

# A Study on Women Entrepreneurship and Its challenges in India

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## ARTICLE DETAILS

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## ABSTRACT

*The situation in India unemployment rate is steadily increasing in the various segment of the economy. This is necessary to develop entrepreneurship in our nation.*

*This paper deals with the women entrepreneurship in India and its challenges. Entrepreneurship development process can solve the social and economic problems through the training, education and technology.*

### Objectives

- To identify the need for entrepreneurs for development of India
- To know the women entrepreneurship development in India
- To examine the challenges faced by women entrepreneurs in India

### Methodology

*The methodology of the study is recent evidence and examples used under observation of the secondary data of the source. Most of the women chosen are from their retail trade area, restaurants, and hotels, education, cultural, cleaning, insurance and manufacturing. Women constitute fifty percent of the total population in the world .But their gainful contribution in employment is comparatively low.*

*The paper discussed the various reasons of Women entrepreneur, concepts of Women entrepreneur development of Women entrepreneur, and challenges of women entrepreneurship in India.*

## 1. Introduction

Today the world is facing unemployment caused by world recession. According to the Economic Forum there were 202 million people unemployed. Wherein Global adult unemployment rate is 4.5 %.but the rate is high in the context of Global youth unemployment rate which is 12.6%. There are 1.2 billion youth in the world between the age group of 15 to 24. The 84% of youth live in developing countries out of 7.1 billion global people. A total of 357.7 million youth was not educated, employed, or trained as per NEET in 2010 and the numbers were rather increasing. The situation in India unemployment rate is steadily increasing in the various segment of the economy. This is necessary to develop entrepreneurship in our nation.

This paper deals with the women entrepreneurship in India and its challenges. Entrepreneurship development process can solve the social and economic problems through the training, education and technology.

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insurance and manufacturing. Women constitute fifty percent of the total population in the world .But their gainful contribution in employment is comparatively low.

## 4. The Concept of Women Entrepreneur

According to Government of India "An enterprise owned and controlled by a women and having a minimum financial interest of 51 per cent of the capital and giving at least 51% of the employment generated in the enterprise to women." This enterprise should provide with incentives in basis of ownership and management and not linked with employment of women.

Joseph Schumpeter: "Women entrepreneurship based on women participation in capital and employment of a business enterprise".

In early Vedic period women enjoyed equal status and freedom for choice their own husband. In Rigved time women married at matured age. Apart from certain social freedom women in these two periods we did not witnessed women as entrepreneur.

In scriptures, women have been indicating the embodiment of Shakti (Durga) but in real life Indian Shakti is treated as "Abla nari" an independent and weak women.

According to Global Poll conducted Thomson Reuters "India is the fourth most dangerous country in the world for women among G20 countries."

In 1980 an I.L.O report as women are 50% of the world's population but their contribution in work hours is only two-thirds.

More or less women have been victimized of social prejudices and discriminated, even today family leader prefer the male child than to female. There are numbers of women feticide cases those are still not stopped.

**5. Need for women entrepreneurship in India**

**Jobless growth**

The empirical findings are supported by the declining capital output ratio in the service sector in India. Size and growth of the service sector is a key areas of employment generation however this not happening in India. The Service Sector contributed 13% in GDP during 1999-2000 therefore jobless growth increased in India's service sector similarly the agricultural sector also failed in growth.

**Table 1: Following table indicates unemployment rate in %**

Year	2007	2008	2009	2010	2011	2012	2013	2014 P*	2015P*
Unemployment rate %	3.8	4.0	3.9	3.5	3.5	3.6	3.7	3.8	3.8

Source: World Bank Projection of unemployment rate, P\* = Projected

**Table 2 : Estimates of Labour Force, employment, unemployment rate, and Numbers of unemployed persons :Work opportunities and Unemployment in the 10<sup>th</sup> & 11<sup>th</sup> Plan (in Millions)**

