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**“WOMEN ENTREPRENEURSHIP” A NEED FOR PROSPERITY AND DEVELOPMENT**

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**Prelude:**

Women Entrepreneurs may be defined as the women or a group of women who commence and operate a business venture. Like a male entrepreneur, a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertake risks, introduction of new innovations, coordination, administration and control of business and providing effective leadership in all aspects of business. Government of India has described women entrepreneurs as an enterprise/venture owned and controlled by women having at least financial interest of 51% of the capital and giving at least 51% of employment generated in the organization to women. Women Entrepreneurs are highly increasing in the economies of almost all countries. The hidden business potentials of women have been increasing with the growing sensitivity to the role and economic status in the society. The knowledge, Skill and compliance in business are the core reasons for women to come forward into business ventures. Women entrepreneurs engage in business due to push and pull factors which give confidence to women to have a self-sufficient occupation and stand on their feet. Logic towards independent decision-making on their life and career is the motivational factor behind this. 'Women Entrepreneur' is a person who accepts a challenging role to meet her personal desires and turn out to be economically independent. A strong desire to do

enormous positive is an integral quality of entrepreneurial women, who is competent of contributing values in both family and social life. With the introduction of media, women are conscious of their own qualities, rights and also the work situations. The glass ceilings are shattered and women are found indulged in every line of business from aachar to telecommunication. Right efforts in all areas are vital in the development of women entrepreneurs and their greater involvement in the entrepreneurial activities.

### **Review of Literature:**

*Jennifer and Candida (2013)*, emphasised on three elements like the development of the body of work known as women's entrepreneurship second to assess the contributions of this work specifically vice versa the broader entrepreneurship and finally to know the perspective of both difficulties as well as opportunities. *Vijayakumar and Jayachitra (2013)*, focuses on the problems, issues, challenges faced by women entrepreneurs, how to overcome them and to analyse policies of Indian government for and problems faced by them while pursuing their business. *Hemantkumar et.al, (2014)*, endeavours to explore studies related to **Women Entrepreneurship and Innovation in India**. Few examples from Gujarat, India have been taken to understand the study in a better way. *Vanita and Jeemol (2016)*, examined the number of papers published on women entrepreneurship in 12 established entrepreneurship journals from 1900 to 2016. Second is to assess the growth of the field by specifically reviewing literature reviews published from 1980s till 2016 and put forward future research directions. *Atuland Sanjeev (2017)*, highlights various challenges that an entrepreneurial venture run by a woman, in a rural location within a traditional patriarchal society such as India, faces. The case also helps understand the inevitable inter-twinning of business and social issues, given the rural context. *Tanvi(2017)* identified the factors that motivate women in India to become self-employed. Further, it demonstrates a systematic application of grounded theory to understand how women entrepreneurs build their ventures' success in India. *Preeti (2017)* studied that Women's entrepreneurship undoubtedly improves the wealth of the general public and especially the family. Today, women have shown that they are willing to accept activities that were once regarded as male retention and the second in nothing to contribute to economic growth. Female entrepreneurship must be adequately shaped by the company's abilities and skills to meet the changing trends challenge the global market and are empowered to maintain and pursue excellence in entrepreneurship.

## **Objectives of the study:**

- ☞ To examine the factors which encourage women to become entrepreneurs and
- ☞ To probe into the kind of support given by the government to women entrepreneurs
- ☞ To identify the need of women at workplace.
- ☞ To understand why India needs more women entrepreneurs and the role women entrepreneurs in India.

## **Methodology:**

The prepared 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 published books, articles published in different journals, periodicals, conference paper, working paper and websites.

### ***Factors which encourage women to become entrepreneurs and the kind of support given by government to women entrepreneurs?***

#### **Reasons to become entrepreneurs**

Many studies indicate that women start businesses for fundamentally different reasons than their male counterparts. While men start businesses primarily for growth opportunities and profit potential, women most often found businesses in order to meet personal goals, such as gaining feelings of achievement and accomplishment. In many instances, women consider financial success as an external confirmation of their ability rather than as a primary goal or motivation to start a business, although millions of women entrepreneurs will grant that financial profitability is important in its own right.

