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Women entrepreneurship in India: The socio-economic context

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ABSTRACT

Prior to 1900, in the 1940's, 1950's & 1960's the women were only and only regarded as sisters, mothers, housewives and daughters. They had no role to play for the economic development of the society. They were not included in the economic activities and their contributions were also not given weight age. People who were behind the theories and concepts of development, saw men as the main elements and agents of societal development and as the bread-earners for the family while the women were only house-wives, their jobs incorporated either educating their children at home or food preparation and clean-up. In the 19th century there were very limited jobs available to women. It did not matter whether to which class the men belong but they had complete and absolute power over women. The thought was that upper- and middle-class women had to continue dependent on a man: first as a daughter and then as a wife. From the 20th century on, however, women have gained political, economic, and social power. This paper focuses on the different roles of women in the development of society and emphasizes on the significant contributions made by the women in the socio-cultural and economic development of the nation.

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1. Introduction

The change of the Indian society in terms of growth in the literacy rate of Indian women and the multiple ambitions for a better standard of living have shown a remarkable growth in the rate of unemployment. This issue calls for a necessary transformation in the living styles of men and women in the nation. In this regard, the concept of self-employment is regarded as a solution to this problem that gives rise to the concept of entrepreneurship, the process where the economic enterprises are owned by the entrepreneurs at various micro and macro levels.

In our country, The Planning Commission of India and the different Governments have realised that the women has the tremendous potential of initiation, foresight, risk-bearing, planning, management and leadership and thus they can become the milestone in the economic development of the nation.

The Industrial policy of the Indian Government has also emphasised upon the need of women entrepreneurs to counter the problem of poverty and unemployment right from the initial level by developing the prospects for generating income initially through

the development of the micro enterprises thereby attaining a self-sustaining economy for the nation.

The development of the entrepreneurs in a society is a complex process that to a very high extent is dependent upon the various macro external environmental factors including the Political, Economical, Social, Cultural, Religious and Psychological factors which are present in the society and which affects an enterprise and their owners in various positive and negative ways. The Society in India is very complex and multi-faceted, stratified, divided among the urban and rural or in between several regions or among several classes or castes or religions poses several complications and variations in the activities of entrepreneurship as well. And of course, nothing wrong to mention that the most significant variation as compared to all others is the segregation of the Indian society based on the gender ie., Male and Female that poses serious problems for the development of the women entrepreneurs due to two important reasons:

- (i) The Indian society is a Male dominated society where the Males are considered superior and the agents of production as well.
- (ii) There is an already a huge concentration of the Male entrepreneurs within the Indian Society.

However, it is really noteworthy that the rate of growth of women entrepreneurs with time is significant despite of the

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several restricting socio-economic factors prevailing in the Indian society. Such a transformation of the role of Indian women from merely a housewife to an entrepreneur can also be clearly inferred from the following instances that took place around the globe and that influenced the Indian Society:

- During the World War I, the women had to leave the house work and get jobs in the factories.
- The Women's Suffrage Movement (getting women the right to vote) began to catch on.
- Many countries, including Britain and America, gave women the right to vote after World War I.
- During the 1920's, some of the women started to get new jobs outside of the home. These jobs comprised of the jobs in the field of medicine and journalism.
- Similar to World War I, women started going to work in factories during World War II.
- Some women were also in the field of medicine and while some other worked in the army in some countries.
- After World War II, in Western countries like in America, most of the women again accepted the role of a house wife, being at home.
- Some of the Communist countries like China and Cuba, started providing more rights to the women and motivated and supported them to work and get engaged into jobs. In China, they finally banned the practice of foot-binding (Making the women bound to the walls of the house).

2. Background

The concept of Women entrepreneurship in India is not very old, it has recently emerged and gaining attention of the people that has initiated in the late 1970's. It is that period where the facilities related to the Research & Development in India were very little and whatever available was the work done by some pioneer institutions and the organisations that were focussed on to the promotion and development of the entrepreneurial practices in India.

