



WOMEN ENTREPRENEURS AND ECONOMIC DEVELOPMENT

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ABSTRACT

Entrepreneurial development today has become very significant in view of its being key to economic development. The objectives of industrial development, regional growth and employment generation depend upon entrepreneurial development. Entrepreneurs are thus the seeds of industrial development and the fruits of industrial development are greater employment opportunities to unemployed youth, increase in per capita income, higher standard of living and increased individual saving, revenue to the Government in the form of income tax, export duties, import duties and balanced regional development. The entrepreneurship of women is considered to be an effective instrument to the economic development and empowerment of women. Women entrepreneurship has been recognised as an important untapped source of economic growth. Women owned businesses show great potential source of future for economic growth and job creation. The term Women Entrepreneurship mean, an act of business ownership and business creation that empowers women economically, increases their economic strength as well as position in society. Hence women entrepreneurs have been making a considerable impact in all most all the segments of the economy. Technically, a 'Women entrepreneur is any woman who organizes and manages any enterprise, usually with considerable initiative and risk'. The personality trait of women entrepreneurs include risk takers, opportunist, inventor, commercialiser, trader, innovator, flexible etc. There are many problems associated with women entrepreneurs, such as financial problems, family responsibilities, limited mobility factor and domination by males, old and out-dated social outlook etc. Government of India has introduced National Skill Development Policy and National Skill Development Mission in 2009 in order to provide skill training, vocational education and entrepreneurship development to the emerging work force. This paper 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.

KEYWORDS: Entrepreneurial development, balanced regional development, wome Entrepreneurs.

INTRODUCTION :

The entrepreneurship has been identified by many economists as a vital force in the process of industrialisation in particular and economic development in general. Economic development can be defined as a move towards even more efficient and differentiated methods of supplying people with the requirement for survival and improvement. Economic development includes increase in productivity, social and economy equalization, improved institutions and attitudes and a rationally co-ordinated system of policy majors and removal of undesirable conditions and system that perpetuates state of

underdevelopment. Economic development involves something more than economic growth and it includes both growth and change.

Economic development is not to be considered as an end in itself but is a means to an end. Economic development is concerned ultimately with the achievement of better nourishment, better education, better health, better living conditions and an expanded range of opportunities in work and leisure for the people.

The entrepreneur is key to the creation of new enterprises that energize the economy and rejuvenate the established enterprises that make up the economic structure. Entrepreneur initiates and sustains the process of economic development in the following ways.

ROLE OF ENTREPRENEURS:

- 1) Capital formation : Entrepreneur mobilizes the idle savings of the public through the issue of industrial securities. Investment of public savings in industry results in productive utilisation of national resources.
- 2) Improvement in per capita income : Entrepreneur locates and exploits opportunities. Thus convert the talent and idle resources like land, labour and capital into national income and wealth in the form of goods and services.
- 3) Improvement in living standards: Entrepreneurs set up industries which remove scarcity of essential commodities and introduce new products. Production of new products helps to improve the standard of living of life of a common man.
- 4) Economic Independence: Entrepreneurship is essential for national self reliance. Industrialists help to manufacture indigenous substitutes to imported products, thereby reducing dependence of foreign countries.
- 5) Backward and forward linkages: An entrepreneur initiates change which has chain reaction. Entrepreneurial behaviour is critical to the long term vitality of every economy.
- 6) Generation of Employment : Entrepreneurship development training which helps in strengthening informal and unorganized is expected to motivate enterprising people to opt for self-employment and entrepreneurial career .It will help in solving the problem of increasing unemployment to some extent.
- 7) Harnessing locally available resources and entrepreneurship : Increased activities of local entrepreneurs will result in making use of abundantly available local resources.
- 8) Balanced regional growth: An important advantage of small scale enterprises is that they can be started with meagre financial resources and little or no previous experience or entrepreneurial background.

ROLE OF WOMEN ENTREPRENEURS:

Entrepreneurship development among women is important for the achievement of broader development objectives such as growth with equity. Women entrepreneurship is recognised as a vehicle for economic growth. Social and economic development of women is necessary for overall economic development of any society or a country. The role of women entrepreneur has changed over the years in the world participation and their importance has been commendable in the country's economic growth and development..The role of women entrepreneur in economical development is inevitable. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes intends and challenges,global markets and also be competent enough to sustain and strive for excellence in the entrepreneur arena.

CONCEPT OF WOMEN ENTREPRENEURS:

Women Entrepreneurs may be defined as the women or group of women who initiate, organize and operate a business enterprise. Government of India has defined women entrepreneurs as- an enterprise owned and controlled by women having a minimum financial interest of 51 % of the capital and giving at least 51% of the employment generated in the enterprise to women. Women

entrepreneurs engaged in business due to pull and push factors which encourage women to have an independent occupation and stand on their own legs.

