

Women Entrepreneurship Development in India

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Article history

Received :4 April 2013

Received in revised form :

25 July 2013

Accepted :15 October 2013

Abstract

Role of Women in Economic Development is vital to achieve the inclusive growth. Entrepreneurship is one of the means to make involve them in Nation building and Economic Development. Till 1980s, only a very few women took Entrepreneurial activities in India¹. In 1980, "New Delhi Declaration and Plan of Action" adopted to emphasize on development of entrepreneurial skills among the women. The decade (1980-1990) witnessed several institutional initiatives towards women entrepreneurship. Its only after the liberalization of Indian economy in 1990s, with the opportunities poured in and along with institutional support, Women entrepreneurship started to flourish. In this paper the concept and classification of Women Entrepreneurs is discussed. The hurdles faced by Women to set up the enterprises and the government schemes for Women Entrepreneurship development are also analyzed. The Success story of few Indian Women Entrepreneurs is narrated in brief. Finally it is concluded that the success of Women Entrepreneurship among City dwelling Upper middle Class Women should also be spread to Women in country side.

Keywords: Entrepreneurship; women empowerment; inclusive growth

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1.0 INTRODUCTION

A large number of women around the world have set up and managed their own businesses. It was not easy for these women to succeed in business. They had to face a lot of difficulties and overcome a number of barriers to become successful in their ventures. They had to deal with discrimination and withstand the skepticism of society, and also put in more effort than men to prove their credibility to others².

The entrepreneurial style adopted by women was different from that of men. According to Shanta Kohli Chandra³ the women focus more on intuition and relationships for running businesses, while men emphasize logic and efficiency. The ability that women have to look beyond the obvious and identify hidden opportunities sometimes helped them gain an edge over men⁴. One important element, and perhaps the only characteristic that men will never have, is the possibility to transfer "motherhood skills" to job. These include fostering of other people's development through guiding, monitoring, and sharing information.

Businesswomen in developing countries share some general characteristics such as that, (i)They are concentrated in market sectors that have low barriers to entry and low levels of outside communication (transfer to other markets), (ii).They focus on trade, services, and light manufacturing activities, (iii).Their businesses are smaller than others, employing less than five employees, (iv).The owners have relatively little

previous working experience, (v).They use traditional technologies, (vi).Most employees are family-related, (vii).They are often home based, (viii).Business growth strategies are affected by household responsibilities and (ix).Owners tend to have lower levels of education and literacy.

2.0 WOMEN ENTREPRENEURSHIP IN INDIA

Constitution of India provides equal rights for women and men in all the sectors. Women make nearly half of resource-potential available, but only 34% of women engaged in industrial activities in India⁵. Only 13.6% of Enterprises owned by women in India⁵. Most of the women occupied in unorganized sectors. By the Declaration of Mexico in 1975, the equality of women with men in all the developmental activities had been sought. The year 1975 was declared as International Year of Women. In the next 5 year plan, India adopted "New Delhi Declaration and Plan of Action", which emphasized on industrial training to Women. Since then, several government institutions has been started in every state capital to initiate training programs and to provide credit and market facilities. Later, these institutions are extended to every district in the name of district industrial centers.

In 1995, a separate full fledged department was started in all the states, for the development of Women Entrepreneurship.

■3.0 CLASSIFICATION OF WOMEN ENTREPRENEURS

The women entrepreneur enterprise is defined as, "A small scale industrial unit or industry –related service or business enterprise, managed by one or more women entrepreneurs in a concern, in which they will individually or jointly have a share capital of not less than 51% as shareholders of the private limited company, members of co-operative society"⁷⁵.

The Women Entrepreneurs are classified based on the industries where they do entrepreneurial activities as, (i) Women Entrepreneur in organized & unorganized sector, (ii) Traditional & modern industries, (iii) Urban & rural areas, (iv) Large scale and small scale industries and (v) Single women and joint venture.

The Women Entrepreneurs are classified based on their Practice of entrepreneurial activities in to three categories. First category of entrepreneurs established their venture in big cities, having higher level technical & professional qualifications, involved in trading non traditional Items and having sound financial positions.

Second category of Women Entrepreneurs established their business in cities and towns, having sufficient education, involved in trading both traditional and non traditional items and also undertake women services like -kindergarten, crèches, beauty parlors, health clinic etc.

Third category of Women Entrepreneurs are those illiterate or partially literate, financially weak and involved in small scale tertiary business such as agriculture, horticulture, animal husbandry, dairy, fisheries, agro forestry, handloom etc.

■4.0 HURDLES FACED BY THE INDIAN WOMEN ENTREPRENEUR

Women facing variety of constraints from physical to social, while beginning entrepreneurial activity.