It is still noticeable that the situation of women in the Indian labour market has not yet improved due to the reason that majority of the regions in India are yet to be developed with respect to several factors that leads to the growth and development of the labour market and these factors mainly include the level of literacy, the standards of education and the health and medical standards. Under these situations, the women are always noticed to be having the low productivity operations especially in those sectors which are related to the agricultural and other house-hold related sectors of the economy. Or, in other words it can also be interpreted that the women are bound to function in a society having very limited options for their development lacking purposeful alternatives and lack of opportunities for getting into the more productive, meaningful and skill based sectors of the economy that may lead to the development of their skills and expertise for doing work and managing the things well.

The women entrepreneurs in Indian society are often not allowed to run the competitive businesses due to their low education and skills, which restricts them from getting access to the various support services. The transformation in the role of Indian women from a traditional housewife to a modern entrepreneur is bound to have a lot of consequences. It is also acceptable that the industrial development results in the differentiating roles in the family and converts the traditional structure of a family into a modern entrepreneurial structure. Since the women preferred micro enterprises for minimising their barriers and attaining higher flexibility in their life style due to which it became easy for the women to run and manage their enterprises simultaneously along with fulfilling their responsibilities towards their families.

Many of the Indian women who were unable to overcome the gender stereotype, intended to work for their families, initiated with opening the small enterprises or small businesses that at initial level supported their family environment. Table 1. shows the Women's Entrepreneurial Activity in India.

The Indian society is looking for a radical change at the structural and functional levels both in this period of economic liberalisation. Driven by the independence in economy and better standard of living, more and more women are getting attracted towards various professions and they can also aid in the economic development of the nation. This emerging trend of women all around the globe calls for a new and dynamic model of economic entrepreneurship.

3. Viewpoint

All around the world, educating the women and providing them the ability to be independent on their own feet has always been a main concern. In India, social problems and a growth in such evils like rapes are confronting the women in cities and villages, in spite of which the political party is at the rudder. Women are not being provided a chance to enter in the political sector and become strong.

The Women's Reservation Bill of 2013 is being loudly contrasted on the reason that it will refute the chances to persons of other groups. When it comes to legal rules and regulations which intend to reduce gender discrimination, India has a very long distance to cover.

The primitive India was a centre of learning and noted women scholars during that time aided to the progression and development of society. Women icons in Indian villages are very small in number and faraway in between. While most are conscious of the high-profile women entrepreneurs and industrial heads in the urban area, women in rural areas continue to face abuse. If women are permitted to gain access to education, they can make a very great effect in growing the productivity of the Indian economy.

There are also very few identified rural entrepreneurs like Jashwantiben Popat who established the Lijjat Papad are a testimony of the strong potential of Indian women to bring a positive change in Indian society and Indian economy. From just 7 women functioning in one building to over 43,000 female employees, Lijjat Papad is a commercial startup that is acting as a catalyst for the economy.

The strong and empowered Indian women can also found self-help groups (SHG's) and can think of other important ideas for bringing a positive social change in the villages, undeveloped or underdeveloped regions. There are several distinguished examples of women self-help groups (SHG's) in India which have created employment opportunities and income for many families in rural and urban areas of India.

Table 1
Women's Entrepreneurial Activity in India.

Parameter	Value
Female total early stage entrepreneurial activity (TEA)	7.6 percent
Ratio of female/male TEA	0.6 percent
Percentage of necessity driven women entrepreneurs	33.1 percent
Percentage of opportunity driven women entrepreneurs	61.6 percent
Percentage of Indian women having entrepreneurial intentions	16.7 percent
Percentage of women established business activity	3.4 percent

Source: Global Entrepreneurship Monitor Report on Women's Entrepreneurship 2016-17.

