
Problems of Women Entrepreneurs in Indore District- An Overview

Dr. Abhay Gupta*
Anju Agrawal**

Abstract

It is imperative to note the participation of women in economic activities as self-employed individuals. Many of the traditional occupations open to women were mainly based on caste and creed and the nature of self-employment was based on the standard of living. Presently, not only are women generating employment for themselves in the unorganized sector, they are also providing employment to others. Woman constitutes the family, which leads to society and Nation. Social and economic development of women is necessary for overall economic development of any society or a country. Entrepreneurship is the state of mind which every woman has in her but has not been capitalized in India in the way in which it should be. Due to change in environment, now people are more comfortable to accept leading role of women in our society, though there are some exceptions. In this paper we discuss about the promotional efforts for women entrepreneurs and barriers faced by women entrepreneurs while establishing and running business.

Keywords: Women, Entrepreneurs, Economic Development.

Introduction: Women owned businesses are highly increasing in the economies of almost all countries. The biggest problem or difficulty of a woman entrepreneur is that she is a woman. With joint families breaking up, many women simply don't have the support of elders. Women have been confronted by such dilemmas ever since they started leaving home for the workplace. On the other hand, the attitude of society towards her and the constraints under which she has to work are not very conducive. They still suffer from male reservations. These attitudes of reservation create difficulties and problems at all levels, i.e., family support, training, banking, licensing and marketing. Women in rural areas have to suffer still further. They have to face not only resistance or reservation from men but also from elderly women who are rooted in the attitude of inequality. Though the central government and state governments have launched many entrepreneurial development programs especially for women, there is no remarkable achievement in rural areas. Therefore, an attempt has been made to identify the problems faced by women Entrepreneurs and to take suitable remedial measures to overcome their problems

Entrepreneurship Defined:

As per the Oxford Dictionary, "A person who sets up a business or businesses, taking on financial risks in the hope of profit."

International Encyclopedia: "An individual who bears the risk of operating a business in the face of uncertainty about the future conditions."

Schumpeter's: The entrepreneur in an advanced economy is an individual who introduce something new in the economy- a method of production not yet tested by experience in the branch of manufacturing, a product with which consumers are not yet familiar, a new source of raw material or of new markets and the like."

Ducker's: "An entrepreneur is the one who always searches for change, responds to it and exploits it as an opportunity. Innovation is the specific tool of entrepreneurs, the means by which they exploit changes as an opportunity for a different business or different service."

Women Entrepreneurship: "An enterprise owned and controlled by a women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated by the enterprise to women."

Government of India: "A woman entrepreneur can be defined as a confident, innovative and creative woman capable of achieving self economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life."

Statement of Problem:

- The study aims at understanding the status of women entrepreneurs in Indore City
- Indore City has been chosen as the study area since

*Assistant Professor, Christian Eminent College, Indore

**Research Scholar, PMB Gujrati Commerce College, Indore

it is one of the growing towns of the state with huge business volume.

Objectives:

- To analyze the various problems faced by the women entrepreneurs in the study area.
- To explore characteristics of entrepreneurs
- To give suitable suggestions based on the study.

Methodology: The paper attempt to explore the concepts, obviously it's an exploratory research where earlier studies on the subject matter have been readdressed to give insight into the phenomenon

Area of the Study: The study area is limited to Indore City; Indore is identified as one of the fast developing urban area in Madhya Pradesh. Indore is also known as economic capital of M.P. Many MNC are establishing their set up in the City in near future.

Characteristics of Women Entrepreneurs: Women entrepreneurs tend to be highly motivated & self directed, they also exhibit a high internal locus of control & achievement. Researchers contend that women business owners possess certain specific characteristics that promote their creativity and generate new ideas and ways of doing things. Did you know that women owned businesses are one of the fastest growing segments of our economy, according to the Small Business Administration? If you have been considering starting your own business, now's a good time to get started. Starting your own business takes a lot of know how starting with planning. You also have to know about preparation, financing and marketing. Add to that, is the importance of keeping an open and positive frame of mind. You have to believe you can succeed in order to make it a reality. One key characteristic of all successful entrepreneurs is that they have vision. They find a niche in a particular market and find a way to fill it. They give life to their vision/business and either personally or finding a way to make it happen. This "vision" keeps them focused and able to bring product or service to the mark.

