

## THE IMPEDIMENTS TO WOMEN ENTREPRENEURSHIP IN RURAL INDIA: A FEW REFLECTIONS

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### ABSTRACT

The point of this study is to examine the obstructions to ladies business in country India. This paper is for the most part founded on auxiliary information and a few perceptions; for the ID of these issues the writers have assessed different exploration articles and reports. Discoveries of this study uncover that shortfall of distinct plan of life, nonappearance of harmony among family and vocation commitments of ladies, unfortunate level of independence from the rat race for ladies, nonattendance of direct responsibility for property, the mystery of innovative expertise and money in monetarily rich and unfortunate ladies, no mindfulness about limits, low capacity to bear risk, issues of work with male specialists, carelessness by monetary foundations, absence of fearlessness, absence of expert instruction, versatility imperatives and absence of communication with fruitful business visionaries are serious issues of ladies business advancement in India.

**KEYWORDS:** women entrepreneurship, rural area, professional education, awareness, self-confidence

### INTRODUCTION

'Women Entrepreneur' is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life.

Entrepreneurship has gained greater significance at global level under changing economic scenario. Global economy in general and Indian economy in particular is poised for accelerated growth driven by entrepreneurship. An entrepreneur is a person who is able to look at the environment, identify opportunities to improve the environmental resources and implement action to maximize those opportunities. The entrepreneurial skills are also needed to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment.

In the advanced countries of the world, there is a phenomenal increase in the number of self-employed women after the Second World War. In the Indian context, participation of women as entrepreneurs commenced from 1970s onwards.

Last ten years of Indian economy make it evident that the structure of ownership in the industrial sector, in agriculture, in the trade and commerce sectors has changed. Many women entered the world of business, of trade commerce and they have become successful entrepreneurs in various business activities. However, the rate of participation or rate of their inclusion in the business world is

very low, in spite of its increase during the last ten years. This growth rate of women's participation in economic activities is much lower than the expected rate. If we look at the developed countries we see that women are actively participative in the business and trade activities, including agriculture, without any social or other restrictions. But in India, there are still many social and cultural restrictions on women. Hence, women participation in entrepreneurial activities is less than the requirement of the fast growth of India.

### **OBJECTIVES AND DATA**

A major objective of this paper was to identify the critical issues of women entrepreneurship in rural India and discuss the various issues regarding the problems of women entrepreneurship in India. The present paper is purely based on secondary data collected through literature survey. All facts and problems discussed in this paper are opinions of the respective authors. However, the present authors criticize some of these opinions and makes analyses based on the observations and experiences regarding women entrepreneurship in rural India.

### **QUALITIES REQUIRED FOR AN ENTREPRENEUR**

An effective entrepreneur requires certain basic qualities, which can be listed as follows.

- Innovative thinking and farsightedness.
- Quick and effective decision-making skill.
- Ability to mobilize and marshal resources.
- Strong determination and self-confidence.
- Preparedness to take risks.
- Accepting changes in right time.
- Access and alertness to latest scientific and technological information.

Many women have these qualities but they never got a platform to showcase their talents and hence they don't know their real abilities. Matching the basic qualities required for entrepreneurs and the basic characters of Indian women reveal that, much potential is available among the Indian women on their entrepreneurial ability. This potential is to be recognized, brought out and exposed for utilization in productive and service sectors for the development of the nation.

The vast majority of the world's poor are women. Two-thirds of the world's illiterates are female. Of the millions of school age children not in school, the majority are girls. The current world food price crisis is having a severe impact on women. Around the world, millions of people eat two or three times a day, but a significant percentage of women eat only once. And, now, many women are denying themselves even that one meal to ensure that their children are fed.

