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Woman Entrepreneur: Steps to Success in India

Abstract

Economic development of any country will be lop-sided without involving women who constitute half of the world population. For women entrepreneurs, "starting and operating a business involves considerable risks and difficulties regarding obtaining lines on credit, problems in marketing management, production, advertising and packaging and other socio-personal, managerial, technical, Raw-material Inventory, Financial and governmental assistance problems. This paper proposes to identify the major problems of women entrepreneurs with the objectives of analyzing the various problems faced by them and by suggesting the remedial measure which will help in the acceleration of women entrepreneurship.

Keywords: Entrepreneurship, Women Entrepreneurship, Raw Materials, Inventory, Economic Independence.

Introduction

Entrepreneurship Meaning

The concept of entrepreneur has been developed by "sudden discovery" mean any generation of new ideas and development of new products. The origin of the basic word "Entrepreneurship" is from a French word "Entreprendre", where it cradled and originally meant to designate an organizer of certain musical or other entertainments. The Oxford English Dictionary (of 1897) defines the term "Entrepreneur" in similar way as the director or a manager of a public musical institution, one who gets-up entertainment arranged, especially musical performance. Initially in the early 16th century, it was applied to those who were engaged in military expeditions. In 17th century, it was extended to cover civil engineering activities such as construction and fortification. Since then, the term "Entrepreneur" is used in various ways and various views. These views are broadly classified into three groups namely:

1. Risk-Bearer
2. Organizer
3. Innovator

Entrepreneurship depends on four main stream economic factor i.e., land, labor, capital and ideas. Thus, a person who assumes and bears all types of risks involved in an enterprise, who organizes the various inputs or factors of production and who innovates news ideas, concepts, strategies and methodology in business from time to time is known as Entrepreneur.

Women Entrepreneurship

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

Factors Influencing Women Entrepreneurs

The following are the major factors influencing women entrepreneurs.

1. Building confidence
2. Developing risk-taking ability
3. Motivation
4. Economic independence
5. Establishing their own identity
6. Achievement of excellence
7. Equal status in society



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8. Greater freedom and mobility

Women Entrepreneurs in India

Two main streams of thoughts have influenced the promotion of women entrepreneurship in India by the government as well as by various other agencies. The first stream is employment centered. It has been argued that considering their weaker bargaining power in the market as well as society, women should be given higher priority in various entrepreneurial schemes. The second most stream of thought relates to the argument for autonomy of women. There are three broad stages for this-

1. Conceptualization
2. Analysis of internal aspects
3. Analysis of external aspects

Internal Aspects

The motion of women industry itself has to be defined and further sub-divided. It is not functionally enough to state that it means all enterprises, run by women and is having more than 80% women employees. More important aspects are the background of the entrepreneur as well as the question, which the entrepreneur and his workers are.

External Aspects

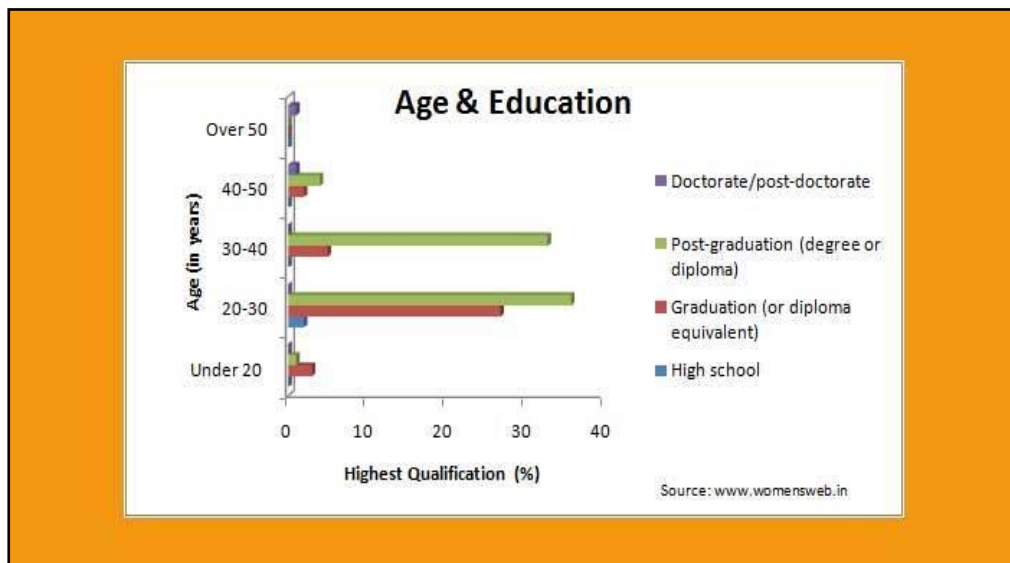
Such group of factors is important for planning of women industry features, forward and backward linkages as well as the government policies and regulations that play an important role in determining the position of these enterprises in the

