Empowerment through Entrepreneurship in India

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ABSTRACT-

Woman constitutes the family, which leads to society and Nation. Social and economic development of women is necessary for overall economic development of any society or country. Entrepreneurship is the state of mind which every woman has in her but has not been capitalized in India in way in which it should be. Due to change in environment, now people are more comfortable to accept leading role of women in our society, though there are some exceptions. Women entrepreneurship development is an essential part of human resource development. Any strategy aimed at economic development will be lop-sided without involving women who constitute half of the world population. Evidence has unequivocally established that entrepreneurial spirit is not a male prerogative. 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. Major objectives of the study are to ascertain the factors in the emergence of women entrepreneurs. Further study highlights the major constraints and challenges faced by women entrepreneur and opportunities available to them. At the end the paper makes some suggestions for increase or promotion of women entrepreneurs and healthy growth of women entrepreneurs in India.

I INTRODUCTION

Generally, an entrepreneur is a person who combines capital and labour for production. According to Cantillion "entrepreneur is the agent who buys means of production at certain prices, in order to sell at prices that are certain at the moment at which he commits himself to his cost". According to P.F Drucker "he is one who always searches for change: responds to it & exploits it as an opportunity". Hence, Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. The term "Entrepreneur" is used in various ways and various views. These views are broadly classified into two groups namely: - Risk-Bearer Organizer. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. Entrepreneurship is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which makes him/ her think about life and career in a given way. The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, increasing number of Indian women has entered the field of entrepreneurship and also they are gradually changing the face of business of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be. When we speak about the term "Women Entrepreneurship" we mean, an act of business ownership and business creation that empowers women economically, increases their economic strength as well as position in society. Hence women-entrepreneurs have been making a considerable impact in all most all the segments of the economy which is more than 25

percent of all kinds of business. In India "Entrepreneurship" is very limited amongst women especially in the formal sector, which is less than 5 percent of all the business.

II GROWTH OF WOMEN ENTREPRENEURSHIP AND EMPOWERMENT IN INDIA

Last five decades have seen phenomenal changes in the status and work place diversity of women in India. Empowering women entrepreneurs is essential for achieving the goals of sustainable development. The bottlenecks hindering their growth must be eradicated to entitle full participation in the business. Women entrepreneurs can be guided by women as pioneers and mavericks. They have ventured to build enterprises, to discover their relevance and meaning of life in themselves. But still in relation to the women population the trend has not been spectacular. As per 1991 census, only 185900 women accounting for only 4.5 percent of the total self employed persons in the country were recorded. Majority of them were engaged in the unorganized sector like agriculture, agro based industries, handicrafts, handlooms, and cottage based industries. There were more than 295680 women entrepreneurs claiming 11.2 percent of the total 2.64 million entrepreneurs in India during 1995-96. This is almost double the percent of women (5.2 percent) among the total population of self employed during 1981; The Indian economy has been witnessing a drastic change since mid -1991, with new policies of economic liberalization, globalization and privatization initiated by the Indian government. India has great entrepreneurial potential in order to mobilize women entrepreneurs. A number of activities such as motivational drive; preparation of information material;

conducting training; creation of women industrial estates/areas/sheds; creation of common marketing exposition centers, training of trainers/ promoters; use of mass media, etc are required. Combined effect of all these is bound to accelerate the process of women entrepreneurship development.

(a) **Progress of Indian Women:** A significant chunk (58 percent) of entrepreneurs surveyed had started their businesses between the ages of 20 & 30; interestingly, 25 percent had started up even before turning 25. Some women started their business right after their education, most were either graduates or post-graduates.

