

THE ROLE OF ENTREPRENEURSHIP IN INDIA: POLICIES AND STRATEGIES FOR GROWTH

HARVINDER SINGH

Assistant Professor in Commerce, Sanatan Dharam College, Ambala Cantt

PREETI ARORA

Assistant Professor in Commerce, GGSDS College, Kheri Gurna, Banur (Punjab)

ABSTRACT

Entrepreneurship is the process of income generating activities. The economy of our country depends upon the income sources of the people due to it creates not only the Job opportunities even they raise the standard of living of people of our country. Today, the growth of our country depends upon growth of entrepreneurship. Entrepreneurship development is possible in India only due to good Initiative have been taken by Government and easy of doing business programme. India has encourage the entrepreneurship through designing the good policies about to make in India. There are so many reasons behind to creating interest in promoting women entrepreneurship especially in a country like India. The present study is an effort towards analyzing the current status of women entrepreneurship in India. The study also identifies the factors that are acting as constraints in the way of women entrepreneurship in the country. The key objective of this research is to develop a model suitable for the sustainable growth of women entrepreneurship in the country.

Keywords: Women Entrepreneurship, Economic Development, Women empowerment, India's Growth

INTRODUCTION

It is a general belief in many cultures that the role of women is to build and maintain the homely affairs like work of cooking and caring children. The status of women in India has been changing due to industrialization and globalization. With the spread of education and awareness, women have shifted from home to higher level of profession. Entrepreneurship has been a male-dominated phenomenon from the very beginning, but time has changed the situation and brought women as today's most inspirational entrepreneurs. In almost all the developed countries in the world women gain the dominant position in the field of business. The role of Women entrepreneur in economic development is inevitable. Now-a-days women enter not only in selected professions but also in professions like trade, industry etc. Women are also willing to take up business and contribute to the Nation's growth.

In developing countries, the small savings of rural areas are contributing more in establishing the small and micro enterprises in India. In the point of rural artisanship, entrepreneurship has been given much importance as well as empowerment too. The women empowerment has been created through the important role of Governments and other non-governmental organizations. Women

entrepreneurship is inherent and also a natural process. Entrepreneurship is considered as one of the most important factors contributing to the economic development of the society. There are evidences to believe that countries which have proportionately higher percentage of entrepreneurs in their population have developed much faster as compared to countries, which have lesser percentage of them in the society.

In India, women constitute around 48 percent of the population but their participation in the economic activities is only 34 percent. As per the Human Development Report (2007), India ranks 96th on the gender related development index of 137 nations. The gender empowerment measures, which estimate the extent of women participation in the country's economic and political activities, rank India as 110th of the 166 nations. In the emerging complex social scenario, women have a great role to play.

Now women have taken up entrepreneurial role in order to create a meaning for themselves. The traditional roles of housewives are gradually changing into women entrepreneurs. Some of the factors responsible for these changes are better education, changing socio cultural values and need for supplementary income. When proper exposure, education and knowledge are imparted to them, Indian women will prove themselves to be highly potential productive force for the development of the nation. Concept of Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise.

The Government of India has defined women entrepreneurs as —an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women. Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stands on their own legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new.

REVIEW OF LITERATURE

Wadhwa & Mitchell (2010), present a detailed exploration of men & women entrepreneur's motivations, background and experiences. The study is based on the data collected from successful women entrepreneurs. Out of them 59% had founded two or more companies. The study identifies top five financial & psychological factors motivating women to become entrepreneurs.

Tambunan (2009), made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining overwhelming importance; more than 95% of all firms in all sectors on average per country. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints.

Singh 2008, identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are

mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc.

Lall & Sahai (2008), conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges & future plan for expansion, based on demographic variables. Through stratified random sampling & convenience sampling the data have been collected from women entrepreneurs working in urban area of Lucknow. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

These are desire to build the wealth, the wish to capitalize own business ideas they had, the appeal of startup culture, a long standing desire to own their own company and working with someone else did not appeal them. The challenges are more related with entrepreneurship rather than gender.

Greene et.al. (2003), evaluate the research & publication contribution in the area of women entrepreneurship. The study categorized various journal & resources of research on the basis of certain parameters concerned with women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives.

Rani (1996), found that the availability of leisure time motivated women entrepreneurs from the higher income classes. Contrary to the above, women entrepreneurs are forced to take entrepreneurship in the absence of any other means of contributing to family income. The study also found that, family support and encouragements are the highest facilitating factor which helped women to aspire entrepreneurship.

OBJECTIVES OF THE STUDY

1. To identify the reasons for women for involving themselves in entrepreneurial activities.
2. To determine the possible success factors for women in such entrepreneurial activities.
3. To discuss the development of women entrepreneurs through small and medium enterprises.

WOMEN ENTREPRENEURSHIP IN INDIA

Women are generally perceived as home makers with little to do with economy or commerce. In Modern India, more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises. Even as women are receiving education, they face the prospect of unemployment. In this background, self employment is regarded as a cure to generate income. The Planning commission as well as the Indian government recognizes the need for women to be part of the mainstream of economic development. Women entrepreneurship is seen as an effective strategy to

solve the problems of rural and urban poverty.

Traditionally, women in India have been generally found in low productive sectors such as agriculture and household activities. Human Development Report 2004 ranks India 103 in Gender related Development Index (GDI). As per 2001 census; women constitute nearly half of India's population.

