

Women Entrepreneurship in India

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Abstract

Entrepreneurship of Women development is an essential part of human resource. Compared to other countries the development of women entrepreneurship is very low in India, especially in the rural areas. However, women of middle class are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class families in urban cities. The paper talks about the status of women entrepreneurs and the challenges faced by them and also how much credit can be given to entrepreneurship for the unprecedented innovation and growth of free-enterprise economies. This paper further focuses on the summary of research on entrepreneurs and discusses the trends in the development of the field. The paper helps to identify the category of Women entrepreneurs in different phases and their participation as successful Entrepreneurs.

Keywords: Entrepreneurship Growth, Women entrepreneurs, Key to Success, problems, challenges.

Introduction

Women entrepreneurship has been recognised as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organisation and business problems. However, they still represent a minority of all entrepreneurs. Women entrepreneurs often face gender-based barriers to starting and growing their businesses, like discriminatory property, matrimonial and inheritance laws and/or cultural practices; lack of access to formal finance mechanisms; limited mobility and access to information and networks, etc. Women's entrepreneurship can make a particularly strong contribution to the economic well-being of the family and communities, poverty reduction and women's empowerment, thus contributing to the Millennium Development Goals (MDGs). Thus, governments across the world as well as various developmental organizations are actively undertaking promotion of women entrepreneurs through various schemes, incentives and promotional measures.

Reasons for Becoming Women Entrepreneur

Many studies have concluded that women start their own businesses for a variety of reasons. These reasons included, having an idea for a business plan, a passions for solving a specifically related career problem, wanting to be more in control of their careers, maintaining a more balanced life, having a flexible work schedule, taking a personal vision and turning it into a lucrative business. Along with the intense desire to see their vision carried out, these women also have a great ability to multi-task and are not fearful of the risks involved in being self employed. Women are still facing many issues in the workforce and being their own boss certainly is more appealing to some of the everyday issues they face in outside of entrepreneurship.

Objectives of the study

- To explore the reasons why women start business of their own: Key to success.
- To study the characteristics of women entrepreneurs.
- To study the categories of Women Entrepreneurs in India.
- To find the problems encountered by women in starting business Enterprises.
- To study Development of Women Entrepreneurs

Methodology of Study

The study focuses on extensive study of Secondary data collected from various books, National & international Journals, publications from various websites which focused on various aspects of Women Entrepreneurship.

Literature review

Women entrepreneurs in India - Emerging issues and challenges

There are various surveys and studies that indicate that women entrepreneurship is on the rise the world over. In India too, there has been a substantial escalation in women entrepreneurship and several surveys conducted of late, further validate this overwhelming phenomena.

Women entrepreneurs are a vital source of growth that can power our economies for decades, yet they face tremendous challenges to their full economic participation. The GEM Women's Report provides important data which is critical to our understanding of women-run SMEs, said Melanne Verveerin (2010).

A survey was conducted by Women's Web in 2012, where 100 Indian women entrepreneurs were interviewed and some of the findings of this survey were very interesting. Majority of the respondents were small & medium business owners. It also clearly indicates the confidence of women in India and how even at a young age, they are rearing to actualize their dreams business is doing well. When asked about expectations for business growth, women entrepreneurs in India are very optimistic about it. These are all signs that women are fearlessly taking the initiative to implement a creative idea and are no longer afraid of taking risks. Women entrepreneurship is definitely an emerging trend. In the times to come gender disparity at the work place will wane and there will be the meteoric rise of the woman entrepreneur!

So a broad insight into the literature review suggests that, today the Indian women entrepreneurs increasingly are a force to be reckoned with. "According to the Women's Global Entrepreneurship study conducted in US, UK and India, commissioned by Dell (2012), it has been found that the ideal country for a woman starting a business in 2012 could well be India." that a new wave of entrepreneurship is going to thrive in these turbulent times. So it becomes imperative for the researcher to examine the rise of Women Entrepreneurs in India over the years. Therefore, the primary objective of the research is to study the significant rise of Women Entrepreneurs in India and how it has evolved since the pre-independence days (Before 1947), during the British colonial days.