(b) **Top 10 Women Entrepreneurs of India**

- (i) Dr. Kiran Mazumdar Shaw, Chairperson & Managing Director of Biocon Ltd., who became India's richest woman in 2004, was educated at the Bishop Cotton Girls School and Mount Carmel College in Bangalore. She founded Biocon India with a capital of Rs.10,000 in her garage in 1978 – the initial operation was to extract an enzyme from papaya. Her application for loans were turned down by banks then – on three counts – biotechnology was then a new word, the company lacked assets, women entrepreneurs were still a rarity. Today, her company is the biggest biopharmaceutical firm in the country.
- (ii) Ekta Kapoor, creative head of Balaji Telefilms, has been synonymous with the rage of soap operas in Indian TV, after her most famous venture 'Kyunki Saas Bhi Kabhi Bahu Thi' which was aired in 2000 on Star plus. Ekta dominates Indian Television. At the 6th Indian Telly Awards 2006, she bagged the Hall of Fame award for her contributions.
- (iii) Neelam Dhawan, Managing Director, Microsoft India, leads Microsoft India. She is a graduate from St. Stephens College in 1980, and also passed out from Delhi's Faculty Of Management studies in 1982. Then she was keen on joining FMCG (Fast Moving Consumer Goods) majors like Hindustan Lever and Asian Paints, both companies rejected Dhawan, as they were not interested to appoint women for marketing and sale.
- (iv) Naina Lal Kidwai was the first Indian woman to graduate from Harvard Business School. Fortune magazine listed Kidwai among the world's top 50 Corporate Women from 2000 to 2003. According to the Economic Times, she is the first woman to head the operations of a foreign bank in India HSBC (Hongkong & Shanghai Banking Corporation)
- (v) Indu Jain, the multi-faceted lady used to be the Chairperson of the Times Group—the most powerful and largest media house in India. Indu Jain is known by many different identities such as that of spiritualist, humanist, entrepreneur, and educationalist but most

prominently she played the role of the Chairperson of Times Group. Indu Jain is the perfect picture of the successful Indian woman entrepreneur.

- (vi) Priya Paul, she has a bachelor's degree specializing in Economics from Wellesley College, USA. She entered her family business and is currently the Chairperson of Park Hotel.
- (vii) Simone Tata has been instrumental in changing a small subsidiary of Tata Oil Mills into the largest cosmetic brand in India – LAKME, synonymous today with Indian fashion. She became a part of Lakme during 1961 and has been responsible for turning the company into one of the biggest brands of fashion in India. At present she is the Chairperson of Trent Limited, a subsidiary of Tata Group.
- (viii) Mallika Srinivasan, currently the Director of TAFE- Tractors and Farm Equipment, India, was honoured with the title of Businesswoman of the Year during 2006 by the Economic Times. She joined the company in 1986 and has since been responsible for accelerating turnover from 85 crores to 2900 crores within a span of 2 decades.
- (ix) Preetha Reddy, Managing Director of Apollo Hospitals, Chennai, one of the largest healthcare conglomerates of India, is one of the pioneer businesswomen of India in the segment of Health Care Industry.
- (x) Ranjana Kumar, currently Vigilance Commissioner in Central Vigilance Commission, after her retirement as the Chairperson of NABARD- National Bank For Agricultural and Rural Development, is a prominent Indian Banker. When the Government of India appointed her as the Chairperson and Managing Director of The Indian Bank, she became the first woman to become head of a public sector bank in India. At the time of her appointment, The Indian Bank was saddled with huge losses but during her tenure she ensured the turnaround of The Indian Bank.

III REASONS FOR WOMEN OPTING FOR ENTREPRENEURSHIP

The women were asked why they started a business in the first place. The most common reasons were financial in nature. Self determination, expectation for recognition, self esteem and career goal are the key drivers for taking up entrepreneurship by women (Moore & Buttner, 1997). Sometimes, women chose such career path for discovering their inner potential & caliber in order to achieve self satisfaction. It can also provide a means to make best use of their leisure hours. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities. The importance of promoting women to engage in

economic activities is now being increasingly realized by all developing countries. The need is twofold - (i) to empower women by bringing them into main stream of development and by improving their economic status; and (ii) to provide new employment opportunities by self-employment and entrepreneurship development among them. Several women were motivated by their interest in a particular craft and having time on their hands to pursue their interests. For these women, the business often started as a hobby; then, as their friends and relatives started purchasing some of their products, the hobby slowly grew into a full-fledged business operation. A final motivator seems to be the urge to do something for other people for example, providing employment to others, to be good role models to their children or just the need to do something worthwhile. While these can be called "pull" factors, the focus here seems to be on factors outside of themselves or their personal success. Studies from other countries- especially from developed nations- indicate that individual "push" factors such as dissatisfaction with jobs is a significant motivating factor in the case of women entrepreneurs. It is interesting that the "push" factors here were primarily related with their jobs or facing the "glass ceiling"..

