

# Challenges Faced by Women Entrepreneur in India

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*Abstract*— Female entrepreneurs are said to encompass approximately 1/3 of all entrepreneurs worldwide. Women entrepreneurs in India are bringing about a lot of development in the public and private sectors. The impact of globalization and its subsequent riches are being indulged in as competitively as the men folk in the country. And woman entrepreneurs in India are being recognized and appreciated not just nationally but globally in the international sphere.

In spite of growing market and e-commerce there are numerous challenges a woman has to face in order to keep up the pace.

In this paper we will discuss the challenges and issues faced by the Indian women entrepreneurs in present time.

*Keywords*— women, entrepreneur, india, challenges, issues, gender, discrimination etc

## I. INTRODUCTION

An entrepreneur has been defined as "a person who organizes and manages any enterprise, especially a business, usually with considerable initiative and risk". Rather than working as an employee, an entrepreneur runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes." Entrepreneurs tend to be good at perceiving new business opportunities and they often exhibit positive biases in their perception (i.e., a bias towards finding new possibilities and seeing unmet market needs) and a pro-risk-taking attitude that makes them more likely to exploit the opportunity. "Entrepreneurial spirit is characterized by innovation and risk-taking." While entrepreneurship is often associated with new, small, for-profit start-ups, entrepreneurial behavior can be seen in small-, medium- and large-sized firms, new and established firms and in for-profit and not-for-profit organizations, including voluntary sector groups, charitable organizations and government. For example, in the 2000s, the field of social entrepreneurship has been identified, in which entrepreneurs combine business activities with humanitarian, environmental or community goals.

## II. WOMEN ENTREPRENEUR

Studies have shown that successful female entrepreneurs start their businesses as a second or third profession. Because of their previous careers, female entrepreneurs enter the

business world later on in life, around 40–60 years old. According to the Global Entrepreneurship Monitor report, "women are nearly one-third more likely to start businesses out of necessity than men." Because women are overtaking their male peers in the level of education obtained, having higher education degrees is one of the significant characteristics that many successful female entrepreneurs have in common. The average self-employment rate for women under 25 years old in OECD countries is 7.2%.

The number of self-employed women has steadily increased over the past three decades, putting them at an approximate thirty-three percent increase. Many female-owned businesses continue to be home-based operations. These types of businesses usually have limited revenue with about eighty percent of them making less than \$50,000 in 2002. This group made up for about six percent of total women-owned businesses. Children of these female entrepreneurs are expected to boost that number as they contribute to the growing amount of female entrepreneurs. Most women-owned businesses are in wholesale, retail trade, and manufacturing. Female entrepreneurs have also made a name for themselves in professional, scientific, and technical services, as well as in healthcare and social assistance. In the majority of OECD countries, female entrepreneurs are more likely to work in the services industry than their male counterparts.

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### **Problems of Women Entrepreneurs in India In India:**

Women entrepreneurs have to struggle a lot and encounter a large number of problems to succeed in business. Some problems are general and faced by every entrepreneur, but some problems are specific to women entrepreneurs. These problems are discussed as follows: Problem of Finance: Finance is regarded as "life blood" for any enterprise, be it big financial problem or small. However, women entrepreneurs experience shortage of funds in two ways. Firstly, women do not generally own property on their names such that it can be used as collateral for procuring funds from extraneous sources. Therefore, they have limited access to external sources of funds. Secondly, women entrepreneurs are also considered less credit-worthy by banks and financial institutions and, therefore, women borrowers are discouraged on the presumption that they can leave their business at any time. Reasons for Women Becoming Entrepreneurs Employment Generation Bright future of Need for their wards additional income Freedom to take Own decision & be Independent Family Occupation 7 www.ssiomar.in Scarcity of Raw material: Most of the women enterprises are hassle by the

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scarcity of raw materials and necessary inputs. This trouble is further deepened by the huge cost of inputs, on the one hand, and obtaining raw material at least discount, on the other. **Stiff Competition:** Women entrepreneur do not have organization 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. **Limited Mobility:** In India, unlike men, women mobility is highly restricted due to various causes. Tiresome exercise involved in opening a venture coupled with humiliating attitude of officials towards women forces them to give up their plan of starting an enterprise. **Lack of Education:** In India, greater part of women is still illiterate. Illiteracy is the root cause of socio-economic problems. Due to the lack of education, women have less awareness about business, technology and market knowledge. Also, lack of education causes low achievement motivation among women. Thus, lack of education creates problems for women in the setting up and running of business enterprises. **Family Responsibilities:** In India, it is primarily a women's duty to take care of the children and other family members. Man's role is secondary. A married woman has to strike a proper balance between her family and business. Her total engrossment in family leaves a little or no more time and energy to devote for business. Husband's approval and support seems to be crucial requirement for entry of women into business. Accordingly, the husband's education and family background positively impact entry of women into business activities

**Low Risk-Bearing Ability:** Risk-Bearing is a necessary prerequisite of a successful entrepreneur. Indian women prefer a protected life. Inadequate infra structural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio-economic constraints holds the women back from entering into business. **Health Problems:** The health problems faced by women entrepreneur are tension, backache, eyestrain, fatigue and headache. It is found that women feeling the problem of feeling fatigued after returning home, lack of rest and sleep and heavy schedule. **Male-Dominated Society:** Male fanaticism is still the prevalent in India. Our constitution proclaims equality of males and females. But, in practice, women are deemed to be abla, i.e. weak and helpless. They have to face male reservations regarding a women's role, capacity and ability and are treated accordingly. To summarize, women are not treated at par with men in our male-dominated Indian society. This, in turn, result into a barrier to entry of women into business. **Production Problems:** Production problem faced by maximum women are no availability of raw materials. Non availability of raw material is one of the reasons to the slow growth of women entrepreneurs. Other production problems are non-availability of machines or equipments, training facility are not available and non availability of labour, high cost of required machine or equipment.

#### CONCLUSION

The evolution of women entrepreneurs and their benefaction to the national economy is quite visible in India. The glass ceilings are shattered and women are found to be indulged in every line of business from papad to power cables.

Over a period of time, more and more women are going for advanced, professional and technical education. Their portion in total workforce is also increasing. We have many successful entrepreneurs in our country but still we have male dominated environment and women has to face challenges from family and society. All entrepreneurs face certain challenges, but women often have additional challenges and bottlenecks because of their gender.

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