

Women Entrepreneurs and Economic Development: Indian Perspective

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Abstract

Gender inequality is one of the oldest problems in society. From the ancient period itself, women were neglected in the society because their role was only confined to the four walls of the house (which means women are only for taking care of the family); but now, it is the globalised era in which men and women are equal. Here, gender itself is immaterial so we have to give the equal importance to men and women based on their talent and not on their socio-cultural status prevailing in the society. Today is the time to think of bringing women to the mainstream in all the four corner points of the economy. So, the present study is intended to conceptually analyse the role of women entrepreneurs in the economic development of the country in the Indian context. For this purpose, information is gathered from secondary sources such as books, research articles, websites and other published reports.

Keywords: Gender Equality, Women Empowerment, Women Entrepreneurs, Economic Development

Introduction

Gender equality is a fundamental human right; but more than that, it is a necessary foundation for a peaceful and sustainable world. The overall objective of gender equality is to create a society where both men and women have equal access to all resources and opportunities. UNESCO says that all forms of discrimination based on gender are violations of human right and they act as a barrier to the achievement of 2030 agenda for sustainable

development. Wherever gender inequality exists, it is always the women who are disadvantaged in relation to decision-making and access to economic and social resources. To promote gender equality, focus should be given to women empowerment by giving women more autonomy to manage their lives. India has a lower share of women's contribution (17%) to GDP than the global average of 37%. When we look at the Indian business, only 14% of Indian businesses are run by women. Effort should be taken to increase the number of women entrepreneurs. Those days are gone where women had to limit her dreams and aspirations into four walls of the house, and now the entire society is waiting to see the growth of women with various supports given by the government authorities. Nowadays, we can see women participation in every field including politics, business, science, law, etc. Companies are greatly benefited by increasing employment and leadership opportunities to women which is reflected in their organisational growth. It is estimated that companies with three or more women in top management function higher in all dimensions of organisational performance.

Increasing the educational attainment of girls and women contributes to economic empowerment and more inclusive economic growth. Along with education, support should be given to learn technological and digital transformation affecting jobs to make them competent. Women's economic empowerment is the highest contributing factor to close the gender gap. Extending more support to women in obtaining financial benefits helps in women's economic empowerment. Women should not be confined to be job seekers; rather, they should be motivated to become job providers. A continuous attempt should be made to inspire, motivate and encourage women to become entrepreneurs by organising various awareness

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programs. In a patriarchal society like India where everything revolves around the male, women face a lot of challenges while entering into business. They need to maintain a balance between family and business. Without proper family support, women cannot make involvement in business.

Women account for half of the population in India. When half of the potential human resource remains untapped, the pace of economic growth cannot be increased. Here, an attempt is made to study the role of women entrepreneurs in the economic development of the country. Women entrepreneurs can grow only when there is a conducive environment for growth. Various measures are taken by the government to empower women and boost women entrepreneurship.

The next part of the paper is organised as a literature survey, methodology, discussions and conclusions.

Literature Survey

To have the specific research problem analysing earlier literature plays a vital role; so, this section deals with analysing the earlier literature relating to the current topic.

Initiation and growth of ventures by women entrepreneurs are dependent on the skills and abilities of the women entrepreneur and also on the support provided by family, friends, society, governmental and non-governmental organisations (Agarwal & Lenka, 2016). Education has a positive impact on women empowerment. Women leaders are bold, persuasive and willing to take risks. Women empowerment contributes to the socio-economic development of the nation (Varghese et al., 2016). The status of women can be proved by women themselves. Education is the main factor that helps in making them competent. Equal work and elimination of discrimination in employment should be given more stress to empower women (Bhuyan, 2006). Equity between men and women can be brought by continuing to take policy actions that favour women at the expense of men and it should be carried out for a very long time (Dufflo, 2012). Gender gap still exists with regard to education and employment. Access to education and employment are the factors enabling to empowerment, but it all largely depends on the attitude of people towards gender equality (Nayak & Mahanta, 2008). Women participation in the field of entrepreneurship is increasing at a considerable rate.

