

Women Entrepreneurship In India: The Lesser Favourable Road

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ABSTRACT

Women entrepreneurship is considered a game changing event in the growth and development of an economy. However, when it comes to providing a conducive environment in order to promote and sustain women entrepreneurship, a lot of work still needs to be done. This paper aims to highlight the factors, which are hampering the growth of women entrepreneurship in India. For this, extensive review of existing literature in the domain is undertaken. Major factors identified because of this study are strong patriarchal society, lower educational qualification and self-confidence, lower financial credibility, lack of access to required raw material, labour or machinery conflicting work-life commitments. Vocational as well as personality training and enhanced family support are suggested as major factors that can boost women entrepreneurship growth.

Keywords: challenges to women entrepreneurship, barriers to women entrepreneurship, male dominance, gender inequality

INTRODUCTION

“A woman is the full circle. Within her is the power to create, nurture and transform.” (Mariechild, 2022) “Women who seek to be equal with men lack ambition” (Monroe, 2022). These quotes at times seems overrated when we see the state of certain women led entrepreneurship in India. Women, considered the cradle for life, often faces difficulty in giving or sustaining life to her venture/ start up. The entity that has the power to give life to another entity many a times is unable to fuel life to her venture.

Entrepreneurship itself is a result of careful planning, execution and overcoming of various obstacles that come in your way to stop or pause your progress. Women led entrepreneurship simply has a lot more obstacles than men led ventures.

This paper aims to review the existing literature in the area of women entrepreneurship in order to identify and highlight the significant and most impacting factors that hamper the progress of a

women's entrepreneurial journey. But before dwelling in this core area, one first needs to understand what women entrepreneurship is. As per Government of India, Women entrepreneurship is defined as an enterprise owned and controlled by a women having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise to women (Rashmi, 2016).

Government of India, especially Ministry of Micro, Small and Medium Enterprises (MSME) has conceptualised and executed many schemes to uplift women entrepreneurship in India. Prime Minister's employment generation programme (PMEGP) itself since the year 2019 has helped set up 1.38 lakh projects which were led by women entrepreneurs. Beside this scheme, there are many other schemes like Stand Up India, Mission Indrathanush, Mudra Yojana which are working for the betterment of women entrepreneurs in India. However, they too found that the cultural and traditional norms hamper the progress of women entrepreneurship a lot. (MSME, 2019).

(Jadhawrao Madhavi Sugaraj, 2014) in their paper took the aid of published data on government websites and tried to bring in limelight the problems faced by women entrepreneurs. The authors used cluster sampling method for this study. They also filtered the data by keeping only those ventures that were at least five years old. They found out twelve factors that are hampering the entrepreneurial journey of women entrepreneurs. Poor Self Image, Lack of motivation and confidence, Role conflict, Lack of leadership qualities, susceptibility about own decision making abilities, Orthodox family background, Lack of finance, Lack of security, Physical constraints like pregnancy, Lack of support from husband and family, Fear of failure and criticism and Maintaining work life balance were the factors that came out. The researchers concluded that in order to effectively understand women entrepreneurs, one needs to have knowledge of their family, caste, culture and place of living.

(Kothawale, 2013) in the study showed a comparative analysis of women participation in work. The study highlights that in the year 2010-11, the women work participation in India was 31.6% whereas some of the developed nations recorded the same at higher levels of 40-45%. In India, the author found that UP is having the highest women work participation of 39.84% followed by Gujarat. The problems identified for this were low confidence, lack of availability of finance, hurdles created by the society and culture, lack of knowledge and skills to effectively run an enterprise, lack of access to resources, lower risk appetite and restrained social mobility. The author suggested work based training and confidence boosting campaigns for improving the state of women entrepreneurship.

(Sonu Garg, 2017) in their paper reviewed the existing literature in the domain of women entrepreneurship. They found that though the population of India is comprising almost 50% of women, the proportion of entrepreneurship led by women is only 7.36%. In order to understand the reasons for this poor state, they found out the reasons for the same. Lack of education, cultural hindrances, lack of finance, poor self-confidence resulting in fear of failure, lesser knowledge and skills related to the work at hand, poor knowledge of government policies were the prominent factors that came up as result of this study. The authors suggested an all-round support where women can get access to required finance, knowledge and skills, government policies and market understanding.

