Women Entrepreneurship and its History

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Abstract

Development compared to other countries the development of women entrepreneurs is very low in India, especially in Rural areas. However, women of middle class are not too eager to alter their role in fear of social backlash. The progress is more visible among upper class cities in urban cities. Factors like political instability, poor infrastructure, high production costs and non-conductive business environment affect women entrepreneurs more than men. Limited access to key resources like land and credit, legal and socio-cultural environment also act as serious impediments. In the era of globalization changing pattern of trade and evolving technologies necessitate skill enhancement that many entrepreneurs in the continent are yet to possess. This paper focuses on role played by women entrepreneurs in the economic development of India. The paper also talks about the status of women entrepreneurs.

Keywords: Entrepreneurs Growth, Women Entrepreneurs, Contribution of women entrepreneurs.

INTRODUCTION

The Government of India has defined women entrepreneurs as an enterprise owned as controlled by women having a minimum financial interest of 51% of the capital and giving at least 51 per cent of the employment generated in the enterprise to women. Women constitute almost 50 per cent of the world population. So the socio-economic population of women at the international, regional, national and local level means using significant potential resources more effectively. Moreover, it is noticeable that entrepreneurs’ development and empowerment are complementary to each other.
Women empowerment depends on taking part in various development activities. In other words, the involvement of women in various entrepreneurial activities has empowered them in social, economic culture and other related fields. It can be understood that women entrepreneurs have been making significant impact in all segments of Indian economy. The rising number of female business owners is currently a global trend especially in the developing countries. In the advanced market economies, women own more than 25 per cent of all business. Many people argue that women are ‘pushed’ rather than pulled in to business ownership but recent syrupy indicate that many women now actively choose self-employment, especially the younger women.

**Objectives of the Study**

- To study the role of women entrepreneurs in the economic development of the India.
- To study about the status of women entrepreneurs in India.

**Methodology of the study**

The study focus on extensive study on secondary data collected from various books, national and international journals, publications from various websites which focused on various aspects of role of women entrepreneurship in India.

**Categories of Women Entrepreneurs in India**

Women Entrepreneurs in India can be categorized into three parts which are as follows:

**First Category**

- Established in big cities.
- Having higher technical qualifications.
- Sound financial positions.

**Second Category**

- Established in cities and towns
✓ Having sufficient education
✓ Undertaking women services-kinder garden, beauty parlors, health clinics etc.

Third Category
✓ Illiterate Women
✓ Financially weak
✓ Involved in family business like agriculture, dairy, handlooms, power looms, horticulture etc.

Factors Influencing Women Entrepreneurs

Figure 1 Factors Influencing Women Entrepreneurs

Women Entrepreneurship Development in India
This study shows that the position of women work participation as well as women entrepreneurship both is low in India in comparison to selected countries in the world.

Table 1 Women Work Participation in India

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>India (2015-16)</td>
<td>34.8</td>
</tr>
</tbody>
</table>
Women work participation is low in India in comparison to selected countries of the world. Women work participation in India is 34.8% where in USA it is 45%, UK 43%, Canada 42%, France 32%, Indonesia 40%. Sri Lanka and Brazil both 35%.

In India men generally talk the lead in the entrepreneurial world. With the changing cultural norms and increase in the literacy rate more and more Indian women are accepting entrepreneurship as their career. With the advent of Media, women are being aware of their own traits, right and also the work situation.

They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.
Table 2 Women Entrepreneurs Doing Business in India – Comparisons among Major Cities/Capitals

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Country</th>
<th>Ease of Doing Business (Rank)</th>
<th>How many days to start a business (Days)</th>
<th>Days to Enforce A Contract (Days)</th>
<th>Time to close a business (Years)</th>
<th>Days to export</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ludhiana</td>
<td>1</td>
<td>33</td>
<td>862</td>
<td>7.3</td>
<td>21</td>
</tr>
<tr>
<td>2</td>
<td>Hyderabad</td>
<td>2</td>
<td>33</td>
<td>770</td>
<td>7</td>
<td>26</td>
</tr>
<tr>
<td>3</td>
<td>Bhubaneswar</td>
<td>3</td>
<td>37</td>
<td>735</td>
<td>7.5</td>
<td>17</td>
</tr>
<tr>
<td>4</td>
<td>Gurgaon</td>
<td>4</td>
<td>33</td>
<td>1163</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td>5</td>
<td>Ahmedabad</td>
<td>5</td>
<td>35</td>
<td>1295</td>
<td>6.8</td>
<td>17</td>
</tr>
<tr>
<td>6</td>
<td>New Delhi</td>
<td>6</td>
<td>32</td>
<td>900</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td>7</td>
<td>Jaipur</td>
<td>7</td>
<td>31</td>
<td>1033</td>
<td>9.1</td>
<td>22</td>
</tr>
<tr>
<td>8</td>
<td>Guwahati</td>
<td>8</td>
<td>38</td>
<td>600</td>
<td>8.3</td>
<td>22</td>
</tr>
<tr>
<td>9</td>
<td>Ranchi</td>
<td>9</td>
<td>38</td>
<td>985</td>
<td>8.5</td>
<td>21</td>
</tr>
<tr>
<td>10</td>
<td>Mumbai</td>
<td>10</td>
<td>30</td>
<td>1420</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>11</td>
<td>Indore</td>
<td>11</td>
<td>32</td>
<td>990</td>
<td>8</td>
<td>21</td>
</tr>
<tr>
<td>12</td>
<td>Noida</td>
<td>12</td>
<td>30</td>
<td>970</td>
<td>8.7</td>
<td>25</td>
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<tr>
<td>13</td>
<td>Bangalore</td>
<td>13</td>
<td>40</td>
<td>1058</td>
<td>7.3</td>
<td>25</td>
</tr>
<tr>
<td>14</td>
<td>Patna</td>
<td>14</td>
<td>37</td>
<td>792</td>
<td>9.3</td>
<td>19</td>
</tr>
<tr>
<td>15</td>
<td>Chennai</td>
<td>15</td>
<td>34</td>
<td>877</td>
<td>7.5</td>
<td>25</td>
</tr>
<tr>
<td>16</td>
<td>Kochi</td>
<td>16</td>
<td>41</td>
<td>705</td>
<td>7.5</td>
<td>28</td>
</tr>
<tr>
<td>17</td>
<td>Kolkata</td>
<td>17</td>
<td>36</td>
<td>1183</td>
<td>10.8</td>
<td>20</td>
</tr>
</tbody>
</table>