(i) Social Attitude and Support

The society plays a prominent role in entrepreneurial venture and success. The most common problem which a woman faced is the no-cooperation from her husband / family members. Besides, these kind of family related hurdle, dual responsibility, risk bearing ability etc., the women has to flourish in her business.

(ii) Marketing

Most Women entrepreneurs are selling their products for under value due to lack of knowledge about the pricing and marketing. The middle man exploits them. Women needs proper knowledge on market, updating of market, other exposures etc., Government can provide trainings on these field and connect networks for them.

(iii) Finance

Finance is a critical resource for venture creation. It is very important that women entrepreneurs have adequate knowledge and information of the various financial institutions which are rendering financial incentives. They have to depend on own saving as the lending practices of banks and government funding agencies are believed to be restrictive and unfriendly to women.

(iv) Operational

When coming in to the production stage, the women entrepreneur struggle to find raw material at optimum cost and an interrupted supply of them and they lack in necessary technical skills and knowledge about infrastructure facilities etc.,

(v) Mobility Constraints

Since Indian society is a conservative one, the mobility of women was limited and depends on either father or husband. For security reasons, the women's movement is always encircles in depend with any of male member.

(vi) Multiple Responsibilities

Women have to manage multiple responsibilities starting from being a daughter to becoming a grand mother. They have to take care their children, their older parents or grant parents. As she is doing multiple works, beyond all these, she has to undertake her business too, which will be the challenge for her.

(vii) Unawareness Of The Supports And Incentives

Our government enact number of laws to protect women entrepreneurs and announced numerous incentive schemes, training programmes towards their development.. NGO's have strong role in propagating these schemes as they are the bridge between government and public. The women entrepreneur can make use of these programmes and develop the business. But the awareness on this field is less to women entrepreneur.

Next section highlights the various measures taken by the government through its five year planning processes.

■5.0 INDIAN GOVERNMENT INITIATIVES FOR THE DEVELOPMENT OF WOMEN ENTREPRENEURS THROUGH FIVE YEAR PLANS

The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps taken in this direction.

In the Second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure.

The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards, to rights and training in skills for better employment.

The Eight Five-Year Plan (1992-97) focused on empowering women, especially at the grassroots level, through Panchayati Raj Institutions.

The Ninth Five-Year Plan (1997-2002) adopted a strategy of women's component plan, under which not less than 30 percent of funds/benefits were earmarked for women-specific programmes.

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

The Eleventh Five-Year Plan give much emphasize on technical training, marketing support and credit facilities. programmes and marketing supports are provided through Government Industrial Centers located in each district. US \$1.5 Billion allotted for providing loan to women entrepreneurs.

6.0 KEY GOVERNMENT SCHEMES AND PROGRAMMES TO DEVELOP WOMEN ENTREPRENEURSHIP

(i). Integrated Rural Development Programme (IRDP)- The main objective of IRDP is to increase the income generation capability of the women in the families below the poverty line.

(ii). Training of Rural Youth For Self Employment (TRYSEM)-TRYSEM is a sub – plan of IRDP. It gives training to the youth / young unemployed men & women for Self employment. The trainees get a stipend of Rs. 150 per month during training period. In this programme 40 % of total seats are reserved for women. About 5 million women have been trained form its inception till now.

(iii). Development of Women & Children In Rural Areas (DWCRA)-DWCRA is the Rural Development Department's scheme to support women's income generation activities through a group of 15 to 20 women each. This programme launched in 1982. The main objective of this programme is to strengthen the economy of rural women by giving them loan and economic assistance to develop their skills, efficiency and abilities to meet their liabilities effectively.

(iv). Norwegian Agency for International Development (NORAD)- It was established in 1982 – 83 to help the educated & uneducated women financially in non traditional areas of business like electronics, computer programming, manufacturing of watches, printing, readymade garments. About one million women were benefited by NORAD Programme.

(v). Support to Training And Employment Programme- STEP was started in 1987 with the objective to provide training to rural women for increasing their production capacity and income generation. In this programme, they give training in the areas of traditional business like – agriculture, milk, fisheries, handlooms, khadi development.

(vi). Assistance to Rural Women In Non – Farm Development (ARVIND)- The National Bank of Agriculture & Rural Development (NABARD) has started this programme. It provides loan up to Rs. 10 lakhs to the women who work collectively in agriculture for their economic development.

(vii). RashtriyaMahilaKosh(RMK)-RMK was established in 1992 with a fund of Rs. 31 Crore to meet the needs of poor

women by giving them loans. RMK is also organizing training, apprenticeship and orientation programmes for trainers under the Indian Mahila Block Societies (IMPS). The objectives of RMK is that credit becomes a widely known and used facility for enhancement of the daily income of poor women. The experience of RMK is that the women would have been able to double or triple their daily income with the credit support of Rs. 2500 to Rs. 5000. The activities followed may be dairying, petty shop keeping and investment on the agricultural operations.

