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Challenges faced by Women Entrepreneur in India

Manju Dhillon

Research Scholar

Deenbandhu Chhotu Ram University of Science and Technology

Manjudalal2010@gmail.com

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Abstract

Entrepreneurship is a colossal task for women in India but if carried successfully can impart confidence among them and making them more vigilant about their rights. Development of women entrepreneurship is very low in India in comparison to developed countries. Entrepreneurship has been a male-dominated phenomenon from very early age but time has changed the situation and brought women as today's most enduring and inspirational entrepreneurs. No country can flourish by neglecting the potential of its women workforce. With economic liberalization and globalization, women entrepreneurs are increasing globally. The concealed entrepreneurial capabilities of women have been gradually coming ahead with the developments in socio political environment in society. Women are equally proficient in running business but still lacks behind in spite of women empowerment movement in our country, there are social, cultural and economic hindrance in the way of women entrepreneurship and the major problem is lack of entrepreneurial activities. This paper talks about the factors which motivates women to start their own business and problems faced by them when they ventured out to carve their own niche in the competitive world of business environment.

Keyword: Women entrepreneurs, problems, entrepreneurship development, reasons for becoming women entrepreneurs.

INTRODUCTION

The “entrepreneurship” word arise from a French word “Entrée” ‘To entre’ and “Prendre” “To take” and in common sense applies to any person starting a new project or trying a new opportunity. Entrepreneurship is necessary to trigger the process of economic development of

both developed and developing countries as it is the backbone of the economy of any country. Entrepreneurship is a process in which we combine the available resources of production in such a new way that it produces the goods and services more satisfactory to the customers. Entrepreneur is a catalytic agent of change. Every country tries to achieve economic development for good fortune and better life standards of its people.

Entrepreneurship is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to create something new and an activity which creates value in the entire social eco-system. It is the psyche makeup of a person. It 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.

Today business is built around human capital and women are one of the valuable factors. Globalization and Liberalization of market encouraged women to come forward to become an entrepreneur and start new business.

Today role of modern women is not restricted to traditional role as mother and housewife; it has and undergoing changes. As a woman gets educated she begins to think of herself as an independent person, she becomes aware of her own identity, potentials and decision making capabilities. Interested women with productive and inventive ideas are coming forward to start the small and medium sized enterprises.

It is common belief that majority of women in India are economically non-productive as they are not involved in activities that are financially beneficial. But this trend is deliberately changing. Today's women are taking more and more professional and technical degrees to cope up with

market needs and are flourishing as designers, interior decorators, exporters, publishers, garment manufacturer and still exploring new avenues of economic participation. Due to these reasons that Government Bodies, NGO's, Social Scientists, Researchers and International Agencies have started showing interest in the issues related to entrepreneurship among women in India.

