

**AN ECONOMIC STUDY OF WOMEN ENTREPRENEURSHIP****Dr. B. Sasikumar**Assistant Professor, Department of Economics, Arumugam Pillai Seethai Ammal College,
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Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any
medium, provided the original work is properly cited.**Abstract:**

A woman entrepreneur is one who owns and controls an enterprise having a share capital of not less than 51 per cent as partners / shareholders / directors of private limited company / members of co- operative society and offers at least 51 per cent employment to women. The major functions performed by a women entrepreneur are categorized as risk- bearing organization and innovation. Women entry into business is a recent phenomenon. It is traced out as an extension of their kitchen activities to three Ps, i.e., pickle, power (masala) and pepped manufacturing with growing awareness and spread of education over the years, women have started engrossing to modern activities like engineering, electronics and energy popularly known as 3Es. In certain businesses, women entrepreneurs are doing exceedingly well and excelling their male counterparts. At present women entrepreneurs account for about 10 per cent of total entrepreneurs in the Women entrepreneurs face two types of problems, one, general problems faced by all entrepreneurs and, second, problems specific to women. Male dominating society, family ties, lack of need achievement, education and risk- bearing abilities are the examples of problems specific to women entrepreneurs. Women in India are no longer an able and remain confined to within four walls of house. They are participating and performing well in all spheres of activities such as academic, politics, administration, space, and industry. Efforts are one at the Government and voluntary agencies levels to tap the hitherto unrecognized and unaccounted for strength of women to integrate them in the process of industrial development, more especially small- scale industry development in the country.

Key Words: Entrepreneurship Development programmers - Woman Entrepreneur & Women Empowerment Organizing**Introduction:**

Women constitute around half of the total world population. So is in India also. They are, therefore, regarded as the better half of the society. In traditional societies, they were confined to the four walls of houses performing household activities. In modern societies, they have come out of the four walls to participate in all sorts of activities. The global evidences buttress that women have been performing exceedingly well in different spheres of activities like academics, Politics, administration, social work and so on. Now, they have started plunging into industry also and running their enterprises successfully therefore, while discussing on entrepreneurial development it seems in the fitness of the context to study about the development of women entrepreneurs also in the country. The present chapter, therefore, aims at discussing the growth and problems of women entrepreneurs in India work was first brought about in 1970 with ester Boserup's book, 'woman's role in economic development which was an outcome of Boserup;s research experience in India (Bose up 1970) if David McClelland's experiment (gosh 1998) proved as seed for entrepreneurship development it was during 1970 more attention was given to the women's productive roles than the reproductive ones (like childbearing and rearing housekeeping and card of the elderly) In the 1980 the gender and development approach took the women life into totality rejecting the public/ private dichotomy which devalues women's role at home. The planning commission of the Government of India realized that economic development of country can take place only when women are brought in the mainstream of economic development. Development cannot take place unless the people at the grassroots; level are not involved in the development made woman the 'subject' rather than objects of development and change agents rather than welfare recipients This also made women to move form margin to the center by empowering women to gain control over their lives (Hooks 1984) considering the dual roles of women at home and work, development approaches tried to harmoniously combine women's home life with work life. For example, Bangladesh rural advancement committer (BRAC) has developed flexible programmers which work around women's lives and within the context of broader policies and plans making women the subject of development rather than welfare recipients (McClellan 1961).

Objectives:

- ✓ Explain the concept of women entrepreneurs.
- ✓ Discuss the functions performed by women entrepreneurs
- ✓ Delineate the growth of women entrepreneurship in India
- ✓ Identify the specific problems faced by women entrepreneurs in establishing and running their small – scale enterprises.
- ✓ Give an account of development of women entrepreneurs in India.

- ✓ Highlight the recent trends in women entrepreneurship in the country.

Concept of Woman Entrepreneur:

Based on the general concept of entrepreneur discussed earlier, women entrepreneur may be defined as a women or group of women who initiate organize, and run a business enterprise. In terms of Schumpeterian concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called women entrepreneurs Kamal Singh who is a women entrepreneur from Rajasthan, has defined woman entrepreneur as “a confident innovative and creative women capable of achieving self- economic independent individually or in collaboration, generates employment opportunities for other through initiating establishing and running the enterprise by keeping pace with the personal family and social life, The Government of India has defined women entrepreneurs based on woman participation in equity and employment of business enterprise. Accordingly, the government of India (GOI 2006) has define women entrepreneur as an enterprise owned and controlled by a women having minimum financial interest of 51 per cent of the capital and giving at least 51 per as of the employment generated in the enterprise to woman However, this definition is subject to criticism mainly on the condition of employing more than 50 per cent women workers in the enterprises owned and run by the woman. In nutshell, women entrepreneurs are those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

Functions of Women Entrepreneurs:

As an entrepreneur, a woman entrepreneur has also to perform all the functions involved in establishing an enterprise. These include idea generation and screening determination of objective, project preparation, product analysis, and determination of forms of business organization, completion of promotional formalities, raising funds, procuring men, machine and materials, and operation of business.