(viii). Indira MahilaYojna(IMY)-IMY was launched in August, 1995. Its main objective is to give a forward thrust to education, awareness, income generation capacity and empowerment to women.

(ix). Self Employed Women's Association (SEWA) – This institution is based in Ahmadabad. SEWA guides women in rural areas in the use of their own resources to the maximum both physical and financial. It has helped many women from the rural areas of Gujarat and Rajasthan in marketing their land embroidered Tie & Dye materials both in India and abroad. A commendable job of SEWA is where the rural women entrepreneurs are sent to countries like Australia, Europe and United States for promoting their products.

(x). Self – Help Groups (SHG)- SHG's plays a vital role in rural development in general and for rural women in particular. Each SHG comprise 15 – 20 members & has a group leader. Each member of the group contributes money & kept in bank in the name of the Group. Group can obtain loan from the bank. The rules & regulation are developed by the group of members. The SHGs are linked with the banks for the external credit inflow. Self Help Group associate with micro credit is the element for the development of any country.

6.1 Other Schemes

1. Khadi And Village Industries Commission (KVIC)
2. Prime Minister's RojgarYojana (PMRY)
3. Entrepreneurial Development programme (EDPs)
4. Management Development programmes
5. Women's Development Corporations (WDCs)
6. Marketing of Non-Farm Products of Rural Women (MAHIMA)
7. Trade Related Entrepreneurship Assistance and Development (TREAD)
8. NGO's Credit Schemes
9. Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
10. National Bank for Agriculture and Rural Development's Schemes
11. Rajiv Gandhi MahilaVikasPariyojana (RGMVP)
12. Priyadarshini Project- A programme for Rural Women Empowerment and Livelihood in Mid Gangetic Plains.
13. Mahila SamitiYojana
14. MahilaVikas Nidhi
15. Micro Credit Scheme
16. SIDBI's Mahila Udyam Nidhi
17. MahilaVikas Nidhi
18. SBI's Stree Shakti Scheme

■7.0 FEW SUCCESSFUL WOMEN ENTREPRENEURS OF INDIA – AN OVERVIEW

This section gives brief profile of few successful Indian Women Entrepreneurs who established large scale and medium scale enterprises.

(i) Dr. KiranMazumdar-Shaw, Chairman & Managing Director of Biocon Ltd.

She founded Biocon India with a capital of Rs.10, 000in her garage in 1978 – the initial operation was to extract an enzyme from papaya. She didn't get loan to expand the business as there is no such provision of loan to women entrepreneur in those days. By her strong intuition and perseverance, she fought well and today her company is the pharmaceutical firm in India.

(ii) MallikaSrinivasan, Chairman and CEO of TAFE- Tractors and Farm Equipment.

TAFE incorporated in 1960. When she joined TAFE, its worthwas US \$2million. Now it has grown to US \$1.6 Billion. This is 3rd largest tractor manufacturing company in the World. In 1999, she won India's first business women of the year award from BBC. In 2012, she awarded Forbes India Women leader of the year.

(iii) Simone Tata – Chairman of TRENT Ltd.

She is French by birth, wife of late Naval Tata and step mother of Ratan Tata. In 1960 she headed Lakme -a small subsidiary of Tata oil mills ltd. In 1996, it becomes India's leading cosmetics company. f fashion in India. At present she is the Chairperson of TrentLimited, a subsidiary of Tata Group.

(iv) Dr.Preetha Reddy, Managing Director of Apollo Hospitals.

Apollo Hospitals is one of the largest healthcare conglomerates of India. Dr.Preetha Reddy, an cardiologist, joined Apollo in 1989. She is instrumental behind the growth of a small hospital in to one of the largest conglomerate.

(v) Jyoti Ramnath – Founder of Crafymygift.com.

She started this venture while she was studying at IIM-Bangalore. It provides exclusive gifts for customers on request. It has wide range of corporate customers in India.

(vi) Vineeta Singh – Founder of Quetzal

She is an Electrical engineer from IIT-Madras. Quetzal provides educational content to B-Schools and Secondary schools. It also runs India's largest MBA test preparation portal.

(vii) Annamma Joesph Kottukappally – Founder of Anns

Anns is the chain of bakeries and confectionaries in Kerala. In 1995 she started business. Today Anns is leading bakery chain in Kerala with revenue more than Rs.100 crores.

■8.0 CONCLUSION

It's a welcome sign that women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women i.e. the urban middle class women.

Rural Women Entrepreneurship should need some attention now. As Nearly 70% of workforce involved in agriculture related activities, rural women entrepreneurship development will empower women and improve village economy and as a whole improve country's economy. Awareness about available opportunities ,Training programmes and financial assistance should be spread through media.

Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. If every citizen works with such an attitude towards respecting the important position occupied by 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 conservative and rigid thought process which is the biggest barrier in our country's development process.

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