Women also tend to start businesses about ten years later than men, on average. Motherhood, lack of management experience, and traditional socialization has all been cited as reasons for delayed entry into entrepreneurial careers. In fact, over 30 percent of women entrepreneurs reported that they started a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a layoff. But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate America to chart their own destinies. Many of these women have developed financial expertise and bring experience in manufacturing or non-traditional fields. As a result, the concentration of women business owners in the retail and service sectors and in traditional industries such as cosmetics, food, fashion, and personal care is slowly changing.

#### **Support given by government to women entrepreneurs**

Women entrepreneurs in the Indian start-up ecosystem aren't a myth anymore. Though not frequent as one would have wanted, women entrepreneurs are no more a rare sighting in the Indian

start-up world. While ideation and innovation hasn't really ever been a problem for the womenfolk, it's the finance factor that often plays the spoilsport in them realising their dreams.

In order to provide women stepping into the entrepreneurial world a helping hand when it comes to capital, there are various schemes and loans programmes exclusively structured for businesswomen.

Here's a list of 9 schemes meant for women entrepreneurs in India:

- 1) **Stree Shakti Package:** The Stree Shakti Package is a unique scheme run by the State Bank of India (SBI), which aims to support entrepreneurship among women by providing them certain concessions like no security requirement for loans up to Rs. 5 lakh in case of tiny sector units or lowering of interest rate by 0.5 per cent in case the loan exceeds Rs. 2 lakh. In order to qualify for the scheme, an enterprise should have more than 50 per cent of its share capital owned by women.
- 2) **MahilaUdyam Nidhi Scheme:** Run by Punjab National Bank, the scheme aims to meet gap in equity. It assists women entrepreneurs in setting up of their new projects in tiny/small scale sector and rehabilitation of viable sick SSI units. Under the scheme, the maximum amount granted is Rs. 10 lakhs and the interest depends upon the market rates. These soft loans can be repaid over a period of 10 years.
- 3) **Udyogini Scheme:** Sanctioned by the Government of Karnataka in the year 1997-98, the scheme assists women in gaining self-reliance through self employment, especially in the trade and service sector. Offered by Punjab and Sind Bank, the scheme empowers women by providing them loans.

Under this scheme, the maximum unit cost is Rs.1,00,000/-. Age limit for the beneficiary is 18-45 years and family income limit to avail this benefit is Rs.40,000/- per annum for all women including those belonging to SC/ST. The scheme has really made a difference in preventing women entrepreneurs from private borrowing at higher rates of interest.

- 4) **Dena Shakti Scheme:** Offered by Dena Bank, the scheme provides financing to Women Entrepreneurs working in the fields of agriculture, manufacturing, micro-credit, retail stores, or small enterprises. The maximum ceiling limits that can be considered for financing to women beneficiaries under this scheme will be as per the directives of RBI stipulated for various sectors under priority sector such as loans upto Rs.20 lakhs under retail trade, Rs.20 lakhs under education and housing and Rs.50000/- under micro credit as well as Bank's specific schemes circulated to branches /offices from time to time.

5) ***Mudra Yojana Scheme for Women:*** Launched by the Government of India, the scheme aims to improve the status of women by providing them loans and encouraging them to start new ventures and thereby empowering them by providing a financial security of individual income. Under the scheme, if the loan is approved, the women entrepreneur will be provided with a Mudra card which will function the same way as a credit card however the funds available are limited to 10 per cent of the loan amount granted to you.

The loan, which doesn't require any collateral security, can be availed as per 3 schemes:

- a) ***Shishu***– Under this, the amount is limited to Rs.50,000 and can be availed by those businesses that are in their initial stages.
- b) ***Kishor*** – The loan amount under this scheme ranges between Rs.50,000 and Rs.5 lakhs and can be availed by those who have a well-established startups.
- c) ***Tarun*** – The loan amount under this scheme is Rs.10 lakhs and can be availed by those businesses that are well established but require more funds for expansion purposes.

