

**Women Entrepreneurship In India: Issues, Challenges And Ways Forward****Dr. Kiran Kumar P.**

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**The Context**

The process of women entrepreneurship development is a recent phenomenon in India which came into prominence after 1970s. Emergence of women entrepreneurs as a visible income generating category is on rise. Their contribution to the national economy is also become visible now in India. The number of women entrepreneurs has grown over a period of time, especially after the 1990s. Concept of women entrepreneurship is basically defined as a process where a woman initiates a business idea, gathers resources, creates an enterprise by providing leadership to make it a commercial success and aspired to achieve a dramatical height. Women entrepreneurs have been defined by Oxford Dictionary as, "one who undertakes an enterprise, especially a contractor acting as intermediary between capital and labour" (Vinze, 1987). Women entrepreneurs represent that bulk of womenfolk, who are full of potentials and skills with a high degree of achievement motivation, fully utilize modern technologies, have set them on public investments, generate employment for others specifically women and set examples as trend setter (Chattopadhyay, 2005). Potentials found among the women entrepreneurs proved that they are capable of contributing much more than expected. With this realization women entrepreneurship has been provided with a huge scope of expansion in the last 45 years resulted in a successive growth rate in women's business and entrepreneurial participation

to a growing rate of 14 percent in 2010 (Sixth Economic Census, 2013-14).

In India, businesswomen and women entrepreneurs have succeeded in achieving the role of social caretaker besides fulfilling the role of a commercial partner. Women entrepreneurs of India are sometimes recognized as social entrepreneurs because of various social roles and responsibilities performed by them. As a social entrepreneur, she recognizes several social problems, undertakes innovative efforts to solve persistent social problems of poverty, marginalization, unemployment, and to some extent, have been successful in catalyzing social transformation (Patil, 2009). Modern social entrepreneurs are different from traditional commercial entrepreneurs by virtue of their target orientation on removing poverty of deprived marginalized groups by generating employment opportunities for them.

In the present paper theoretical as well as practical aspects of women's workforce participation have been discussed, specifically their participation in different kinds of economic activities including those of business and entrepreneurship. This chapter also analyses different perspectives of work roles of women from that of non-worker to entrepreneurs and the barriers they encountered. The present study was based on secondary data. With a view to identify the women entrepreneurs, the researcher has made an in-depth review of the previous studies undertaken related to the topic of the present study.

The secondary data were collected from the published as well as unpublished reports, handbooks, action plans and pamphlets from the office of the Director of Industries and Commerce, various books, journals, magazines, websites, etc.

**Entrepreneurial Participation of Women in India**

The very recent trend in India’s workforce participation is increasing entrepreneurial participation of women. This trend is facilitated by various factors like women’s education, work experience and government efforts. Different development efforts targeted at the promotion of women entrepreneurs. The Government of India in its different plan periods has been giving increasing importance to the development of women entrepreneurs in recent years (Pandian, Et.al. 2012). It was after the 1975 that official attempts for the promotion of women entrepreneurship in India began. The number of women entrepreneurs in large scale industries in India is very few, with a good number of subsistence based self-employed entrepreneurs who worked from home. Though the incidence of women entrepreneurship is on rise but in reality women’s work participation in India remains exceptionally low.

India ranked 29th of 31 countries in the 2015 Global Women Entrepreneurs Leader report by ACG Inc, a consultancy, above only Pakistan and Bangladesh. The report observed that in India and other low-ranked countries, unequal inheritance rights for women and work restrictions limited their access to startup capital and entrepreneurship. The Gender-GEDI Female Entrepreneurship Index places India 16th out of 17 nations, behind top ranking nations like the US (1), France (4) and other developing countries such as Mexico (5), Morocco (13) and Egypt (15), the last place given to Uganda. The index is based on individual aspirations, business environments and entrepreneurial ecosystems. One of the reasons India ranked so far behind may be the fact that the index didn’t take into account the informal sector where many women entrepreneurs are engaged in small and medium scale businesses (Saha, 2016).