Observations: Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman entrepreneur, the problems of Indian women pertain to her responsibility towards family, society and lion work.

The tradition, customs, socio cultural values, ethics, motherhood subordinates to ling husband and men, physically weak, hard work areas, feeling of insecurity, cannot be tough etc are some peculiar problems that the Indian women are coming across while they jump into entrepreneurship.

Women in rural areas have to suffer still further. They face tough resistance from men. They are considered as helpers. The attitude of society towards her and constraints in which she has to live and work are not very conducive.

Besides the above basic problems the other problems faced by women entrepreneurs are as follows:

1. Family Ties: Women in India are very emotionally attached to their families. They are supposed to attend to all the domestic work, to look after the children and other members of the family. They are over burdened with family responsibilities like extra attention to husband, children and in laws which take away a lot of their time and energy. In such situation, it will be very difficult to concentrate and run the enterprise successfully.

2. Male Dominated Society: Even though our constitution speaks of equality between sexes, male chauvinism is still the order of the day. Women are not treated equal to men. Their entry to business requires the approval of the head of the family. Entrepreneurship has traditionally been seen as a male preserve. All these put a break in the growth of women entrepreneurs.

3. Lack of Education: Women in India are lagging far behind in the field of education. Most of the women (around sixty per cent of total women) are illiterate. Those who are educated are provided either less or inadequate education than their male counterpart partly due to early marriage, partly due to son's higher education and partly due to poverty. Due to lack of proper education, women entrepreneurs remain in dark about the development of new technology, new methods of production, marketing and other governmental support which will encourage them to flourish.

4. Social Barriers: The traditions and customs prevailed in Indian societies towards women sometimes stand as an obstacle before them to grow and prosper. Castes and religions dominate with one another and hinder women entrepreneurs too. In rural areas, they face more social barriers. They are always seen with suspicious eyes.

5. Shortage of Raw Materials: The scarcity of raw materials, sometimes non, availability of proper and adequate raw materials sound the death-knell of the enterprises run by women entrepreneurs. Women entrepreneurs really face a tough task in getting the required raw material and other necessary inputs for the enterprises when the prices are very high.

6. Problem of Finance: Women entrepreneurs stiffer a lot in raising and meeting the financial needs of the business. Bankers, creditors and financial institutes are not coming forward to provide financial assistance to women borrowers on the ground of their less credit

worthiness and more chances of business failure. They also face financial problem due to blockage of funds in raw materials, and non-receipt of payment from customers in time.

7. Tough Competition: Usually women entrepreneurs employ low technology in the process of production. In a market where the competition is too high, they have to fight hard to survive in the market against the organized sector and their male counterpart who have vast experience and capacity to adopt advanced technology in managing enterprises.

8. High Cost of Production: Several factors including inefficient management contribute to the high cost of production which stands as a stumbling block before women entrepreneurs. Women entrepreneurs face technology obsolescence due to non-adoption or slow adoption to changing technology which is a major factor of high cost of production.

9. Low Risk-Bearing Capacity: Women in India are by nature weak, shy and mild. They cannot bear the amount of risk which is essential for running an enterprise. Lack of education, training and financial support from outside also reduce their ability to bear the risk involved in an enterprise.

10. Limited Mobility: Women mobility in India is highly limited and has become a problem due to traditional values and inability to drive vehicles. Moving alone and asking for a room to stay out in the night for business purposes are still looked upon with suspicious eyes. Sometimes, younger women feel uncomfortable in dealing with men who show extra interest in them than work related aspects.

11. Lack of Entrepreneurial Aptitude: Lack of entrepreneurial aptitude is a matter of concern for women entrepreneurs. They have no entrepreneurial bent of mind. Even after attending various training programmes on entrepreneurship women entrepreneurs fail to tide over the risks and troubles that may come up in an organizational working.

12. Limited Managerial Ability: Management has become a specialized job which only efficient managers perform. Women entrepreneurs are not efficient in managerial functions like planning, organizing, controlling, coordinating, staffing, directing, motivating etc. of an enterprise. Therefore, less and limited managerial ability of women has become a problem for them to run the enterprise successfully.

