

Women Entrepreneurship among the Context of Gender Aggressiveness, Opportunities and Hurdles of Informal Sector

Dr. V. R. Palanivelu, G. Madhupriya
PRIMS, Periyar University Salem, Tamilnadu, India
E-mail: drvrpalanivelu@gmail.com

Abstract:

Over the past decade, gender equality and women's empowerment have been explicitly recognized as key not only to the health of nations, but also to social and economic development. Entrepreneurship amongst women has been a recent concern. Women have become aware of their rights and their work circumstances. However, women of the middle class are not too keen to alter their role in fear of social constraints the progress is more visible among upper class in urban cities. Our increasing dependency on service area has created numerous entrepreneurial opportunities especially for women where they can excel their skills with maintaining equilibrium in their life. This paper is an effort to know the Gender Competitiveness, Opportunities and Hurdles to women.

Keywords: Agglomeration, Empowerment, Informal Sector, Women Entrepreneur,

INTRODUCTION:

Entrepreneurs are those who identify opportunities where others see chaos. They are insistent catalyst within the market place. Entrepreneurship is very important criteria for economic development. At the same time the role of women entrepreneurs cannot be overlooked in this process. There is a noteworthy involvement of women entrepreneurs in the growth of developed nations. The growth of women entrepreneurship when compared is low in India, particularly in rural areas. Women entrepreneurs face lot of troubles from the commencement till the enterprise functions. They play an important role in local economies and a large percentage of micro-enterprises in developing countries are undertaken by women. Despite all the communal hurdles, Indian women stand high from the rest of the throng and are highly praised for their achievements in their respective field.

Entrepreneurship amongst women is a current happening. Women entrepreneurs' play an important role in local economies and a large percentage of micro-enterprises in developing countries are undertaken by women. Increasingly women in urban and rural areas are successfully turning to self-generated employment in small-scale enterprise activities in the informal sector to support their households. In many countries, women are the majority of workers in nonstandard work, such as temporary, casual, multiple part time, contract and home-based activities. SHG (Self help group) is promoting micro enterprise through micro-credit intervention.

WOMEN PARTICIPATION IN INFORMAL SECTOR

Informal sector would have shrunk if the women's participation not increased. Had the rate of female businesses not increased in India, the share of total employment in the informal manufacturing sector would have decreased by nearly ten percentage points. There has been a massive growth in women's employment in informal sectors. The overall average female business ownership share has improved over time from 26% in 2000 to 37% in 2005 in India. Within the manufacturing sector, female shares are highest and exceed 50% in industries related to paper and tobacco products. At the opposite end, female shares of 2% or less are common in industries related to computers, motor vehicles, fabricated metal products, and machinery and equipment. In services, female business ownership rates in major cities tend to be higher than overall state averages and exceed 30% in service industries related to sanitation and education. Industries related to research and development and transportation have the lowest rates at 1% or less. There is huge spatial variation in female entrepreneurship. The states with the highest female service sector ownership rates are Kerala, Tamil Nadu and Andhra Pradesh.

The common view is a large percent of women in India work. The National data collection agencies accept the fact that there is a serious under-estimation of women's contribution as workers. However, there are far fewer women in the paid workforce than there are men. In urban India women have impressive number in the employment. As an example at software industry 30% of the workforce is female. They are at par with their male counterparts in terms of wages, position at the work place.

In rural India, agriculture and allied industrial sectors employ as much as 89.5% of the total female labour. In overall farm production, women's average contribution is estimated at 55% to 66% of the total labour.

WOMEN FORM ONE-THIRD OF EARLY STAGE ENTREPRENEURS IN INDIA

Indian women are fast catching up with men as entrepreneurs, as a recent global survey pointed out that among all early-stage entrepreneurs, around one-third or 32% are women. The Global Entrepreneurship Monitor (GEM) Survey 2013, touted as the largest annual study of entrepreneurial dynamics in the world, stated that most of the