economic structure. It takes care of development policy in relation for upliftment of women's development and takes care for providing an economic secured environment for all women entrepreneur group.

Women Entrepreneurship Role in Today's Society

The emergence of entrepreneurs in a society depends to a great extent on economic, social, religious, cultural and psychological factors prevailing in the society. In many of the advanced countries of the world there is a phenomenal increase in the number of self-employed women after the world war. In U.S women own 25% of all business, even though there sales on an average are less than 2/5th of those of other small business groups. In Canada, 1/3rd of small business are owned by women and in France, it is 1/5th. In U.K., since 1980, the number of self employed women has increased 3 times as fast as the number of self employed men. They have made their mark in business for the following reasons highlighted below:

1. They want to assume new and fresh challenges and opportunities for self-fulfillment.
2. They want to prove their personalities in innovative, daring and competitive jobs.
3. They want to undertake changes to control the balance between their families responsibly and business obligations.



Motivational Factors of Women Entrepreneurs

The reasons for which women enter business seem quite different from that of men to become entrepreneurs. In order to arrive at an objective assessment, the respondents ranked 15 possible motivating factors in the order of priority. The weighted scores were accordingly prioritized.

The first 3 ranks were taken for scoring purpose. The reason ranked first was given 3 points, the second received 2 points and the third 1 point. It is evident from the study; "To keep busy" ranked 1 st amongst the motivational factors followed by "to fulfill ambition". "To pursue own interest" ranked 3rd,

followed by "By accident or circumstances beyond control". The above ranking indicates an interesting assemblage of reasons and factors that motivated the respondents.

The research on entrepreneurship has proved that "the need to excel and achieve" and "the ability to take calculated risk" are the prime factors that motivate people. However, this study indicates different things from the accepted pattern of thinking. "Keeping busy" has emerged as the dominant factor motivating women entrepreneurs. The data reveals that while 60.8% of respondents have been taking male help in running their enterprises, 39.2% are

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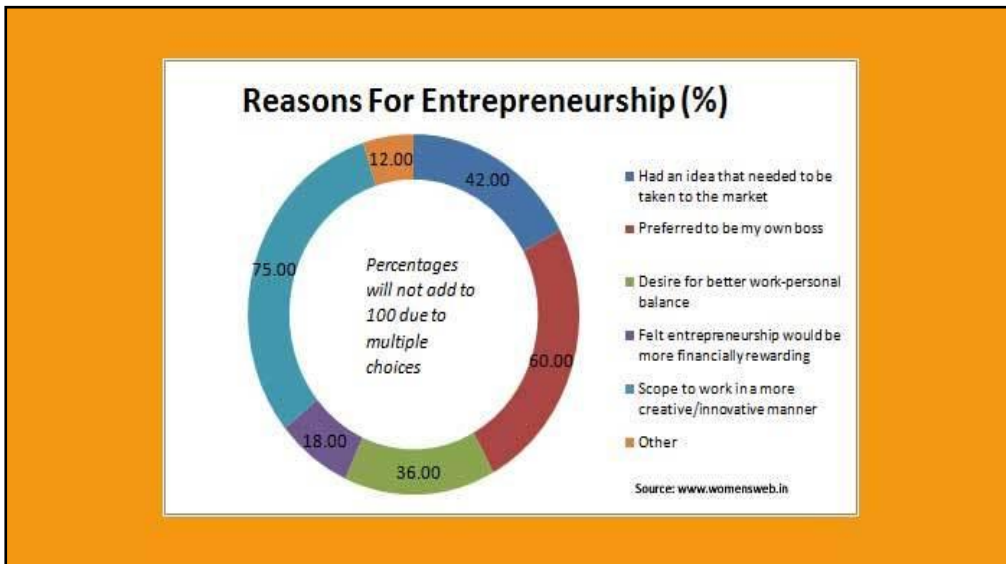
operating entirely on their own. However, when asked whether they could successfully run their enterprises on their own, 75% said yes.

