

## Women Entrepreneurs- Challenges and Opportunities in India

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### Abstract

India is definitely the hub of entrepreneurs worldwide, women are considered to be as equal parameters in development but due to exploitation and subjugation, Indian women have remained at receiving end. Women in India have been neglected a lot; they are not involved in the mainstream of development even though they represent a proportion of population and labor force. Women entrepreneurs are the persons who accept challenges to meet the personal requirements and become economically independent. Position of women and their status in the society is the measuring scale of civilization. Indian women business owners are changing the face of businesses of today, both factually and metaphorically. The energetic growth and spreading out of women-owned businesses is one of the significant trends of the past decade, and all indication is that it will persist unabated. For more than a decade, the number of women-owned businesses has grown at one-and-a-half to two times the rate of all businesses. Even more important, the expansion in revenues and employment has far exceeded the intensification in numbers. This paper throws light on women entrepreneur, who manages small to medium size enterprises. It also examines the problems faced by women in setting and prolongation of their businesses and conflicts faced by them. It also overviews the reasons for starting the business and success they achieved and in the last it examines how the initial problems faced by them are similar with that of women of other countries.

### INTRODUCTION:

Women an independent target group account for 495.74 million and represent 48.3% of the country's population as per census 2001. No country can achieve its potential without adequately investing in and developing the capabilities of women. For the long term development of country it is necessary to facilitate their empowerment. In many developing countries including India, women have less access to education, jobs, income and power than men. In spite of all from the past few decades it has been seen many of women are starting their own business in many countries- Example in Canada 65% of the new businesses were started by women. Women are turning into entrepreneurship to break the ceiling that prevents them from reaching top managerial levels in organization. They found entrepreneurship which provides them greater satisfaction and flexibility. Similar trend is in several Asian countries such as Indonesia and Singapore.

Recent studies show that the number of firms owned by women has grown twice the rate in the past 10 years. In fact "Women entrepreneurs are significant players in the nation's economy and their momentum shows no signs of slowing down". Studies also indicates that problems faced by male and female entrepreneurs are different Birley (1989) noted that general model of entrepreneurship may hold true for both men and women; entrepreneurship is an activity which is situation ally and culturally bounded. The role of women is traditionally been seen as that of wife and mother and along with the lack of prior employment and managerial experience faced by women results in differing market entry choices in case of female entrepreneurs. Women have to bear the responsibilities of children and home management and this lead to work family conflicts.

In the country like India, due o major constraints and limitations, women prevent themselves from starting their own businesses which is an important aspect of economic development. The main aim of the study is to identify the startups and current problems faced by the women entrepreneurs in Northern India. It also considers the reasons for starting the businesses and factors responsible for their success.

### LITERATURE REVIEW:

Cooper (1981) proposes three factors that affect entrepreneurship:

- Antecedent factors ( i.e background and generic factors).
- Incubator Organization ( i.e the nature of the organization that the entrepreneurs was employed in just

prior to starting the business).

- Environmental Factors ( i.e economic conditions, support services, role models etc).

Different researchers from western countries showed that men and women face different problems like women face difficulties in generating financial resources, have fewer informal support system and networking and have less experience than men. Other obstacles are lack of professional interaction, difficulty in gaining confidence of clients, inadequate training and lack of experience and more specific obstacle is the impact of personal life over the carrier pursuits. In the western countries and even in India husbands are not supportive in their wives businesses and they want they should continue their business with household duties despite of demand of their business (as males are dominant in society they too want that their wives should not expand their business as they are the main bread maker of family).Due to these factors and others, female owners faces more work family conflicts than their male counterparts.

Generally, major reasons for starting a business are same for men and women, but some differences have also been found. According to Lavoie (1992) financial gain was not the primary motivating factor for women; they want to start their business for a challenge or an opportunity for self fulfillment. Some other researchers suggest that women start their business for controlling the quality and quantity of work and also due to the limitations in options available in carrier development.

### **RESEARCH QUESTION:**

The area selected for the research work is Northern India, specifically and NCR due to the researcher's familiarity with the culture and language. The main aims of study are:

1. Provide a profile of the women entrepreneur.
2. Examine the problem faced by Indian women entrepreneurs in startup stage.
3. Examine the nature of work and family conflicts.
4. Examine self supported reasons for success.

For the research work local government agency are assisting women entrepreneurs and local women entrepreneurs were contacted. A list of women entrepreneurs was developed after discussion with people in charge of these associations and data provided by them. Only those firms which are in operation for at least 5 yrs and employed minimum two workers are included in study.

