

Empowering Women Over Entrepreneurship in India

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Abstract: *This research focuses on the characteristics, performance, and problems of women entrepreneurs in one developing economy – India. The results indicate that while the women entrepreneurs exhibited development of economy and providing job opportunities they differed in other aspects such as in their reasons and motivation for starting a venture and problems encountered. These differences reflect in part the effect of a different social structure in a developing economy, particularly the impact of occupational segregation, wage disparity, and participation in a non-supported sector of the economy. An entrepreneur can therefore be defined as an individual or group of individuals who bears risks, unites various factors of production and carries out innovation. Women constitute the family, which leads to society and family. Social and economic development of women is necessary for development of any country. Every woman wants to start their own business but cannot success in our Indian environment in way in which it should be so, in this paper will study how government and other institutions helps in desired development process. Women entrepreneurs have been designated as the new engines for growth and the rising stars of the economies in developing countries to bring prosperity and welfare.*

Keywords: Women entrepreneurs, development, venture, segregation and disparity

1. Introduction

Entrepreneurship is a distinct and crucial factor of production. The spirit of enterprise makes man an entrepreneur. Such a spirit transformed man from a normal to cattle breeder to a settled, agriculturist to a trader and to the industrialist. These entrepreneurs are persons who initiate, organize, manage & control the affairs of business units that combine the factor of production, to supply goods & services, whether the business pertains to agriculture, industry trade or profession. The emergence of entrepreneurs in a society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society.

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 been given much importance as well as empowerment too. The women empowerment has been important role of Governments and other non-governmental organizations. The women are endowed with innate power that can make them successful entrepreneurs.

A variety of stakeholders has pointed at them as an important 'untapped source' of economic growth and development (Minniti and Naudé, 2010). The World Economic Forum identified women entrepreneurs as "the way forward" at their annual meeting in 2012 (WEF, 2012). Others speak of women entrepreneurs as if they are the 'New Women's Movement'. They state: "forget aid, focus on foreign investment in women entrepreneurs as key drivers for growth and development" (Forbes, 2011).

In India, women constitute around 48 percent of the population but their participation in the economic activities is only 34 percent. 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.

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.

Five Indian Womens Changing the Picture of India

1) Ela Bhatt

Founder of SEWA [1]

Self Employed Women Association (SEWA) founded by Ela along with late Arvind Buch, the then president of Textile Labor Association, is a major role player in empowering employment among rural women in Bihar. The association, setup in 1972, assists the women to buy solar bulbs with loans from SEWA and sell or rent them to families in the villages and towns of Bihar. Recognizing her excellent work in the field of microfinance and labor, Ela Bhatt has been awarded the Padmashri, the Padmabhushan as well as the Ramon Magsaysay Award.

2) Thinlas Chorol

Founder of Ladakhi Women's Travel Company [2]

Born and brought up in the beautiful valleys of Ladakh, Thinlas is the only Ladakhi woman to be professionally trained in the field of Mountaineering. Thinlas studied in SEMCOL, The Students' Educational and Cultural Movement of Ladakh. As a guide with Around Ladakh with Students (ALS), Thinlas has been on several mountaineering and expedition trips. With her 2009 found Ladakhi Women's Travel Company she is trying to attract more and

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more women to take up mountaineering and allied studies to earn a living.

3) Annie George

Founder of BEDROC [3]

Her organization helps build disaster-resilient, sustainable coastal communities. Disaster management, Participatory Water Resource Management, and Coastal Vulnerability Mapping are some of the key areas of operations of BEDROC. The main objective of this 2008 registered trust is to leverage experiences of the 2004 Asian tsunami to create community-based, community-owned mechanisms for enhanced disaster response, mitigation and preparedness for coastal communities, as reported at the BEDROC website.

4) Chetna Gala Sinha

Founder of Mann Deshi Mahila Sahakari Bank [4]

Chetna's foundation established in 1994 governs a regulated co-operative bank that is completely operated by women and serves women customers. The bank was established with help of a group of illiterate women and has now grown into a \$562, 000 firm by the end of 2011. In collaboration with HSBC, Mann Deshi Bank established the Udyogini Business School in 2007. "There are thousands of girls who drop out of school in Maharashtra every year, and Mann Deshi Udyogini aims at providing vocational training and financial training to these young women to enable them to become entrepreneurs," reports Naree. com.