early stage entrepreneurs fall in the age group of 25-34 years. Around 61% of people in India consider entrepreneurship as a good career choice, it said, adding that a large number of women are getting involved in starting and owning-managing new businesses in the country. Further, the survey that makes distinction between different types of entrepreneurship and how these contribute to economic growth and job creation, says that in India 38.8% entrepreneurs are necessity entrepreneurs, while around 35.9% fall under the opportunity entrepreneurs category. In comparison, 33.9% entrepreneurs in China are necessity driven while 35.9% are opportunity driven. Individuals who start businesses in response to a lack of other options for earning an income are deemed to be necessity driven entrepreneurs, while those who start businesses with the intention to exploit an opportunity are identified as opportunity driven entrepreneurs. In 2013, entrepreneurs in the Asia Pacific & South Asia were an average of 1.87 times more likely to be an improvement-driven opportunity entrepreneur than a necessity-driven one. This ratio was around 0.92 in India. "In comparison to other countries in Asia Pacific & South Asia, India has fairly good perception about the presence of good opportunities for starting businesses. They are also likely to believe they have the skills and knowledge necessary to start businesses (56%). It implies that people are willing to act on the opportunities they see and that they believe they are capable of starting a business," the report said. Global Entrepreneurship Monitor (GEM) Report 2013 further states that the Total Early-stage Entrepreneurial Activity (TEA) Index for India stands at 9.9% compared to 10.7% for Singapore, 14% for China and 12.7% for the US. Interestingly, India took part in the survey after 12 years. The 2013 report, which marks the 15th anniversary of the Global Entrepreneurship Monitor (GEM) covered more than 197,000 respondents globally have been surveyed and approximately 3,800 national experts on entrepreneurship participated in the study across 70 economies. "The samples in the GEM 2013 study represent an estimated 75% of the world's population and 90% of the world's total GDP," it claimed. In India the survey was conducted by GEM India National Team comprising the Entrepreneurship Development Institute of India (EDI), Ahmedabad, Wadhvani Centre for Entrepreneurship Development (WCED) at Indian School of Business (ISB), and Institute of Management Technology (IMT), Ghaziabad. "Around 3000 adults aged 18 to 64 years old from all five regions over the nation were surveyed.

What drives female entrepreneurs?

- More incumbent female employment in an industry/district is associated with a greater female entry share.
- Among district-level traits, a higher female-to-male sex ratio, a higher working-age to non-working age population ratio (demographic dividend), and better quality infrastructure appear important.
- Inadequate infrastructure affects women more than men, perhaps because women often bear a larger share of the time and responsibility for household activities. Transport infrastructure and paved roads within villages are especially important, as women face greater constraints in geographic mobility.
- Agglomeration metrics suggest that female connections in labor markets and input-output markets are much stronger than in male owned enterprises.

URBANIZATION HELPING FEMALE ENTREPRENEURS:

Cities create the breathing space for structural transformation, entrepreneurship, jobs as well gender equality. Much of this transformation will take place through increased participation of women in the informal sectors, and in small and intermediate-size cities which often lack the skills, facilities, and services necessary to cope with the human tide.

Informal sectors in cities account for more than 50 percent of jobs. The persistence of informal sector is not due to some industries becoming less formalized and others more so. The persistence is due to many more new enterprises that locate in cities are in the informal sectors, and many more people who migrate into cities seeking better paying jobs and living conditions, and thus create persistence.

Cities offer the ecosystem and generate agglomeration economies in the informal sector. There is emerging evidence that agglomeration economies in developing countries also run in the informal sector. Related to the agglomeration economies, is the fact small entrepreneurs work better with many more small entrepreneurs.

Agglomeration economies are stronger in developing than in developed countries. Much stronger in informal sectors. Strongest in women owned informal enterprises in urban areas. The "urbanization gradient" exists separately for the creation of female owned enterprises and male owned enterprises. Effect of market access to inputs, on creation of new enterprises in the informal sector, is greater in more urbanized areas.

Networking makes up for market failures and exclusion faced by informal sectors and women owned enterprises. Informal enterprises are moving into urban areas in search of better infrastructure while formal enterprises are moving into secondary cities in search of lower land and building costs.

New enterprise creation by females is encouraged by urbanization, but the effect can be stronger by improving female specific market access, especially to inputs.

EMPOWERMENT OF WOMEN AS AN ENTREPRENEUR

Today India is at the edge of change in its growth and its position in the world. Both men and women must act

determinedly to grab opportunities. They need to think big and scale up rapidly in each and every area, be it in education, infrastructure, industry, financial services or equality of both genders. For around two centuries, social reformers and missionaries in India have endeavored to bring women out of boundaries.

Women's participation rate on household decision making not only varies from rural to urban areas but also gets affected by their background characteristics like age, educational status, husband's education, employment status etc. Urban married women are observed to be more empowered than that of the rural women. Empowerment of women increases with the increase in their age. Women who are more educated and employed are relatively more empowered. About 46 per cent of total women in the age group 40-49 years participate in all the four decisions compared to 15 per cent belonging to the age group 15-19 years. With higher spousal educational status women's participation in decision making increases. About 21 per cent of women with no spousal education do not take part in any decision making at all as compared to 17 per cent of women with spousal education of 12 years or more. Employment also provides an advantage to women regarding their ability to decision making power. Employed women are more likely to participate in all decision makings. In urban setting and in nuclear type of family, women have more autonomy in household decision making.