Entrepreneurship development among women is one activity that promises encouraging results. By motivating, training and assisting women towards independent business ventures, it may be possible to bring beneficial results in the development of a region. Women's entrepreneurial activities are not only a means for economic survival but also to empower them economically and enable them to contribute more to overall development.

IV CONSTRAINTS FOR WOMEN ENTREPRENEURS

Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman entrepreneur. The problems of Indian women pertain to her responsibility towards family, society and lion work. The traditions, customs, socio cultural values, ethics, motherhood, hard work areas, feeling of insecurity etc are some peculiar problems that the Indian women are coming across while they jump into entrepreneurship. Women in rural areas have to suffer still further. They face tough resistance from men. They are considered as helpers. The attitude of society towards her and constraints in which she has to live and work are not very conducive.

Besides the above basic problems the other problems faced by women entrepreneurs are as follows:-

- (a) Socio-cultural barriers – Women's family and personal obligations are sometimes a great barrier for succeeding in business career. Only few women are able to manage both home and business efficiently, devoting enough time to family.

- (b) Market-oriented risks – Stiff competition in the market and lack of mobility of women make the dependence of women entrepreneurs on middleman indispensable. Many business women find it difficult to capture the market and make their products popular. They are not fully aware of the changing market conditions and hence can effectively utilize the services of media and internet.
- (c) Motivational factors – Self motivation can be realized through a mind set for a successful business, attitude to take up risk and behavior 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 suitable for women to establish business units.
- (d) Lack of Knowledge in Business Administration – Women must be educated and trained constantly to acquire the 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.
- (e) Awareness about the Financial Assistance – Various institutions in the financial sector extend their maximum support in the form of incentives, loans, schemes etc. Even then every woman entrepreneur may not be aware of all the assistance provided by the institutions. So the sincere efforts should be taken towards creating awareness among them.
- (f) Exposed to the Training Programs - Training programs and workshops for every type of entrepreneur is available through the social and welfare women entrepreneurs which may not reach the entrepreneurs in rural and backward areas. There are associations based on duration, skill and training program. Such programs are really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.
- (g) Identifying the Available Resources – Women are hesitant to find out the access to cater their needs in the financial and marketing areas. In spite of the mushrooming growth of associations, institutions, and the schemes from the government side, women are not enterprising and dynamic to optimize the resources in the form of reserves, assets mankind or business volunteers.
- (h) Male Dominated Society - Even though our constitution speaks of equality between sexes, male chauvinism is still the order of the day. Women are not treated equal to men. Their entry to business requires the approval of the head of the family. Entrepreneurship has traditionally been seen as a male preserve. All this puts a break in the growth of women entrepreneurs.

- (i) Lack of Education - Women in India are lagging far behind in the field of education. Most of the women (around sixty per cent of total women) are illiterate. 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. Women like these are an inspiration for all other women who strive to achieve great heights in their lives. Taking them as our role models each one of us can be there where they are right now. All we need have is faith in ourselves, confidence and above all a fixed aim.

V SUGGESTIONS FOR THE GROWTH OF WOMEN ENTREPRENEURS

Right efforts from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Entrepreneurship basically implies being in control of one's life and activities and women entrepreneurs need to be given confidence, independence, and mobility to come out of their paradoxes. The following measures are suggested to empower the women to seize various opportunities and face challenges in business.

There should be a continuous attempt to inspire, encourage, motivate and cooperate women entrepreneurs.

An awareness programme should be conducted on a mass scale with the intention of creating awareness among women about the various areas of business.

Attempts should be there to enhance the standards of education for women in general as well making effective provisions for their training, practical experience and personality development programmes, to improve their over-all personality standards.

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.

Vocational training to be extended to women community that enables them to understand the production process and production management.

Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.

Educational institutes should tie up with various government and non-government agencies to assist in entrepreneurship development mainly to plan business projects.

International, National, Local trade fairs, Industrial exhibitions, seminars and conferences should be organized to help women to facilitate interaction with other women entrepreneurs.

Women in business should be offered soft loans & subsidies for encouraging them into industrial activities.

The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures.

Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.

The women of weaker section could raise funds through various schemes and incentives provided by the government to develop entrepreneurs in the state. E.g. the Prime ministers Rozgar Yojana, The Khadi and Rural village industries scheme, etc. In the initial stages women entrepreneurs may face problems but they must persevere, believe in themselves and not give up mid way.

