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Emerging role of Women Entrepreneurs in India

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ABSTRACT

The status of women in India has been changing due to growing industrialization, globalization, and social legislation. With the spread of education and awareness, women have shifted from kitchen to higher level of professional activities. Entrepreneurship has been a male-dominated area from the very early age, but time has changed these brought women as today's most memorable and inspirational entrepreneurs. In almost all the developed countries in the world women are putting their steps at par with the men in field of business. The role of Women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry and engineering. Women are also willing to take up business and contribute to the Nation's growth. There role is also being recognized and steps are being taken to promote women entrepreneurship. This paper focuses on women entrepreneur. Any understanding of Indian women, of their identity, and especially of their role taking and breaking new paths, will be incomplete without a walk down the corridors of Indian history where women have paused, lived and internalized various role models.

Keywords: *women entrepreneurs, Role in India, Government Policies and scheme*

Introduction

In developing economies, the small savings of rural areas are contributing more in establishing the small and micro enterprises in India. In the light of demise of rural artisanship, entrepreneurship has given much importance as well as empowerment too. The women empowerment has been played important role of Governments and other non-governmental organizations. The women are endowed with innate power

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that can make them successful entrepreneurs. Women entrepreneurship is inherent and also a natural process. Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries, which have lesser percentage of them in the society. In India, women constitute around 48 per cent of the population but their participation in the economic activities is only 34 per cent. As per the Human Development Report (2007), India ranks 96th on the gender related development index of 137 nations. The gender empowerment measures, which estimate the extent of women participation in the country's economic and political activities, rank India as 110th of the 166 nations. In the emerging complex social scenario, women have a pivotal role to play. Now women have taken up entrepreneurial role in order to create a meaning for themselves. The traditional roles of housewives are gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income. When proper exposure, education and knowledge are imparted to them, Indian women will prove themselves to be highly potential productive force for the development of the nation.

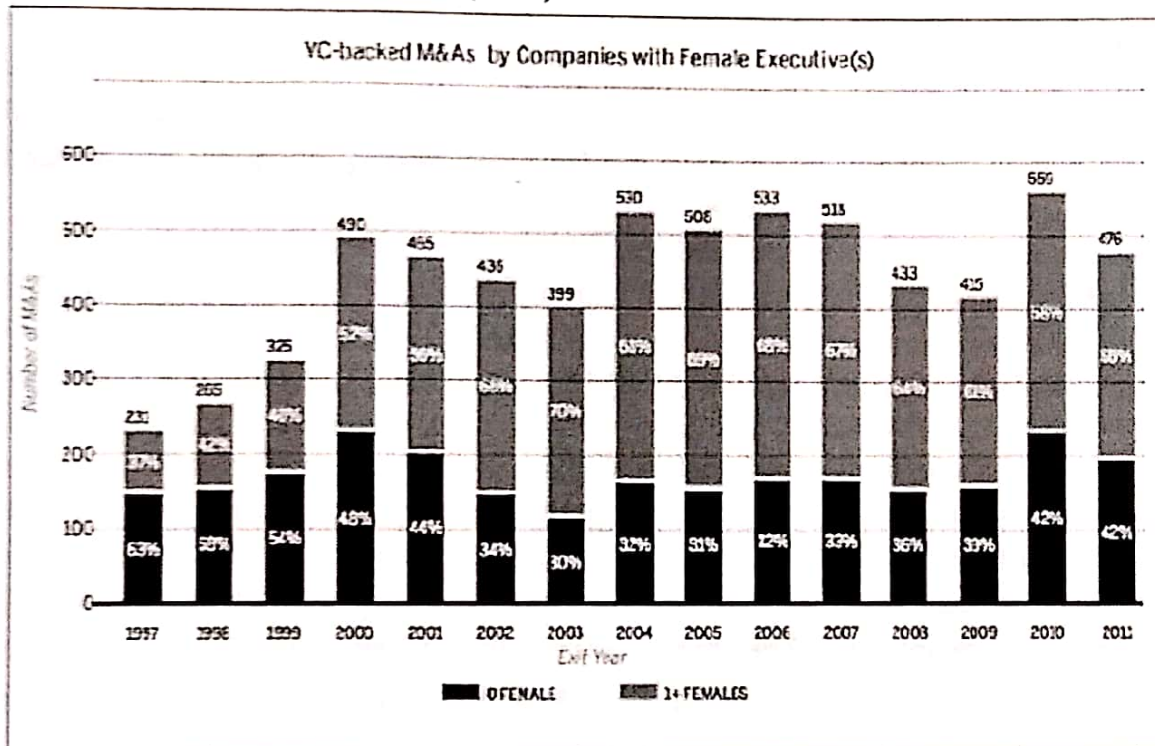
Meaning of Women Entrepreneurs

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined women entrepreneurs as 'an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women'. Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stands on their own legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddled with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such a situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and responsibility is thrust upon them.

