

# A Review: Women Entrepreneurship

## “An era of transition”

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### *Abstract*

The moment GOD creating this world he never outlines any gender difference as far as natural and fundamental rights are concern and might Jesus passed this message to western country but I thing Lord Brahma (as per the Indian mythology he is the creator of this universe) didn't pass this message to Indian and that's why they are treated like animal in our society, ironically we Indian do believe that women are the symbol of goddess, so that situation need to change immediately. On the ground of my personal experience I could say, self independence is one of the impressive ways to overcome this problem and that can be achieve through micro finance intervention.

Micro Finance and women entrepreneurship are the two sides of a coin or it is better to state that there is proportional relationship between Micro Finance and entrepreneurs development among women. Women play a significant role in the domestic and socioeconomic life of the society and therefore, national development is not possible without developing this segment of the society.

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## **Introduction: -**

Micro Finance intervention is well-recognized all over the world over as a valuable tool for poverty improvement and improving socio-economic status of rural underprivileged women.

In India too, Micro Finance has been noticed as a tool which has made drastic change to tumbling poverty and in empowering women. Micro Finance inclusion through the NGO's and financial institutions has been supply-driven in a topical approach. Micro Finance institutions, other than banks, are engaged in the provision of financial services to the poor women.

There is a dire need for altering the mindset about women where they must be liable to get equally rights as defined in the soul of Indian constitution. The gender progresses as far as women are concern is moving so gradually due to the lack of sincere commitment.

There is a incident, that whenever women become financial independent other individual becomes toothless but this is nothing but mealy a false impression, which symbolize the feeling of inadequacy in our male dictate society. On the contrary, if a female is empowered, her competencies start affecting family issues in a way which always ensure success and come out with a positive sign.

India is still male dominated society where gender differences are at vast and biased, on the ground of property rights, education, and involvement in family issues. There is nothing surprising that India has long miles to cover and develop women education, financial independence, and entrepreneurial abilities. The literacy rate for women is 65.46%\* which is far behind, 82.14% for men. In advanced countries, after the World War II a positive change has been noticed in the no. of women employed. In USA, women own 45% of all business, even though their sales on an average are less than two-fifths of those of other small business.

The women in rural India have inherent skills and master in making handmade product with easily available raw materials like thread, beads, jute, straw, wood, paper, etc. However, they are living in remotest part of the country, below the poverty line, earning less than 100 Rs. in a day, without keeping regular source of income. In India we do not have any institution which can be

extended their helping hands to illiterate and poor because they associate their entrepreneurship skill with their monetary power.

**Concept of Entrepreneurship:** - Many authors have defined 'entrepreneur' differently. Generally, an entrepreneur is a person who has the ability to take risk in the market and able to combine various factor of production for the production of goods and services and then make efforts for successful business venture.

**Concept of women Entrepreneurship:-** when a business venture is initiated, managed or controlled by a women whereas taking risk in to the market.

**Table 1 Comparative study of Women Work Participation in India**

States	No of Units Registered	No. of Women Entrepreneurs	Percentage
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	3180	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharashtra	4339	1394	32.12
Gujarat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States & UTS	14576	4185	28.71
<b>Total</b>	<b>57,452</b>	<b>18,848</b>	<b>32.82</b>

**Table 2 Comparative study of Women Work Participation all over the world**

Country	Percentage
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India (1970-1971)	14.2
India (1980-1981)	19.7
India (1990-1991)	22.3
India (2000-2001)	31.6
USA	45
UK	43
Indonesia	40
Sri Lanka	35
Brazil	35

**Source:-** A conference was held on the topic “inclusive growth and Micro Finance access” from 29- 30 January 2011. Department of Economics & Faculty of Social Sciences, Banaras Hindu University, Varanasi

After analyzing the above table first we can understand the status of women entrepreneur economic activities in India, along with that table second shows the women work participation in comparison to world market which gives a gloomy picture of the women specifically in the Indian domain where their participation is at its lowest.

### ***Why do promote Women Entrepreneurs?***

#### **Unprivileged & deprived part of society**

As per the data revealed 32% women in India either employed or they are running their own business or it we could say that 32% of women are financial self dependent but what about the women those are banking on their husband and family. There is a saying in English that “might is the right” and in India women do not have baton in their hand that’s why they are deprived of basic rights of human being.