Frederick Harrison (1956) has enumerated the following five functions of a Woman Entrepreneur:

- ✓ Exploration of the prospects of starting a new business enterprise
- ✓ Undertaking or risks and the handling of economic uncertainties involved in business.
- ✓ Introduction of innovations or imitation of innovations.
- ✓ Coordination, administration and control
- ✓ Supervision and leadership

The fact remains that, like the definition of the term entrepreneur different scholars have identified different sets of functions performed by an entrepreneur whether man or women All these entrepreneurial functions can be classified broadly into three

Categories:

- ✓ Risk – bearing
- ✓ Organization
- ✓ Innovations

These functions have already been discussed earlier in previous chapter; therefore, these are not discussed again for the sake of repetition.

Growth of Woman Entrepreneurship in India:

Woman India constitute around half of the country's population. Hence they are regarded as the “better half of the society” In the official proclamation; they are at par with men. But in real life, the truth prevails otherwise. Our society is still male – dominated and women are not treated as equal partners both inside and outside four walls of the house. In fact, they are treated as able i.e., weak and dependent on men. As such the Indian women enjoy a disadvantageous status in the society Let us give some facts about it The low literacy rate (40%) low work participation rate (28%) and low urban population share (10%) of women as compared to 60%, 52% and 18% respectively of their male counterparts well confirm their disadvantageous position in the Indian society. Our age- old socio- cultural traditions and taboos arresting the women within four walls of their houses also make their conditions more disadvantageous. These factors together serve as non- conducive conditions for the emergence and development the development of women entrepreneurship is expectedly low in the country. This is well indicated by a dismally low level of women (5.2%) in total self- employed persons in the country (Gupta and khanka 1996) further women entrepreneurs in India accounted for 9.01% of the total 1.70 million entrepreneurs in the country during 1988-89 (Desai 1992). A cross – Country comparison reveals that emergence ad development of entrepreneurship is largely caused by the availability of supporting conditions in a country. These supporting conditions are discussed in Chapter 9 to quote, with improving supporting conditions, the share of women owned enterprises reach to 50% by the turn of the 20th century.

Problems of Women Entrepreneurs:

Women entrepreneurs encounter two sets of problems, of entrepreneurs and problems specific to women entrepreneurs (Birley 1989) These are discussed as follows:-

Problem of Finance: Finance is regarded as “life –blood” for any enterprise, be it big or small. However, women entrepreneurs suffer from shortage of finance on two counts Firstly women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Thus, their access to

the external sources of funds is limited. Secondly the banks also consider women less credit- worthy and discourage women borrowers on the belief that they can at any time leave their business. Given such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relatives who are expectedly meager and negligible. Thus, women enterprises fail due to the shortage of finance.

Scarcity of Raw Material: Most of the women enterprise is plagued by the scarcity of raw material and necessary inputs. Added to this are the high prices of raw material, on the one hand, and getting raw material at the minimum of discount, on the other. The failure of many women co- operatives in 1971 engaged in basket – making is an example how the scarcity of raw material sounds the death- knell of enterprises run by women (Gupta and Srinivasan2009)

Stiff Competition: women entrepreneurs do not have organizational set - up to pump in a lot of money for canvassing and advertisement. Thus they have to face a stiff competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women enterprise.

Limited Mobility: Unlike men, women mobility in India is highly limited due to various reasons. A single woman asking for room is still looked upon suspicion. Cumbersome exercise involved in stating an enterprise coupled with the officials humiliating attitude towards women compels them to give up idea of starting an enterprise.