Out of this total, 72% were engaged in agriculture, 21.7% in other non agricultural pursuits with only 6.3% in household industries. Women entrepreneurs in India are handicapped in the matter of organizing and running businesses on account of their generally low levels of skills and for want of support system. The transition from homemaker to sophisticated business woman is not that easy. But the trend is changing. Women across India are showing an interest Role of Women Entrepreneurs in India 477 to be economically independent. Women are coming forth to the business arena with ideas to start small and medium enterprises. They are willing to be inspired by role models- the experience of other women in the business arena. The role of women entrepreneurs is especially relevant in the situation of large scale unemployment that the country faces.

The Entrepreneurship development for women is an important factor in economic development of India. Rural women can be encouraged to start cottage industries. Rural based micro enterprises have been encouraged by the government by various schemes-such as Integrated Rural Development Program (IRDP), Training of Rural Youth for Self Employment (TRYSEM), and Development of Women and Children in Rural Areas (DWCRA). The aim is to remove poverty through entrepreneurial programs.

TOP 10 WOMEN ENTREPRENEURS

Worldwide, businessmen, economists and politicians today assent that, 'Women owned businesses boost the economy'. There are various examples who set up the good entrepreneurship in India:

1. Madame C.J. Walker (1867–1919)
2. Gabrielle Bonheur 'Coco' Chanel (1883-1971)
3. Estée Lauder (1908-2004)
4. Mary Kay Ash (1918 - 2001)
5. Lillian Vernon (1929)
6. Martha Stewart (1941)
7. Anita Roddick (1943 - 2007)
8. Vera Wang (1949)
9. Oprah Winfrey (1954)
10. Debbi Fields (1956)

POLICIES AND SCHEMES FOR WOMEN ENTREPRENEURS IN INDIA

- a) In India, the Micro, Small & Medium Enterprises development organizations, various State

Small Industries Development Corporations, the Nationalized banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills. There are several other schemes of the government at central and state level, which provide assistance for setting up training cum-income generating activities for needy women to make them economically independent.

b) Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs. For instance, under Prime Minister's Rozgar Yojana (PMRY), preference is given to women beneficiaries.

c) The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme. Some of the special schemes for women entrepreneurs implemented by the government bodies and allied institutions are provided below. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:

Integrated Rural Development Programme (IRDP)

Khadi And Village Industries Commission (KVIC)

Training of Rural Youth for Self-Employment (TRYSEM)

Prime Minister's Rozgar Yojana (PMRY)

Entrepreneurial Development programme (EDPs)

Management Development programme

Women's Development Corporations (WDCs)

Marketing of Non-Farm Products of Rural Women (MAHIMA) Assistance to Rural Women in Non-Farm Development (ARWIND)

Trade Related Entrepreneurship Assistance and Development (TREAD)

The efforts of government and its different agencies are ably supplemented by NGOs that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding.

SUGGESTIONS

On the basis of Overall study of women entrepreneurship in India, There are some suggestion are given for to solve the problems faced by them and for running their enterprise smoothly.

1. Proper technical education to the women and opening of women development cells. Improvement of identification mechanism of new enterprise.
2. Assistance in project formulation and follow up of training programmes.

3. Credit facilities, financial incentive and subsidies.
4. Adequate follow-up and support to the women enterprises.
5. Women Enterprises research and application from time to time have to be documented.

CONCLUSION

In brief, 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 stage, 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.

The principal factor in developing entrepreneurship among women is not in terms of infrastructure or financial assistance or identifying an enterprise but it is a question of clearing the ground for their movement into entrepreneurship. For ages together they have been confined to a secondary role and confined to the homes and you have to bring out so that they become self-reliant, self-respecting enterprising people. Though there are several factors contributing to the emergence of women as entrepreneurs, the sustained and coordinated effort from all dimensions would pave the way for the women moving into entrepreneurial activity thus contributing to the social and economic development of the members of the family and thereby gaining equality and equal importance for themselves.

WORKS CITED

- Baporikar, N. (2007). *Entrepreneurship Development & Project Management*. Himalaya Publication House.
- Dhaliwal S. (1998). "Silent Contributors: Asian Female Entrepreneurs and Women in Business", *Women's Studies International Forum*, Vol. 21 (5), pp. 469-474.
- Langowitz N and Minniti, M. (2007). 'The Entrepreneurial Propensity of Women' *Entrepreneurial Theory and Practice*.
- Lalitha, I. (1991). *Women entrepreneurs challenges and strategies*. Frederich, Ebert Stiftung, New Delhi.
- Desai, V. (1996). *Dynamics of Entrepreneurial Development & Management*. Himalaya Publishing House - Fourth Edition, Reprint.
- Minniti, M and Naude, W. A. (2010). 'What do we know about the Patterns and Determinants of female Entrepreneurship Across Countries?' *The European Journal of Development Research*.
- Greene, Patricia G., Hart, Myra M, Brush, Candida G, & Carter, Nancy M. (2003). *Women Entrepreneurs: Moving Front and Center: An Overview of Research and Theory*, white paper at United States Association for Small Business and Entrepreneurship.
- Handbook on Women-owned SMEs, Challenges and Opportunities in Policies and programmes, International Organization for Knowledge Economy and Enterprise Development.

- Rani, D. L. (1996). *Women Entrepreneurs*. New Delhi: APH Publishing House.
- Robinson, S. (2001), "An examination of entrepreneurial motives and their influence on the way rural women small business owners manage their employees", *Journal of Developmental Entrepreneurship*, Vol. 6 (2), pp. 151- 167.
- Singh, Kamala. (1992). *Women entrepreneurs*, Ashish Publishing House, New Delhi
- Gordon E. & Natarajan K. (2007). *Entrepreneurship Development*. Himalaya Publication House, Second Revised edition.
- Nussbaum, M. C. (2000). *Women and human Development: The Capabilities Approach*. Cambridge: Cambridge University Press.

PURVA MIMAANSA