The Indian women can also add to the social welfare of the nation. There are some identified Indian women have won the grounds of gender justice and equality. They are the brightest examples of what India can achieve if the women leaders are at the top of the affairs. Women-friendly policies and legislations will be framed as its outcome. This can transform the angle the world looks at India. The Overview of Women Entrepreneurs in India is shown in Table 2.

Strong women leaders like Vijalakshmi Pandit and Sarojini Naidu played a very important role in the freedom movement of India.

Nowadays as well, was a Indian should feel proud of our women such as Ela Bhatt who established SEWA are strengthening other Indian women to attain freedom from the conditions of acute poverty and unemployment. Women entrepreneurs are also taking advantage of some of the well-framed governmental programs at both, the central and state level.

So, it is obviously true that they can add significantly to the growth, development and advancement of India in multiple ways.

4. Reasons behind women entering into business

In order to promote the women entrepreneurship especially in Indian context, first of all it becomes very important to identify the basic source of motivation behind these women who are taking up entrepreneurship and entering into businesses. We need to focus that these women take up entrepreneurship just because they wanted to become the entrepreneurs or there was some other compulsion behind doing this like the lack of employment opportunities or other economic conditions. Based on the study of the profiles of different women entrepreneurs, following are the reasons accumulated that forms the basis of the development of women entrepreneurship:

(i) Women who already had their family business felt that the business is in their blood only. They have entered in the business only with an intent to diversify their business and that is the only reason for them they started their own business.

(ii) Many of them also feel that instead of sitting idle and doing nothing, they took up the entrepreneurial path because they wanted to do something full of creativity and imagination. They also feel that they wanted to become job givers rather than job seekers that is the reason why they opted entrepreneurship as a profession.

(iii) Some of them also realized that their motive to become an entrepreneur was to earn higher profits and that is why they undertook entrepreneurship as a gainful activity.

(iv) Only a very few of the women had entered into the business due to compulsion because at certain point of time there was no

Table 2
Overview of Women Entrepreneurs in India.

Total number of establishments owned by women entrepreneurs	8,050,819
Rural establishments owned by women entrepreneurs	5,243,044 (65.12Percent)
Urban establishments owned by women entrepreneurs	2,807,775 (34.88Percent)
Women owned establishments without hired workers	6,697,354 (83.19Percent)
Women owned establishments with hired workers	1,35,3465 (16.31Percent)
Women owned agricultural establishments	2.76 Million (34.3Percent)
Women owned non-agricultural establishments	5.29 Million (65.7Percent)

Source: All India report of Sixth economic census 2016.

one in their family to take care of the business after their husband. So, in order to give economic support to their family and dependents they entered into business.

(v) Some of them also have quoted that the reason for them behind stepping in into business was their inclination towards business and also the need for effective utilization of time. They explain that they wanted to remain busy by spending their time in a more meaningful way. The Pie Chart for Entrepreneurship is shown in Fig. 1.

So, it is also very clear from the above instances that the motives or desires are the driving forces behind the human actions. But these motives are never formed in isolation rather they need to be associated with number of factors like age, education and experience. The young women are not only motivated by their desire to become self-dependent and to do something creative and different but also there is an urge to attain self-satisfaction and to provide a competition to others. This is obvious that women are motivated more by their spouse, parents or relatives to do something new and to have an out of box thinking.

5. Challenges faced by women entrepreneurs

(i) *Gender Related Problems:* One of the most important challenge faced by the women entrepreneurs in India is the discrimination on the basis of gender. From the very beginning the women are understood as a family maker only. There is a gender role-stereotyping that means there is already a set perception about the women ie. What she is supposed to do, how she can behave, and the other roles what can be played by the women and the society stick to it. A woman entering into business is always nurtured, fostered and watched by the family, friends and relatives even at the outset. From such a pampered environment, when she comes in contact with the entrepreneurs, businessmen, customers, employees, labour, she is likely to face a number of problems which she has never faced earlier.