6) ***BharatiyaMahila Bank Business Loan:*** For the uninitiated, the BharatiyaMahila Bank is the first of its kind in the Indian Banking Industry, which was formed with a vision of providing economic empowerment to women. The bank functions as a support system for women entrepreneurs looking to start new businesses in the fields of the retail sector, loan against property, MICRO loans, and SME loans.

The maximum loan amount granted by the bank is Rs.20 crores for businesses working in the manufacturing industry. The bank also provides women entrepreneurs with a concession to the extent of 0.25% on the interest rate and interest rates usually range from 10.15% and higher.

7) ***Orient MahilaVikasYojana Scheme:*** Provided by Oriental Bank of Commerce, the scheme entails to meet the credit needs of Women Entrepreneurs. In order to be eligible for the scheme, women have to hold a 51 per cent share capital individually or jointly in a proprietary concern. The scheme which provides a concession on the interest rate of up to 2 percent doesn't requires collateral security for loans of 10 lakhs up to 25 lakhs. The period of repayment for the loans provided under the scheme is 7 years.

8) ***Annapurna Scheme:*** Offered by State Bank of Mysore, the scheme provides loans to women entrepreneurs who are working towards setting up small businesses in the food catering industry. The maximum amount of money that is granted under the scheme is Rs.50,000. The

amount granted can be utilised to fulfill the working capital requirements of the business like buying utensils and other tools and equipment.

- 9) **Cent Kalyani Scheme:** Conceived and offered by Central Bank of India, the scheme aims to encourage Women Entrepreneurs to start new project or expand/modernise their existing unit. The scheme is targeted at new as well as existing women entrepreneurs for her Micro/Small enterprise (as defined under MSME Act- 2006) .i.e., engaged in manufacturing and service activity for eg. Handloom weaving Handicraft, Food-Processing, Garment making etc., Professionals & Self-employed women Doctors, Chartered Accountants, and Engineers or trained in Art or Craft etc., Health/Beauty clinics/Dieticians/Fashion Designing Beauty Parlours. Small Business-Small lunch/canteen, mobile restaurant, circulating library/ tailoring/Day Crèches for children, Tailoring, Typing/STD/Zerox booth etc., Transport Operators-Three wheeler/Four wheeler. Sectors such as Retail Trade, Education and training Institute and Self Help Groups are not eligible for the scheme.

The maximum amount that can be granted under the scheme is Rs.100 lakhs. The best part of the scheme is that it doesn't require any collateral security or guarantor and charges no processing fees whatsoever.

### **India needs its women in the workplace**

To take the Indian economy to a higher growth rate in the long run, we need to bring back the women in the workplace

While the successful hosting of the Global Entrepreneurship Summit 2017 in Hyderabad, its first outing in South Asia, was a significant achievement for India, the theme of “Women First, Prosperity for All” also perhaps brought into focus a great anomaly in the Indian workforce the under-representation of women.

US President Donald Trump's senior adviser, Ivanka Trump, highlighted in her keynote address that increasing the participation of women in the labour force would significantly boost the Indian economy. “Just consider, if India closes the labour force gender gap by half, your economy could grow by over \$150 billion in the next three years,” she said.

She was talking about a problem India may be quite familiar with but is finding hard to tackle. In the “Global Gender Gap Report” (2017) released recently by the World Economic Forum (WEF), India has been ranked a low 108 out of 144 countries on the gender equality scale, slipping from 87 last year.

Earlier this year, a World Bank report had said that India has among the lowest female Labour Force Participation Rates (LFPRs) in the world. In particular, low female LFPR is a drag on Gross Domestic Product (GDP) growth and an obstacle towards reaching a higher growth path.

China has 64% of its women working, one of the highest rates in the world. In the US, it is over 56%. In the subcontinent, Nepal and Bangladesh do much better than India; only Pakistan has a lower rate. It is not for lack of intent. There is evidence that a vast number of educated women do want to get back to their careers but are held back by impediments, such as societal norms and structural problems in labour markets and employment policies.