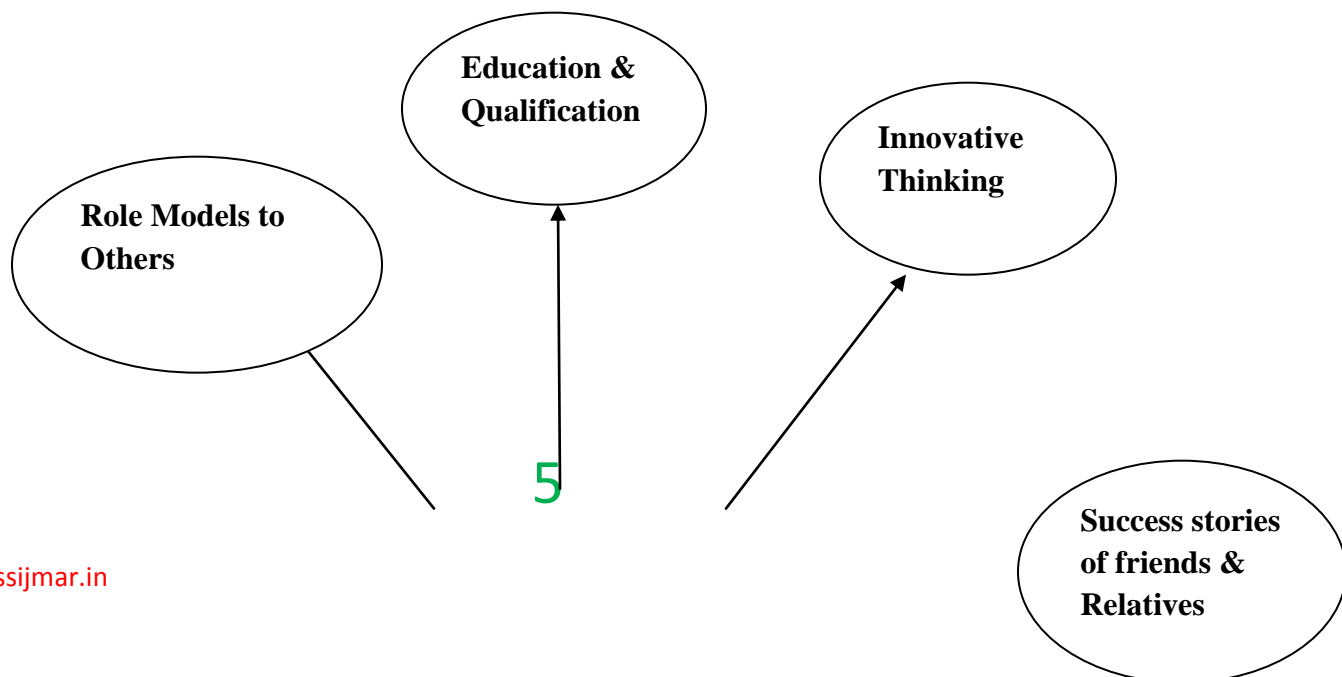
Women Entrepreneurs

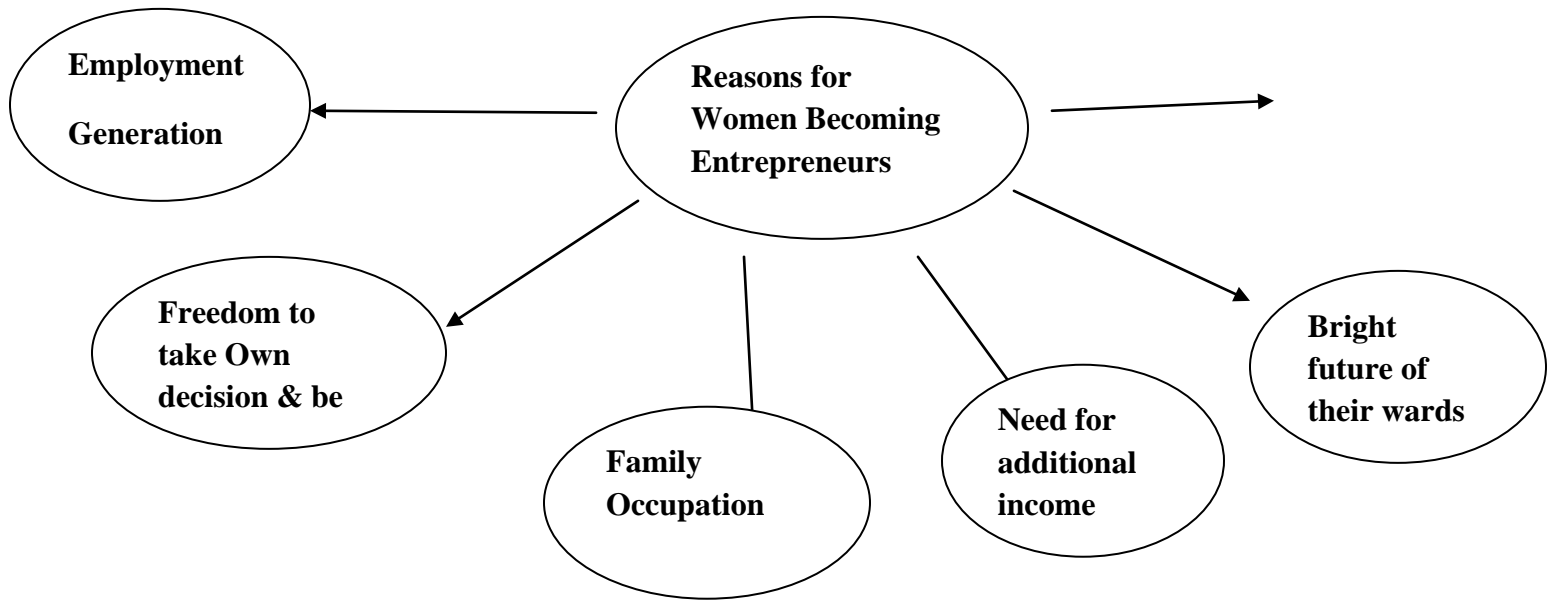
A women entrepreneur is a women or group of women who initiate, organize and operate business enterprise for personal gain. Women Entrepreneur is a person who accept challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an intrinsic 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. Earlier activities of the women were limited only to the domestic work but nowadays we find women in different fields. Today we find women in not only in papad, pickles and powder businesses but also in manufacturing, trading and service sector. No doubt the speed is very low, but women are entering into the entrepreneurial field and certainly they are creating their impact.