13. Legal Formalities: Fulfilling the legal formalities required for running an enterprise becomes an upheaval task on the part of a women entrepreneur because of the prevalence of corrupt practices in government offices and

procedural delays for various licenses, electricity, water and shed allotments. In such situations women entrepreneurs find it hard to concentrate on the smooth working of the enterprise.

14. Exploitation by Middle Men: Since women cannot run around for marketing, distribution and money collection, they have to depend on middle men for the above activities. Middle men tend to exploit them in the guise of helping. They add their own profit margin which results in less sales and lesser profit.

15. Lack of Self Confidence: Women entrepreneurs because of their inherent nature, lack of self-confidence which is essentially a motivating factor in running an enterprise successfully. They have to strive hard to strike a balance between managing a family and managing an enterprise. Sometimes she has to sacrifice her entrepreneurial urge in order to strike a balance between the two.

Suggestions: To widen and strengthen the base of women entrepreneurship the following remedial measures may prove meaningful.

1. Government financial institution should implement to solve financial problems; government should implement special lending policies, quick processing of loan and liberal repayment.
2. The government should give subsidies and concessions to women entrepreneurs to face price competition from big enterprises. Government and women entrepreneurs association should make arrangement for conducting exhibitions and conferences of women entrepreneurs.
3. Attention of the Government should be drawn in rectifying the production problems by the allotment of factory shed and land in government industrial estates on priority basis, supply of raw materials and other inputs regularly at subsidized rates, giving assistance for up gradation of technology research and development and giving production training to women entrepreneurs.
4. Attention of the government as well as voluntary organizations needs to be drawn to rectify socio-personal problems. A special program can be conducted against the social evils.
5. Adequate assistance should be given to the right person at the right time. A special advisory organization should be established.
6. Simplified procedures should be followed in getting the government assistance.
7. Motivation through subsidies.
8. Training and development facilities.

-
9. Role of NGOs and Service organizations
 10. Psychological empowerment of women

Conclusion: The growth of industrialization, education and domestic system has brought about significant changes in the tradition bound Indian society. Now increasing proportion of women are seeking gainful employment in industrial field. It is a fact that man alone cannot break the evils of poverty, unemployment and inequality. Active and equal participation of women is indispensable in fighting against these social-evils.

References:

1. Divy Ninad Koul and Giresch Mohan” – Women's Self Help Groups and Micro finance:- Kurushetra Feb, 2009.
2. Dr. Jitendra Ahirrao – “Rural Women Empowerment through Microfinance”- Kurushetra Feb.2009
3. “E. A. Parameswara Gupta, Syed Rahmathulla and S.L.Shankar – “Impact of Microfinance: A Critical Analysis” Southern economist January 15, 2010
4. H. D. Dwarakanath” Rural Credit and Empowerment of Women Under Self Help Group”- A Study of Rangareddy District” – Women's Empowerment – MR Bijua (A Mittal publication) – 2006
5. K.V. Ramana Rddy and N. Natarajan Gupta – “Credit Management in SHGs under SAPAP Project: A Study” – Southern Economist August 1, 2006.
6. M. Anbalagan and V. Selvam- “Re-Engineering the Mechanism of Micro Finance for Poverty Alleviation and Social Change- Economic Affair, Vol.qr.2, June 2006.
7. M. Karunakar and S. Saravanan” Impact of Micro Finance on SHGs in Tamilnadu Southern Economist May 1, 2008.
8. Jainendra Kumar Verma Problems & Prospects of Women Entrepreneurs in India, Oxford Dictionary, 3rd Edition 2005 New York, Oxford University Press Inc, p. 476-477.
9. Donald F. Kuratko, "Entrepreneurship," International Encyclopedia of Business and Management (London: Routledge Publishers, 1997), p.168-176
10. Joseph Schumpeter, "Change and the Entrepreneur," in Essays of I. A. Schumpeter, ed. Richard V. Clemence (Reading, MA: Addison-Wesley, 1951), p.255.
11. Ducker Peter F., Innovation and Entrepreneurship, UK, Elsevier Linacre House, 2006
12. Taneja S. and Gupta S. L. Entrepreneurship Development 2nd Edition, New Delhi, Galgotia Publication, 2006, p. 3-5.1