The government-sponsored activities are not reaching to all sections. Effective steps have to be taken to create awareness among women and for their skill development (Goyal & Prakash, 2011). Women entrepreneurs are facing many problems and challenges. There is a need to continuously inspire and motivate women entrepreneurs and give awareness about the various areas to conduct business (Kumbar, 2013). The problems faced by women entrepreneurs in India in the initial stage seem to be same as those faced by women entrepreneurs in the western countries. The women entrepreneurs here in India face a low level of work-family conflict and have different reasons for starting and succeeding in business (Das, 2012). Over the past 20 years, some non-governmental organisations have been involved in improving the economic status of women as they believe that women are fundamental in the process of economic development (Mehra, 1997). The demographic characteristics of the business and economic growth of the country have changed because of the increasing presence of women in the business field (Ram Mohan Gali, 2016). Empowerment of rural women is an essential aspect and there is a need for initiating the programmes which enhance the digital and other skills to undertake their own ventures (Ashok & Abhishek, 2018). Women are dragging back from becoming entrepreneurs due to lack technical, professional and managerial skills so to address this issue it is necessary to take care by the government (Kumar, 2015).

Research Gap

From the analysis of the earlier studies, it is clearly observed that the studies were majorly focused on women education, empowerment and the development of their skills but only few studies have focused on analysing the role of women entrepreneurs on the economic development of the country and also on the government initiatives available for supporting women to become entrepreneurs in Indian perspective by keeping this in mind the present study is intended to analyse the role of “Women Entrepreneurs in Economic development in Indian Perspective”.

Methodology

The study is in conceptual in nature based on secondary sources information gathered through published sources of

information such as books, journals, websites, published reports, etc.

Objectives of the Study

- To analyse the role of women entrepreneurs in economic development
- To conceptually evaluate the environmental support available to women entrepreneurs

Discussion Analysis

This part deals with the discussions and analysis in relation to stated objectives of the paper.

Women Empowerment

Women have to face challenges from all sides especially in a country like India which traditions are deep rooted in the society and where the sociological setup is a male dominated one. They survived and succeeded in this cut throat competition with hard work, diligence and willingness to take risk.

Women empowerment is a process where women elaborate what they are and what they can do and accomplish it of which they were previously denied from. Women empowerment has a multiplier effect as it empowers not only one woman, but through her it impacts the family and the society.

The most powerful tool for women empowerment is education. By educating themselves, women can get access to all rights which she had been deprived of before. Education also leads to increased participation in politics which helps in strengthening of democracy. Education is the only way to bring women to the main stream of the society. Government has undertaken many schemes to encourage women education. An educated woman can contribute many things to the society. Nowadays, we can observe women are emerging in all the corner points of the economy and particularly they are also trying to undertake their individual business ventures but the major problems they are facing is the support from the environment in which they are living. The support must be needed from their family and government; here, we can take a look on some government programmes which support the women to emerge as social leader as well as entrepreneurs.

Government Schemes for Women Education

- **Saakshar Bharat Mission:** Mission aims to strengthen adult learning and reach out to those who missed the opportunity to access or complete formal education. With the help of basic education, women will get the capability of understanding the different situations they face in their daily lives as well in the activities they are actually involved.
- **Right to Education:** Education is a fundamental right and it provides free and compulsory education to every child aged between 6 and 14. This provision of Indian constitution protected women from social and familial discrimination in giving education to them and with the help of this right they will get basic education compulsorily.
- **SABLA Scheme:** Rajiv Gandhi scheme for the empowerment of adolescent girls is a centrally sponsored program under the ministry of women and child development. Its objective is to enable adolescent girls for self-development and empowerment. It intends to bring adolescent girls to the mainstream of formal and non-formal education.
- **Kasthurba Gandhi Balika Vidyalaya:** Launched in 2004, this scheme is for setting up residential schools for upper primary level for girls belonging predominantly to the SC, ST, OBC and other minority communities.
- **National Programme for Education of Girls at Elementary Level:** This program is concerned with the development of a model school with intense community mobilisation and supervision of girls' enrolment in schools.

Many more schemes are prevalent for enhancing women education. Scholarships are provided to pursue their education. A scholarship scheme called PRAGATI is implemented by All India Council for Technical Education for assistance of girls pursuing technical education. The interest rate for educational loan for girls is 1.5 percent while for boys it is 2 percent.