Reasons for Women Becoming Entrepreneurs

The glass ceilings are demolished and women are found indulged in every line of business. The entry of women into business in India is traced out as a proliferation of their kitchen activities, mainly 3P's, Pickle, Powder and Papad. 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's to emerge into business ventures. 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 growing rapidly that the job seekers are turning into job creators. Many women start business due to some traumatic situations in life such as divorce, discrimination due to pregnancy, the health of family member, or economic reasons. But a new talent pool of women entrepreneur is forming today, as women want to leave corporate world and want to start their own new ventures. They are flourishing as designer, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. The following chart shows the reasons for women becoming entrepreneurs.





Problems of Women Entrepreneurs in India

In India, women entrepreneurs have to struggle a lot and encounter a large number of problems to succeed in business. Some problems are general and faced by every entrepreneur, but some problems are specific to women entrepreneurs. These problems are discussed as follows:

Problem of Finance: Finance is regarded as “life blood” for any enterprise, be it big financial problem or small. However, women entrepreneurs experience shortage of funds in two ways. Firstly, women do not generally own property on their names such that it can be used as collateral for procuring funds from extraneous sources. Therefore, they have limited access to external sources of funds. Secondly, women entrepreneurs are also considered less credit-worthy by banks and financial institutions and, therefore, women borrowers are discouraged on the presumption that they can leave their business at any time.

Scarcity of Raw material: Most of the women enterprises are hassle by the scarcity of raw materials and necessary inputs. This trouble is further deepened by the huge cost of inputs, on the one hand, and obtaining raw material at least discount, on the other.

Stiff Competition: Women entrepreneur do not have organization set-up to pump in a lot of money for canvassing and advertisement. Thus they have to face a stiff competition for marketing their products with both organized sector and their male counterparts.

Limited Mobility: In India, unlike men, women mobility is highly restricted due to various causes. Tiresome exercise involved in opening a venture coupled with humiliating attitude of officials towards women forces them to give up their plan of starting an enterprise.

Lack of Education: In India, greater part of women is still illiterate. Illiteracy is the root cause of socio-economic problems. Due to the lack of education, women have less awareness about business, technology and market knowledge. Also, lack of education causes low achievement motivation among women. Thus, lack of education creates problems for women in the setting up and running of business enterprises.

Family Responsibilities: In India, it is primarily a women's duty to take care of the children and other family members. Man's role is secondary. A married woman has to strike a proper balance between her family and business. Her total engrossment in family leaves a little or no more time and energy to devote for business. Husband's approval and support seems to be crucial requirement for entry of women into business. Accordingly, the husband's education and family background positively impact entry of women into business activities.

Low Risk-Bearing Ability: Risk- Bearing is a necessary prerequisite of a successful entrepreneur. Indian women prefer a protected life. Inadequate infra structural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio-economic constraints holds the women back from entering into business.

Health Problems: The health problems faced by women entrepreneur are tension, backache, eyestrain, fatigue and headache. It is found that women feeling the problem of feeling fatigued after returning home, lack of rest and sleep and heavy schedule.

Male-Dominated Society: Male fanaticism is still the prevalent in India. Our constitution proclaims equality of males and females. But, in practice, women are deemed to be abla, i.e. weak and helpless. They have to face male reservations regarding a women's role, capacity and ability and are treated accordingly. To summarize, women are not treated at par with men in our male-dominated Indian society. This, in turn, result into a barrier to entry of women into business.

Production Problems: Production problem faced by maximum women are no availability of raw materials. Non availability of raw material is one of the reasons to the slow growth of women entrepreneurs. Other production problems are non-availability of machines or equipments, training facility are not available and non availability of labour, high cost of required machine or equipment.

Literature Review

The term entrepreneur has its origin in the French language. In the 16th and 17th century this term was used in relation to the military expedition and civil engineering activities. Later on in the 18th century this term was used in context to the economic activities. In the late 19th century and early 20th centuries, entrepreneurs were frequently not distinguished from managers and were viewed mostly from economic perspectives. According to Stevenson and Jarillo (1990) entrepreneurship is a process by which individuals either on their own or their organizations pursue opportunities. The entrepreneurial functions can be conceptualized as the discovery of opportunities and subsequent creation of a new economic activity via the creation of a new organization (Joseph Schumpeter). The following are some of the results and viewpoints of other scholars related to this study.