#### **Women are more concerned about family spending**

Special Unit on Microfinance of the UNCDF explains, “Women success benefits more than one person. Several institutions confirmed the well-documented fact that women are more likely than men to spend their income on household and family needs. Assisting women therefore generates a multiplier effect that enlarges the impact of the institutions’ activities.” 55% increased income

is used to purchase household items, 18% percent go for school, and 15% percent is spent on clothing rest of the amount likely to spend on other expenses.

### **Fundamental and Constitutional Right**

As per the economic theory If you want to break up vicious circle of poverty one need to put investment and investment is nothing, but the extension of credit mechanism, which is made accessible by the constitution for every Tom Dick and Harry and consequently it becomes a fundamental right and how one could stop women to access this credit mechanism.

### **Efficiency and Sustainability**

Women are targeted on the basis of inefficiency and sustainability but it been a history that women efficiency and sustainability as far as execution of business is concern good than man.

### ***Problems of Women entrepreneurs***

Women are faced many problems to get ahead their life in business. Few problem are detailed as

#### **Male dominated society**

The furthestmost prevention to women entrepreneurs is that they are women. A kind of patriarchal – male dominant social order is the building block to them in their way towards business success. Male members hardly believe on their entrepreneurial skills

#### **Misconception about the entrepreneurial abilities of women**

The financial institutions are skeptical about the entrepreneurial abilities of women. The bankers consider women loonies as higher risk than men loonies. The bankers demand impractical and irrational securities to access loan to women entrepreneurs. According to a report "despite evidence that women loan repayment rates are higher than men's, women still face more difficulties in obtaining credit," often due to discriminatory attitudes of banks and informal lending groups.

### **Lack of concrete property**

Entrepreneurs usually require financial assistance of some kind to launch their ventures - be it a formal bank loan or money from a savings account. Women in developing nations have little access to funds, due to the fact that they are concentrated in poor rural communities with few opportunities to borrow money. The women entrepreneurs are suffering from inadequate financial resources and working capital. The women entrepreneurs lack access to external funds due to their inability to provide tangible security. Very few women have the concrete assets in control.

### **More concerned about family**

Women family responsibilities are an Achilles heel to become successful entrepreneurs in both developed and developing nations. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again.

Indian women give more emphasis to family ties and relationships. Indian married women give more priority to their business and if they are working women then supposed to make a proper balance between their professional and personal life and despite it their business success depends on their family support.

### **Excessive dependence on male**

An additional disagreement is that women entrepreneurs have low-level administration and managerial skills. They have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business. Here there is more probability for business fallacy like the intermediaries take major part of the surplus or profit. Marketing means mobility and confidence in dealing with the external world, both of which women have been discouraged from developing by social conditioning. Even when they are otherwise in control of an enterprise, they often depend on males of the family in this area.

### **Low level of mobility and freedom**

Competition between male and female is the another hurdle in the success of women entrepreneurs. Despite the fact that women entrepreneurs are good in keeping their service prompt and delivery in time, due to lack of organizational skills compared to male entrepreneurs women have to face constraints from competition. The confidence to travel across day and night and even different regions and states are less found in women compared to male entrepreneurs. This shows the low level freedom of expression and freedom of mobility of the women entrepreneurs.

### **A lesser amount of exposure**

Knowledge of alternative source of raw materials availability and high negotiation skills are the basic requirement to run a business. Getting the raw materials from different source with discount prices is the factor that determines the profit margin. Lack of knowledge of availability of the raw materials and low-level negotiation and bargaining skills are the factors, which affect women entrepreneur's business adventures.

### **Literacy rate**

Enough knowledge about world market is a precondition for running a business in today time and that require a minimum literacy level to understand all that, but unfortunately the literacy rate of women found at low level compared to male population. They are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training although great advances are being made in technology; many women illiteracy, structural difficulties, and lack of access to technical training prevent the technology from being beneficial or even available to females.

### ***How to Develop Women Entrepreneurs?***

Right efforts from all areas are required in the development of women entrepreneurs and their greater participation in the entrepreneurial activities. Following efforts can be taken into account for effective development of women entrepreneurs.