The entire world is emphasising on women empowerment. The government has a responsibility to cater to the needs of all section. The government, by recognising the contribution of women to the country's economy,

has formulated many schemes to empower them. The following are some of the schemes formulated by the government.

- **Mahila E Haat:** This is a digital India initiative. It is a direct online marketing platform launched to support women entrepreneurs, self-help groups and non-government organisations to showcase their products and services. It is launched by the ministry of women and child development.
- **Swadhar Greh:** This scheme protects the marginalised women by providing shelter, food, clothing and care. The beneficiaries include widows deserted by their family, women victims of terrorist violence, women prisoners released from jail without family support, etc.
- **Beti Bachao Beti Padhao:** This social campaign aims to eradicate female foeticide and raising awareness on welfare services intended for young Indian girls. This creates social protection for Indian girls and helps them to come forward to the mainstream of society.
- **Working Women Hostel:** This scheme helps the working women by providing safe and conveniently located accommodation with a day-care facility for their children. This helps working women to strengthen themselves in an economic and social dimension in the environment they are living.
- **One Stop Centre Scheme:** Implemented in April 2015, these one-stop centres are established in various locations in India to provide shelter, legal, medical and counselling services to victims of violence under one roof.
- **STEP:** The support to training and employment program for women aims to provide skill and competencies to women to make them capable of being self-employed.
- **Nari Shakti Puraskar:** It is a national level award given to women or institutions for recognising their distinguished work done for the upliftment of marginalised women. The award is handed over by the President of India on the International women's day (March 8) at Rashtrapathi Bhavan.

Women Entrepreneurship

“The woman who follows the crowd will usually go no further than the crowd. The woman who walks alone is likely to find herself in places no one has been ever before.”

-Albert Einstein

The statement given by Einstein is very true for women entrepreneurs also. Those who wish to be independent and have their own choice and decision-making come to be entrepreneurs. Women who organise and manage an enterprise especially business are termed as women entrepreneurs. Government of India has defined women entrepreneur as “an enterprise owned and controlled by women having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise to women.”

The factors that bring women to business is their passion for work and desire for control. It is rightly said that women are good at multitasking because with that, only she can find a balance between family life and career with a goal-oriented approach. Women are facing all challenges to make their own business. The MSME ecosystem in India is developing well with many creative and innovative ideas and solutions for various problems. But in spite of all these developments, the number of women entrepreneurs is much lower than male entrepreneurs.

According to data given by start-up India, women account for only 13.76 percent of total entrepreneurship in India. Around 69 percent of women entrepreneurs in India start-up business in sectors such as retail, finance, real estate, technology and fashion. Women entrepreneurs have set up 1.38 lakh projects under Prime Ministers Employment Generation Program (PMEGP) scheme since inception and up to 23-1-19. Out of the projects women, entrepreneurs share is about 30%. Under this scheme, woman entrepreneurs are covered under special category and they get a subsidy of 25% for projects set up in urban area and 35% in rural area.

To give stimulus to women entrepreneurship, the central and state governments have launched many

financial schemes for micro-units. The following are the various financial schemes formulated to boost women entrepreneurship.