Soundarpandian (1999) said that for entrepreneurship development in India, there was more emphasize on research relating to process and enhancement of entrepreneurship. The problems faced by women entrepreneurs are stiff competition, high price of raw material required, financial problems, and technical difficulties.

Rao (2002) studied the problems of women entrepreneurs in Chennai. Among the socio-personal problems, 70% of the women face problem of lack of family and community support, 60% have managerial experience problem, 74% faced financial problems regarding loan and subsidy.

Chhichhia (2004) in his research collected information through questionnaire from 40 entrepreneurs. It was found that all entrepreneurs had some or other problem. 91% said that there are lack of training, 79% entrepreneurs reported that they have financial problems. 72% reported that they had to struggle more to survive in the market. 93% entrepreneurs did not use internet in their enterprise, 3% had complete organized computer setup in their enterprises.

Nayyar et al (2007) suggested that women entrepreneur faces the problems like, tough competition from big and already established units, unavailability of transport facility, poor location of unit, lack of sleep and unavailability of raw materials. The factors that cause these problems are difficulty in affording own vehicle, not being popular, heavy schedule of work and long working hours.

Basargekar (2007) in his research suggested that there are several positive and negative factors which have promoted entrepreneurship amongst women. The positive factors are desire to start one's own business and desire to explore abilities. At the same time negative factors are lack of job opportunities in the organized sector, pressure of handling dual responsibility of work and home.

Samani (2008) in her thesis threw specific light on a specific section of working class- the women engaged in food processing. The study shows that women in Gujarat have expertise and unique skill of preparing and processing food. The food processing may be different types and quantity, but these enterprises have been found to be great success whether attached with home or not.

Latha et al. (2010) in his research suggested that women entrepreneurs need to be praised for their increased application of latest technology, expanded investments, discovering a slot in the export market, and building ample job opportunities for others and setting the directions for other female entrepreneurs in organized sector. Although women entrepreneurs have exhibited their potential, the truth remains the same that they are competent of providing much more than what they already are.

Vatharkar (2012) in his research he studied the problems faced by women entrepreneurs in Pune district at various levels and also found the factors motivating these women to become entrepreneurs. The study suggested that women entrepreneur face so many problems at the start-up as well as operating stage like role-conflicts, lack of motivation, lack of finance, maintaining balance between work and family life, discriminating treatment and understanding government s rules are regulation etc.

Siddiqui (2012) identified some of the major problems of women entrepreneurs in India like family obligations, gender inequality, problem of finance, low level risk taking attitude and male female competition. It was emphasized that problems faced by women entrepreneurs can be solved by proper training, incentives, encouragement and motivation.

Saurabh (2012) observed that the women entrepreneurs met restrains in facets of financial, marketing, family, health and location problems. The women need for enterprise management is little training, finance and co-operation.

Singh (2013) in his research emphasized that empowerment of women has become one of the most important concerns. Government initiatives alone would not be enough to achieve this goal.

Society must take initiative to create a climate in which there is no gender discrimination and women have full opportunities of self decision making and participating in the social, political and economic life of the country.

Balasubramani et al. (2014) identified the important women entrepreneurial motivation factors and its impact on entrepreneurial success. The factors are ambition, skill and knowledge, support from the family, market opportunities; independence, government subsidy and satisfaction are the important for women entrepreneurs. The study also concluded that ambition, knowledge and skill independence are very important for entrepreneurial success.

Ansari (2016) concluded that women are very good entrepreneurs, and prefer to choose the same as they can maintain work balance in life. It was observed that women entrepreneurs have proved to be a strong driving force in today's corporate world.

Conclusion

The evolution of women entrepreneurs and their benefaction 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. Over a period of time, more and more women are going for advanced, professional and technical education. Their portion in total workforce is also increasing. We have many successful entrepreneurs in our country but still we have male dominated environment and women has to face challenges from family and society. All entrepreneurs face certain challenges, but women often have additional challenges and bottlenecks because of their gender. Their male peers have lesser probability to encounter these problems. The increasing rate of success of women entrepreneurs reveals that they are

imaginative, and able to achieve, in spite of odds. By creating a strong business networks, learning new tactics to maintain balance between work and life, getting inspiration from other successful women entrepreneurs, and by keeping them updated, women entrepreneurs can attain new heights of success.

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