



# WOMEN ENTREPRENEURSHIP IN INDIA – ISSUES & CHALLENGES

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## ABSTRACT

Women empowerment is a concept of changing the ideology of male domination and women's subordinations along with enabling women to gain equal rights and access over the resources. Women's equal access and control over economic and financial resources is critical for the achievement of gender equality and empowerment of women as well as equitable and sustainable economic growth and development. In today's world, women are growing in entrepreneurial sector at an increasing pace. In spite of the rapid growth of associations, institutions and the schemes from the government end, women have not been able to be enterprising and dynamic in making more out of these resources. Though, the same entrepreneurial process is followed for both men and women there are many challenges the women entrepreneurs in India face.

## KEYWORDS:

Women Empowerment, Obstacles faced by Women Entrepreneurs, Government schemes for Women Entrepreneurs

## INTRODUCTION

The term "women empowerment" was first used at the 1985 International Women's Conference in Nairobi, which described it as the redistribution of social power and resource control in favour of women. Women's empowerment is the idea of challenging the ideology of male dominance and women's subordination in order to give women access to resources and equal rights. Five factors make up the empowering process: cognitive, psychological, economic, political, and physical (Mamta, 2014). Women can be educated and given access to facilities for proper nutrition and health, which will empower them.

Women empowerment is a broad term that encompasses all aspects, including enhancing women's self-worth and confidence, eliminating discrimination and violence against women, strengthening ties with civil society, particularly women's organisations, enforcing constitutional and legal provisions to protect women's rights, encouraging women in society and recognising

their contributions to society, and fostering women's critical thinking skills.

The number of start-ups and new enterprises in India has increased in tandem with the country's economy over the past ten years. Men are more likely than women to find these. Despite having entrepreneurial aspirations, Indian women frequently have more difficulty succeeding. India is one of the nations where women entrepreneurs face fewer favourable circumstances, overt cultural biases, and a lack of business resources like funding, capital, training, and development. Women in Indian society are unable to reach their full potential, and as a result, they miss out on tremendous opportunities for creativity, economic progress, and job creation.

The Indian Constitution's Preamble, Fundamental Rights, Fundamental Duties, and Directive Principles all explicitly mention gender equality. The Constitution not only guarantees women's equality but also gives the State the



authority to take action in their favour. Our laws, development strategies, plans, and programmes have all been created within the context of a democratic polity with the goal of advancing women in a variety of fields. The focus on women's issues began to noticeably change from welfare to development starting with the Fifth Five Year Plan (1974–1988), and from the Eighth Five Year Plan on, the emphasis switched from development to empowerment (Mamta, 2014).

The empowerment of women has been recognised as the central issue in determining the status of women. The Government of India declared 2001 as the Year of Women's Empowerment (Swashakti). The National Policy for the Empowerment of Women was passed in 2001. Gender Budgeting has been adopted by the Government as a tool for ensuring that adequate budgetary commitments are made for women. The National Mission for Empowerment of Women (NMEW) was launched by the Government of India on International Women's Day in 2010 with the aim to strengthen overall processes that promote all-round development of women.

The Ministry of Women and Child Development, Government of India on February 27, 2012 approved the setting up of a High-Level Committee on the status of women to undertake another comprehensive study to understand the status of women as well as to evolve appropriate policy interventions based on a contemporary assessment of women's needs. Researchers agree that there is no dearth of women empowerment but still we have miles to go on this path of empowerment. Women are an integral part of a society. They play an important role in determining the destiny of a nation.

### **Objectives:**

1. To understand women empowerment
2. To examine the challenges faced by women entrepreneurs
3. To study the government initiatives to boost women entrepreneurship

### **Scope of the Study**

The goal of this study is to investigate the difficulties that female company owners encounter when starting and operating their enterprises. The study will look at the obstacles that women business owners encounter when trying to access resources like cash, networks, mentorship, and funding. The study will also look into how gender affects the workplace and how male entrepreneurs are less likely to have access to knowledge, tools and assistance. The study will also look at social and cultural conventions that can prevent women entrepreneurs from succeeding. The paper discusses several government programmes for supporting female entrepreneurs. Finally, the study will consider possible answers to the problems faced by female entrepreneurs.