This is further supported by the fact that majority of respondents were not under economic stress at the time of entering business. "To earn money" has been given the fifth priority. The fact that low priority has been given to "to giving good education to children", "securing social prestige", "making quick money" etc., further substantiates that most of the respondents belong to fairly well to do families. The second and third priorities have been identified as "to fulfill ones' ambition" and "to pursue own interest", which indicates their sense of independence. However, the difference in score between these two factors and the first factor identified is rather significant. Some respondents on their own have indicated "facing challenges" as a motivating factors, but the priority to this factor works out to 6th position with a score of only 16.

The fourth priority was "by accident or circumstances beyond control". This is because of the death of their fathers/husbands. As pointed out earlier a larger percentage of women entrepreneurs have either married into business families or have businessmen as husbands. This could be one of the reasons why, despite having educational qualifications, none of them thought of taking up a job. No priority has been allotted to the factor "no educational qualification for job". 65.2% of women, have approached banks for some kind of financial assistance, 24.1% have depended entirely upon their own capital. The facility taken from banks was

basically for working capital limits.

The glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P's, Pickle, Powder and Pappad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. Women Entrepreneur is a person who accepts 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 is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a layoff. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. The following flow chart shows the reasons for women becoming entrepreneurs.



Reasons for Slow Progress of Women Entrepreneurs in India

There are so many challenges in the path of women entrepreneurship

1. Production problems
2. Inefficient marketing arrangement
3. Heavy competition
4. Socio cultural barriers
5. Problem of finance and working capital

6. Lack of confidence
7. Lack of awareness of opportunities
8. Family's reluctance

The problems and constraints experienced by women entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The major barriers encountered by women entrepreneurs are:

1. The greatest deterrent to women entrepreneurs is that they are women. A kind of patriarchal- male

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- dominant social order is the building block to them in their way towards business success. Male members think it a big risk financing the ventures run by women
2. Male chauvinism is still prevalent in many parts of the country yet. Women are looked upon as —abla i.e. weak in all respects. In a male dominated society, women are not treated equal to men that act as a barrier to woman's entry into business.
 3. Women entrepreneurs have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.
 4. Lack of self-confidence, will-power, strong mental outlook and optimistic attitude amongst women creates a fear from committing mistakes while doing their piece of work. The family members and the society are reluctant to stand beside their entrepreneurial growth.
 5. Women in India lead a protected life. They are even less educated, economically not stable nor self-dependent which reduce their ability to bear risks and uncertainties involved in a business unit.
 6. The old and outdated social outlook to stop women from entering in the field of entrepreneurship is one of the reasons for their failure. They are under a social pressure which restrains them to prosper and achieve success in the field of entrepreneurship
 7. Unlike men, women mobility in India is highly limited due to many reasons. A single women asking for room is still looked with suspicion. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.
 8. Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again.
 9. Indian women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and family. The business success also depends on the support the family members extended to women in the business process and management.
 10. 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 perform all their responsibilities in priority.
 11. The educational level and family background of husbands also influences women participation in the field of enterprise.