Sources: World Bank Doing Business in India

Importance of Women Entrepreneurs in India

In India, women dominate the micro enterprise both the sector in rural and urban area. According to the central statistical authority women account for close to 70 percent of the micro enterprises in India are run but women. However, their participation in small, medium and large enterprises diminishes. Beyond the participating in the productive activities such as agriculture, trade and industry, women have the multiple role in the society.

They participate in productive activities such as agriculture; they are responsible for caring for the family including the preparation of food, health care and education. Women need to balance this different role and therefor they are multitasked, managing their business alongside
all other roles they are expected to perform. Women account for a longer share of the informal economy operators as well as those running micro small and medium enterprises in India. MSMEs make a significant contribution to the socio-economic development of the country by way of supporting the people to earn money and make a contribution to family income, and by supplying basic goods and services for local consumption. However this contribution is not fully recognize or understand and there is little in the way research or statistics to provide a broader understanding of women’s experience as business owners, their contribution to economic development or the challenges they face in setting up, managing and growing their enterprise. Women Entrepreneurs are often described as survivalist and dominate the low skill, low capital intensive and often informal and micro business.

**Economic Contribution of Women Entrepreneurs in India**

Economic growth and development of any country are determined by human, physical and financial resources. An economy can move on to higher levels of growth either by acquiring a larger quantum of the factors of production or through technical progress. The objective of any planned development is to develop human resources to their brimming utilization. Therefore, industrialization is one of the ways of bringing about socio-economic development in any country. The economic development of a nation is sparked largely by its enterprising spirit. The characteristic of enterprising emerges from the inter play of behavior and activity of special segment of the population known as entrepreneurs. For examples, India’s economy is today poised for a flourishing entrepreneurial activity.

It is also known that a healthy business environment is an essential requirement for entrepreneurial growth. India’s liberalization in the past 10 years has registered tremendous economic growth with 8% CAGR in GDP, increase in per capita income of approximately 5%. Due to industrialization, urbanization, education and democratic system in the country the tradition bound Indian Society is now undergoing a change and women now seeking gainful employment in several fields in increasing numbers.
Entrepreneurship for women is not only considered as a powerful tool to facilitate their direct participation in income generating activities but also as a tool to foster self-reliance to tap their potentials and to enhance the sense of achievement and self-esteem. Women’s economic activities contribute directly to growth and efficiency in dealing with informal business problems and poverty reduction is one of the main issues for policy makers. The economic contribution of Indian women entrepreneurs can be well understood from the following point:

1. **Capital formation:** Women entrepreneurs mobilize the idle savings of the public through the issue of industrial securities. Investment of public savings in the industries results in productive utilization of national resources. The rate of capital formation increases, which is essential of rapid economic growth.

2. **Improvement in per capita income:** Women Entrepreneurs in India have also been exploiting the opportunities. They convert the latent and idle resources like land, labour and capital into national income and wealth in the form of goods and services. They help increase the country’s net national product and per capita income which are important for measuring the economic growth.

3. **Generation of employment:** Women Entrepreneurs in India are playing an important role in generating employment both directly and indirectly. By setting up small scale industries, they offer job to people.

4. **Balanced regional development:** Women Entrepreneurs in India to remove regional disparities in economic development set up industries in backward areas to avail of the resources concessions and subsidies offered by the government.

5. **Improvement in living standard:** With the setting up the small scale industries, reduction of scarcity of essential commodities and introducing new products can be achieved. Women entrepreneurs in this country are producing variety of goods on a large scale and offering them at low rates, as a result, achieving improvement in the standard of life.
6. **Innovation:** Innovation is the key to entrepreneurship. It implies the commercial application of an invention. As an innovator, the entrepreneurs assume the role of a pioneer and an industrial leader. Entrepreneurs have contributed many innovations in developing new products and the existing products and services. All these have resulted in economic development by way of generating employment, more income etc.

7. **Other Contributions:** Women Entrepreneurs are the main actresses in charging the culture of the society. In our country, women are workaholics and participate outside the house and develop the sense of independence and the like.

Thus women entrepreneurs in our country are directly or indirectly playing an important role in environmental protection, backward and forward integration and are acting as charge agents, thus contributing to the economic growth of the country.

**Conclusion:**

The participation of women in economic activities is necessary not only from a human resource point of view but also is essential even from the objective of raising the status of women in the society. The economic status of the women is now accepted as an indicator of a society’s stage of development and therefore it becomes imperative for the government to frame policies for development of entrepreneurship among women. The long-term objectives of the development programs for women should aim to raise their economic and social status in order to bring them into the mainstream of national life and development. For this, due recognition has to be accorded to the role and contribution of women in the various social, economic, political and cultural activities.

**References**

5. Report of Developing Commissioner (MSMEs).