### **Data Collection**

The present study is descriptive and analytical in nature. The data used for the study is secondary in nature and has been collected from annual reports of Ministry of Micro, Small and Medium Enterprises, All India census survey's report, various journals, newspapers, magazines etc.

### **DISCUSSION ON THE STUDY**

When women are able to design and exercise control over their own life and the lives of other women, both their economic standing and social position are improved. These days, business is not just for men. Women today realise that in order to aid the survival of their families and their own potential, they must collaborate with men when faced with diverse challenges (K.Bharathi, 2021). For women in India, entrepreneurship is a broad sector. Owning a business is seen as the definition of women's entrepreneurship. Many times, a single woman or a group of women handle the entire business. She develops and puts into action plans. Although she may accept help from others, she still has complete control over the situation. She takes the risk while acknowledging the uncertainty. She likes to take calculated chances since she wants to be a successful business.

Women's participation in entrepreneurship is expanding rapidly in the modern world. They now



play a significant role in the world of commerce. This makes it important to define a woman entrepreneur. A woman or group of women who establish, plan, and manage a business enterprise are referred to as women entrepreneurs. Women entrepreneurs are those who own and control a business with a minimum financial interest of 51% of the capital and who employ at least 51% women. This definition was established by the Government of India. The increasing industrialization and urbanisation that has occurred in India since the turn of the century have had an impact on women's status. (Tulika,2019)

Over time, more and more women have enrolled in technical, professional, and higher education programmes, and their percentage in the labour market has also increased. With the growth of knowledge and awareness, women have moved from domestic work, handicrafts, and traditional cottage industries to higher-level pursuits, SMBs, and small businesses (Sadhna et. al. 2017) Even the government has placed a strong focus on the necessity of running specialised entrepreneurship training programmes for women in order to provide them the ability to launch their own businesses. Banks and financial institutions have also recently established specialised cells to help women entrepreneurs in the business world.

Women are becoming more aware of their abilities, rights, and workplace problems as a result of the media's introduction. The women can be seen pursuing their interests in every industry, from pickles to telecoms. The development of women entrepreneurs and their increased participation in entrepreneurial activities require the right efforts in all sectors.

### **Reasons that encourage women to become women entrepreneurs**

The main reasons why women choose entrepreneurship are self-esteem, recognition, self-determination, and career goals. Women pick these professions to demonstrate their potential. In India, women are starting businesses as an extension of their everyday domestic tasks. However, as education increased and the years went by, women began to switch from working

in the kitchen or at home to starting their own businesses. (Subbarayudu & Srinivasa, 2021) For women to succeed in commercial enterprises, skill, knowledge, and adaptability are crucial. Women entrepreneurs are those who take on difficult roles in order to fulfil their own wants and achieve financial independence. Entrepreneurial women possess a strong desire to make a difference and are capable of adding values to both family and social life. Women are more aware of their own characteristics, rights, and workplace problems because to the development of the media.

The opportunities and problems facing women in the digital age are expanding so quickly that job seekers are now also creating jobs. Many women launch a business as a result of a traumatic occurrence, such as a divorce, discrimination, or the corporate glass ceiling, a family member's health, or practical considerations like being laid off from a previous employment. But as more women choose to quit the corporate world and forge their own paths, a new talent pool of female entrepreneurs is emerging. As designers, interior decorators, exporters, publishers, and clothing manufacturers, they are expanding, and they continue to look into new opportunities for economic participation. Women with good financial backgrounds, on the other hand, often need to be pulled and pushed since they aren't always conscious of their own abilities (Sadhna et.al., 2017). Thus, the drive to try something new, the desire to uphold gender equality, the want to achieve social status and respect, and the desire to achieve financial independence are the main elements influencing women's desire to pursue entrepreneurship as a vocation.