HURDLES FACED BY WOMEN:

The role of women entrepreneurs, as they have been making a major impact in all segments of the financial system in India, is potentially empowering and liberating only if it provides women an opportunity to improve their well-being and enhance their capabilities. On the other hand, if it is driven by distress and is low public support than it may only increase women drudgery. The small and medium enterprises led by women experiencing some major challenges and constraints. There is lack of supportive network, financial and marketing problems which are the major problem areas for rural women entrepreneurs and major de-motivator for other women to initiate entrepreneurial activity. Here are some major challenges for the attention:

It is the greatest responsibility for women to maintain both business and family. As the boundaries between the business and the family tend to be vague, women operating family businesses face a unique set of issues related to personal identity, role conflict, loyalties, family relationships, and attitudes towards authority. Additionally, family businesses owned by women are at a disadvantage financially and are forced to rely on internal resources of funding rather than outside sources.

In a poor family, girls are the main victims; they are malnourished and are denied the opportunity of better education and other facilities.

Women's work is statistically less visible non monetized and relegated to subsistence production and domestic side this accounts for 60% of unpaid family work and 98% of domestic work. The non paid work includes domestic chares like cooking, cleaning, child care and care for the elderly and the handicapped-traditionally understood as women's work. Subsistence activities like pitches gardening post harvest processing, feeding farm hands, live stock maintenance, gathering of fuel, forest produce, unpaid family labour in family farm or enterprise are done by women who are reported to be non working housewives.

Financial: Poverty is the reality of life for the vast majority of women in India. There are several bottlenecks and a gap in availability of credit for women. The multiplicity of schemes is not adequately listed nor is there networking among agencies. As a result, clients approaching one institution are not made aware of the best option for their requirements.

Lack of education among rural women: The literacy rate of women in India is found at low level compared to male population. The rural women are ignorant of new technology or unskilled. They are often unable to do research & gain the necessary training. The uneducated rural women do not have the knowledge of measurement and basic accounting.

Risk taken: - Women in India lives secure and protected life in family. Decision making power related to business activities is less due to economic dependent and domination of male headed society.

Lack of information and assistance: There is a poor quality of information about microfinance that is available to people renders their decision making and conservatives. Another significant need of many women business owners is obtaining the appropriate assistance and information needed to take the business to the next level of growth. It has been identified that most desired needs of fast growth entrepreneurs may be:-

- Optimum use of capital to make operational decisions
- Financing growth
- Increasing the value of the business
- Compensation for self and associates
- Hiring, training and motivating for growth
- Succeeding in a rapidly changing world
- Successful selling
- Sales force management
- Management success

- Scanning of business environment

Need of training and development: Furthermore, in business schools where most of the professional advisers today were trained, the male model of business is still being taught by an overwhelming majority of male professors. Examples of women entrepreneurs have been left out of textbooks, and rarely is a female business owner used as the example or case study. Neither the women nor the men students are learning about the natural abilities and talents women are using to succeed as business owners today. Unfortunately, without some very strong initiatives on the part of educators, the process will be slow to change.

Male dominated society: The male - female competition is another factor, which develop hurdles to women entrepreneurs in the business management process. 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. The confidence to travel across day and night and even different regions and states are less found in women compared to male entrepreneurs. This shows the low level freedom of expression and freedom of mobility of the women entrepreneurs.

Lack of infrastructure and widespread corruption: These are also the other problems for the rural women entrepreneurs. They have to depend on office staffs and intermediaries to get the things done, especially the marketing and sales side of business. Here is the more probability for business fallacies like the intermediaries take major part of the surplus or professional dependence. Rural women lack training and advisory services on managerial and technical skills to solve production problems. Here more than 70 percent of enterprises are micro- and small enterprises but their growth and the competitiveness is greatly challenged by lack of business management, marketing and technical skills besides the overall weak infrastructure and complicated legal frameworks for business processes, especially in global online transaction context.

Mobility constraints: Rural women in Indian society have got restricted mobility. The carrier of women is limited in four walls of kitchen. The women confined themselves to three Ks, Kitchen, kids & knitting. There are hardly any opportunities to cross this boundary. The mobility problem has been solved to certain extent by the explosion of Information technology & telecommunication facilities.

