

## **Role of women entrepreneurship in Sustainable development of India**

**Miss. Surekha Adki**

**Assistant Professor**

**School of Management Studies**

**Chaitanya Bharathi Institute of Technology**

**Hyderabad**

**Email Id: surekhaadiki@gmail.com**

### I. INTRODUCTION

Development affects people in different parts of the world in different ways. It also affects people differently, depending whether they are male or female. Being aware of this and taking it into account in development planning and action is known today as practicing a 'gender perspective'.

Generally speaking, there have been a number of improvements to women's lives in the past twenty years. For example, female life expectancy is increasing; more girls are going to school; more women are in the paid workforce; and, many countries have introduced laws to protect women's rights. However, the genders divide remains. There has been "no breakthrough in women's participation in decision-making processes and little progress in legislation in favour of women's rights to own land and other property", according to Mr. Kofi Annan, in his role as Secretary General of the United Nations.

For the sustainable development of the nation, the development of entrepreneurship is very significant. Sustainable development is broadly defined as development which meets the requirements of the present without compromising the ability of future generations to meet their own needs. Sustainable development depends on an equitable distribution of resources for today and for the future. It cannot be achieved without gender equality. Women's empowerment is a key factor for

achieving sustainable economic growth, social development and environmental sustainability. In this paper, the main focus is on the 'Role of women entrepreneurship in sustainable development of India', because women participation in every economic activity has been increasing in recent years. Recently the role of women in the Indian society has been changed considerably, women today are no more confined to the kitchen and the four walls of the house but they have been actively participating in every economic activity and successfully producing more than men in every activity. Women have been always considered to be the source of inspiration and strength for the growth of any individual and thus contributing directly or indirectly towards the prosperity of any nation. In spite of the role of women has been increasing day-to-day in every economic activity and contributing significant part of the total economy of the nation, yet, their needs, their work and their voices are often not considered a priority. As a result, women in many countries do not have equal access, education, health care, employment, land, political power, etc. Since liberalization several steps have been taken to liberalize and cater to the needs of women. A major step taken in this direction is empowering women by training and developing the entrepreneurial skills in them to educate them and make them self-reliant and independent-both financially and socially. Therefore, the main objective of this study is on a) the role of women entrepreneurship in sustainable development

of India and b) study the problems faced by women entrepreneurs.

## II. METHODOLOGY

Mainly secondary source of information collected from published data pertains to women entrepreneurship and also from web sites are used in the study.

## III. ENTREPRENEURS

Someone who exercise initiative by organizing a venture to take benefit of an opportunity and, as the decision maker, decides what, how and how much of a good or service will be produced.

An entrepreneur supplies risk capital as a risk taker, and monitors and controls the business activities. The entrepreneur is usually a sole proprietor, a partner, or the one who owns the majority of shares in an incorporated venture.

### **Entrepreneurship:**

According to the National Knowledge commission an 'Entrepreneurship is the professional application knowledge, skills and competencies and/or of monetizing a new idea by an individual or a set of people by launching an enterprise de novo to pursue growth while generating wealth, employment and social good'.

A.H.Cole defines "Entrepreneurship is purposeful activity of an individual or a group of associated individuals, undertaken to initiate, maintain or aggrandize profit by production or distribution of economic goods and services".

### **Women Entrepreneurship:**

*"When women move forward, the family moves, the village moves and the nation moves".*  
-Pandit Jawaharlal Nehru

Women entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. According to Govt. of India, a women entrepreneur is defined

as "an entrepreneur owned and controlled by women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women".

Entrepreneurship is a turf where men are the major players, but, lately many women entrepreneurs have also prove their Mattel. Women who were earlier the bread maker have now become the bread earners and they are doing great job indeed. According to J.A. Schumpeter, "Women who innovate, initiates or adopts a business activity is called women entrepreneur". Thus women operate business enterprise and want to prove their mettle in innovative and control every aspects of her business for its overall success.

Increase in cost of living has prompted the Indian women to undertake economic activities in order to support their families. They are coming forward to take risks, face challenges and prove to the world that their role in the society is no more limited to that of buyers but they can be also successful sellers. There are thousands of good examples where women entrepreneurs are the key players in any developing country in terms of their contribution to economic development. Now, it is imperative to know who is a women entrepreneur.

Women entrepreneurs have been making a significant impact in all the segments of the economy in India., Canada, Great Britain, Germany, Australia and USA. The areas chosen by women are Retail trade, Restaurants, Hotels, Education, Culture, Cleaning, Insurance and Manufacturing. Women take up business enterprises to profession as a challenge and get over financial difficulties and respond with an urge to do something.

Women Entrepreneurship in India in the 21<sup>st</sup> Century. The combined effect of increase awareness, better education and a change in societal mind set the roles is the century of telecom, IT and Financial institutions. Women expertise in all these industries is beginning to emerge and women are emerging as a force to reckon with Women have come out of their role which was laid back and which related with their father, brother or husband. With the spread of education and awareness, women have shifted from the kitchen, handicrafts and traditional cottage industries to non-traditional higher level of activities. Service sector has opened up vast opportunities for women entrepreneurship developments.