Reasons for becoming women entrepreneurs

- 1) Family occupation
- 2) Bright futures of their wards
- 3) Need for additional income
- 4) Role model to others support of family members
- 5) Innovative thinking
- 6) New challenges and opportunities for self-fulfilment
- 7) Employment generation
- 8) Freedom to take own decisions and independent
- 9) Education and qualification self identity and social status
- 10) Increasing standard of living

LITERATURE REVIEW

Dheeraj Gandhi and Vaibhav Sharma (2014) in their study state that women of 21st century is no more a traditional resource confined to home only rather an educated, knowledgeable and innovative part of the overall population possessing the capacity to transform economies into thriving enterprises. Developing women entrepreneurship is indispensable to flourish as economically dominant nation in the modern high-tech world. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. A strong desire to do something positive is an inbuilt quality of entrepreneurial women who is capable of contributing values in both family and social life.

Hemantkumar Bulsara et al (2014) in their study states that as women sector occupies nearly 45% of the Indian population, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programmes to women. The role of women entrepreneur in economic development is also being recognised and steps are being taken to promote women entrepreneurship. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends challenges of global markets and also competent enough to sustain and strive excellence in the entrepreneurial arena.

Sabina Fazalbhoy (2014) in her study states that the contribution of women entrepreneurs to the national economy is quite visible in India. The number of women entrepreneurs has grown over a period of time, especially in 1990s. Women entrepreneurs need to be lauded for their increased utilisation of modern technology, increased investments, finding a niche in the export market, creating a sizable employment for others and setting the trend for other women entrepreneurs in the organised sector. Women entrepreneurs are capable of contributing much more than what they already are.

Siddharth Raval and Yupal Shukla (2012) in their study state that entrepreneurship among women improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men and proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills. Tax rebates, duty cuts and subsidized land and machinery can be provided.

Vijaya Kumbhar (2013) in his study states that absence of definite agenda of life, absence of balance between family and career obligations of women, poor degree of financial freedom for women, absence of direct ownership of the property, the paradox of entrepreneurial skill and finance in economically rich and poor women, no awareness about capacities, low ability bear risk, problem of work with male workers, negligence by financial institutions, lack of self confidence, lack of professional education, mobility constraints and lack of interaction with successful entrepreneurs are the major problems of women entrepreneurship development in India.

Vijayakumar A and Jayachitra S in their study states that entrepreneurship is presently the most discussed and encouraged concept all over the world to overcome economic challenges. Women being the vital gender of the overall population have great capacity and potential to be the contributor in the overall development of the any nation. Developing countries are in dire need to encourage women entrepreneurship as women workforce is promptly available to exploit the unexplored dimensions of business ventures. Entrepreneurship is the final remedy to over all types of business and market challenges.

Vijayakumar T and Naresh B in their study state that women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development. Women entrepreneurship has been recognised as an important source of economic growth. Women entrepreneurs create new jobs for themselves and others and also provide society with different solutions to management, organisation and business problems.

RESEARCH METHODOLOGY OF THE STUDY

The study is based on secondary data. In this study the researcher has adopted the method of reviewing different research articles, research journals and case studies to collect data about the role of entrepreneurs. This is conceptual paper.

OBJECTIVES:

- 1) To analyse the role of women entrepreneurs in economic development.
- 2) To identify problems unique to women in setting up and running their enterprises.:
- 3) To analyse the women entrepreneurial development programmes in India.

Role of women entrepreneur in economic development

Percentage distribution of enterprises by Gender as owner in Rural and Urban Areas

Area	Female	Male
Rural	15.27	84.73
Urban	12.45	87.55
All	13.72	86.28

Source: MSME annual report 2011-12 Ministry of MSME, Government of India

Women work participation

Country	Percentage
India(1970-71)	14.2
India(1980-81)	19.7
India(1990-91)	22.3
India(2000-01)	31.6
USA	45
UK	43
Indonesia	40
Srilanka	35
Brazil	35

PROBLEMS OF WOMEN ENTREPRENEURS:

1. Financial Problems: Finance is said to be the lifeblood of every business undertaking. Women entrepreneurs face financial problem on two grounds. Firstly, women do not have property on their own to use that as collateral securities for obtaining loans. Secondly, women are considered less credit worthy.
2. Scarcity of raw materials required for production : women entrepreneurs face the problem of scarcity of raw materials and necessary inputs and also high prices of raw materials.

3. Cut throat competition: Women entrepreneurs do not have a pre organizational set up to pump in a lot of money for canvassing and advertisement. Thus they have to face a stiff competition with the men entrepreneurs.

4. Women entrepreneurs limited mobility: Unlike men, women mobility in India is highly limited. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitudes towards women compels them to give up their spirit of surviving in enterprise altogether.

5. Family responsibilities and commitments: In case of married women, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or almost no time or energy to be diverted for the business activities.