	2001-02	2002-03	2003-04	2004-05	2009-10
Labour force	378.21	385.02	385.02	417.24	428.9
Employment	344.68	349.89	356.16	382.83	400.8
Unemployment rate in %	8.87 %	9.12 %	9.13 %	8.22 %	6.53%
No. of unemployed	33.53	35.13	35.79	34.3	28.1

Source: DGE&T, Ministry of labour & employment

**Income generation**

Most of the human begins their working activities towards a earning a living, creating wealth and improving their standard of living. These direct activities are related with wages and employment but entrepreneurship gave this indirect fulfillment of income generation. The process by entrepreneurial women tries to generate profits and supplement to income in their family. Today the joint family system has been broken into nuclear family therefore requirement of income generation fulfill by the entrepreneurship development. It can be possible to satisfy the increasing demand of family from new sources of income generation.

**India's demographics dividend**

Seventy percent of Indians will be of working age in 2025, up from 61 percent now. That means a typical Indian family will earn and save more, provided there are enough jobs going around. An average household will also have fewer dependents to provide for. The government will get more tax revenue, which it can invest in new roads and power stations.

C.P. Chandrasekhar stated that this demographic advantage or dividend to be derived from the age structure of the population is traced to the fact that India is (and will remain for some time) one of the youngest countries in the world. A third of India's population was below 15 years of age in 2000. In 2020, the average Indian will be only 29 years old, compared with 37 in China and the United States, 45 in Western Europe, and 48 in Japan. The demographics process this implies would create a large and growing labour force, which is expected to deliver unexpected spin-offs in terms of growth and prosperity. Women entrepreneurship can be pulled demographic dividend turn into growth.

**To achieve gender parity**

Gender discrimination is crucial problem with regard to the development of entrepreneurship of women in the country .Accordingly the global gender gap index is calculated.The

gender gap measures the disadvantages of women in comparison to men .The gender gap between women & men is observed in four key areas viz health, education ,economy, and politics to measure the gender equity in a country. Considering the GGI India has shown slow progress in women education than other developing countries .In India the discrimination ratio in 2017&2018 has been recorded at 0.669&0.665 respectively.

**Migrant women employment**

Among migrant in rural India, male migrants constitute 14.60% and female migrant 85.40% whereas in urban India, male migrant constitute 41.12% and female migrant 58.88%. We are clear for the female migrants have outnumbered then male counterparts in both the sectors. The rural females are more migrant then urban in different reasons in India. This problem corrected through entrepreneurs' development those women workers to give employment.

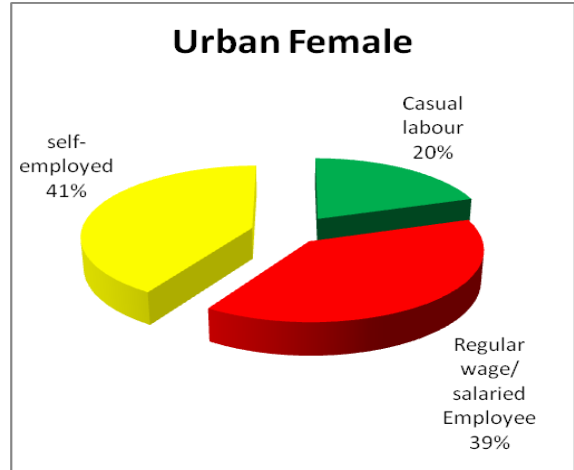
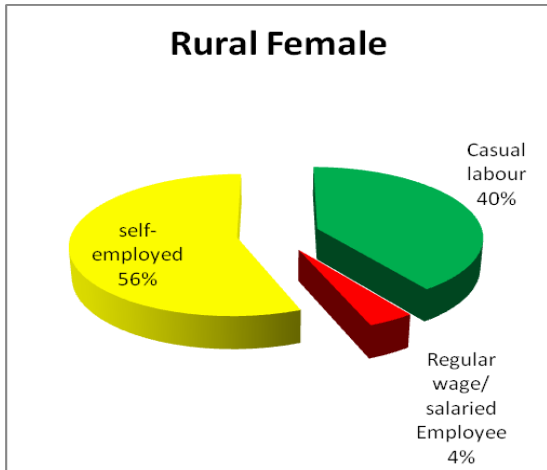
**Development of women entrepreneurship in India:**