### **CONCEPT OF RURAL WOMEN ENTREPRENEUR AND ENTREPRENEURSHIP**

Entrepreneur is a person who starts a business or an enterprise or a firm. An entrepreneur is the individual who initiates organize, manage and control the affairs of a business unit. While **Say and Marshall** put him as an organizer and speculator of a business enterprise, whereas **Schumpeter** referred him as an innovator It means, an entrepreneur starts the enterprise, organizes it, supervises it and engineers long run plan of the enterprise. He / She is especially motivated and a talented person, who implements new ideas, visualizes opportunities for introducing new products, techniques and new source of supply of required goods to consumers. **Peter Drucker** also agreed that innovation is the specific tool of entrepreneurs. Here, he defines "an entrepreneur is one who always searches for change, responds to it, and exploits it as an opportunity, entrepreneur's innovative". Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort assuming

the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence. Thus, entrepreneurs represent an owner and organizer and controller of the business. Then, what is rural women entrepreneurship and who is a rural woman entrepreneur? Government of India (1984) has defined woman entrepreneur as “an enterprise owned and controlled by a woman having a minimum financial interest of 51 percent of the capital and giving at least 51 percent of employment generated in the enterprise to women”. This definition does not suit to rural women entrepreneurs in India. Any rural woman or a group of rural women which innovates, imitates or adapts an economic activity may be referred as a rural woman entrepreneur. Secondly, rural woman entrepreneur could be defined as “an adult rural woman who creates, owns, and runs an enterprise in rural area”. Rural women entrepreneurship can be viewed as rural women indivisible process which flourishes when the inter-linked dimensions of individual psychological – entrepreneurial traits, social encouragement and business opportunities coverage towards the common goal of opportunity creation and exploitation. From this point of view, rural women entrepreneurship is a frame of mind and a continuous forward societal process. This state in which one does not become entrepreneur or does not act as an entrepreneurship by the mere act of starting or owning an enterprise. More important is the nature, degree and extent of innovations and involvement that the entrepreneur introduces, establishes, organizes and controls on continuous basis, Rural woman entrepreneur can be described as a dynamic agent of rural economy change, who may be instrumental in transforming rural physical, natural and human resources into production possibilities. Therefore, further it can be stated that rural women entrepreneur and entrepreneurship is not born but can be made as it is neither art nor science but practice. In another words, it can be said that rural women entrepreneur means one who organizes, owns, manage and assumes the risks of business at rural level. The rural women, who innovate, imitate or adopt an economic and commercial activity in rural India can be called rural entrepreneur or entrepreneurship. It can be said that rural woman entrepreneur is the one who creates something new, organizes production and undertakes risks and handles economic uncertainties, to adjust her personal needs, family life, social life and economic independence. On the other hand, it can also be referred rural as an enterprising rural woman individual with an eye for opportunities and on uncanny vision, gifted with commercial acumen and tremendous perseverance. She is a person who will like to take risks because of the adventurous spirit she possesses. Thus, rural women entrepreneurs or entrepreneurship can be referred here as the rural women or a group of rural women, who initiate, organize, manage, operate and control a business enterprise in rural India.

#### **POSITION OF WOMEN ENTREPRENEURS IN RURAL INDIA**

Empirical evidence shows that women contribute significantly to the running of family businesses mostly in the form of unpaid effort and skills. The value of this effort is underestimated both by the families that take it for granted and in academic studies. On the other hand, many of the enterprises defined as being run by women (that is, enterprises in which women hold the controlling share) are in fact run in their names by men who control operations and decision-making. Programmes meant to reach women entrepreneurs can succeed only if they take note of this paradox as well as of the familial and social conditioning that reduces the confidence, independence and mobility of women. Promoting entrepreneurship for women will require an even greater reversal of traditional attitudes than the mere creation of jobs for women would. This does not mean that we should wait for societal change to take place first. But it does imply that the programme should go beyond subsidies and credit allocation to attitudinal changes, group formation, training and other support services.

## **PROBLEMS OF WOMEN ENTREPRENEURSHIP IN INDIA**

Definitely, there are a number of problems regarding women entrepreneurship in India, researchers having identified issues relating to social aspects, economic life, skill problems, problems of family support, courage etc.