(ii) *Marketing Problems:* Market plays a very important role in the success and failure of any business enterprise. It is evident that establishing an enterprise requires to study the market, knowing about the changes taking place, establishing various distribution channels, meeting clients, taking feedback from customers, collecting the payments, promotion of the products and services, identification of the sources of finance etc. The women turning entrepreneurs had to face all these problems due to the lack of marketing experience and expertise and their inability to go out and meet number of parties in the process being a woman.

(iii) *Financial Problems:* One more significant problem faced by the women entrepreneurs is the problems related to finance. As we know that finance is the life blood of business and procurement of finance is a problem for the women, to go out and search about the different sources of finances and there is one more reason that the people in the Indian society still do not rely on the capabilities and competencies of women as a business owner and thus they doubt on the success of the business and do not easily provide the financial support to them. There is also a difficulty on their part in the justification of the claims for finance and there is a lack of collateral security as well.

(iv) *Problems of Occupational Mobility:* There is always a problem faced by the women entrepreneurs with respect to the occupational mobility. The term occupational mobility means the ability of a woman entrepreneur to shift from one product line to another as there is a prime reason of stability and security. As well as there are only a few women who perform well into business and as a result they want to continue their business operations while others who are not able to make it are de-motivated and demoralized by the unexpected returns and finally go for the closure of their

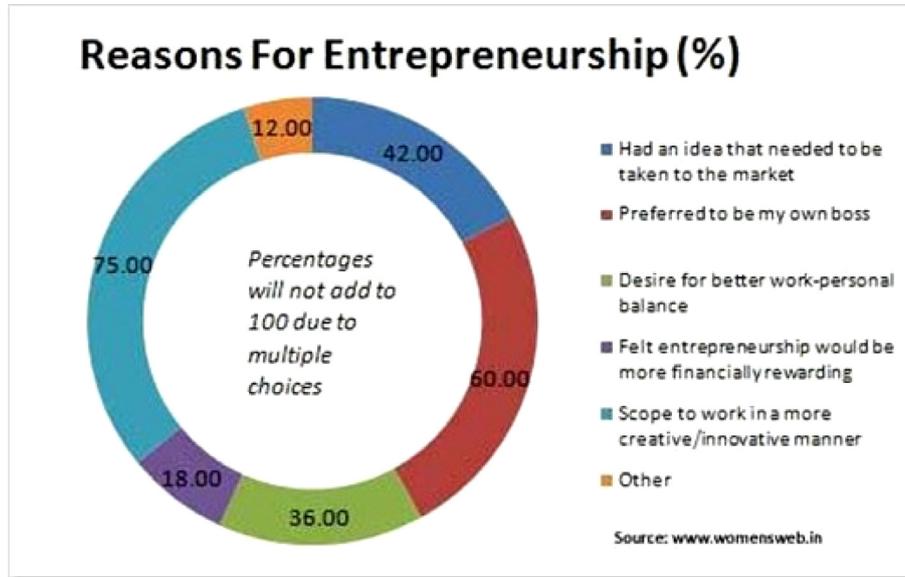


Fig. 1. Pie Chart for Entrepreneurship.

business. Some other factors behind the occupational mobility is lack of resources, lack of confidence, lack of grown up mind and mentality, social pressure, lack of patience and lack of technical know-how are some other factors.

(v) *Problems of availing Government Assistance:* Lack of communication, lack of knowledge, lack of coordination and support between different agencies, the Government and the women entrepreneurs are some of the major constraints behind the entrepreneurship development. It is also evident that the attitude of Government towards the women entrepreneurs is also apathetic and so it does not provide the required support, incentives and facilities. Fig. 2. shows the Graphical representation for City and Industry.

Also, the procedure for applying for loans is very complex and very time consuming too and it is also a fact that majority of women entrepreneurs are unaware about the various rules and legislations and the different procedures and the support system.

