

Role of Women Entrepreneurs in the Economy and Challenges Ahead

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Abstract

Entrepreneurship is an innovative dynamic process whereby, a new enterprise is created. It is an important segment of economic growth. Women Entrepreneur has been recognized as an important untapped source of economic growth. 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 creating values in both family and social life. Women Entrepreneurs create new jobs for themselves and others and by being different also provide society with different solutions to management, organization and business problems as well as to the exploitation of Women Entrepreneurial opportunities. Equal opportunity between men and women from the perspective of entrepreneurship is still not of reality. The scarce availability of reliable and valid data continues to be one of the key obstacles in understanding the challenges specific to women’s entrepreneurship and their impact on economic growth. Women entrepreneurship helps reduce poverty, promote gender equality and empower women. Therefore effective policy work has to take into account, both what it means to a woman and an individual with idiosyncratic experiences.

Keywords: Women Entrepreneurs, Entrepreneurship, Issues, Challenges, Opportunities

Introduction

Entrepreneurship is an innovative and dynamic process, whereby, a new enterprise is created. It is an important segment of economic growth. Women entrepreneur has been recognized untapped source for economic growth. The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. 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 an entrepreneurial women, who is capable of contributing values in both family and social life. Women Entrepreneurs create new jobs for themselves and others and by being different they also provide society with different solutions to management, organization and business problems as well as to the exploitation of Women Entrepreneurial opportunities. Equal opportunity between men and women from the perspective of entrepreneurship is still not of reality. The economic status of women is now accepted as an indicator of social development of a country. Therefore an attempt is made to study the challenges faced by women entrepreneurs and the steps to be taken to improve their well being in the society.

Review of Literature

Bedi S.P and Saini J.S. (2002), studies the perceptions of women entrepreneurs regarding skills of the potential women entrepreneurs which need to be sharpened in their leadership role, management skill and social responsibilities. They suggest that women entrepreneurs who mainly sharpening their entrepreneurial skills will make them move from giving away to deciding, following to leading, dependence to interdependence, sacrifice mode to assertive mode, conformity to negotiating, accepting reality to creating reality, self neglect to self care and respect.

Vanadana Mathur (2009), in her study on Women Entrepreneurship in the New Millennium: Challenges and Strategies expresses that women entrepreneurs in India engaged in a wide variety of non-traditional business activities are well equipped with education and experience and are highly motivated to do their business independently and are prepared to face any challenges. They are full involved in the business so as to gain enhanced economic and social status. This is indicative of healthy foundation of small business enterprises with high growth prospects. Given suitable and timely infrastructural support by the government and its various agencies, and the NGO's the small women entrepreneurs can contribute significantly to the upliftment of India's economy.

Objectives of the Study

1. To identify the issues faced by women entrepreneurs.
2. To study the challenges ahead.
3. To offer suitable opportunities for women entrepreneurs

Methodology

This paper is an exploratory methodology based on a qualitative review on the challenges and issues faced by the women entrepreneurs. Secondary Data were collected through data related to the topic that have been published sources mainly from various government and NGO's published reports, news articles, websites etc.

Emerging Economic Force

Women owned business are highly increasing in the economics 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. Economy of any country can't boom without the contribution of women. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. With the advent of media, women are aware of their own traits, rights and also the work situations. The glass ceilings are shattered and women are found indulged in every line of business from pappad to power cables. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. In India, although women constitute the majority of the total population, the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world.

Women Work Participation

Country	Percentage
India (1970-1971)	14.2
India (2000-2001)	31.6

USA	45
UK	43
Indonesia	40
Sri Lanka	35
Brazil	35

The above table shows that India has improved in the women work participation and it also competitive with other countries.

Constraints Faced by the Indian Women Entrepreneurs

Women entry into business is a recent phenomenon. It is traced out as extension of their kitchen activities three K's kitchen, kids and knitting to three P's i.e. Pickles, Powder, and Pappad manufacturing with growing awareness and spread of education. Over the years, women have started engrossing in modern activities like engineering, electronics and energy popularly known as three E's.

Women entrepreneurs face two types of problems, one general problem faced by all entrepreneurs and second problem specific to women. Women in India are faced many constraints to get ahead their life in business a few problems can be detailed as:

- The greatest deterrent to women entrepreneurs is that they are women. A kind of patriarchal-male dominant social order is the building block to the in their way towards business success.
- 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 tangible property in hand.
- Women's family obligations also bar them from becoming successful entrepreneurs in both developed and developing nations. Indian women give more emphasis on family ties and relationships. Married women have to make a fine balance between work and home.
- Another argument is that women entrepreneurs have low-level management skills. They have to depend on office staff and intermediaries, to get things done, especially, the marketing and sales side of business.
- The male-female competition is another factor, which develops hurdles to women entrepreneurs in the business management process, despite the fact that the women entrepreneurs are good in keeping their service prompt and delivery in time. Due to lack of organizational skill compared to male entrepreneurs, women have to face constraints from competition.
- Lack of knowledge of availability of the raw materials, low-level negotiations and bargaining skills are the factors, which affect the women entrepreneur's business adventure.
- Knowledge of latest technological changes, know-how and education level of the persons are significant factors that affect business. The literacy rate of women in India is found at low-level compared to male population. Many women in developing nations lack the education needed to spur successful entrepreneurship. They are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training,
- Low level risk taking attitude is another factor affecting women fold's decision to get into business. Though the risk tolerance ability of the women folk in day-to-day life compared to male members, while in business is found opposite to that.
- Achievement motivation of the women fold found less compared to male members. The low level of education and confidence leads to low level achievement and advancement motivation among women fold to engage in business operations and running a business concern.