5) Shri Mahila Griha Udyog Lijjat Papad

Women's Co-operative Association [5]

The association founded by seven Gujrati housewives is well known for its products launched with the brand name Lijjat. It employs more than 40, 000 women and encourages self-employment through a number of branches across the country. "The seven women were Jaswantiben Jamnadas Papat, Parvatiben Ramdas Thodani, Ujamben Narandas Kundalia, Banuben. N. Tanna, Laguben Amritlar Gokani, Jayaben V. Vithalani, and one more lady whose name is not known," reports Naree. com.

2. Review of Literature

The study by Rani (1996) found that the availability of leisure time motivated women entrepreneurs from higher income classes. Contrary to the 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 such as 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 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% of all firms in all sectors on average per country. The study also depicted the 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 & challenges. He mentioned the obstacles in the 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 & pulling to grow & 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 & Sahai, (2008), conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges & 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 and self-esteem, Entrepreneurial intensity and operational problem for future plans for growth and 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.

In 1992 review of existing literature, Brush concluded that women's business leadership cannot be understood using traditional (male-oriented) frameworks of business analysis. She writes, "Significant differences have been found in reasons for business start-up, educational background, work experience and business skills. . . business goals, management styles, business characteristics and growth rates. These variations suggest that women perceive and approach business differently than men" (p.16). Research related to women's leadership in business ownership has produced findings and theory that can be divided into four general themes outlined briefly below. These themes were

selected for discussion because of their prevalence in literature of the past two decades addressing women's business ownership, much of it published in recognized journals of small business management.

Feminist writers such as Hart (1992) have shown the limitations and incongruence of male leadership patterns applied to women's experiences. Meanwhile in small business literature women are sometimes portrayed as deficit, requiring training to compete with traditional (male) business models measuring success according to profit, growth and size. Much of this literature continues to rely upon assumptions grounded in individualist psychology. Attributes of women business owners are often presumed inherent, and leadership styles are sometimes generalized as if there existed "women's ways" of leading. Also neglected is specific attention to relationships between the emergence of women's leadership in small business, and the changing cultural and political-economic dynamics of the market place.

Women business owners' psychological characteristics were a focus of many early studies (Hisrich and Brush, 1987; Watkins and Watkins, 1983), showing the historical interest in relationships between psychological profile and leadership success. More recently, studies of women's personal development and change related to their small business leadership experiences is a recurring theme. These tend to highlight the importance of women's struggles with identity and personal change in leading their own business, including shaping their own role in the venture (Albert, 1992; Fenwick, 1998; MacKeracher, 1996; Wells, 1998).

Women's motives for starting and leading a business have been documented in many studies (Lee and Rogoff, 1997; NFWBO, 1999b) to help illuminate the desires and needs of women leaders who choose business ownership over organizational management positions. Women's reasons for business start-up reasons encompass a wide range: desiring greater work-life flexibility, seeking challenge, fulfilling a long-felt desire, or escaping an organizational glass ceiling.

Barriers and conflicts encountered by women business owners are sometimes studied from a feminist perspective which critiques the structural and ideological discrimination built in to the existing economy and tacitly-agreed western models of business growth. Reports include isolation and gender-based discrimination of various kinds (Canadian Advisory Council, 1997), exclusion from male networks (Shragg, Yacuk, and Glass, 1992), and limited access to capital (Buttner, 1993). Work-family conflict experienced by women business owners has been a focus of recent studies.

Importance and Relevance of Study

- The study will showcase the emergence of women on the economic scene.
- The study will highlight the development of entrepreneurship among women.
- Contribution of women as an entrepreneur in Indian Economy.
- Highlights of women entrepreneur in different categories.

Purpose of study

The main purpose of the study is to evaluate the women's contribution to country's economy despite of limitations and problems faced in personal and professional life. The purpose of this research is to facilitate a discussion on how best to empower women using entrepreneurship.

Objectives

- To examine the socio-economic characteristics of women entrepreneur.
- To discuss the role of women entrepreneurs in the economic growth of the country.
- To investigate into the major problems encountered by the women entrepreneurs of India.
- To examine various sectors where women entrepreneurs are indulge in & their contribution to GDP.