6. Strategies for developing and promoting women entrepreneurship

Promoting and developing women entrepreneurship in the Indian context is very necessary and important keeping in mind the problems of under-employment and un-employment in the Indian society. Following can be few strategies that may be devised or focused in order to promote the women entrepreneurship in India:

(i) There is a need to educate and inform the women about the merits and demerits of taking up entrepreneurship as a profession so that their managerial and entrepreneurial abilities may be developed and exploited for the growth of the nation.

(ii) The formal women education should be emphasized upon which helps in the knowing about the different aspects and expectations out of a job. Education has always remained a successful tool for successful entrepreneurship.

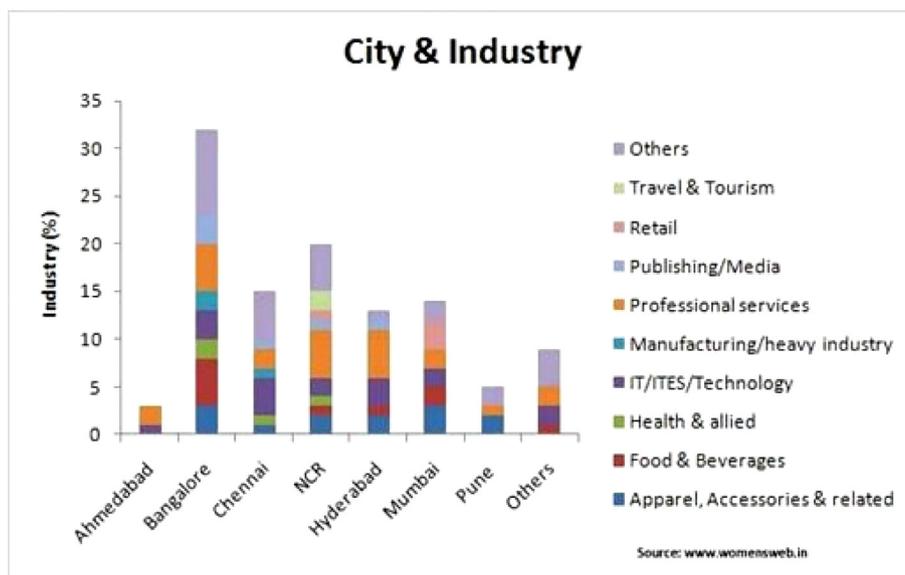


Fig. 2. Graphical representation for City and Industry.

(iii) A change in the mindset, attitude and perception of the people living in the Indian society towards the women is also required and it should be understood that social freedom to women is helpful in contributing significantly towards the social and economic growth.

(iv) Women should also have self-confidence upon them and they should believe in their guts and should come up by setting an example for other woman in the society by acting as a change agent and can also act as a role model.

(v) The various Entrepreneurship Development Programmes (EDP) should aim at providing special training to the women entrepreneurs and that should be practical oriented. The potential women entrepreneurs should also be given knowledge about the different types of opportunities available for them in the business.

(vi) Adequate arrangements should be done for the women entrepreneurs for supplying the credit facility to them at concessional rates in light of the growing needs for the capital. Provisions should also be made to provide required infrastructural facilities to the deserving women entrepreneurs on priority basis.

7. Conclusion

The women in India has to play a very vital role in the socio-economic development of the nation. The hand that swings the cradle regulates the world. The women should be given more power so that they can lead the country to magnificence. Our women are excelling in every field may it be in case of entrepreneurship, as social workers, scientists doing several discoveries and innovations, as politicians strengthening the political system of the country and as economists are heading the way for a shining future. Women in cities and villages should be provided with number of opportunities so that they can carry on a positive

social change and can provide their support in to the growth and development of the nation. The women play an essential role in bringing the advancement and expansion of any society, in the countries around the globe and truly speaking, India is not an exception to this rule.

CRediT authorship contribution statement

Pragalbh Sharma: Conceptualization, Data curation, Formal analysis, Validation, Project administration.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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