The data was collected through personal interviews by spending two to three hours with them, along with visits to the store/production to gain better understanding of these activities. Questionnaire was prepared to collect the data but main focus was on collecting the qualitative data through open end questions. The final sample consisted of 50 women.

In work family conflicts three thrust areas were considered- role of spouse, parents and homemakers were measured using Linkert Scale. . At the time of interview each conflict was measured by using 5 different statements. The items used in measuring are time based, strain based, work family conflicts and problems faced at startup stage. At the time of interview list of 8 problems were provided and respondents were asked to tick as many as were applicable. Information's related with reasons for starting the business and success factors were collected by open ended questions.

All the research work is based on the samples drawn exclusively according to cultural, economic and technological environment of India. The work culture environment for women in India is different from other developed nations (including India), it is found that women got limited household help and family support due to various reasons. On the other side beside the two roles of spouse and parental women in India have to play other roles also like daughter, sister and in-laws and they have to devote a considerable amount of their time and effort. Naik(1992) found that Indian women manager spent a considerable amount of their time on these social role demands.

**RESULTS AND DISCUSSIONS:  
 MODEL PERSONALITY:**

**TABLE 1**

Type of business	Manufacturing	5	10%
	Retailer	12	24%
	Wholesaler	5	10%
	Service	23	46%
	Infrastructural Development (Pradhan)	5	10%
Number of full time employees.	2-5	12	24%
	6-10	5	10%
	11-20	23	46%
	20-30	5	10%
	More than 30	5	10%
Ownership	100% self	13	26%
	Active partnership	21	42%
	Silent Partnership.	16	32%
Sources of funds	Self	17	34%
	Spouse/family	12	24%
	Banks	9	18%
	Others.	12	24%
Age	Below 25	14	28%
	25-34	15	30%
	35-44	17	34%
	45-54	3	6%
	55+	1	2%
Business connections	Parents in business	7	14%
	Spouse in business	26	52%
	Parents & spouse in business	8	16%
	None	9	18%

It can be observed from the table 1 that majority of women entrepreneurs which are taken into study are into partnership with spouse or other family members and 100% self owned are 26% and 22% are into silent partnership. The women are young and 92% falls under the age of 44 years. Majority of women are married and fairly well educated and maximum of them are having university degree, few of them are having any previous experience of business. Most of the women (46%) are in service sector and are involved in Tiffin system, beauty parlors, papad and pickle business, event management, tourism industry, herbal and health care etc. It can be noted that 66% of the respondents had a parent / spouse who were business owners.

**PRESENT AND START UP PROBLEMS:**

**TABLE 2**

Problems	Startups(n)	Present(n)
Cashflow	27	23
Inadequate capital	6	6
Quality of product related	16	3
Employee related	12	12
Sales related	17	13
Lack of managerial experience	10	10
Lack of time	10	10
Family problems	3	7
Others	5	5

The women in the sample faced the same problems as faced by female entrepreneurs in other nations. As most of the females used their funds or funds borrowed from the family members to settle their business, only 18% had taken loans from financial institutions. The main problems faced by the females are start up issues like inadequate working capital, lack of any managerial experience and the problems related to cash flows, followed by marketing and employees management.

