

ISSUES AND CHALLENGES FACED BY WOMAN ENTREPRENEURS: AN INDIAN PERSPECTIVE

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ABSTRACT

Entrepreneurs are considered as the fourth factor of production along with land, labour and capital. Some consider them as innovators who come up with new ideas for products, markets or techniques. In India, despite the sociological set-up has been a male dominated one, woman entrepreneurship is gradually gaining importance. The impact of globalisation is also helping the Indian woman in making a contribution to the economic development of the country. But women globally as well as in India are facing many problems at various levels, beginning right at commencement of business idea. Focussing on the problems faced by women entrepreneurs, an attempt will be made at highlighting various programmes and policies pursued by the government to overcome the same and to further facilitate woman entrepreneurship. This paper will examine issues and challenges of female entrepreneurial activity in India and suggest various measures to revamp the existing entrepreneurial structure in order to strengthen the role of women entrepreneurs.

Keywords: Woman entrepreneur, India, Challenges, government entrepreneurial policies.

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INTRODUCTION

Entrepreneurship is doing something in order to establish a new or revive the old business so that benefits can be obtained from the prospects. Entrepreneurship is a growing concern of a modern competitive economy and its contribution in an economy has been recognized worldwide.

Men being the only gender as entrepreneurs for pretty quite a long time in our country, however, conditions are not the same as women has entered the field with excellent performances and have become inspiration for all. The status of women in India has been changing due to growing industrialization, globalization, and social legislation and making an influence not only on domestic but also on an international sphere. The enlightenment and knowledge has lead to the shifting of females from being a cook heading towards elevated rank of specialized activities. Besides chosen jobs, the women have started entering the fields like trade, industry and engineering. Government of India has defined women entrepreneur as one who owns as well as controls with least financial interest of 51% of the capital and can provide minimum 51% of jobs in the business to them.

Women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development but they face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman entrepreneur, it is also recognized that their challenges are immense and complex.

LITERATURE REVIEW

The study concludes with the efforts that are being taken to fulfil the promise of equal opportunity and guaranteeing equal rights of participation to Indian women. But unfortunately,

the government sponsored development activities have benefited only a limited section of women i.e. the urban middle class. Lathwal (2011) with the objective of identifying the chief hurdles faced by women entrepreneurs in Delhi suggested the ways by which they can help themselves. Successful women entrepreneurs have been seen mostly among the mid thirty and early forty age group. The government schemes, incentives and subsidies have been able to inspire and provide support measures to women entrepreneurs in and around the city. In her research, one of the findings was that while a majority of women came from a family business background and they were mostly married to business families. The business environment helped them to get prepared mentally, therefore helping them to easily enter into business. Kumbhar and Kumbhar (2011) discuss several problems faced by women entrepreneurs like access to technology, management and marketing skills and lack of confidence (Gurendra Nath Bhardwaj, Swati Parashar, Dr. Babita Pandey and Puspamita Sahu, 2012). They also identified the various roles played by many associations to promote women entrepreneurs like SHG, WIT and SEWA. Lastly they provide suggestions for the development of women entrepreneurship which will help them in earning money and becoming economically independent. This will lead to an improvement is not only the women, from the point of view of better health, education and skill but an improvement in her living condition also by being able to use cleaner fuel, better house, better sanitation, facilities and infrastructural facilities. Gurendra Nath Bhardwaj, Swati Parashar, Dr. Babita Pandey and Puspamita Sahu (2012) revealed the major hurdles that the women face during starting and running a company generally come from financing and balancing of life. Some internal factors like risk aversion by women, lack of vision of strategic leader etc. and external factors include inaccessibility to information, training opportunities, infrastructure etc. can become the hurdles in the path of their development. This study suggested that government should set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities, and precautionary measures should be undertaken to avoid the misuse of such

facility by the men in the name of the women. Behara and Niranjana (2012) intended to find out various problems, motivating and de-motivating factors of women entrepreneurship. They also suggest the way of eliminating and reducing hurdles of the women entrepreneurship development in Indian Context. The root cause of these problems lies in the social systems and attitudes. Government has emerged as a major catalyst by way of providing training incentives and other facilities to succeed particularly in rural areas. But very few entrepreneurs could approach for assistance which is an indication that there is need to revitalize the whole system. But this marks only the beginning of an arduous journey ahead for the Indian woman entrepreneurs. Kumari, S (2012) also examined the various problems as well as challenges that Indian women entrepreneurs have been facing after independence. Political developments in India have also been responsible for determining the role of women in a changing society. The women entrepreneurs have started recently in the organized businesses but their contribution towards production is quite old. Government has been making every effort by giving facilities and exercising persuasion to induce parents to send their daughters in schools. These attempts have brought much success but some big can happen only if they are being availed with the same opportunities as are available to the opposite gender. Tanima Banerjee (March 11th, 2012) in her article "Here's How The Status Of Women Has Changed In India [Since 1950 Till Date]" analyzed the position and space that Indian women has got and the comparison is made to the time when the country had just got the independence. Over the years women have made great strides in many areas with notable progress in reducing some gender gaps. Some painful truths such as women trafficking, hype in dowry practices, rape and sexual harassments still affect the way to their development. As compared with past, women in modern times have achieved a lot but in reality they have to still travel a long way and the men yet have to allow and accept the women to be equal participants in the country's way forward. Shankar (2013) studies the concept of women entrepreneur in India, reasons to become an entrepreneur, schemes rendered by