An analysis of the All-India Report of Sixth Economic Census, reported in 2016, Total number of establishments owned by women entrepreneurs was 8.05 million (13.76%). These establishments provided employment to 13.45 million persons (10.24%), out of which 83.19% were without hired workers. About 88.8% of the workers were employed in the establishments hiring less than 10 workers. Total number of Self-Help Groups (SHGs) were 0.19 million out of which all women owned account establishments were 89%. Out of



establishments under women entrepreneurs, about 34.3% belonged to agricultural activities, with livestock dominating therein having a share of 31.6%. Among non-agricultural activities owned by women entrepreneurs, manufacturing and retail trade were the dominant ones with corresponding percentages being 29.8% and 17.8% respectively. Out of the total establishments under women entrepreneurs, percentage share of various social and religious groups was as follows: OBC: 40.60%, SC: 12.18%, ST: 6.97% and Others (40.25%); Hindus: 65.6%, Muslim: 12.84% and Christian: 5.2%. Among the states, the largest share in number of establishments under women entrepreneurship was held by Tamil Nadu (13.51%) followed by Kerala (11.35%), Andhra Pradesh (10.56%), West Bengal (10.33%) and Maharashtra (8.25%).

Average employment per establishment for women owned establishments was found to be 1.67.

As per the Annual Report 2021-22 published by Ministry of Micro, Small and Medium enterprises, Government of India, Percentage Distribution of Enterprises in Rural areas is in proportion of 77.76% Male to 22.24% Female and in Urban Areas is 84.58% Male to 18.42% Female. Percentage Distribution of Enterprises owned by Male: Female Entrepreneurs in Micro Enterprises is 79.56% Male to 20.44% Female, in Small Enterprises is 94.74% Male to 5.26% Female and in Medium Enterprises is 97.33% Male to 2.67% Female. This is symbolic of the place a given gets in the economic and financial matters. The vast divide is but a fact that shows the injustice meted to women in Indian society. Women, who are capable of running the household single handed are not considered good enough to run the business. Surprisingly the women in rural areas have fared better. However, we have a long way to go.

### **Obstacles faced by Women Entrepreneurs in India:**

Various researchers have conducted extensive studies and surveys to find out the obstacles faced by women in India, to initiate, organise and conduct independent businesses. Most of them indicate the following as the prominent obstacles for women entrepreneurs:

- **Gender stereotypes and biases:** The main constraint to women entrepreneurs is that they are women. We live in a male-dominated society. There is a perception in the minds of women that they are incapable of running a business and so they do not support women grow.
- **Lack of Self-Confidence:** In India women have lack of self-confidence in their strength and ability. Majority of the cases, society does not support their organizational growth.
- **Impact of Socio-Cultural norms:** Women perform multiple roles. They are not provided with proper schooling and training. This affects in their overall career development. Society believes that having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business and so business is not suitable for women.
- **Mobility Constraints:** Women in India were restricted within four walls of kitchen. It was very difficult to change the mindset of people to let free a woman. Though there are changes brought in now yet free mobility of women is a matter of concern.
- **Lack of access to proper business and technical training programs:** Many women in developing nations lack the access to training programs hence their knowledge on new technologies remains unaware. Hence, they lack the confidence and skills necessary for business.
- **Lack of Motivation:** Motivation is an emotional support required by women at all times. Self-motivation is done by a successful women entrepreneur, but other factors such as family support, government policies, financial assistance from public and private institutions and also the environment suitable for women to establish business units must be given.
- **Lack of financial capital and assistance:** Financial institutions are mostly having a discriminatory attitude and hesitate to lend monetary benefits to women, judging on her ability to repay.



- Inability to take Market risks: tough competitions and lack of freedom given to women restrain themselves from good marketing. They are made to depend on men. Many business women find it difficult to capture the market and make their products popular.
- Weak knowledge in business administration: Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of management. This can facilitate women to excel in decision making process and develop a good business network.
- Unavailability of raw material: Lack of knowledge of availability of the raw materials and low-level negotiation and bargaining skills affects the women entrepreneur's business adventures.
- Managing Employees: Finding and retaining good employees is very important for the success of a business, but can be problematic for women entrepreneurs in India. Since women owned businesses tend to be smaller, they are often less likely to provide job security and retain good talent.