In early 1990s the total population was 940.98 million where in out of that the female comprise 437.10 millions. As per 1991 census total workforce of women are 126.48 million (28.9 %) but only 1, 85.900 women accounting (4.5%) self employed in our country. Majority of them are engaged in the unorganized sector like agricultural, handicrafts, handlooms, and cottage-based industries. There are 2.64 millions entrepreneurs in India out of these 2, 95,680 (11.2%) women entrepreneurs are recorded in 1996-97 which was doubled the percentage of women among the total population of self-employed in 1981. Most of the women were concentrated in low paid, low skilled, low technology, low productivity jobs in the rural and unorganized sector.

Only 2.5 million women workers was in the organized sector whereas 179.4 million women workers in the rural areas of India against only 10% (8.6 million) in urban areas. During the 8 year plan the numbers of small scale industry entrepreneur was approximately 9% of women entrepreneur.

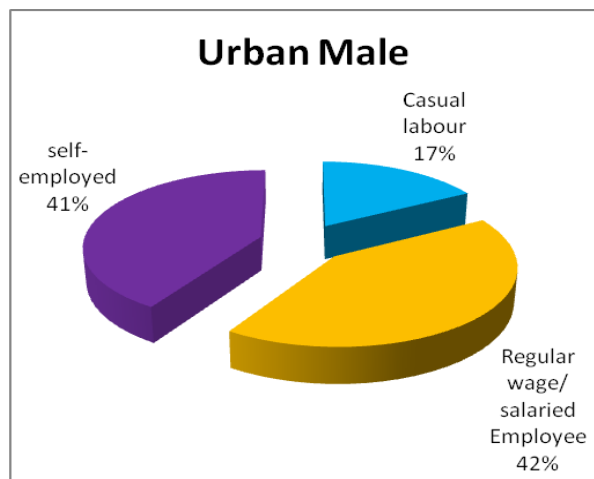
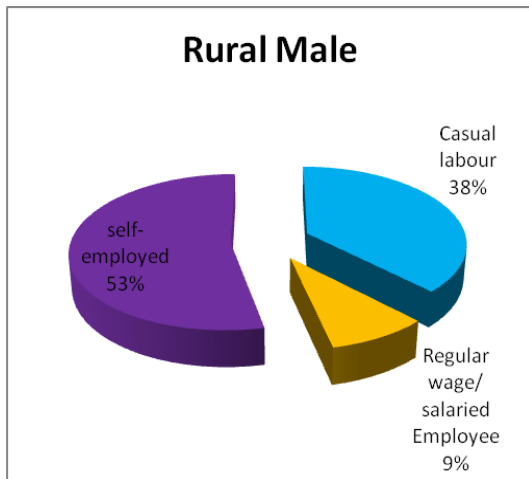
The trend of women participation was increasing in another 5 years in 20% more increasing the numbers of women entrepreneurs which was about 5, 00, 000. It is due to training and other developmental efforts by the planners.

**Percentage share of different broad status of employment in total workforce according to usual status (principal status + subsidiary status)**



Share of self-employment in the rural female usual status (ps +ss) workforce was higher than that of males (56 per cent of rural females were self-employed against 54 per cent of

males) whereas in urban areas for both male and female the share of self-employment was equal (41 per cent each)



Source: NSSO 2011

The higher education is increased by 70% in last 10 years. The 16 lakhs women are in medicine line, 20 women are scientists, 8% in IIT & 13% in IIM. As per the global entrepreneurship monitor findings the India is the most populated country. It was more than 1 billion. India ranked as the part of the second most entrepreneurial group of countries. India has more than 85 million businesses.

time. These is because of higher education increasing due to government encourages some educational, vocational programmes.