- Women lack confidence in their strength and competence. The family members and the society are reluctant to stand beside their entrepreneurial growth. To a certain to increase the rate of growth in entrepreneurship.
- 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.
- Government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units.
- 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.
- 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 taken towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
- Training programs and workshops for every type of entrepreneur is available through the social and welfare association, based in duration, skill and the purpose of the 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.
- 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 association, 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.

Federations and Association

- National Alliance of Young Entrepreneurs (NAYE)
- India Council of Women Entrepreneurs, New Delhi
- Self Employed Women's Association (SEWA)
- World Association of Women Entrepreneurs (WAWA)
- Associated Country Women of the World (ACWW)

Challenges Faced by Women Entrepreneurs

1. Many girls who study well are denied of good **education**. The parents should not restrict them and they should be allowed to choose the field of education as per their choice. In the young age itself, the decision making quality and freedom to choose make them grow well. Not only for studies, but for marriage and choosing their career also, they should be given full freedom.
2. The women are expected to spend more time for the **family** and more responsibilities and thrust on them so that they cannot even think of doing any business. The family members should understand them and give way for continuing their efforts for becoming and being a woman entrepreneur.
3. The family members may hesitate to **invest money** in business started by woman or permit to avail bank loan. Sometimes, all the property may be in the name of male persons and they may not be ready to security for availing a bank loan. First, the woman should find a solution for the opposition in the family for doing a business and try to get full moral and financial support from them. The women should not be treated as supplementary income providers.

4. In the **male dominant society**, it is not easy to come up in business field. Many businessmen do not want to enter into business deals with women entrepreneurs. The women should tackle this problem wisely and make them understand that they are, in no way inferior to men.
5. The women should learn to analyze the different and small factors in business field like how to get **raw materials** of good quality at a cheap rate, how to negotiate and what are the discount facilities available. They should not allow any-body to cheat them in anyway, for being women.
6. The women should not take emotional feelings in business. They should prove that they possess **high management skills and courage**, ready to take risk and ability to solve problems.
7. The women entrepreneurs may have to leave the family and make business tours. They may have to travel alone or with others, stay in a new place. The family should not put any **restriction** and help them look after the family in their absence.
8. The women should not **lose hope** if they face failure, in spite of taking many efforts. They should not give up even if the loss is more. They should try to come up successfully again.
9. The women entrepreneurs should take care of their **health**. The balanced diet, regular exercise, rest and sleep are necessary for them.

Strategies for the Development of Women Entrepreneurs

Today, there is a great awakening among women. Given an opportunity, they will deliver the best results with their strengths, viz., tolerance, honesty, hard work cooperation, adjustment, and dependence. Determination, self-confidence and tremendous amount of hard work are the need of the hour. Hard work is the most critical ingredient of success and it must be towards a purpose that inspires a person, challenges and gives satisfaction and motivation to pursue the work.

- Shouldering the dual responsibilities of an entrepreneur and a homemaker can be effectively undertaken by a women entrepreneur through better time management.
- Marketing products must establish her credibility in term of quality and competitiveness of product or service. E-commerce businesses will also help greatly in this regard.
- Government & non-governmental agencies have to play a vital role in promoting entrepreneurship among women through EDP.
- Regional training centres should be set up to inculcate quality awareness among women entrepreneurs.
- Banks and financial institutions must maintain a minimum target of loan to be disbursed to women entrepreneurs. Collateral security should be dispensed with in the case of women entrepreneurs because many women hardly have any property or other assets in their name to keep as guarantee.
- Group entrepreneurship is a viable option for the weaker sections of the society and it helps women to overcome their poverty.
- Development of infrastructure facilities and professional marketing expertise are needed.

Along with the above strategies, change in cultural norm, increased literacy, industrialization, social and occupational mobility, etc., are need to enter the field of entrepreneurship.

Credit Schemes

Prime Minister's Employment Generation Programme

Government of India sponsored scheme. Project cost upto \$ 25 lakhs for manufacturing sector and \$10 lakhs for Service sector enterprise are eligible for assistance. Age limit 18 and above. Promoters' contribution is 5% for Special Categories like Women, SC/ST, Minotries.etc.

Unemployed Youth Employment Generation Programme

Government of Tamilnadu sponsored scheme. Project cost upto \$ 5 lakhs for manufacturing sector and \$3 lakhs for Service sector enterprise and \$1 lakh for Business enterprise are eligible for assistance. Age limit 18-35 yrs. For Special Categories like Women age limit is 45yrs.

New Entrepreneur Cum Enterprise Development Scheme (Needs)

This scheme has been formulated to assist educated youth to become first generation entrepreneurs from 2012-13 onwards by giving entrepreneurship training. The minimum project cost \$5 lakhs and maximum project cost \$1 crore. Promoters' contribution is 5% for Special Categories like Women, SC/ST, etc.

Opportunities for Women Entrepreneurs

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. A desirable environment is necessary for every woman to inculcate entrepreneurial values and involve greatly in business dealing and encourage in decision making. Vocational training to be extended to women community, for it enables them to understand the production process and production management. The additional business opportunities that are recently approaching for women entrepreneurs are:

- Eco-friendly technology
- Bio-technology
- IT enabled enterprises
- Event Management
- Tourism industry
- Telecommunication
- Plastic materials
- Mineral water
- Herbal & health care
- Food, fruits & vegetable processing

Conclusion

Independence brought promise of equality of opportunity in all sphere to the Indian women and law guaranteeing for their 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. The majority of them are still unaffected by change and development activities have benefited only a small section of women i.e. the urban middle class women. Women entrepreneurship must be moulded 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. The constant efforts would enhance their socio-economic status, which is a prerequisite for economic development. It is hoped that the strategies and opportunities forwarded in the article will help the women entrepreneurs to look into this problem and enter into more entrepreneurial ventures.

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