Personal experiences recounted by many women suggest that employers are sometimes not ready or not prepared, to take back women who have been on a career break and jobs often do not lend themselves to the elusive work-life balance. So they end up taking prolonged breaks. However, such career breaks also put the brakes on the national economy. The lives and fortune of women affect everyone.

### **Policy or intent**

The issue is not just about equality and opportunity any more. Many young women are highly educated and their qualifications are on par with those of their male counterparts. They then also work hard to build a career but as family life and home responsibilities take precedence, they end up dropping out of the workforce. Those who do decide to get back to work are often harrowed with questions about how, if at all, they would be able to manage home and work. Some of the assumptions about “returning women” are not just discriminatory but also disheartening.

Corporate India is struggling to maintain gender diversity in companies. It perhaps needs a stronger will and determined policy changes to bring women back to work. While it may be crucial for a working woman to take a break for some reason, be it family or children, she needs support and policy changes to enable her to come back to full-time or part-time work.

Many companies now have diversity and inclusion (D&I) mandate which makes them look to hire more women. Few women actually get hired on a salary and position commensurate with their education and experience, notwithstanding whether they took a break or not.

While this issue is close to the heart of many corporate leaders, and there is a determined effort to address the problem, it remains a struggle. “Newly available data reveals the scale of India’s gender gap in women’s share among legislators, senior officials and managers, as well as professional and technical workers for the first time in recent years, highlighting that continued efforts will be needed to achieve parity in Economic Opportunity and Participation,” the WEF report has highlighted.

### **Missing societal support**

Women do have the dual responsibility of home and work. With no strict guidelines about day care centres, and often bearing the responsibility of ailing and aged parents, women make the difficult choice of staying home and not going back to work. There is the other issue of security and,

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sometimes, the societal stigma about working late hours and travelling. Office work conditions are geared for a male workforce and are often not conducive to female employees and in the absence of quality control in crèches or reliable childcare options, many women seek employment opportunities with flexible hours or part-time work. Taking a break from a career cannot be held against a competent and talented woman aiming to get back to work but, unfortunately, it seems to be a roadblock which only a few are able to surmount.

The Global Entrepreneurship Summit saw many women leaders from around the world discussing and sharing ideas. This, surely, is a step in the right direction to motivate and empower women and bring them into the labour force. With two-thirds of the female population not working, India is missing out on a vast pool of resources, which is affecting its growth prospects. To take the Indian economy to a higher growth rate in the long run, we need to bring the women back.

### **Why India needs more women entrepreneurs**

In a job-starved market, women will be creating jobs and opportunities for themselves, and bringing other women on board. For quite a few years now, we have known that there is a major problem with India's labour force: the women are missing. Indian women are not only staying out of the workforce, they are doing so in increasing numbers across the board. The World Bank's latest development update for India reiterates these trends but also draws attention to an interesting insight: Women employers tend to hire a significantly greater number of women.

Of course, this is partly the result of the kind of businesses that women set up in what is already a heavily gendered labour force. For example, a beauty salon or a small tailoring unit owned by a woman can be expected to mostly hire other women. Also, many of these women-owned firms have only a single worker, which also skews the picture. But the trend holds true even in medium-sized firms. This lends credence to the idea that a targeted focus on women's entrepreneurship might be the tool needed to improve the labour force's gender balance.

The World Bank's report builds on a working paper by Ejaz Ghani, Arti Grover Goswami, Sari Kerr and William Kerr, *Will Market Competition Trump Gender Discrimination In India?*, which finds "a clear pattern of gender segmentation in both manufacturing and services, where, for instance, about 90% of employees in female-owned business in unorganized manufacturing are females". Gender segmentation is a double-edged sword in the sense that just like female-owned or female-led firms tend to hire more female workers, male owners and employers have the same tendencies. A 2014 paper, *Political Reservations And Women's Entrepreneurship In India*, by Ghani and others noted that "97% of working men are employed in male-owned enterprises". In the long run, such extreme levels of gender segmentation are obviously undesirable and inefficient. But in the



short term, it may help to view this trend as a catalysing opportunity that will bring more women into the workforce.