3. Method

Study area

India is the focus of the study. The study is to evaluate the women's contribution to country's economy despite of limitations and problems faced in personal and professional life. The purpose of this research is to facilitate a discussion on how best to empower women using entrepreneurship. The approach used for this research were mainly desk study, data collection from secondary sources as well as analysis of data using descriptive statistics and other qualitative methods

Data collection

This involved desk study and/or review of relevant literature such as journals, technical documents, government gazettes, RBI annual reports and bulletins, and published materials from the National Bureau of Statistics and the National Planning Commission (NPC), among others. Internet resources (different entrepreneur's website) were also consulted. This also involved the collection of time series data on gross domestic product (GDP), exports and revenues, etc. The study focused on data/information available from 1960 to 2011.

Data analysis

Data collected were analyzed using such descriptive statistics as percentages, means/averages, frequency tables, charts as well as cross tabulations.

4. Results and Discussions

Women entrepreneurs and their increasing presence in India have significantly influenced the social and economic demographics of the country. The participation of women in the labour force has helped millions of families to pull out of poverty and has led to job creation. Women are well known for their leadership skills and hence dominate in new-age industries such as electronic manufacturing, where more than 50% of the employees are women because of their high-precision work and better productivity levels. This attitude towards work and commendable business skills has also emphasized the importance of women in the modern workforce. [8]

In India 20.37% of women are MSME owners which account for 23.3% of the labour force. They are considered to be the backbone of the economy. According to McKinsey Global, India can potentially add US\$ 700 billion to global GDP by increasing women's participation in the labour force. The percentage of women working in the manufacturing and agriculture sectors is higher than that of men. These sectors are usually credited with helping families come out of poverty and contributing to higher household income. Moreover, literacy rates among women grew at 8.8% in FY21, which further highlights the bright prospects of the country.

According to World Bank report [6], in 2012, only 27 percent of adult Indian women had a job, or were actively looking for one, compared to 79 percent of men. In fact, almost 20 million women had dropped out of the workforce between 2005 and 2012. This is equivalent to the entire population of Sri Lanka.

Worryingly, India's rapid urbanization has not yet encouraged more women to join the labor force. Rural jobs have been decreasing and not enough rural women have been able to make the transition to working in urban areas. This makes the need for greater public safety and safe transport more significant. By any measure, the gap is particularly large and has been widening.

India ranks 120 among 131 countries in female labor force participation rates and rates of gender-based violence remain unacceptably high. It's hard to develop in an inclusive and sustainable way when half of the population is not fully participating in the economy. At 17% of GDP, the economic contribution of Indian women is less than half the global average, and compares unfavorably to the 40% in China, for instance. India could boost its growth by 1.5 percentage points to 9 percent per year if around 50% of women could join the work force.

Women entrepreneurs in India are playing a crucial role in the economy by generating employment, accelerating development, and fostering prosperity. Women comprise 14% of the total entrepreneurs in India, which works out to 8 million, and 10% of all formal enterprises are owned by women. About 20.37% of the MSME industry in India is made up of women-led businesses, which also employ about 23.3% of the labour population. However, women face issues such as limited mobility and economic opportunities, as well as constant surveillance by their families and community members. Multi-stakeholder interventions working in the space of women entrepreneurship must focus on deconstructing gender stereotypes, motivating and galvanizing women through skill training, enabling access to financial aid, and focus on awareness generation on available resources such as welfare schemes, processes, and entitlements. While many Indian women have entrepreneurial ambitions, it is often more difficult for them to succeed.

According to the National Sample Survey, only 14% of the businesses in India are run by women entrepreneurs. Most of the companies are bootstrapped and run on a small scale. The global disparity is evident in a report which says nearly

126 million women have their own business across the globe while Indian women linger around the 8 million mark; a paradoxical statement is given that India is the second-most populous nation. [7]

Some Interesting Statistics on Female Entrepreneurs in India:

- About 58% of the female entrepreneurs were in the age range of 20-30 when they started out.
- Nearly 73% of them report revenue of approximately Rs 10 lakhs in a financial year.
- Almost 57% of these women started out solo, i. e., without any other member.
- About 35% of the women had a co-founder.
- Roughly 71% of the Indian female entrepreneurs employ five people or less.

Government Initiatives to Encourage Women Participation

The budget allocated to the Women and Child Development Ministry stood at Rs 25, 172.28 crore in 2022-23, a slight increase of 3 per cent from Rs 24, 435 crore that was given in 2021-22.