(Vibhavari M. Chavan, 2016) in their paper showcased the importance of women entrepreneurship and the various reasons which lead women in entrepreneurship. They also brought to light various challenges that women face in their entrepreneurial journey. The major challenges that they revealed were family commitments and their conflicts with entrepreneurial commitments, difference in education level, not getting due importance or credibility, lower risk appetite, need to keep many

happy and male dominance. They listed the benefits of women exercising their entrepreneurial traits and suggested to create dedicated cells where women can get information, knowledge, training and access to resources.

(Gaidhani, 2018) in her paper showcased life journey of certain women entrepreneurs from various cities of India with the objective to understand the reasons that drive women entrepreneurs towards entrepreneurship and the factors that hamper their entrepreneurial journey. The author also highlighted the need for women entrepreneur, especially in rural India. The author then listed the various factors that hampered the entrepreneurial journey of women. Family commitments, lack of education, resources and skills, male dominance in decision making, lower risk appetite, inability to scale operations, poor managerial aptitude and lower understanding of government policies were cited as the major reasons for the downfall of women entrepreneurship in India.

(Ray Sarbapriya, 2011) in their paper highlights the importance of women entrepreneurship to the economy. The authors reveal that the importance of entrepreneurship for women is increasing as this provides a very effective substitute to the unstable income coming from daily jobs and also provides flexibility and opportunity to reach one's full potential. However, there are certain barriers that counter this possibility and lead to downfall of women entrepreneurship. These barriers include but not limited to discriminatory gender practices, lack of access to information, capital, markets and network, Women entrepreneurs also suffer a lot due to lack of financial credibility that is shown towards them. Their family commitments too conflict with their professional commitments making them to sacrifice on work. Male dominance in decision making has led to low self-confidence resulting in fear of failure or abrupt shut down of entrepreneurship. Various policy level and operational level suggestions were also provided by the authors to improve this state of women entrepreneurship in India.

(Kumbhar, 2013) in his paper discusses the problems faced by women entrepreneurs with special focus on rural India. The researcher has based his paper on secondary data and personal observations. Based on this, the researcher found certain challenges that women entrepreneurs face in their entrepreneurial journey. Absence of balance between family and work life, low financial freedom, zero or negligible ownership of property, difference in entrepreneurial skills low managerial aptitude, poor risk appetite, inability to used full capacity, poor educational qualifications and social mobility were identified as major reasons that led to downfall of women entrepreneurship. The author feels the need to have an altogether new approach to women entrepreneurship, especially for those being in rural India.

(Rao, 2016) in his paper showcases the importance of women entrepreneurship in India. The author highlights the progress that women have made in their entrepreneurial journey. Contribution of various government schemes to provide training and other boosts to entrepreneurship is also discussed. The author has appreciated this but also feels the progress less than the potential owing to certain hurdles. Conflicting work and personal life, lower educational qualifications, lower and lesser access to finance, lack of understanding of legal terms, less self-confidence and lack of family support came out as the significant factors which negatively affected the state of women entrepreneurship in India.

(Sharma, 2013) in her paper acknowledges the importance of women entrepreneurship in the economics development of a country. However, the author also is concerned about the low level of

women entrepreneurship in India. Women entrepreneurship is on a rise in India but still certain factors were found which stalled the growth of it. Social stigma, patriarchal society, lack of market credibility leading to lack of access to finance, family obligations, support of family members and social mobility are some of the major factors hampering the growth of women entrepreneurship in India. The author has also suggested certain important areas for improvement, which could boost the growth of women entrepreneurship.

(Kumar, 2014) takes a walk down history lane and acknowledges the progress in status of women in society. The author acknowledges the fact that development of women in both social and economic terms is necessary for the real growth of economy. However, the researcher is also saddened by the fact that actual women development is far lesser than what it should have been. She accepts the fact that now people have started accepting women in leading roles and that in certain areas women have competed successfully with their men counterparts but this is seen more in urban areas as compared to rural regions. Gender discrimination and inequality is far greater in villages where the feudal mindset is still more dominating. Transformation is happening but the rate needs to be improved by a lot. This traditional and old aged mindset creates many problems in the entrepreneurial ventures led by women. Marriage and the host of responsibilities that comes with it is one of the major factor hampering women's work life. Caste, religious and gender discriminatory beliefs combined with lower education, lower self-confidence, lower risk appetite, zero or negligible social mobility create many problems stalling the growth of women entrepreneurship in India.