Institutions supporting women entrepreneurship in India

INSTITUTIONS	YEAR
Central Bank of India Credit Schemes	1911
Self-Employment Women's Association	1972
National Bank for Agriculture and Rural Development (NABARD)	1982
State Government Schemes for Development of Women and Children in Rural Areas (DWCRA)	1982
Association of Women Entrepreneurs of Karnataka (AWAKE)	1983
Small Industries Development Bank of India (SIDBI)	1990
Federation of Indian Women Entrepreneurs	1993

(FIWE)	
Consortium of Women Entrepreneurship in India (CWEI)	1996
The Indus Entrepreneurs- Stree Shakti	2009
National Entrepreneurship Network-Goldman Sachs 1000 Women Entrepreneurs	2009
Google India Women on Web	2012

Characteristics of women entrepreneur

In 1993, "Take Our Daughters to Work Day" was popularized to support career exploration for girls, later expanded to Take Our Daughters and Sons to Work Day. "Investing in women is not only the right thing to do but also the smart thing to do." (Hilary Clinton from unfoundation.org) Research shows that there are many support groups for women in business, female entrepreneurs and women just looking for business advice. Women in different areas are wanting to show the support that in some cases, they never had. One such group is can be found on Facebook called Mompreneurs, they offer encouragement, advise and support to moms who seek to provide for their families through their own visions for business. HerCorner, is a group located in Washington, D.C. This groups seeks to bring women business owners together to collaborate with each other for the betterment of their businesses.. Female-only taxi companies in India, the UAE and Brazil support working women. One example of successful women entrepreneurs in rural villages of Bangladesh is the Infolady Social Entrepreneurship Programme (ISEP).

Women's Entrepreneurship Development (WED)

The ILO's Women's Entrepreneurship Development programme (ILO-WED) is part of the Small and Medium Enterprises Unit (SME). ILO-WED works on enhancing economic opportunities for women by carrying out affirmative actions in support of women starting, formalizing and growing their enterprises, and by mainstreaming gender equality issues into the ILO's work in enterprise development. This approach to WED is highlighted in the ILO WED Strategy that was adopted by the Governing Body in March, 2008. The ILO-WED approach is threefold, working with governments, employers' organizations, trade unions, and local community-based organizations to: create an enabling environment for WED that generates quality jobs; build institutional capacity in WED; and development of tools and support services for women entrepreneurs. It does so both through targeted approaches and gender mainstreaming, with a clear objective to contribute towards gender equality and women's economic empowerment. ILO WED Strategy was built from the expertise developed under WEDGE, (Women's Entrepreneurship Development and Gender Equality). WEDGE is comprised of technical cooperation projects that are funded by donors such as Irish Aid and NORAD and enable the WED strategy to be operationalised. Building on local partnerships, WEDGE projects have developed a series of tools and approaches, based on the research and experience from pilot projects organized with local partners and country offices. WED has been working with the ILO's SKILLS department to mainstream disability into women's entrepreneurship development, targeting women with disabilities and HIV/AIDS within WEDGE projects. The WED Strategy provides a flexible and innovative response to promote women's entrepreneurship development based on local needs and circumstances. Gender Equality is and will remain at the forefront of the WED strategy.

Categories of women entrepreneurs in India

First category

Established in big cities.

Having higher technical qualifications.

Sound financial positions.

Second category

Established in cities and towns

Having sufficient education

Undertaking women services- kinder garden, crèches, beauty parlors, health clinics

Third category

Illiterate Women

Financially weak

Involved in family business like agriculture, dairy, handlooms power looms horticulture etc.

Women Entrepreneurship 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
Total	57,452	18,848	32.82

Policies and Schemes for Women Entrepreneurs in India

In India, the Micro, Small & Medium Enterprises development organisations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. The Office of DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems. There are also several other schemes of the government at central and state level, which provide assistance for setting up training-cum-income generating activities for needy women to make them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. For instance, under **Prime Minister's Rozgar Yojana (PMRY)**, preference is given to women beneficiaries. The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme. Similarly, under the **MSE Cluster Development Programme** by Ministry of MSME, the contribution from the Ministry of MSME varies between 30-80% of the total project in case of hard intervention, but in the case of clusters owned and managed by women entrepreneurs, contribution of the M/o MSME could be upto 90% of the project cost. Similarly, under the **Credit Guarantee Fund Scheme**

for Micro and Small Enterprises, the guarantee cover is generally available upto 75% of the loans extended; however the extent of guarantee cover is 80% for MSEs operated and/ or owned by women. Some of the special schemes for women entrepreneurs implemented by the government bodies and allied institutions are provided below.

- Schemes of Ministry of MSME
 - Trade related entrepreneurship assistance and development (TREAD) scheme for women
 - Mahila Coir Yojana
- Schemes of Ministry of Women and Child Development
 - Support to Training and Employment Programme for Women (STEP)
 - Swayam Siddha
- Schemes of Kerala State Women's Development Corporation
 - Self employment loan programmes
 - Educational loan schemes
 - Single women benefit schemes
 - Job oriented training programmes
 - Marketing support for women entrepreneurs
 - Autorickshaw / school van's driver scheme

Successful Indian Business Women

1. Indra Nooyi, Current position: CFO, Pepsico.

Indra Nooyi,56, is the current chairman and CFO of the second largest food and beverage business, PepsiCo. Born in Chennai, Indra did her Bachelor's in Science from Madras Christian College in 1974 and a Post Graduate Diploma in Management (MBA) from Indian Institute of Management, Calcutta in 1976. Beginning her career in India, Nooyi held product manager positions at Johnson & Johnson and textile firm Mettur Beardsell. Nooyi joined PepsiCo in 1994 and was named president and CFO in 2001. She has been conferred with prestigious Padma Bhushan for her business achievements and being an inspiration to India's corporate leadership.