**IV. GROWTH OF WOMEN  
ENTREPRENEURS IN INDIA**

In recent years women have made their mark in different walks of life and are competing successfully with men despite the social, psychological and economic barriers. This has been possible due to education, political awakening, urbanization, legal safeguards, social reforms etc. Some of the women have distinguished themselves in many unconventional fields as Prime Ministers, Ambassadors, Governors, space scientists, pilots, vice-chancellors, Administrators and entrepreneurs. In business, the entry of women is a relatively new phenomenon. On account of the break-up of the joint family system and the need for additional income to maintain living standards in the face of inflation, women began to enter the competitive world of business. A women may start her own business due to several reasons. She may not be able to find job in the market place or she may not be able to work out of her house. Some women may start their own businesses as they are stagnating near top of male-owned firms.

**Growth of Women Entrepreneurs in India:**

The following table shows the number of units registered state wise and the number of women entrepreneurs in India based on this statistical information the percentages were calculated to show the growth rate of women entrepreneurs.

**Table 1**

States	Number of Units Registered	Percentages	
		No. of women Entrepreneurs	
Tamil Nadu	9618	2930	30.36
Uttar Pradesh	7980	31800	39.84
Kerala	5487	2135	38.91
Punjab	4791	1618	33.77
Maharastra	4339	1394	32.12
Gujrat	3872	1538	39.72
Karnataka	3822	1026	26.84
Madhya Pradesh	2967	842	28.38
Other States and UTS	14576	4185	28.71
Total	57,452	18848	32.82

Source : NABARD Annual Report 2011

As per the above table, out of 57,452 units registered, the women entrepreneurs are 18,848, i.e., 32.82%.The significant study is that, there is no

continuous increase or decrease in women entrepreneur in India, despite the number of steps taken by the government and the other organizations for the growth of entrepreneurship among women.

**Women work participation in India:**

**TABLE 2**

Year	Percentage
1970-1971	14.2
1980-1981	19.7
1990-1991	22.3
2000-2001	31.6
2010-2011	31.6

Source : NABARD Annual Report 2011

The above table shows that the women work participation in India has been increasing from 14.2% to 31.6% during the period from 1970-71 to 2010-11. This clearly shows that the participation of women in economic activity has been increasing.

**V. PROBLEMS OF WOMEN  
ENTREPRENEURS**

There are number of problems faced by women at various stages beginning from their initial commencement of enterprise, in running their business.

**1. Absence of Entrepreneurial Aptitude:** Many women take the training by attending the Entrepreneurship Development Programmes without entrepreneurial bent of mind

**2. Quality of EDPs:** All women entrepreneurs are given the same training through EDPs. Second-generation women entrepreneurs don't need such training as they already have the previous exposure to business.

**3. Marketing Problems:** Women entrepreneurs continuously face the problems in marketing their products. It is one of the core problems as this area is mainly dominated by males and even women with adequate experience fail to make a dent. For marketing the products women entrepreneurs have to be at the mercy of middlemen who pocket the chunk of profit. Although the middlemen exploit the women

entrepreneurs, the elimination of middlemen is difficult, because it involves a lot of running about. Women entrepreneurs also find it difficult to capture the market and make their products popular.

**4. Financial Problems:** Obtaining the support of bankers, managing the working capital, lack of credit resources are the problems which still remain in the males domain. Women are yet to make significant mark in quantitative terms. Marketing and financial problems are such obstacles where even training doesn't significantly help the women.

**5. Family Conflicts:** Women also face the conflict of performing of home role as they are not available to spend enough time with their families. They spend long hours in business and as a result, they find it difficult to meet the demands of their family members and society as well. Their inability to attend to domestic work, time for education of children, personal hobbies, and entertainment adds to their conflicts.

**6. Credit Facilities:** Though women constitute about 50 per cent of population, the percentage of small scale enterprise where women own 51 percent of share capital is less than 5 percent. Women are often denied credit by bankers on the ground of lack of collateral security. Therefore, women's access to risk capital is limited.

**7. Shortage of raw materials:** The shortage of required raw materials is also one of the big problems faced by women entrepreneurs. Women entrepreneurs find it difficult to procure the required raw materials and other necessary inputs for production in sufficient quantity and quality. The prices of raw materials are quite high and fluctuate.

**8. Stiff competition:** Women entrepreneurs have to face severe competition from organized industries and male entrepreneurs having vast experience.

**9. High cost of production:** The high cost of production is another problem which undermines the efficiency and restricts development of women entrepreneurs. It is necessary to increase efficiency, expand productive capacity to reduce the cost of production.

### **Policies and Schemes for Women Entrepreneurs in India:**

In India, the micro, small and medium enterprise 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.