### **1. Absence of Definite Agenda of Life**

The educated women do not want to limit their lives in the four walls of the house (*Cf. Babaria and Chheda, 2010*). The educated women demand equal opportunity and greater respect from their partners as well as from society and they are struggling for equal opportunities and respect from their partners as well as from society in India. However, some women with a definite agenda acquired good positions in the business world in India i.e. **Indra Nooyi (CEO of PepsiCo); Dr. Kiran Mazumdar-Shaw (Chairman & Managing Director of Biocon Ltd.); Anu Aga (Chairperson of Thermax Engineering); Sulajja Firodia Motwani (Joint Managing Director of Kinetic Engineering Ltd); Ekta Kapoor (Head of Balaji Telefilms); Priya Paul (Chairperson of Appeejay The Park Hotels chain of boutique hotels)**. Yet, in rural India, most of the women are either illiterate or semi-literate and they have not a proper idea of self-esteem and self-respect. Therefore, the question that immediately arises is how they can try to get self-respect and have a definite agenda in order to acquire good positions in society.

### **2. Absence of Balance between Family and Career Obligations**

As Indians, most of the women are very serious about family obligations but they do not equally focus on career obligations (*Cf. Mathur 2011; Singh N.P. 1986*). Indian women devote their lives to take care of their family members but they are not concerned with their self-development. Many women have excellent entrepreneurial abilities but they are not using their abilities to create additional income sources for their families, which would go hand in hand with boosting their self-reliance. Sometimes they are not even aware of the concept of self-reliance. Moreover, the business success depends on the support the family members, extended to women, in the business process and management (*Cf. Lathwal 2011*).

### **3. Poor Degree of Financial Freedom**

In Indian families, the degree of financial freedom for women is very poor, especially in lower educated families and rural families. In these families women can't take any entrepreneurial decision without the consideration of the family members as well as considering social ethics and traditions. Due to the financial dependency, a woman can't start any business or any economic activity to become independent. Therefore, this has become a vicious circle of dependency for women in India.

### **4. No Direct Ownership of the Property**

No doubt, the right of property is given as a legal provision in India, but it raises one of the most important questions regarding the right to property for women. There are very few women having on paper the right of property because, firstly, they are not aware of this right. They only become aware when problems are created in their families due to family disputes. Otherwise, women are not enjoying their right of property, being treated as second-class citizens, which keeps them in a "pervasive cycle of poverty" (*Mehta and Mehta, 2011*).

### **5. Paradox of Entrepreneurial Skill & Finance**

There is paradox of "have and haven't" skills of entrepreneurship in Indian women belonging to economically poor and rich families. Women belonging to economically rich families have the capital support but they may not have good entrepreneurial skills, therefore outsourcing the activities. At the

opposite side of society, many women from economically poor families have consistent entrepreneurial skills, but they have not any financial support from their families. We therefore believe that the problems of women entrepreneurship are hanging in the trap of this paradox.

#### **6. No Awareness about Capacities**

An increasing level of education should create awareness regarding an individual's capacities. But, unfortunately, our educational system has not succeeded in creating awareness about woman's capacities and their hidden powers to handle economic activities. According to *Shruti Lathwal (2011)*, India faces an increase in the education level of women and an increased social awareness as to the role women play in society, but this is not a widely acceptable truth because it applies only in urban India and not in rural India too. Urban environment is favourable to identifying and creating awareness regarding women's self-capabilities. However, in the rural area this type of attitude has not developed yet.

#### **7. Low Ability to Bear Risk**

According to *Mehta and Mehta, 2011*, women in India live protected lives. A woman is taught to depend on the male members of her family from birth. She is not allowed to take any type of risk even if she is willing to take it and has ability to bear it as well. However, this is not entirely true because many great women proved that they have risk bearing capacities and attitude to take risks in entrepreneurial activities. They have become aware of their rights and potential situations and therefore entered different fields of businesses (*Cf. Singh and Raghuvanshi 2012*). However, most of the women are not performing entrepreneurial activities because they are not having the proper capacities. Therefore, we should try to make them aware of their risk bearing capacities.