Women face innumerable barriers and have been hindered from ensured and sustainable livelihood. However, women continue to contribute to socio-economic development not only through

remunerated work but also through non-remunerative household work, though this contribution is underestimated, non- recorded and not- recognized (Bhadra, 2012). No such official data source has been seen on registered women entrepreneurs in India. Though, few sources, namely, NABARD, MSME are publishing data on this from time to time, but this picture reflects the partial representation. Table 1 shows the state wise number of registered women entrepreneurs in India for the period of 2010. Different units registered by women entrepreneurs show greater variation across the country. In the case of Tamil Nadu highest percent is observed, it registered 16.74 percent followed by Uttar Pradesh with 13.89 per, Kerala with 9.55 percent, Punjab with 8.34 percent and Maharashtra with 7.55 per cent. Gujarat, Karnataka and Madhya Pradesh show a comparatively smaller presence with 6.74, 6.65 and 5.16 percent respectively.

**Table 1: Number of Registered Women Entrepreneurs in India**

| States                | Number of Units Registered | Percentage |
|-----------------------|----------------------------|------------|
| <b>Tamilnadu</b>      | 9618                       | 16.74      |
| <b>Uttar Pradesh</b>  | 7980                       | 13.89      |
| <b>Kerala</b>         | 5487                       | 9.55       |
| <b>Punjab</b>         | 4791                       | 8.34       |
| <b>Maharashtra</b>    | 4339                       | 7.55       |
| <b>Gujarat</b>        | 3872                       | 6.74       |
| <b>Karnataka</b>      | 3822                       | 6.65       |
| <b>Madhya Pradesh</b> | 2967                       | 5.16       |
| <b>Other States</b>   | 14576                      | 25.37      |
| <b>Total</b>          | 54,452                     | 100.00     |

Source: NABARD. Annual Report, 2011

It is important to understand the transition in women’s work participation from time to time. Table 2 shows work participation rates of women in India during 1901 to 2011(in percent). Data reveals a long term decline in female work participation rates. However, a marginal increase in the participation rates can be seen in the last three decades. Decline in the participation rate of

women in total employment has appeared as a major feature of the first decade of economic reforms in India. This has shown the displacement of women from different employment scenarios during 1970s-1990s establishing the fact that liberalization and globalization caused feminization of labour. From 1991 onwards, WWPR steadily rose and reached to 25.5 percent in 2011. During 1991 census, efforts were made to count all kinds of economic activities performed by women including those of unpaid invisible activities. Besides this, factors like increasing awareness, liberalization, onward occupational mobility, gender empowerment measures and different governmental initiatives have enhanced scope for women's workforce participation.

**Table 2: Women's Work Participation Rate in India**

| Year | WWPR  |
|------|-------|
| 1901 | 31.7  |
| 1911 | 33.7  |
| 1921 | 32.6  |
| 1931 | 28.8  |
| 1941 | 26.0  |
| 1951 | 23.4  |
| 1961 | 28.0  |
| 1971 | 14.20 |
| 1981 | 19.70 |
| 1991 | 22.70 |
| 2001 | 25.6  |
| 2011 | 25.5  |

Source: Census of India, 2011

Whenever we are talking about women's presence in different paid work activities, mention should be made of their presence in different primary, secondary and tertiary sectors. Primary sector consisting of different land based activities, for example, farming, dairying, etc; Secondary sector involves different industrial activities like weaving, manufacturing, food processing etc; The tertiary sector includes various independent and professional services such as transport, communications, trade, banking and finance, insurance, personal and domestic services. Table 3 shows the trend of sector wise distribution of

women main workers during 1911 to 2001. Data reveals from the following table that the proportion of women primary sector workers is higher than the secondary and tertiary sector workers for all the census years. Interestingly, presence of women workers was considerably high in secondary sector till 1971, but from 1981 onwards a sharp fall is noticed in this sector. Their presence in the tertiary sector has sharply improved to 21.7 percent in 2001. This is mainly due to increasing literacy, awareness and empowerment of women during this period.