**Table 3: Women entrepreneurship development in India**

Country	Percentage
India (1970-71)	14.2
India (1980-81)	19.7
India (1990-91)	22.3
India (2000-11)	31.6

The above table shows that the women entrepreneur grew in different phase of time last decadal growth of women entrepreneur is recorded 31.6 per cent which is high in recent

**6. Fast Facts about Indian IT Industry**

Indian ITES industry performs its initiatives in early 90s. Then after government of India has initiatives such projects like identification of country's peoples (AADHAAR Card), e-governance, open source software SEZ 100% , FDI

- Number of women employed in the Indian IT industry increasing from 421,460 in 2006 to 670,984 in 2008.
- IT-BPO industry is one of the largest recruiters of a qualified workforce in recent times.
- Out of the entire workforce of 400 million, 30-35% are female, and of these women, only 20 per cent work in urban India.
- This trend has had a direct impact on the positions filled by women in IT-BPO, the bottom of the pyramid having gender ratios of up to 40%.

- In the Indian IT industry, women now account for close to 35 per cent of the total workforce and this is expected to go up to 45 per cent by 2010.

## 7. Challenges faced by Women Entrepreneurship in India

### Work and family balance

- Women have tough job to face balancing her family, society and working responsibilities in Indian circumstances.
- During her pregnancy she has to spend up to 12 months to revive her health along with caring her infant and get back to work.
- She has to cope up with everyday household chores such as child-rearing, care for the aged one and so on along with her more than eight hours of working schedule.
- She has to balance between family functions and business events organized at same day or coming days alternatively.
- Society is of no exception; she has to maintain social gatherings and meets.

### International legislation

Today the rules, acts, technology are speedily changing at global level. Even our village women and urban women are lacking in adopting global information.

Today technology, laws, new market information, advertisement and marketing skill are must in the entrepreneurship innovation but to some extent Indian modern system is also found to be passive in this field.

### Competition with MNC and TNC

In a recent time the global scenario has been changed by MNC and TNC like Microsoft, Google, Samsung, TCS, Wipro, Infosys, etc and these companies are increasing their international trade with various developed and undeveloped nation. Those companies are able to give a product or services in a low cost of the world but traditionally developed Indian women entrepreneurs cannot compete with MNC and TNC.

### Strong competition by men

Women entrepreneurs have to face stiff competition from well developed and organized industries and male entrepreneurs having enormous experience. Many of the women enterprises have imperfect organizational set up. But they have to face stiff competition from organized industries as well as male entrepreneurs.

### Limited managerial ability

Women entrepreneurs may not be expert in each and every field of the enterprise. She will not be able to dedicate enough time for all types of functions.

### Low risk taking ability

Women entrepreneurs go through the problem of low risk taking ability as compared to their male counterparts, because they have led a protected life, lack entrepreneurial development training. Inferiority complex, unplanned growth, lack of infrastructure, taking quick decision also increases the rate of risk and chances of loss.

### Less Travelling

Women entrepreneurs cannot travel from one place to another as freely as men do. Women have some peculiar problems like staying out in the nights at distant places etc.

### Discrimination by Society

One of the biggest problems of women entrepreneurs is the social attitude in which she has to live and work. There is discrimination against women in India despite constitutional equality. Women do not get equal treatment in male-dominated Indian society and male ego puts barriers in their progress. Entrepreneurship has been traditionally seen a male preserve and idea of women taking up entrepreneurial activities considered as a distant dream. Any deviation from the norm is frowned and if possible, immediately curbed. Women also have to face role conflict as soon as they initiate any entrepreneurial activity. It is an uphill task for women to face such conflicts and have to cope up with their dual roles

## 8. Conclusion

The success of Women entrepreneurship differs from state-to-state as well as to urban-to-rural. An emerging developing country as an India women entrepreneurship gradually increasing its figure in various new field and we observe the various challenges faced by young new field women entrepreneurs. Although, the various entrepreneur organization have a developmental role to play the success of women entrepreneur such as Women entrepreneur wing of NAYE ( National Alliance of Young Entrepreneurs), Indian Council of Women Entrepreneurs, FICCI ladies Organization (FLO), National Commission on Self Employed Women in the Informal Sector, World Association of Women Entrepreneurs (WAWE), Associated Country Women of the World (ACWW).

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