Developing Women Entrepreneurship:

Days are gone when women in India remained confined to within four walls of their homes and their immense strength and potential remained unrecognized and unaccounted for. Now they are increasingly participating in all spheres of activities. The fact remains that the citadels of excellence in academic, politics administration, business and industry are no longer the prerogatives of men in India. The general consensus that is emerging in all discussions relating to the development of women is that promotion of women entrepreneurs should form an integral part of all developmental efforts. The experience of the united states where the share of woman- owned enterprises is continuously on increase strengthen the view the future of small –scale industries depends van much on the entry of women into industry. Several national and international organizations and agencies have appreciated the need for and importance of development women entrepreneurs in recent years. A brief review of it is give with a view of develop better half of the society i.e., women the united Nations declared the decade 1978-85 as the decade for women the UNIDO Preparatory Meeting on the Role of women in Industrialization in Development countries held at Vienna during 6-10 February 1978 identified several constraints employment such as social attitudinal and institutional barriers, inadequate employment opportunities, inappropriate and inadequate training and insufficient information and so on which held women back from participating in industrial activities. The world conference of the united Nations decade for women held at Copenhagen in Denmark on 30th June, 1980 also adopted a programme aimed at promoting full and equal opportunities and treatment of women in employment and their access to non- traditional skilled trades (Prasad 1983). The first National conference of women entrepreneurs held at New Delhi in November 1981 advocates the need for developing women entrepreneurs for the overall development of the country. It called for priority to women in allotment of land , sheds, sanction of power, licensing, etc., the second international conference of women entrepreneurs organized by the National Alliance of young entrepreneurs (NAYE) held in 1989 at new Delhi also adopted certain declarations involving women’s participation in industry.

The Government of India had been assigning increasing importance to the development of women entrepreneurs in the country in recent years. The sixth five year plan, for example, proposed for promoting female employment in women –owned industries. The Government moved a step forward in the seventh five year plan by including a special chapter on integration of women in Development the chapter suggested:-

- ✓ To treat women as specific target groups in all development programmers.
- ✓ To devise and diversify vocational training facilities for women to suit their varied needs and skills.
- ✓ To promote appropriate technologies to improve their efficiency and productivity.
- ✓ To provide assistance for marketing their products.
- ✓ To involve assistance for decision- making process.

In her recent industrial policy 1991, the Government of India further stressed the need for conducting special entrepreneurship development programs for women with a view to encourage women to join industry. Product and process – oriented courses enabling women to start – scale industries are also recommended in the policy statement.

There are several institutional arrangements both at the center and the state levels like nationalized banks, state financial corporations, state industrial corporations, district industry centers and voluntary agencies like FICCI’s Ladies organization (FLO), National Alliance of Young entrepreneurs (NAYE) which have been engaged in protecting and development women entrepreneurs in the country. Added to these are national and international women associations set up with a purpose to create a congenial environment for development women entrepreneurship in rural and urban areas.

Limitations of Women Entrepreneurship:

It is cliché to mention that despite the various efforts of governmental and non- government organizations, the number of women entrepreneurs in India has so far been very small. But, unfortunately that is the case. Several limitations explain this. The prodigious volume of entrepreneurial research on gender differences has highlighted several limitations of development of women entrepreneurship. The most important ones are discussed hereunder:-

First, establishing and running enterprises always involve risk- taking in Case of women the gender stereotyped perception like self, lake of confidence, and assertiveness pose limitations to risk –taking. Added to these are the fear of non- traditional and outside the home activities make women hesitant to involve in business. Second, the Indian women are known as housewives bearing heavy domestic commitments and resistance of social structure to change the status from housewives to working wives also limits women’s entry into entrepreneurship. Especially in a Patriarchal Social Structure. Women are dependent on the males – husband and father in their lives. As such, family resistance is a major barrier to start an enterprise. In such social structures, male family members often make decisions for women. Third, as indicated by much low literacy rate of women, lack of access to education and training serve yet other barriers for women to enter into entrepreneurship. Fourth, as women generally lack in collateral, they find it difficult to obtain even small amounts from the banks. Banks generally have a perception about women as weak in repaying capacity.

Conclusion:

Women entry into business is a recent phenomenon. It is traced out as an extension of their kitchen activities to three Ps, i.e., pickle, power (masala) and pepped manufacturing with growing awareness and spread of education over the years, women have started engrossing to modern activities like engineering. Women entrepreneurs face two types of problems, one, general problems faced by all entrepreneurs and, second, problems specific to women. Male dominating society, family ties, lack of need achievement, education and risk- bearing abilities are the examples of problems specific to women entrepreneurs. Women in India are no longer an able and remain confined to within four walls of house. They are participating and performing well in all spheres of activities such as academic, politics, administration, space, and industry. Government and voluntary agencies levels to tap the hitherto unrecognized and unaccounted for strength of women to integrate them in the process of industrial development, more especially small- scale industry development in the country.

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