CULTIVATING OPPORTUNITY

While necessity entrepreneurship may be better than unemployment, from a human development perspective this is not sufficient. We need to press for an increase in opportunity-based entrepreneurship. As more countries worldwide prioritize female entrepreneurship in their strategic plans, do their policies and programmes facilitate necessity or opportunity entrepreneurship?

In India, the vast majority of female entrepreneurship programmes are supported by the government and/or NGOs. Often, the government plays the role of financier while NGOs actually operate the programmes, which range from disseminating information and communications technologies to subsidizing loans, providing credit and offering skills training.

The current portfolio of female entrepreneurship programmes in India has a major flaw. It is largely geared toward highly educated, middle-to-upper income women with prior (often significant) business experience. This small minority, often already engaged in opportunity entrepreneurship, benefits from a broad swath of training programmes, loans and marketing funds. In rural areas, however—which contain a majority of the population—programmes tend to revolve around microfinance access or cell phone provision. Yet provision of credit or technology alone does not facilitate opportunity entrepreneurship. It is all too easy to end up in a microfinance dependency cycle. Without the tools and skills to achieve upward mobility, entrepreneurs cannot maximize their potential. Microfinance programmes should combine funding with basic literacy education, financial literacy training or accounting support; technology access should be accompanied by training on how to use technology to share information, mentor or collaborate with others on business matters. Many other skills, such as leadership, administration and management, are important but we must recognize the cultural barriers dissuading many women, particularly in rural areas, from undertaking such activities. Because of this, counseling and support services are necessary to help underrepresented groups .

OPPORTUNITIES FOR RURAL ENTREPRENEURS

Therefore there is generous evidence to suggest that if more women are motivated and are given the necessary encouragement and help for becoming entrepreneurs, they would contribute effectively in running viable commercial enterprises. There are several schemes and plans both by centre and state government at different levels for the encouragement and support to rural women entrepreneurs in India. In 1999-2000, the Government of India launched “Swarna Jayanthi Grama Swarozgar Yojana” programme for promoting poverty alleviation through self-employment and the organization of poor into Self-Help Groups (SHG). Loans sanctioned under this scheme are treated as medium-term loans. The SHGs have given a new lease of life to the women in villages for their social and economic empowerment. There is national policy for creating an environment through positive economic and social policies for full development of women to enable them to realize their full potential.

These policies provide opportunities of equal access to participation and decision making of women in social, political and participation in economic progress of the nation. There are diversified vocational training programmes for women by ministry of labour and employment, they have established regional vocational training institutes for development of entrepreneurial skills Following are the major programs for development of entrepreneurship in India:

- **IRDP** (Integrated Rural Development Programme):- The main objectives of Integrated rural development Programme is to increase the income generating power of family who are below the poverty line to alleviate the poverty. They impart technical & entrepreneurial skills & raise the income level of the poor. Its allied programmes are

TRYSEM (Training Rural Youth for Self Employment)

DWCRA (Development of women and Children in Rural Areas.)

- **JRY** (Jawahar Rozgar Yojna):- It is wage Employment programme implemented by Panchayats at Village, Block & District level in the ratio. 70:15:15 etc.

- Support and training and employment programme for women (STEP)

BY MINISTRY OF RURAL DEVELOPMENT

- Swarnjayanti Gram Swarozgar Yojana (SGSY)
- Sampoorna Grameen Rozgar Yojana (SGRY), including Food Grains Component
- Assistance for Rural Employment Guarantee Schemes
- National Social Assistance Programme (NSAP)
- National Rural Employment Guarantee Act (NREGA)
- National Food for Work Programme (NFWP)
- National Common Minimum Programme (NCMP)

BY MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

- Credit Support Programme
- Rajiv Gandhi Udyami Mitra Yojana
- Prime Minister's Employment Generation Programme
- Workshed Scheme for Khadi Artisans

CONCLUSION:

When compare to urban women, rural women are not aware and literate as to handle all the legal and other formalities involving in loan taking and establishing an Industrial Unit. They also lack confidence in their ability to run the entrepreneurship. Women perform variety of operations in home system as well as in other areas too and have basic indigenous knowledge, skill, potential and resources which can prove helpful to establish and manage enterprises. What they need is awareness, motivation, technical skill and support from family, government and other organization. With the right assistance they can strengthen their capacities besides adding to the family income and national productivity. They need capacity building and training in functional areas such as finance, literacy skills, marketing, production and managerial skills. The urgent need is to create a favorable atmosphere to increase self employment for women. Thus, there are bright prospects for rural women entrepreneurship in India.

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