In this context, it is worth considering why the labour force participation rate (LFPR) for working-age women (15 years and older) is so abysmally low in India—at about 27%, it performs only slightly better than Afghanistan, Pakistan and Saudi Arabia. Experts offer a whole host of reasons—that young women are studying longer; that as incomes have increased, women who worked only out of necessity have retreated to their homes (the first phase of the U-shaped female labour force function described by economist Claudia Goldin); that as agriculture has come under stress and rural women have been squeezed out of their farm jobs on the one hand, educated urban women haven't moved into the workforce in considerable numbers on the other, etc. The pressures of urbanization, social norms and biases, and infrastructure issues put these trends in context but they still do not fully explain why the numbers are so low. Specifically, why have urban women, who seem to be the big drag on women's overall LFPR, not been able to find a place in the country's supposedly booming women-friendly services sector?

One reason for this is the lack of jobs overall, paired with men taking the lion's share. Another reason is the quality of jobs. Women want jobs that are well-paying, close to their homes, and have flexible working hours, according to World Bank research, and these are hard to come by. Also, there are many jobs to which women's access is restricted by law, such as those in mines and hazardous industries. Resolving this mess will, of course, require a multifaceted response from regulatory changes to public awareness campaigns to improving law and order so that women feel secure outside their homes. But encouraging entrepreneurship in women can be a good starting point: Women will be creating jobs and opportunities for themselves, and bringing other women on board.

India currently ranks 70 out of 77 nations on the Female Entrepreneurship Index, but moving up that index might not be as difficult as it seems. Certainly, long-term, structural reforms are needed but in the short term there are a few examples from around the world that indicate how targeted policy measures can deliver specific goals even when the rest of the infrastructure (such as ease of doing business, access to credit facilities and affordable childcare) may not be in place.

A good example here is Bangladesh, where the export-oriented garment industry has brought a large section of women into the workforce. Indeed, the Mastercard Index of Women Entrepreneurs 2017 notes that even though Bangladesh fares poorly in terms of its 'women's advancement outcomes', 'knowledge assets', 'financial access' and 'supporting entrepreneurial conditions', it ranks sixth among 54 countries on 'women business ownership', while India is at the bottom of the pile along with Iran, United Arab Emirates, Egypt and Saudi Arabia.

Ultimately, it is important to keep in mind that improving female LFPR is not just a women's issue, or only about ensuring gender justice and equality—though they are worthy goals in themselves. When women have productive, paying jobs, they have greater agency and that has a positive impact on their men and children, which reflects in higher human development indices. In economic terms, a low LFPR slows down growth, while bringing women into the fold is known to increase GDP. In short, if India's growth story has to translate into shared prosperity for all its people, then it cannot afford to have one half of its population sit out.

## **Conclusion**

Independence brought promise of equality of opportunity in all sphere to the Indian women and laws guaranteeing for their 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. The large majority of them are still unaffected by change and development activities have benefited only a small section of women i.e. the urban middle class women.

Entrepreneurship among women, there is no doubt that in general the wealth of the country and especially the family today; women are more interested in taking the activities once considered to protect men and proved that they are not behind everyone are in terms of contributions to the development of the economy. In order to meet the challenges of entrepreneurship, to meet the challenges of global markets and to maintain entrepreneurship, it must be well founded with entrepreneurial qualities and skills.

Empowering women entrepreneurs is crucial for achieving the goals of sustainable development and the bottlenecks hindering their growth must be reduced to enable full participation in the business. Apart from training programs Newsletters, mentoring, trade fairs and exhibitions also can be a source for entrepreneurial development. As a result, the desired outcomes of the business are quickly achieved and more of remunerative business opportunities are found. Therefore promoting entrepreneurship among Indian women is certainly a short-cut to rapid economic growth and development. Let us try to eradicate all kinds of gender bias and thus allow 'women' to be a great entrepreneur at par with men.

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