2. Nina Lal Kidwai, Current position: Group General Manager & Country Head – HSBC, India

Naina Lal Kidwai,55, is presently the Group General Manager and Country Head of HSBC India. Naina has a Bachelor's degree in Economics from Delhi university and an MBA from Harvard Business school. In fact, Kidwai was the first Indian woman to graduate from Harvard Business School. She started her career with ANZ Grindlays. Presently, she is also serving as a non-executive director on the board of Nestle SA. Kidwai is also global advisor at Harvard Business school. Indian government conferred Padma Shri award on Naina for her contributions in the field of Trade and Industry.

3. Kiran Mazumdar Shaw, Current position: CMD, Biocon

Kiran, 59, is the founder Chairman and Managing Director (CMD) of Biocon

Limited. Born in Bangalore, Shaw completed her Bachelors in Zoology from Mount Carmel College, Bangalore University. She later did her post-graduation in Malting and Brewing from Ballarat College, Melbourne University. She worked as a trainee brewer in Carlton and United Breweries, Melbourne and as a trainee maltster at Barrett Brothers and Burston, Australia. She started Biocon in 1978 and spearheaded its evolution from an industrial enzymes manufacturing company to a fully integrated bio-pharmaceutical company. Today Biocon under Shaw's leadership has established itself as a leading player in biomedicine research with a focus on diabetes and oncology. Kiran is also a member of the board of governors of the prestigious Indian School of Business and Indian Institute of Technology Hyderabad. Kiran received the prestigious Padma Shri (1989) and the Padma Bhushan (2005) from the government of India.

- 4. Chanda Kochar, Current position: MD & CEO – ICICI Bank**
Chanda Kochar, 51, is currently the MD & CEO of India's largest private bank ICICI Bank. Rajasthan born Chanda got Masters Degree in Management Studies from Jamnalal Bajaj Institute of Management Studies, Mumbai. She received the Wockhardt Gold Medal for Excellence in Management Studies as well as the J. N. Bose Gold Medal in Cost Accountancy. Chanda Kochhar is married to Deepak Kochhar, a wind energy entrepreneur and her Business schoolmate.
- 5. Shahnaz Hussain, Current position: CEO, Shahnaz Herbals Inc**
Shahnaz Hussain is the biggest name in herbal cosmetics industry in India. She has introduced a number of trend setting herbal products. Currently, the Shahnaz Husain Group has over 400 franchise clinics across the world covering over 138 countries. Her pioneering work got recognition from Govt of India when she was conferred with prestigious Padma Shri award in 2006.
- 6. Ravina Raj Kohli, Current position: Founder & Executive Director, JobCorp**
Ravina Raj Kohli is an international media veteran with an experience of 24 years spanning across television and radio broadcasting, advertising, filming and journalism. Ravina is also Indian television's first woman CEO. She was CEO of Star news until 2004. Before Star, Ravina worked at Sony Entertainment Television as Head of Content and Communication and with the Kerry Packer owned Channel 9 on the Doordarshan platform as CEO. She has earned a Diploma from the London School of Journalism, as well as a Bachelor's Degree in Psychology, Economics and Literature from Bangalore University.

Problems faced by Women Entrepreneurs

1. Lack of Working Capital: To be Women & to do something on their own becomes quite difficult for them because of lack of Access to funds as Women do not possess any tangibles security.
2. Motivational Factor: Self Motivation, Attitude to take up risk and behavior towards the business society, family support, financial assistance from public and private Institutions and also environmental suitable for Women to establish business units

3. The family structure is generally male dominated, hence the Male members think it a big risk financing the ventures run by women. Greatest deterrent to women entrepreneurs is that they are women.
4. The financial institutions are skeptical about the entrepreneurial abilities of women. The bankers consider women loonies as higher risk than men loonies. The bankers put unrealistic and unreasonable securities to get loan to women entrepreneurs.
5. Women's family obligations also bar them from becoming 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"
6. The male - female competition is another factor, which develop hurdles to women entrepreneurs in the business management process. 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.

Conclusion

According to the study it has been observed that Women are very good entrepreneurs, and prefer to choose the same as they can maintain work life balance. Even though we have many successful Women Entrepreneurs in our country, but as we have a male dominated culture there are many challenges which women entrepreneurs face from family & Society.

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