1. Consider women as specific target group for all developmental programmers.
2. Better educational facilities and schemes should be extended to women folk from government part.
3. Adequate training programme, related to entrepreneurship skill must be started as soon as possible and separated Nodal agency deputed to interrogate entire training programme.
4. Encourage women participation in decision-making.
5. Vocational training must be provided to women community because it helps to understand production management tools and techniques.
6. Exclusive polytechnic institutions must be initiated by the social and Government bodies in the different parts of state in India for women.
7. Training for professional women owned enterprises competence and leadership skill to be extended to women entrepreneurs.
8. Training and counseling on a large scale of existing women entrepreneurs to remove psychological causes like lack of self-confidence and fear of success.
9. Counseling through the aid of committed NGOs, psychologists, managerial experts and technical personnel should be provided to existing and emerging women entrepreneurs.
10. Continuous monitoring and improvement of training programmers.
11. Activities in which women are trained should focus on their marketability and profitability.
12. State finance corporations and other banking and financial institutions must extend their helping hand to aspiring women entrepreneurs in the form of credit facility, less interest amount and on frill account and other services.
13. To encourage more women owned enterprises women entrepreneurs the Women training programme should be organized that taught to recognize own psychological needs and express them.
14. State finance corporations and financing institutions should permit by statute to extend purely trade related finance to women entrepreneurs.
15. Women development corporations have to gain access to open-ended financing.
16. The financial institutions should provide more working capital to women entrepreneurs both for small scale venture and large scale ventures.



17. Repeated gender sensitization programmes should be held to train financiers to treat women with dignity and respect as persons in their own right.
18. Infrastructure, in the form of industrial plots and sheds, to set up industries is to be provided by state run agencies.
19. Industrial estates could also provide marketing outlets for the display and sale of products made by women.
20. Grievance handling cell must be setup at gram panchayat level in India which may promote rural women and infarct that is the need of time.
21. District Industries Centers and Single Window Agencies should have special provision for the women entrepreneurs in their trade and business guidance.
22. Programmes for encouraging entrepreneurship among women are to be extended at local level.
23. Training in entrepreneurial attitudes should start at the high school level through well-designed courses, which build confidence through behavioral games.
24. Separate reservation policy must be initiated for the women at every possible level, I would rather say that reservation, specifically for business women extended at level I to level III.
25. Involvement of Non Governmental Organizations in women entrepreneurial training programmes and counseling.

### ***Scope of the Entrepreneurship Development***

Rural women entrepreneurship can contribute to economic growth in developing countries and clearly represents an untapped potential. For many rural women, entrepreneurship is part of a broader livelihood strategy, often undertaken on a part-time basis, and where it is difficult to separate production and reproduction tasks, as well as market and non market work. With few employment choices, women often start businesses in highly saturated sectors, in the informal economy and in low-productivity and low return activities, where they benefit from little or no social protection.

## *Conclusion*

The role of Women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. Their role is also being recognized and steps are being taken to promote women entrepreneurship. Revival of entrepreneurship is the requirement of the hour. Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

Women entrepreneurs contribute significantly to the manufacturing output, employment and exports of the country. A women entrepreneur has consistently registered a higher growth rate in their respective areas. Women entrepreneurs encourage entrepreneurial development and dispersal of the industries throughout the length and breadth of the country. They also contribute and assist their husband in the family and working issues. With the service sector contributing a major share to the GDP and as this sector relies on the Women entrepreneur.

Industrial state of Rajasthan on the eve of independence was very poor, but the Government at the center as well as at the state level has made deliberate and concerned efforts to give the industrial structure a modern and mature look by promoting women entrepreneurs.

Broadly speaking, the issues affecting the women entrepreneurs can be categorized as Impact of globalization, Credit, Marketing, Technology, Infrastructure, Regulatory regime, Cluster development, Access to information, Delayed payments and Skill & entrepreneurship development.

There are several problems of Women entrepreneur which need to be tackled in the near future. Domestic violence, social security, societal acknowledgement marketing problem, lack of skills & capital are problems of traditional thought it's hard to strive in male dominated society. The women owned enterprises, which was not able to withstand competition, has gradually become sick. According to the report of RBI (3<sup>rd</sup> census of women owned enterprises) the criteria to measure sickness were: delay in repayment of loan over one year, decline in net worth by 50%,

and decline in output during the last 3 years. According to the census of RBI nearly 15 % of registered women owned enterprises were identified to be sick.

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