(Sethi, 2009) in their paper focussed on identifying the positive and negative factors affecting the women led entrepreneurship ventures in India. For accomplishing the objective of theirs, they performed an extensive literature review of the existing literature in this domain. They found that lack of access to finance, lesser availability of raw materials, skilled labour and machinery, cut throat competition to men led entrepreneurship, negligible social mobility, commitments in personal life, lower education qualifications and missing proper family support, form the majority of factors that negatively affect the growth of women entrepreneurship in India. The researcher also provided suggestions to solve these problems.

(Mahajan, 2013) in her paper tried to find out the status of women entrepreneurship in India. She also incorporated the success story of a women entrepreneur to exactly gauge the factors that hamper the growth of women entrepreneurship. She found out that conflicts between work and social life, lower educational qualification, discrimination based on gender, lack of finance, lower understanding of legal framework, commitments in family life and low family support, low self-confidence and lower risk appetite are the major factors affecting women entrepreneurship in India. Besides providing vocational training to women entrepreneurs, she also suggested providing personality training to boost their self-confidence and trust on oneself.

(Shanta, 2018) in her paper focusses on the role of women in the economic development of the economy. She states that as compared to developed nations, the growth of women entrepreneurship in India is very less. She even relates this to the slowly growing GDP of India. She highlighted many successful women entrepreneurs and believes that in order to understand the reasons behind the slow growth of women entrepreneurship in India, one must understand the society, caste and culture in which the women lives. In her study, she found that access to finance especially working capital, self-motivation, family structure and support, level of social obligations and gender equality play a

vital role in growth of women entrepreneurship development. She concluded that a male dominated society can never support the growth of women led entrepreneurship and that this will continue to create hurdles for women and hamper her growth as an entrepreneur.

(K. Swarnalatha, 2013) initiated by citing the definition of women entrepreneurship as per government of India. They then listed the factors creating challenges in the entrepreneurial journey of women. The first and the most significant factor was the effect of a male dominated society followed by lower entrepreneurial or managerial aptitude, inferior quality of training programs, problems faced in marketing and finance acquisition, conflicting work and family life, lower financial credibility leading to crunch of raw material, labour and machinery resulting in high production cost. The researchers suggested organizing training programs for formal as well as self-training, reducing gender inequalities and promoting a broader mind set for solving some of the problems, which hamper women entrepreneurship in India.

FINDINGS

Major reviews highlighted the male dominance, work-life balance conflicts, lower education qualification, lower self-confidence and lesser and lower access to finance as major problems hindering the growth of women entrepreneurship in India.

It is like a cascading effect that due to male dominance, women have seldom involved themselves in decision making especially in financial matters. This has led to their reducing self-confidence in the area resulting into lower risk-appetite. Moreover, as majorly all the assets are in the name of the head of the family, which again is a male, women lack ability to offer required collateral to access the needed finance. This leads to their inability to buy raw materials in bulk, or hire quality skilled labourers, or invest in capital-intensive machinery. This leads to the reduction in quality or increase in cost/ time of production. This makes their produce less competitive in a male dominated market resulting in lower profit or loss or even shut down of the entrepreneurship.

SUGGESTIONS

An altogether new approach to women as a part of the society is needed. They need to be considered as individuals with inherent talents in areas beyond home making. They need to be offered the freedom to decide their own work environment and provided necessary knowledge and training related to it. Government needs to continue promoting acquisition of assets in the name of the female member of the house so that it becomes equally easy for women to have access to finance. Society needs to involve women in family decision making that will provide them with the necessary self-belief, which is currently lacking. Women education needs to be given high priority and even incentivised if that is found effective. Besides all these, a conducive home environment supporting the growth of women entrepreneurship will definitely provide a big boost.

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