#### **8. Problems of Work with Male Workers**

Many women have good business skills but they do not want to work with male workers and sometimes male workers are not ready to work with women entrepreneurs. According to *Shruti Lathwal, 2011*, most of women entrepreneurs argued that semi-educated or uneducated class of workers cannot visualize a "female boss" in their field of work.

#### **9. Negligence by Financial Institutions**

Banks and financial institutions are important financiers of entrepreneurs in developing countries because small and medium size firm operators are not borrowing from the capital market. But these banks and financial institutions are not ready to provide credit to women entrepreneurs because of their traditional mind set. They think that, this may become cause of nonperforming asset in future. However, according to a report by the United Nations Industrial Development Organization (UNIDO), "despite evidence that woman's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit".

#### **10. Lack of Self-Confidence**

A strong mental outlook and an optimistic attitude amongst women create a fear of committing mistakes while doing their work (*Cf. Goyal and Parkash 2011*). The family members and the society are not willing to stand by women with entrepreneurial development potential. In such a situation woman should develop their self-confidence to handle this type of barriers, in spite of the fact that Indian women prefer a protected life to the development of their self-confidence. They are neither mentally nor economically self-reliant. Therefore, we should try to develop their confidence through moral support from society and family members.

### **11. Lack of Professional Education**

**Rao (2007)** observed in his study that poverty and illiteracy are the basic reasons of the low rate of women entrepreneurship in our country. The educational level and professional skills also influence women participation in the field of enterprise. We are providing education to the women but not providing professional education. If we look in the professional schools, we find that there are a very few numbers of women students. If we analyse rural - urban ratio of enrolled women in professional education we realize that there are very few rural female students enrolled in this type of education. Even parents are not ready to send their daughters for undergoing professional education. Sometimes it happens, however, that many women taking the training by attending the entrepreneurial development programme do not have an entrepreneurial bent of mind.

### **12. Mobility Constraints**

According to **Ghani et al. (2011)** mobility is one of the important problems in women entrepreneurial development. They are not ready to leave their place for business activities and prefer staying only in their residential areas. These traits are important as entrepreneurs tend to start their businesses in their current local area and are thus disproportionately found in their region of birth (**Dahl and Sorenson 2007**).

### **13. Lack of Interaction with Successful Entrepreneurs**

**Singh (2008)** mentioned that the lack of interaction with successful entrepreneurs is also one of the problems in women entrepreneurship in India. Successful entrepreneurs always play the role of model in the society for women who have the ability of entrepreneurial activities and lead to undertaking economic activities to prove their ability. But unfortunately, there is no sufficient provision of such type of interaction to inculcate knowledge and provide experiences of successful women entrepreneurs. Many economists argue that this is a main obstacle in the growth of women entrepreneurship.

## **CONCLUSION**

Ladies are a significant human asset of the country and each state ought to attempt to use them as middle people of financial development and improvement. Support for ladies business is one of the ways for that. In any case, sadly, it is seen that the conventional mentality of the general public and carelessness of the state and separate specialists are significant obstructions in the ladies business venture advancement in India. Aside from the obligation of the state and society, nonattendance of an unmistakable plan of life, nonappearance of harmony among family and vocation commitments of ladies, unfortunate level of independence from the rat race for ladies, nonappearance of direct responsibility for property to ladies, oddity of pioneering expertise and money in monetarily rich and unfortunate ladies, no mindfulness about limits, low capacity to bear chances, issues of work with male specialists, carelessness by monetary establishments, absence of fearlessness, absence of expert schooling, versatility requirements and absence of association with fruitful business people are serious issues of ladies business improvement in India. In this manner, there is need of consistent endeavor to rouse, empower, inspire and co-work with ladies business people, mindfulness projects ought to be directed on a mass scale determined to make mindfulness among ladies about the different regions to lead business.

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