6. Lack of education: In India around 60% of women are still illiterate. Illiteracy is the root cause of socio-economic barriers or hurdles. Due to lack of education and that to qualitative education, women are aware of business, technology and market knowledge.

7. Domination by male: Male chauvinism is still prevalent in many parts of the countries. Yet women are looked upon as weak in all respects. Women are not treated equal to men. This in turn, serves as a barrier to women's entry into business.

8. Lesser risk and uncertainty bearing attitude: Women in India lead a protected life. They are even less educated and economically not stable neither self-dependent. All these factors reduce their ability to bear risks and uncertainties involve in a business unit.

9. Lack of self-confidence: Nowadays all most all women are suffering from one major problem of lack of self confidence, will power, strong mental outlook, optimism etc. They always fear from committing mistakes while doing their piece of work.

10. Absence of proper support and backup: Many a times their own family members are not supporting and co-operating to dare to enter into the entrepreneurship field.

WOMEN ENTREPRENEURIAL DEVELOPMENT PROGRAMMES:

In the 2015 Female Entrepreneurship Index reported by the Global Entrepreneurship and Development Institute, India ranks poorly in terms of the women entrepreneurship ecosystem and entrepreneurship aspirations. The report ranks India very poorly in terms of availability of external financing for women entrepreneurs. Fostering women entrepreneurship is a key mandate

In order to accelerate formation of indigenous women's enterprises, imaginative development programmes and policies backed by sound institutional support are needed. The success of a programme for promoting of women entrepreneurs depends, on the solid foundations that are laid through preparation of realistic and bold action programmes on providing necessary organizational framework. Women Entrepreneurial Development Activities(WED) in India aimed at training first generation women entrepreneurs largely of non-traditional origin. Women Entrepreneurship Development Programmes must cover all aspects not only for establishment and running, but also for development of their entrepreneurial and managerial competencies.

WOMEN ENTREPRENEURSHIP ORGANIZATIONS:

Following are some national level organizations of women entrepreneurs

1) National Level Standing Committee on Women Entrepreneurs:

A National Standing Committee on Women Entrepreneur was constituted under the chairmanship of the minister of the state for sports, Government Affairs, women and welfare to look into the problems of Women Entrepreneurs and evolving policies for the promotion of entrepreneurship among women in the country.

2) Small Industries Development Organization(SIDO)

SIDO is an apex body organizing the implementation of Government policies regarding development of women entrepreneurs

- 3) District Industries centres (D I C) :The district industries centre programme was started in 1978. It is centrally sponsored scheme to assist tiny, cottage and village sector industries in the country and to generate larger employment opportunities in the rural and the backward areas.
- 4) Entrepreneurs Development Institute (EDI) : the Entrepreneurship Development Institute of India is the first of its kind in Asia and was set up in 1983 at Ahmedabad. The Institute conducts result oriented entrepreneurs development programmes adjusting the same to suit the intellectual level and socio economic background of target group. Women are treated as special target group.
- 5) National Alliance of Young Entrepreneurs (NAYE) : It is a national organisation of young entrepreneurs of the country apart from looking into the interest of young entrepreneurs, the organisation takes special care of the interest of women entrepreneurs.
- 6) National Institute for Entrepreneurship and Small Business Development (NIESBUD) : It was established in the year 1983. The institute organises training programmes for different category like trainers training programme, small business promoter's programme or general EDPs for women. The NIESBUD as a special sell to meet the requirements of women entrepreneurs
- 7) Association of Women Entrepreneurs of Karnataka (AWAKE) : It is today one of the India's premier institutions totally devoted to entrepreneurs, established in 1983. It is a registered society exempted from income tax under section 80 G of the income tax act of india.
- 8) ALEAP : Association of Lady Entrepreneurs of Andhra Pradesh is another emerging association. It conducts awareness programme and entrepreneurship development programme.
- 9) Indian Council of Women Entrepreneurs : It is engaged in the holistic approach of entrepreneurship movement . It is also rendering valuable services for the advancement of women entrepreneurship in the country.
- 10) Self Employed Women's Association (SEWA): The aim of this institute is to upgrade the skills of artisans through training programmes and to review and revitalise the tradition craft and take it to original level of refinement and also to ensure special benefits like educational and health facilities for members and their children.

INSTITUTION INFRASTRUCTURE

Institutional infrastructure of women entrepreneurial development programme are

- 1) Environmental analyses and self awareness for Entrepreneurialcapitation
- 2) Business opportunities guidance .
- 3) Preliminary business plan and market survey
- 4) Achievement motivation training
- 5) Final competency development
- 6) Skill competency development
- 7) Technical orientation and training
- 8) Free brake even management
- 9) Field visits and assignment .

CONCLUSION

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Women sector occupies nearly 45% of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. The role of Women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship.

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