- Prime Minister's Rozgar Yojana (PMRY)
- MSME Cluster Development Programme
- Credit Guarantee Fund Scheme for Micro and Small Enterprises

### **Women Entrepreneur Associations:**

Different agencies and NGOs are playing important role in facilitating women empowerment along with Indian government such as:

- Federation of Indian Women Entrepreneurs (FIWE)
- Consortium of Women Entrepreneurs (CWE)
- Self Employed Women's Association (SEWA)
- Women Entrepreneurs Promotion Association
- The Marketing Organisation of Women Entrepreneurs
- SAARC Chamber Women Entrepreneurship Council
- Women Empowerment Corporation
- By Ministry of Micro, Small and Medium Enterprises

- Credit Support Programme
- Rajiv Gandhi Udyami Mitra Yojana
- Prime Minister's Employment Generation

### **Future Prospects of Development of Women Entrepreneurs:**

If we see the present business and entrepreneurship trend throughout the world, we can notice that the percentage or ratio of the women entrepreneurs is growing tremendously. This is a good indicator as if the aforesaid condition prevails through a long period of time the number of women entrepreneurs will just double and even in certain sectors of economy it may triple in the coming 5-7 years. The emergence as well as development of women entrepreneurs is quite visible in India and their over-occupational structure and the enterprises are undergoing drastic change. IT and the revolutionize the method of doing business. New types of enterprises are organisation of work, qualifications and management. For example in Denmark, Entrepreneurial culture is undergoing a positive development.

The government wants these trends to continue. Therefore the Government's industrial policy strategy. Dk21 contains a series of initiatives to foster the entrepreneurial culture and to improve the frame work of provisions for all entrepreneurs, especially the women group of entrepreneurs. Several of the initiatives are especially useful for women entrepreneurs improvement of the entrepreneurial culture, regional contact points and entrepreneur networks as well as more ready access to financing, especially to small loans. These initiatives are to be further adjusted to appeal to women entrepreneurs. All this is providing immense confidence in the women entrepreneurs and enabling them to exercise their skills, risk taking abilities, uncertainly bearing attitude while working in an enterprise.

To inspire confidence and to "sell one's idea" is the policy now-a-days being adopted by women entrepreneurs. Above all, women want competent counselling in various fields: such as namely: financing, liquidity, budgeting, etc. women entrepreneurs also want more appreciation of their idea on the part of the banks. Many say, however,

that they themselves must also be better at selling their idea. More-over with increasing government and non-government and other financial institutions assistance for various women entrepreneurs within the economy there can be significant increase brought about in the growth of women entrepreneurship process. Still efforts are being made to coordinate with the enterprise activities of women and providing them utmost financial, morale, psychological support by various institutions working within the economy and worldwide.

### **VI. SUGGESTIONS TO IMPROVE ENTREPRENEURSHIP**

#### **1. Development of Entrepreneurial Attitude in Women:**

The first step is to develop an entrepreneurial attitude among women. According to

Dr. C. Rangarajan, Formar Chairmen to Finance Commission, the real entrepreneurial spirit of women can assert itself only if they breakout of traditional mould and decide to venture out.

#### **2. Teaching them benefits of networking:**

Women entrepreneurs need to be taught the benefit of network for getting access to resources within the community or industry. Women in low income countries gave significantly smaller network and less geographically mobility than women.

#### **3. Increasing the role of Government:**

The government should try to enhance its role in financing projects. Recently Microcredit is been employed to help women entrepreneurs. Mahila Samakya has been a successful program launched in 1986 by Ministry of HRD, Government of India.

#### **4. Removal of cultural barriers:**

Efforts should be made to remove the cultural barriers and women should be motivated to avail the benefits of entrepreneurship. Information should be provided to them freely so that they can take better decision. Also, discriminating social norms should be removed which propagate negative toward women.

#### **5. Establishing their own identity:**

Establishing their own identity also improves the condition of women entrepreneur. Because the socio-cultural do not allow them to establish their own identity.

**6. Building Confidence:**

Building confidence among women entrepreneur is very essential. Because if a woman has confidence then they realise their potential and they can overcome the problem becoming entrepreneur.

**VII. CONCLUSION**

It can said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate, efforts are being taken at the economy as well as global level to enhance women's involvement in the enterprise sector. This is mainly because of attitude change, diverted conservative mind set of society to modern one, daring and risk taking ability of women, support and cooperation by society members, changes and relaxations in government policies, granting upliftment schemes to women entrepreneurs etc. Thus, what else is required to continue with the above changed trend, emphasising on educating women strata of population, spreading awareness and consciousness amongst women to out shine in the enterprise field. Making them realise their strengths, and important position in the society and the great contribution they can make for their industry as well as the entire economy. For this many NGOs should also come forward to extend their support services in the form of pooling financial resources for helping them and spreading education amongst various category of people of the society to encourage woman's in their family to represent themselves in the entrepreneurship sector and earn a good name, reputation, financial status, and goodwill in the field of industry, trade and commerce. If every citizen works with such an attitude towards respecting the important position occupied by the women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservatives and rigid third process which is the biggest barrier in our country's development process. We can promise ourselves and make a sincere commitment of contributing to the field of women

entrepreneurship at an individual level which undoubtedly bring drastic positive change in growth and development of women entrepreneurship at country and even at a global level.

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