NGO's and government organizations should made certain attempts to spread information about policies, plans and strategies on the development of women in the field of industry, trade and commerce.

Women entrepreneurs should utilize the various schemes provided by the Government.

Women should try to upgrade themselves in the changing times by adapting the latest technology benefits.

Women must be educated and trained constantly to acquire the 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.

Self help groups of women entrepreneurs to mobilize resources and pooling capital funds, in order to help the women in the field of industry, trade and commerce can also play a positive role to solve this problem.

Women's entrepreneurship must be examined both at the individual level (i.e. the choice of becoming self-employed) and at the firm level (the performance of women owned and managed firms) in order to fully understand the differences between men's and women's entrepreneurship.

To establish all India forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress of women entrepreneurs and giving suitable decisions in the favor of women entrepreneurs and taking strict stand against the policies or strategies that obstruct the path of economic development of such group of women entrepreneurs. Thus, by adopting the following aforesaid measures in letter and spirit the problems associated with women can be solved.

VI INITIATIVES BY THE GOVERNMENT OF INDIA

Development of women has been a policy objective of the government since independence. Until the 1970s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with emphasis on three core areas of health, education and employment. Women were given priorities in all the sectors including SSI sector. Government and non government bodies have paid increasing attention to women's economic contribution through self employment and industrial ventures.

The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction. In the second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes. The Third and Fourth Five-Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure. The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's Welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment.

The Eight Five-Year Plan (1992-97) focused on empowering women, especially at the grass roots level, through Panchayati Raj Institutions.

The Ninth Five-Year Plan (1997-2002) adopted a strategy of Women's Component Plan, under which not less than 30 percent of funds/ benefits were earmarked for women related sectors.

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

The Eleventh Five-Year Plan (2007-2012) aims at empowering women politically, educationally, economically, legally.

The Twelfth Five Year Plan (2012-2017) is to ensure dignity & equality of all women, in a manner that enables them to gain control over their choices, resources, societal perceptions & attitudes, through enhancement of their economic, social & political freedom by engendering all national Policies, schemes & programmes. These plans are committed to ensure empowered lives for women who comprise 48 percent of the country's population. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of important schemes are:-

- (a) Integrated Rural Development Programme (IRDP),
- (b) Khadi and Village Industries Commission (KVIC),
- (c) Training of Rural Youth for Self-Employment (TRYSEM),
- (d) Prime Minister's Rojgar Yojana (PMRY),
- (e) Entrepreneurial Development Programme (EDPs),
- (f) Management Development Programmes (MDPs),
- (g) Women's Development Corporations (WDCs),
- (h) Marketing of Non-Farm Products of Rural Women (MAHIMA),
- (i) Assistance to Rural Women in Non-Farm Development (ARWIND) schemes, Trade
- (j) Related Entrepreneurship Assistance and Development (TREAD),
- (k) Indira Mahila Yojana ,
- (l) Indira Mahila Kendra,
- (m) Mahila Samiti Yojana,
- (n) Mahila Vikas Nidhi,
- (o) Micro Credit Scheme,
- (p) Rashtriya Mahila Kosh ,
- (q) SIDBI's Mahila Udyam Nidhi ,
- (r) Mahila Vikas Nidhi,
- (s) SBI's Stree Shakti Scheme ,
- (t) NGO's Credit Schemes,

- (u) Micro & Small Enterprises Cluster Development Programmes (MSE-CDP),
- (v) National Banks for Agriculture and Rural Development's Schemes ,
- (w) Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP),
- (x) Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains,
- (y) NABARD- KFW-SEWA (Support to Training & Employment Programme) Bank Project,
- (z) Exhibitions for women, Promotional package for Micro & Small enterprises approved by CCEA(Cabinet Committee on Economic Affairs) under marketing support.

VII CONCLUSION

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of government and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding .It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres of the Indian women.

Laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women i.e. the urban middle class women. Women sector occupies nearly 45 percent of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Resurgence of entrepreneurship is the need of the hour emphasizing on educating women strata of population, spreading awareness and consciousness amongst women to outshine in the enterprise field, making them realize their strengths, and important position in the society. Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young women can be identified, trained and used for various types of industries to increase the productivity in the industrial sector.

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