Top Ten Women Entrepreneurs

Worldwide, businessmen, economists and politicians today assent that, 'Women owned businesses boost the economy'. Presenting here, dames who pioneer 'women entrepreneurship' and epitomize the female power globally. 1 Madame C.J. Walker (1867-1919), 2. Gabrielle Bonheur 'Coco' Chanel (1883-1971), 3. Estée Lauder

(1908-2004), 4. Mary Kay Ash (1918 - 2001), 5. Lillian Vernon (1929), 6. Martha Stewart (1941), 7. Anita Roddick (1943 - 2007), 8. Vera Wang (1949), 9. Oprah Winfrey (1954), 10. Debbi Fields (1956).



Literature review

The study by Rani (1996) found that the availability of leisure time motivated women entrepreneurs from higher income classes. Contrary to above, women entrepreneurs are forced to take entrepreneurship in the absence of any other means of contributing to family income (D'Cruz, 2003). The study also found that, family support and encouragements are the highest facilitating factor which helped women to aspire entrepreneurship (Pillai and Anna, 1990). Traditional concept of the entrepreneurship cited the desire to self-employed, to generate income and to utilize skills according to Hookoomsing and Essoo (2003), (Richardson et al., 2004). Women's reasons for starting business are not always often driven by positive factors but also due to negative circumstances i.e. low family income, lack of employment opportunities, dissatisfaction with a current job or the need for flexible work (Robinson, 2001). These factors tend to be most predominant among women within developing economies (Dhaliwal, 1998). A previous study also observed that the primary concern of women NGO founders in India is pursuing the NGO's mission than the earnings (Handy, Kassam and Ranade, 2003).

Tambunan (2009) made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in

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small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining overwhelming importance; more than 95 per cent of all firms in all sectors on average per country. The study also depicted fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study revealed that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes.

Singh (2008) identifies the reasons and influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles and challenges. He mentioned obstacles in growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting and pulling to grow and support the winners etc. The study advocates for ensuring synergy among women related ministry, economic ministry & social & welfare development ministry of the Government of India.

Lall and Sahai (2008) conduct a comparative assessment of multi-dimensional issues and challenges of women entrepreneurship and family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges and future plan for expansion, based on demographic variables. Through stratified random sampling & convenience sampling the data have been collected from women entrepreneurs working in urban area of Lucknow. The study identified business owner's characteristics as self perception self esteem, Entrepreneurial intensity and operational problem for future plans for growth & expansion. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

Cohoon, Wadhwa and Mitchell (2010) present a detailed exploration of men and women entrepreneur's motivations, background and experiences. The study is based on the data collected from successful women entrepreneurs. Out of them 59 per cent had founded two or more companies. The study identifies top five financial and psychological factors motivating women to become entrepreneurs. These are desire to build the wealth, the wish to capitalize own business ideas they had, the appeal of

startup culture, a long standing desire to own their own company and working with someone else did not appeal them. Challenges are more related with entrepreneurship rather than gender. However, the study concluded with the requirement of further investigation like why women are so much concerned about protecting intellectual capital than their counterpart. Mentoring is very important to women, which provides encouragement and financial support of business partners, experiences and well developed professional network.

Greene et.al. (2003) evaluated the research and publication contribution in the area of women entrepreneurship. The study categorized various journals and resources of research on the basis of certain parameters concerned with women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives.

Objectives and Research Methodology

The study is based on secondary data which is collected from the published reports of NABARD, Census Surveys, RBI SSI Reports, newspapers, journals, websites, etc. The study was planned with the following objectives:

1. To determine possible success factors for women in entrepreneurial activities.
2. To make an evaluation of people's opinion about women entrepreneurship.
3. Discuss the development of women entrepreneurs through small and medium enterprises.
4. To find reasons of women for involving themselves in entrepreneurial activities
5. To highlight the factors influencing the women entrepreneurs.
6. To study the major constraints faced by the women entrepreneurs.