- **Udyam Sakhi:** It is a network for nurturing social entrepreneurship. This portal caters to the needs of those women who are running their own business through its platform for entrepreneurship learning tools, training programs, providing mentors, one to one investor meet, provide market survey facility and technical assistance.
- **Mudra Yojana:** This scheme is launched by the central government and this can be used by an individual or group of women who wish to start a new business or expand the existing business. After verification of their application, they will be given mudra card with which they can purchase materials needed for their business. Based on the nature and state of the business, there are three schemes like Shishu, Kishor and Tarun.
- **TREAD (Trade related entrepreneurship assistance and development):** This scheme provides credit to projects, undertakes specific training and counselling and provides information on related needs. A government grant of 30 percent on project cost will be provided and balance 70 percent will be financed by the lending institutions.
- **Mahila Udyam Nidhi Scheme:** This scheme is focused on small-scale industries run by women. This scheme can be made use for setting up new business upgrading or modernising existing business. Financial assistance up to 10 lakhs is provided under this scheme.
- **Annapurna Scheme:** This scheme is directed towards women who wish to run a catering business like tiffin service, packed snacks, etc. A maximum loan amount of Rs.50,000 will be provided with a repayment period of 36 instalments.
- **Stree Shakthi package:** This scheme can be made use by any enterprise where more than 50 percent of their share capital is owned by women. If the loan amount exceeds 2 lakhs, an interest rate concession of 0.5 percent will be given.
- **Bharathiya Mahila Business Bank Loan:** Under this scheme, loan is provided to women business owners of the manufacturing enterprise. Loan amount up to Rs.20 crore is given. Collateral need not be given for loan up to be Rs.1 crore and the loan under this scheme is to be repaid within 7 years.
- **Udyogini Scheme:** This scheme is launched by Karnataka state women development corporation to promote self-employment by providing subsidy loan. The interest-free loan is given to women in all sections without any discrimination.
- **Cent Kalyani:** This scheme is given by the Central Bank of India. The loan provided can be used for meeting capital expenditure like the purchase of machinery and equipment and for meeting working expenses.
- **Dena Shakthi Scheme:** This scheme provides a loan to women entrepreneurs in agriculture, manufacturing, micro-credit, retail stores or similar small enterprises. An amount of up to 20 lakhs is given as loan at a concession of 0.25 percent on the rate of interest

Women Entrepreneurship Platform (WEP)

Women entrepreneurship platform, an initiative of NITI Ayog, is a unified access portal which brings together women from different parts of the country to realise their entrepreneurial aspirations. The platform desires to increase the number of women entrepreneurs who can empower our country.

Women entrepreneurship platform is based on three pillars.

Ichha Shakthi deals with motivating entrepreneurs to start their business. *Gyaan Shakthi* is concerned with providing education and ecosystem support to women entrepreneurs to foster their entrepreneurship. *Karma Shakthi* handles with providing hands-on support to entrepreneurs in setting up and scaling up businesses.

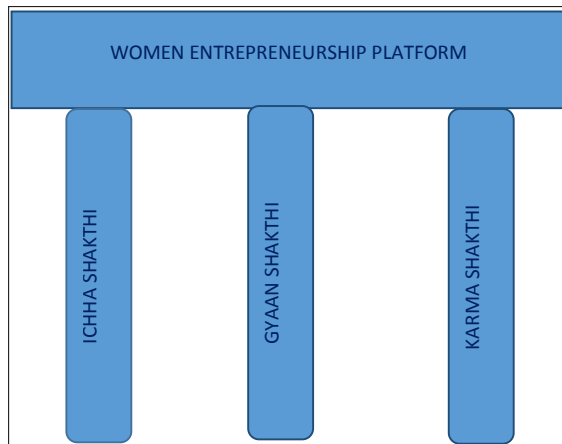


Fig. 1: Women Entrepreneurship Platform

In this era of globalisation, digitalisation and start-up booms, India clearly sees a revolution in women entrepreneurship. Earlier, we could see women entrepreneurs coming from established business families or higher income sections of the population, but now we can see women entrepreneurs coming from all walks of life and all parts of the country.

Conclusion

Women have entered into all male-oriented sectors after overcoming so many hardships. Entrepreneurial activity creates growth, prosperity and solutions to various problems. The data on women entrepreneurship indicates that women will be a driving force of entrepreneurial growth in the future. We can notice a significant change in the substantial female entrepreneurs in India. The entrepreneurial activities undertaken by women are contributing significantly to the economic development of the nation. The government schemes provided for empowering women and supporting them in entrepreneurship has helped them to contribute towards the economy. Thanks to the increased potential of women entrepreneurs and proper government support without which nothing could be possible. There has been a significant change in the substantial female entrepreneurs in India. Thanks to the government support and increasing potential in women that resulted in such a positive business environment.

Limitations and Future Roadmap for Research

The study is suffered from some limitations such as it is based on secondary sources and primary data was

not collected so the future study can focus by collecting primary data from women who have become entrepreneurs in India.

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