This budgetary allocation also includes various development schemes as listed below:

One of the key priorities of the Indian government in Budget 2022-2023 is inclusive development. The Finance Minister, Nirmala Sitharaman reinstated the importance of women led development, one of the important pillars of inclusive development. Reinstating the power of NARI SHAKTI, the minister mentioned the initiatives launched by the Ministry of women and child development.

The four initiatives-Mission Shakti, Mission Vatsalya, Poshan 2.0 and Saksham Anganwadi aim to revamp existing women and child related schemes functioning in silos. The new mission mode approach is bound to improve the current implementation challenges and poor visibility of the schemes. The focus will also be on improved quality of service, capacity building of functionaries at ground level and avoiding duplication in initiatives.

Technology enabled initiatives, such as 'new age Saksham anganwadis', can prove to be instrumental in improving the operational mechanisms. There will be expansion of institutional capacity by establishment of care institutes like Shakti sadans, working women hostels, creches to ensure safety and well-being of women. Further, new policies and enforceable legislation will be adopted to promote gender equality.

Some Earlier Schemes

Bharatiya Mahila Bank Business Loan

This type of business loan was set up in 2017 to help women access cheap loans and dream big despite their lack of resources. The scheme provides loans of over Rs.20 crore (US\$ 2.46 million) for women entrepreneurs. A collateral-free loan can also be availed of for loans worth less than Rs.1 crore (US\$ 0.13 million).

Dena Shakti Scheme

This scheme was launched for women entrepreneurs looking to start their business in certain sectors such as agriculture, retail and manufacturing. The scheme provides loans at an interest rate that is 0.25% below the base rate. The maximum loan application is Rs.20 lakhs (US\$ 26, 468).

Udyogini Scheme

This scheme is for women with an annual income of Rs.1.5 lakh (US\$ 1, 985). It provides loans of up to Rs.3 lakh (US\$ 3, 890) for women wanting to start a business but have no capital.

Women Entrepreneurship Platform

This is a flagship platform started by NITI Aayog to promote women entrepreneurship. The platform hosts various workshops and educational events to motivate women to start their own business.

Pradhan Mantri Mudra Yojana

Even though the scheme was started to help anyone looking to set up a micro/small enterprise get an institutional credit of up to Rs.10 lakhs (US\$ 13, 240), it was mostly availed of by women. Pradhan Mantri Mudra Yojana Scheme. Under the Mudra Yojana, women entrepreneurs of non-corporate and small/micro enterprises, can avail loans up to 10 lakhs at affordable rates of interest. This loan is disbursed in three different types: Shishu, Kishore, and Tarun, depending on the funding requirement and the level of growth of the business.

Cent Kalyani Scheme

The Cent Kalyani Scheme offers loan amount to women for meeting capital expenditure and working capital requirements. A loan amount of up to 10 lakhs is provided to women entrepreneurs from the MSME sector.

To conclude

Women who are financially independent can help the society to grow and develop at a faster pace. So, the Government of India has come up with the above-mentioned loan schemes to make finance accessible to women, who can use them to fulfill their business objectives. This way In a country like India where most women aren't encouraged to think big (especially in the rural parts of the nation), there are some who have soared higher than one would expect in a constrictive setup. These wonder women are inspiring other ladies to venture on the path of entrepreneurship through their success stories comprising personal struggles and challenges. As a result, India is steadily rising up the ranks when it comes to a favorable startup environment coupled with some solid backing from the Indian government. in the world., they can grow and create employment opportunities for other women as well.

5. Conclusion

India was a country where a woman even owning a bank account was considered a major benchmark. However, it currently has over (approx.) 15 million women-owned enterprises, with women leading the start-up ecosystem. Women facing daily hurdles in family and society despite challenging situations in life, women's comes out to be successful in their own start-ups and business. This drastic

transformation clearly underlines the potential of Indian women and their determination. In the coming decades, India is set to witness a major shift, with women dominating the workforce as well as shaping and enhancing the future of the country. It is estimated that over 30 million more women-owned businesses are expected to provide 150–170 million jobs by 2030. With government improving facilities and opportunities for women to flourish in different sectors for entrepreneurship. This could be a game changer and help the economic outlook look brighter than ever.

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