12. Absence of proper support, cooperation and back-up for women by their own family members and the outside world people force them to drop the idea of excelling in the enterprise field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them.
13. Many women take the training by attending the Entrepreneurial Development programme without an entrepreneurial bent of mind. Women who are imparted training by various institutes must be verified on account of aptitude through the tests, interviews, etc.
14. High production cost of some business operations adversely affects the development of women entrepreneurs. The installations of new machineries during expansion of the productive capacity and like similar factors discourage the women entrepreneurs from venturing into new areas.
15. Women controlled business is often small and it is not always easy for women to access the information they need regarding technology, training, innovative schemes, concessions, alternative markets, etc. Just a small percentage of women entrepreneurs avail the assistance of technology and they too remain confined to word processing software in the computer. They hardly make use of advanced software available like statistical software SAP, Accounting Package like TALLY, Animation software 3D MAX, internet, etc
16. Lack of awareness about the financial assistance is in the form of incentives, loans, schemes etc. by the institutions in the financial sector. So the sincere efforts taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
17. Achievement motivation of the women folk found less compared to male members. The low level of education and confidence leads to low level achievement and advancement motivation among women folk to engage in business operations and running a business concern.

Gender Related Development Index and Its Component

Table No. 1

Rank	Country	Gender Related Development Index	As a per % of HDI	GDP per Capital (US\$)
1	Australia	0.966	98.9	34923
2	Norway	0.961	99.6	53433
3	Iceland	0.959	99.0	44613
4	Canada	0.959	99.2	35812
5	Sweden	0.956	99.3	36712
6	France	0.956	99.4	33674
7	Netherland	0.954	98.9	38694
8	Finland	0.954	99.5	34526
9	Spain	0.949	99.4	31560
10	Ireland	0.948	98.2	44613
114	India	0.594	97.1	4102

Solutions for Solving the Above Discussed Problems

On the basis of the above mentioned problems faced by women entrepreneurs and various other problems too, there is a provision of a number of solution measures to overcome the aforesaid problems. Such solutions or remedies can be well understood as under:

1. There should be a continuous attempt to inspire, encourage, motivate and cooperate women entrepreneurs.
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 programs, to improve their over-all personality standards.
3. Attempts to establish for them proper training institutes for enhancing their level of work-knowledge, skills, risk-taking abilities, enhancing their capabilities.
4. Attempts to bring about a society attitude change, generation of awareness and consciousness on the policy of self-development of women entrepreneurs.
5. Attempts by various NGO's and government organizations to spread information about policies, plans and strategies on the development of women in the field of industry, trade and commerce.
6. Establishing various policies to offer easy finance schemes for economically strengthening the position of women.
7. Forming a cooperative association of women entrepreneurs to mobilize resources and pooling capital funds, in order to help the women in the field of industry, trade and commerce.
8. Offering seed capital, upliftment schemes, women entrepreneurs fund etc. to encourage them economically.
9. To extend concessional rates facilities and schemes for women entrepreneurs to prosper in the field of enterprise.
10. To establish all India forums to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path 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.

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. At present, the Government of India has over 27 schemes for women operated by

different departments and ministries. Some of these are:

1. Integrated Rural Development Program (IRDP)
2. Khadi And Village Industries Commission (KVIC)
3. Training of Rural Youth for Self-Employment (TRYSEM)
4. Prime Minister's Rojgar Yojana (PMRY)
5. Entrepreneurial Development programs (EDPs)
6. Management Development programs
7. Women's Development Corporations (WDCs)
8. Marketing of Non-Farm Products of Rural Women (MAHIMA)
9. Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
10. Trade Related Entrepreneurship Assistance and Development (TREAD)
11. Working Women's Forum
12. Indira Mahila Yojana
13. Indira Mahila Kendra
14. Mahila Samiti Yojana
15. Mahila Vikas Nidhi
16. Micro Credit Scheme
17. Rashtriya Mahila Kosh
18. SIDBI's Mahila Udyam Nidhi
19. Mahila Vikas Nidhi

Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support 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 governments 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.

Conclusion

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 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 by society members, changes and relaxations in government policies, granting various up-liftment schemes to women entrepreneurs etc. Educating women is absolutely essential in strengthen her personality. The non government organizations have a bigger role in stimulating and nurturing the spirit of entrepreneurship amongst women. Towards this end, an integrated approach is necessary for making the movement of women entrepreneurship a success. For this purpose, both the government and non government agencies have to play a vital role. If every citizen works with such an attitude towards respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservative and rigid thought process which is the biggest barrier in our country's development process. We can promise

ourselves and make a sincere commitment of contributing to the field of women entrepreneurship at individual level which un-doubted bring drastic positive change in growth and development of women entrepreneurship at country and even at a global level.

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