**Table 3: Sector wise Distribution of Women as Main Workers in India**

| Year | Primary | Secondary | Tertiary |
|------|---------|-----------|----------|
| 1911 | 73.9    | 14.7      | 11.4     |
| 1921 | 75.5    | 13.5      | 11.0     |
| 1931 | 72.3    | 13.7      | 14.0     |
| 1951 | 76.8    | 11.2      | 12.1     |
| 1961 | 79.6    | 11.6      | 8.8      |
| 1971 | 80.1    | 10.5      | 9.4      |
| 1981 | 81.5    | 9.1       | 9.3      |
| 1991 | 81.2    | 7.9       | 10.8     |
| 2001 | 71.9    | 6.3       | 21.7     |

Source: Censuses of India, 2001

According to 2001 census throughout the period 1990-2000, the major concentration of women workforce in India is in the unorganized sector that is, nearly 93 percent. While in organized sector their representation is only 7 percent. Unorganized sectors include agriculture, retail trade, construction, land transport, textiles etc. Earlier women from low educational background are engaged in unorganized activities like self-employment, home based production and small business enterprises. But presently middle class educated women are started taking part in these activities too.

### **Barriers for Women's Entrepreneurial Activities**

The most important factor behind gender inequality in business participation is gender socialization. This gender socialization always restrict occupational mobility of women and responsible for job segregation in all fields of economic operation. Areas which are categorized as feminine are nursing, teaching, secretariat jobs, indoor industrial activities etc. Especially business enterprise is seen as male friendly category and thus women are demotivated from participating in such field. Thus, gender role specification determines differential access of men and women to various types of employment opportunities.

In India, the notion of patriarchy primarily hinders the intension of women to participate in different kinds of business and entrepreneurial activity. The patriarchal ethos defines women as chaste, housewives whose principal functions would be reproductions, home making and caring for children and elders. Redundancy, unemployment, retrenchment and detachment of women from the paid workforce are the other negative impact of gender discriminations in India. The problem of dual role responsibilities for the women is also another important factor for women's entrepreneurial participation. The dual role responsibilities restrict the scope for women to participate in any gainful outside economic activity (Mathur, 1992). There are enough evidences to show that almost all the women in India are economically active. However majority of them are worked in unorganized sector and unpaid family domain and consequently get hardly any benefits from government. Though there are a number of legislative measures providing socio-economic security to women entrepreneurs, but these do not touch the socio- economic and cultural contexts of discriminations in which most Indian women live. The problem of entrepreneurial participation is more acute for women due to their multiple roles of a worker, housewife and mother. The lack of capital and assets, irregular income, sickness, poor working and living conditions, lack of outside linkages and opportunities for training and marketing of productions, altogether drag them into deprivation, discrimination, poverty and status degradation.

Maybe the Indian female entrepreneurs

are not a worldwide inspiration but they certainly are an inspiration for overcoming the societal barriers. The entrepreneurial process seems to be the same for men and women (same motivations, same access to funds from the same sources, similar challenges, etc), but in practice the women entrepreneurs in India are facing more problems. These are of different dimensions and magnitude than those faced by their male counterparts, therefore preventing them from realizing their potential as entrepreneurs and strategic leaders. Instead of being untapped, they must be counted in and the entrepreneurial female spirit must be break-free (Saha, 2013).

### **Policies, Legislations and Programmes for Women: In Different Plan Periods**

The need to utilize women's power to the socio-economic development of the country is of great importance and vice versa. They have often associated with those economic activities which produce most of the income and resources for the country and in return received a low income, wage and recognition. In India, about 93 percent of women belong to the unorganized sector economy such as agriculture, forestry, livestock, handloom, handicraft, food industry, domestic work etc. But unfortunately these activities do not attach valuation, recognition, and proper utilization of women's labour. Though they are participating in various employment in increasing rate but their contribution are invariably ignored due to the unpaid nature of domestic economic activities. While employment opportunities have increased for educated women, the illiterate and semi-literate women are suffered from the crisis created by new age economic reforms.