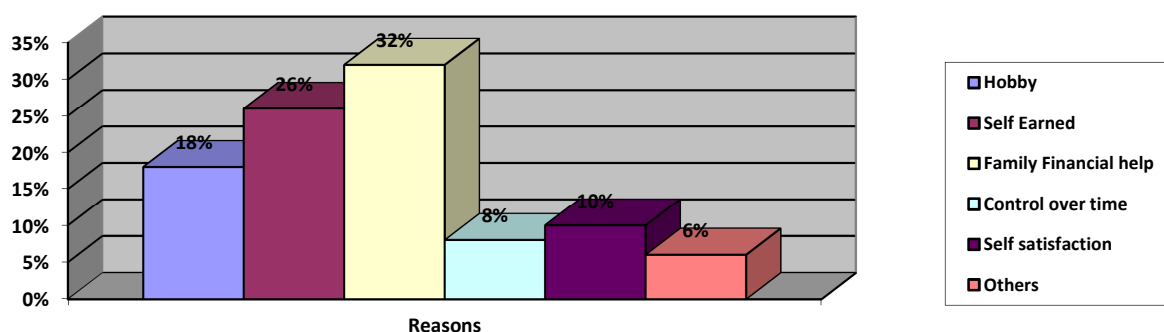
**WORK FAMILY CONFLICTS:**

**TABLE 3**

<b>Relations with spouse:</b>		
Improves relationship	7	14%
Keeps me away from spending time	12	24%
Worries interference with relationship	10	20%
Too tired to spend qualitative time with spouse	14	28%
Marriage suffers due to business.	7	14%
<b>Relations with children:</b>		
Hard to maintain good relations.	7	17%
Less time spent	16	32%
Not a good parent	4	8%
Don't have energy to be a good parent	11	22%
Makes me a better parent.	9	21%
<b>Role as homemaker:</b>		
Difficult to maintain household work	8	16%
Not able to devote more time due to lack of time	14	28%
Don't have energy to do household work	17	34%
Easier to do work	11	22%

Women in the study didn't felt that due to their business they are neglecting their roles as a spouse, parents or homemaker. As can be seen from the table 3 these women experienced a high level of these kinds of conflicts in their roles as spouse or parental roles, 28% of the women specified that they are not able to spend a qualitative time with their spouse, 14 % specified that there marriage is suffering due to their business. In the relation with children 32% said that they spent less time with kids and 22% said that they don't have energy to be a good parent. Among the roles examined i.e of spouse, parents and home makers highest level of conflict is in home maker role. It should be pointed out that 34% of women don't have left up energy to do household chores, maximum of women have someone in house to help them either a part time or full time maids, and even then they had no time to handle their household activities. Highest level of conflict in this sample may be the lack of support they are getting with their spouse as they said that their spouse don't offer them emotional support. Thus even they don't find support from the family and spouse in household activities and child rearing still the women are happy because they receive mental support from their maternal parents.

**REASONS FOR ESTABLISHING A BUSINESS:**



**TABLE 4**

Reasons	N	%
Hobby	9	18%
Self earned Profits	13	26%
Family financial help	16	32%
Control over time	4	8%
Self satisfaction	5	10%
Other	3	6%

In the study it was asked by women why they started a business, the common reason which was observed was financial 26% of women accepted that they were motivated by profits they earned 32% .replied they started because their husbands are either fully unemployed or seasonal unemployed. Hence it can be said that the main motivating factor is financial requirements. Many of the women also accepted that they are motivated by other factors such as wants to be independent or for self satisfaction or usage of their education etc.

Some other replied they want to spent time or their interest in particular area etc, they started their business as hobby and due to appreciation they received from the friends and relatives they converted it into a full-fledged business. Some of them started just to help others like by providing employment to others.

**CONQUEST REASONS:**



**TABLE 5**

Reasons	N	%
Hard work	12	24%
Quality/Variety	8	16%
Uniqueness	8	16%
Marketing skills	10	20%
Spouse support	8	16%
Others	4	8%

In the study success factors was also studied. When they were asked about success factors maximum of them replied hard work, those who are engaged in production they replied quality of product, variety and uniqueness. Some of them also replied the type of customer relations they maintained. Few of them also credited their success to their spouses.

Patel (1987) noted that entry of women in entrepreneurial world is a recent development in India due to the orthodox, traditional nature of the society. Hence these women are the first one who beak the ceiling of their socio-cultural environment, they might have felt that in spite of adding technical skill, personal qualities are more important.

**CONCLUSION:**

The growth of Indian economy is due to the growth of service sector. This is the prospective area which is to be embattled by Indian women. On the financial front all the private and public sector banks played a crucial role for the growth of women entrepreneur. Women entrepreneurs enjoy enough credit accessibility for meeting their financial needs. However the process to get these loans sanctioned is difficult and troublesome. In fact lack of knowledge about availability of such services is the reason behind non-availability. In spite of the fact that majority of respondents have acknowledged profit making as the major aim of their enterprise, women upliftment and empowerment are the by-product. Financial independence and independent decision making are the characteristic of free and laissez-faire women in a society.

One distinguishing and noticeable feature of the growth of women enterprises is their increasing inclination towards service sector. With relevant education, work experience, improving economic conditions and financial opportunities, more women around the world are creating and supporting successful business ventures. This will not only have an impact on the economies of the countries in which women own their businesses but also will change the status of women in those societies. It is likely that, as we begin this millennium, this will be the century of the entrepreneur in general and of the women entrepreneur in particular.

This study examined the problems faced by Indian women in starting and operating their business, the reasons for their success and work family conflicts faced by them, the government of India had set up several bursary programs for women entrepreneurs and large number of women had used these financial support agencies to set up their businesses. This study is investigative in nature; more research with more samples from different parts of the country is required to gather comprehensive outcomes.

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