government for promotion and development of women entrepreneur in India. Women entrepreneurs have become a strong driving force in today's corporate world. Not only are they able to equalize their duties of both motherhood and entrepreneurship but they also comprise of almost half of all businesses owned today. Many Women entrepreneurs have an average age of 40 – 60 years old because they have had previous careers in other areas. Their primary goal is not monetary reward but rather personal satisfaction and community involvement.

OBJECTIVES

The study aims to fulfill the following objectives:

1. To critically examine the problems faced by women entrepreneurs from the starting to the functioning of the enterprise.
2. To study the challenges that women entrepreneurs need to overcome.
3. To suggest certain measures to effectively overcome the problems faced by women entrepreneurs.

RESEARCH METHODOLOGY

The research paper is a descriptive study in nature. The secondary data and information have been analyzed for preparing the paper extensively. The secondary information have been collected from different scholars" and researchers" published books, articles published in different journals, periodicals, conference paper, reports, magazines, working paper and websites.

FINDINGS

The findings have been divided into two categories:

I. Problems faced by women entrepreneurs:

Women in India are facing many problems whether it is the initial commencement of the enterprise or the functioning of the enterprise. The main problems faced by women enterprises in India are as follows:

1. **Shortage of finance:** Bankers, creditors and financial institutions are not coming forward to provide financial assistance to women borrowers on the ground of their less creditworthiness and more chances of failure than men borrowers. They are not able to get the money which is required to handle daily matters of their enterprise. According to a report by the United Nations Industrial Development Organisation (UNIDO), “despite evidence that woman’s loan repayment rates are higher than men’s, women still face more difficulties in obtaining credit”.
2. **Promotion of products:** Lot of investment and experience for advertisement is required where the female entrepreneurs fail. Thus, they are not able to capture the market for their products and win their customers.
3. **Stiff competition:** Despite the fact that women entrepreneurs are good in keeping their service prompt and delivery in time, due to lack of organizational skills compared to male entrepreneurs women have to face constraints from competition. Women entrepreneurs also have to face severe competition from organized industries.
4. **High cost of production:** Several factors including inefficient management, technology obsolescence due to non-adoption or slow adoption to changing technology contribute to the high cost of production.
5. **Shortage of raw materials:** Women entrepreneurs find it difficult to procure the required raw materials and other necessary inputs for production in sufficient quantity and quality. Lack of knowledge of availability of raw materials, alternative source of raw materials availability and low –level negotiation and bargaining skills affect women entrepreneur’s business.
6. **Absence of entrepreneurial aptitude:** The basic characteristics of an entrepreneur such as innovation, risk taking ability, entrepreneurial bent of mind, etc. are absent in a women

entrepreneur. Even after attending various training programs on entrepreneurship, they fail to overcome the risks and troubles that may come up in an enterprise.

7. **Low risk taking ability:** The women in India mostly lead a protected life, are less educated, less trained and get low financial support. Thus, they are not able to bear the amount of risk that is required for running an enterprise.
8. **Lack of entrepreneurial training:** Large number of women does not get proper, sufficient technical and professional training to set-up a new venture. They are ignorant of latest technologies, unskilled in their use, often unable to do research and gain the necessary training.
9. **Patriarchal society (Gender inequality):** India is a male dominated traditional society where women are assumed as inferior to their husbands and men, physically weak and lesser confident. They can never be treated as equals.
10. **Limited managerial ability:** Women entrepreneurs do not have expertise in managerial functions like planning, organizing, coordinating, controlling, etc. of an enterprise.

II. Challenges faced by women entrepreneurs:

1. **Balance between family and career:** Women in India are very emotionally attached to their home and families. They are not able to dedicate their entire time to their business as their basic duty is to look after the family and household chores.
2. **Socio-cultural barriers:** Traditions and customs to be followed by women in Indian societies stand as a major obstacle which stops women from growth and prosperity. Castes and religions dominate our societies and hinder women entrepreneurs.
3. **Male dominated society:** Support, approval, educational level and family background of husbands largely influence the entry of women into business activities. The support and interest of family members is a detrimental factor in the realization of business aspirations of a woman.