Women Entrepreneurship in India

Women are generally perceived as home makers with little to do with economy or commerce. In Modern India, more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises. Even as women are receiving education, they face the prospect of unemployment. In this background, self employment is regarded as a cure to generate income. The Planning commission as well as the Indian government recognizes the need for women to be part of the mainstream of economic development. Women entrepreneurship is seen as an effective strategy to solve the problems of rural and urban poverty. Traditionally, women in India have been generally found in low productive sectors such as agriculture and household activities. Human Development Report 2004 ranks India 103 in Gender related Development Index (GDI). As per 2001 census; women constitute nearly half of India's population. Out of this total, 72 per cent were

engaged in agriculture, 21.7 per cent in other non agricultural pursuits with only 6.3 per cent in household industries.

Women entrepreneurs in India are handicapped in the matter of organizing and running businesses on account of their generally low levels of skills and for want of support system. The transition from homemaker to sophisticated business woman is not that easy. But the trend is changing. Women across India are showing an interest to be economically independent. Women are coming forth to the business arena with ideas to start small and medium enterprises. They are willing to be inspired by role models- the experience of other women in the business arena. The role of women entrepreneurs is especially relevant in the situation of large scale unemployment that the country faces. The modern large scale industry cannot absorb much of labour as it is capital intensive. The small scale industry plays an important role absorbing around 80 per cent of the employment. The myth that women cannot engage in productive employment needs to be dispelled. They can be encouraged to set up small and medium scale industries on their own initiative. Entrepreneurship development for women is an important factor in economic development of India. Rural women can be encouraged to start cottage industries. Rural based micro enterprises have been encouraged by the government by various schemes-such as Integrated Rural Development Program (IRDP), Training of Rural Youth for Self Employment (TRYSEM), and Development of Women and Children in Rural Areas (DWCRA). The aim is to remove poverty through entrepreneurial programs.

Schemes for Women Entrepreneurs in India

In India, the Micro, Small & Medium Enterprises development organizations, various State Small Industries Development Corporations, the nationalized 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 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 per cent 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 up to 90 per cent of the project cost. Similarly, under the Credit Guarantee Fund Scheme for Micro and Small Enterprises, the guarantee cover is generally available up to 75 per cent of the loans extended; however the extent of guarantee cover is 80 per cent 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.

At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

1. Integrated Rural Development Programme (IRDP)
2. Khadi And Village Industries Commission (KVIC)
3. Training of Rural Youth for Self-Employment (TRYSEM)
4. Prime Minister's Rojgar Yojana (PMRY)
5. Entrepreneurial Development programme (EDPs)
6. Management Development programmes
7. Women's Development Corporations (WDCs)
8. Marketing of Non-Farm Products of Rural Women (MAHIMA)
9. Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
10. Trade Related Entrepreneurship Assistance and Development (TREAD)
11. Working Women's Forum
12. Indira Mahila Yojana
13. Indira Mahila Kendra
14. Mahila Samiti Yojana
15. Mahila Vikas Nidhi
16. Micro Credit Scheme
17. Rashtriya Mahila Kosh
18. SIDBI's Mahila Udyam Nidhi
19. Mahila Vikas Nidhi
20. SBI's Stree Shakti Scheme
21. NGO's Credit Schemes
22. Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
23. National Banks for Agriculture and Rural Developments Schemes
24. Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)
25. Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains

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26. NABARD- KfW-SEWA Bank project
27. Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support.

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

Tips for Women Entrepreneurs

1. Start a business that works for you and your personal life
2. Research the product/ service
3. Assess the market
4. Start business with adequate funds
5. Do networking
6. Consult with professionals

Here are some suggestive measures, to solve the problems confronted by them and for running their enterprise smoothly.

1. Proper technical education to women and opening of women development cells.
2. Improvement of identification mechanism of new enterprise.
3. Assistance in project formulation and follow up of training programmes.
4. Credit facilities, financial incentive and subsidies.
5. Adequate follow-up and support to the women enterprises.
6. Women Enterprises research and application from time to time have to be documented.

Conclusion

The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. From these suggestions it is quite visible that for development and promotion of women entrepreneurship, in the region, there is a need for multi dimensional approach from different sector, namely from the government side, financial institutions, individual women entrepreneurs and many more, for a flexible integrated and coordinated specific approach. The principal factor in developing entrepreneurship among women is not in terms of infrastructure or financial assistance or identifying an enterprise but it is a question of clearing the ground for their movement into entrepreneurship. For ages together they have been confined to a secondary role and confined to the homes and you have to bring out so that they become self-reliant, self-respecting enterprising

people. Though there are several factors contributing to the emergence of women as entrepreneurs, the sustained and coordinated effort from all dimensions would pave the way for the women moving into entrepreneurial activity thus contributing to the social and economic development of the members of the family and thereby gaining equality and equal importance for themselves. Today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Women sector occupies nearly 48 per cent of the Indian population.

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