The introduction of new macro-economic policies and modernization of production processes demand the acquisition of new skills and training. This has displaced the low skilled non-trained women workers. To tackle with this emerging problem, Government and different NGOs have taken up various skill development and vocational training for women. However, national objectives to the women workforce in various developmental processes require the social recognition of their multi-dimensional roles of

home makers, mothers and bread winners. Marriage and motherhood should not be ignored in the developmental perspectives because these contribute to the continuation of society without hampering their economic participation (Mishra and Alam 2009). The three thrust areas of empowerment – that is social, economic and political must be given huge attention in order to utilize the unidentified potentialities of Indian women and ensure their socio-economic development.

**Chart 4: Gender Development Issues in Indian Planning**

|  |  |
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| <b>First Five Year Plan (1951-56)</b>            | <b>Development of women along with the welfare of disadvantaged groups like destitute, displaced, aged, etc.</b>   |
| <b>Second to Fifth Five Year Plans (1956-79)</b> | Welfare approach, priority given to women’s education, improved maternal and child health services, supplementary feeding for children and expectant and nursing mothers.                                      |
| <b>Sixth Five Year Plan (1980-85)</b>            | Shift from ‘welfare’ to ‘development’ approach with priority on health, education and employment leading to the emergence of entrepreneurship.   |
| <b>Seventh Five Year Plan (1985-90)</b>          | Aimed at socio-economic status upliftment of women by bringing them into the mainstream national development. Generation of skilled and unskilled employment through proper education and vocational training. |
| <b>Eight Five Year Plan (1992 – 97)</b>          | Emphasis on the overall development of women including economic development.   |
| <b>Ninth Five Year Plan (1997-2002)</b>          | Empowerment of women and convergence of existing services available at women specific and related sectors.   |
| <b>Tenth Five Year Plan (2002-07)</b>            | Empowering women as a change through socio-economic empowerment and gender Justice.  |

|  |  |
|--|--|
| <b>Eleventh Five Year Plan (2007-12)</b> | Stressing on empowerment of women by transforming SHGs to community based organizations. They would also be in a position to shift from micro credit to larger credit facilities offered by banking institutions and thus will come into their own as a formidable economic force. |
| <b>Twelve Five Year Plan(2012-17)</b>    | To improve both the position and the condition of women by addressing structural and institutional barrier as well as strengthening gender mainstreaming.  |

Several Conferences on Women Entrepreneurship was held after 1980s to discuss and undertake measures for their upliftment. First of these was held at New Delhi in 1981 to recommend simplifications of training, loan and marketing procedures. The second was held in 1989 to suggest measures like easy availability of infrastructural facilities including those of financial and marketing promotions for the products manufactured by women entrepreneurs and to welcome international guidance for their assistance (Gupta & Srinivasan 2006).

**Conclusion**

There are enough evidences to show that almost all the women in India are economically active. However majority of them are worked in unorganized sector and unpaid family domain and consequently get hardly any benefits from government. They usually entitled low wage, less remuneration compared to men even if they provide more working hours. Besides they are also not able to avail other benefits provided by employment rules. Conditions of unemployment, underemployment and casual work affect physical and mental stability of women. These lead to poverty, deteriorating self-image and self-esteem. Even if they are in entrepreneurship, their initiatives are severely pulled back by tough terms of loan scheme, immobility, and problem of time management and lack of moral and financial support on their part. Though there are a number of

legislative measures providing socio-economic security to women entrepreneurs, but these do not touch the socio- economic and cultural contexts of discriminations in which most Indian women live. The problem of entrepreneurial participation is more acute for women due to their multiple roles of a worker, housewife and mother. The lack of capital and assets, irregular income, sickness, poor working and living conditions, lack of outside linkages and opportunities for training and marketing of productions, altogether drag them into deprivation, discrimination, poverty and status degradation.

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