4. **Travelling issues:** Women entrepreneurs cannot travel from one place to another as freely as men do. Traditional values, limited driving skills and moving alone for business purposes stand as obstacles in the path of women entrepreneurs.
5. **Lack of self-confidence:** Women entrepreneurs because of their inherent nature, lack of self-confidence have to sacrifice their entrepreneurial urge which results in loss of a prospective entrepreneur.
6. **Illiteracy or low level education:** In India, the illiteracy rate of women is higher than men. Even if they are provided education, that is always inadequate compared to their male counterparts because of early marriage, poverty. Due to lack of proper education, they have no or little knowledge about new methods of production, new technology, marketing tools for promotion of products and governmental support.
7. **Not being taken seriously:** Within the business world, women's opinions and advice are not viewed as "expert" compared to a man's opinion. And when a female starts a business, sometimes the people view it as a hobby or a side project to family duties, rather than a bonafide business.
8. **Wearing too many hats:** Women have a tendency to try to be everything to everyone and wear so many different hats that juggling everything becomes very difficult. When women add "entrepreneur" and business owner" into the mix, this tendency is further magnified. Women can feel that they are best for every job and thus, find difficulty in delegating responsibilities to others.

Despite many hurdles, many women have become successful in their works. Some of the top women entrepreneurs in India are:

1. **Indra Nooyi** – an lady born in India, presently an American Chairperson and Chief Executive Officer of PepsiCo, one of the world's leading food and beverage companies.

2. **Dr. Kiran M. Shaw** - Chairman & Managing Director of Biocon Ltd, biggest pharmaceutical firm in the country, became India's richest woman in 2004.
3. **Naina Lal Kidwai** - first woman to head the operations of a foreign bank in India, HSBC. Listed among the world's top 50 Corporate Women from 2000 to 2003 by Fortune Magazine.
4. **Ekta Kapoor** - creative head of Balaji Telefilms, bagged Hall of Fame Award for her contribution at the 6th Indian Telly Awards 2006.
5. **Neelam Dhawan** - Managing Director, Microsoft India.

Besides them, we have some Kashmiri women entrepreneurs who have established their enterprises and are running them successfully, giving a tough competition to their male counterparts. To mention a few:

1. **Rifat Mushtaq** – one of the oldest women entrepreneurs in Kashmir. Currently running a cardboard manufacturing unit and a printing press in the industrial area of Zakura, on the outskirts of Srinagar.
2. **Rubeena Tabassum** - a florist and recipient of Women entrepreneur award, 2007, conferred by J&K Bank.
3. **Nusrat Jahan Ara** - a florist, owner of Petals and Ferns Cooperative Ltd.
4. **Shahla Sheikh**, owner of a saw mill and furniture unit
5. **Ulfat Rasool Khan** - Kashmiri cuisine food-processing unit at Khanmoh Food Park.

SUGGESTIONS:

Some of the steps which can be taken are listed as follows:

1. Identifying women with different literary levels in proper groups and to create awareness about entrepreneurship and its importance as job providing avenues rather than job seeking ventures,
2. Orientation and skill training on selected trades, of their choice and suitability
3. Enhancing the standards of education of women in general as well making effective provisions for their training, practical experiences and personality development programmes, to improve their overall personality standards.
4. Assisting them in preparation of project reports for their own proposed units and helping them to follow up the venture to start the new enterprise,
5. Women's Guidance Cell for providing consultancy and guidance related to marketing, production and distribution problems.
6. Separate markets should be established for women entrepreneurs. Transportation and other facilities of mobility should be provided at subsidized rates to them.
7. Organizations of International, National, Local trade fairs, Industrial exhibitions, seminars, conferences and workshops to help women to facilitate interaction with other women entrepreneurs.
8. Separate financial aid, micro credit system and enterprise system at local level, special infrastructural facilities should be provided for women entrepreneurs by Government.
9. Women entrepreneurs must be given subsidies in various tariffs, taxes, fees and all other levels.
10. Organize training programmes to develop professional competencies in managerial, leadership, marketing, financial, production processes, profit planning, maintaining books of accounts and other skills.

11. Training programmes specially directed at women entrepreneurs on building up their self-confidence, communication skills, decision making techniques and managerial skills.
12. Training on marketing strategies and sales assistance.
13. Establish all India forums to discuss the problems, grievances, issues and filing complaints against constraints in the path of economic progress of women entrepreneurs, giving suitable decisions in the favor of women entrepreneurs and taking strict action against the policies that obstruct the path of economic development of such group of women entrepreneurs.
14. Legal policies and regulations should be specially designed for women entrepreneurs.

CONCLUSION

Entrepreneurship is the most discussed concept as it has a greater contribution to the economy of a country. The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. Although the woman have achieved a lot of success in our country in this field but as male domination still persists in our society, there are still many problems as well as challenges faced by the former. Socio-cultural barriers, credit unavailability, lack of finances, male dominated society, family obligations, inadequate education and training facilities are the main issues. There should be efforts from all sectors of society to encourage the economic participation of women. Promotion of education, adequate training, recognition of entrepreneurial abilities, family's moral support and financial support needs to be encouraged. Women entrepreneurs must be moulded properly with entrepreneurial traits and skills to sustain and strive in the local economic arena and to meet changing trends and challenges of global markets.

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