### **Schemes for Promotion and Development of Women Entrepreneurs:**

With a vision to promote the sustainable development of women entrepreneurs for balanced growth in the country, Startup India is committed towards strengthening women entrepreneurship in India through initiatives, schemes, creation of enabling networks and communities and activating partnerships among diverse stakeholders in the startup ecosystem. The Government of India provides Many Schemes. Women entrepreneurs in India contribute significantly to employment generation, both directly and indirectly.

1. Rajiv Gandhi Mahila Vikas Pariyojna (RGMVP)
2. Udyogini Scheme
3. Mahila vikas Nidhi
4. Entrepreneurial Development (EDPS)
5. Micro and Small enterprises cluster development programmes.
6. Priyadarshini Projects

7. Trade-related entrepreneurship assistant and development (TREAD)
8. Working women's forum
9. Rashtriya Mahila Kosh
10. Women development corporation (WDC)

### **SUGGESTIONS**

The growth of female entrepreneurs and their increased engagement in entrepreneurial activities require appropriate efforts in all sectors. The following initiatives can be considered for the successful development of female entrepreneurs.

1. All developmental programmes need to focus on women as their target audience.
2. Providing women with greater educational opportunities and programmes.
3. To offer the community of women an adequate management skills training programme.
4. Promote women's involvement in decision-making.
5. Women in the community need to be given access to vocational training that will help them grasp the production process and production management.
6. Women entrepreneurs need to receive training on leadership and professional competence.
7. Women entrepreneurs who are already in business as well as those who are just starting out could be given counselling by qualified NGOs, psychologists, management specialists, and technical staff, to address psychological issues like lack of confidence and success-related fears.
8. Women need to be trained in activities that emphasise their marketability and profitability.
9. Offering local women business owners access to microcredit and enterprise credit systems.
10. Gender sensitization programmes required to educate financiers on how to treat women with respect and dignity as equals.
11. State-run organisations could help provide the infrastructure, such as industrial plots and sheds, needed to establish industries.



12. Industrial estates may offer marketing venues for the promotion and resale of goods produced by women.
13. Women Entrepreneur's Guidance Cell may be established to address the issues faced by women entrepreneurs and businesses.

### **SUGGESTIONS FOR WOMEN WHO ARE ENTHUSIASTIC ABOUT ENTREPRENEURSHIP**

1. Women need to comprehend and put into practise a new work-life balancing strategy.
2. Women need to sufficiently prepare themselves psychologically, to confront the hurdles before beginning a business.
4. Women could start their businesses on a small scale and let them expand over time.
5. Female business owners who are already successful in their professions could lend a helping hand. They could be consulted for guidance and support.

### **CONCLUSION**

Without a doubt, female entrepreneurship increases the prosperity of the country in general and of the family in particular. In terms of their willingness to engage in activities that were once thought to be exclusively for men, women today have shown that they are unmatched in terms of their ability to contribute to the expansion of the

economy. In order to adapt to changing trends, navigate the challenges of global marketplaces, and pursue excellence in the entrepreneurial sphere, women entrepreneurs must be appropriately moulded with entrepreneurial traits and talents. Additionally, it was determined that the current policies and actions made by the government to remove these barriers were insufficient. This essay tries to address a variety of themes and their elements written about by many authors over time. Promoting female entrepreneurship in India is undoubtedly a fast track to economic development and growth. Let's work to eliminate all forms of discrimination based on gender so that "women" can be just as successful entrepreneurs as men.

There are many difficulties for women-owned enterprises in India. Women entrepreneurs deal with a wide range of issues in the workplace, as well as in their personal and professional life. Businesses require a favourable environment for economic policy in order to compete in the modern global economy. India and other developing nations require government assistance for entrepreneurship. Today's government programmes aid both women and young people looking for work. The article ends on the remark that women must receive the recognition they deserve and that society as a whole must act to guarantee women's equality in all aspects of life. We only need to instil in our young children and teenagers an understanding of equality and entrepreneurship at this time.

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