

# Rural Women Entrepreneurship in India

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## Abstract

Rural 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 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. Our increasing dependency on service sector has created many entrepreneurial opportunities especially for women where they can excel their skills with maintaining balance in their life. This study is intended to find out various Problems, motivating and de-motivating factors of women entrepreneurship. It is an attempt for real problems and motivational factors with a real Case study from Andhra Pradesh. It will also suggest the way of eliminating and reducing hurdles of the women entrepreneurship development in Indian Context.

**Keywords:** *Entrepreneurship, Women, Business, Gende, Economic Development.*

## 1. Entrepreneurship

The origin of the basic word “Entrepreneurship” is from a French word “Entrepreneurship”, where it cradled and originally meant to designate an organizer of certain musical or other entertainments. The Oxford English Dictionary (of 1897) defines the term “Entrepreneur” in similar way as the director or a manager of a public musical institution, one who gets-up entertainment arranged, especially musical performance. Initially in the early 16th century, it was applied to those who were engaged in military expeditions. In 17th century. It was extended to cover civil engineering activities such as construction and fortification.

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an

attitude to create something new and an activity which creates value in the entire social eco-system. It is the psyche makeup of a person. It is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which makes him/ her think about life and career in a given way.

The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during the last two decades, increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be.

## 2. Women entrepreneurship

A woman entrepreneur is an adult who owns and runs an enterprise, especially a commercial one, often at personal financial risk. The ILO defined the women’s enterprise as ‘a small unit where one or more women entrepreneurs have not less than 50 per cent financial holdings.

The concept of women entrepreneurship is becoming a global phenomenon playing a vital role in the business community. In India, women have made a comparatively late entry into business scenario mainly due to the orthodox and traditional socio-cultural environment. Although women face various problems in the process of establishing, developing and running their enterprises, nevertheless, their scope of development is very high in India, especially in rural areas with more women making development oriented programme viz. Development of Women and Children in Rural Areas (DWCRA) which was launched in 1982-83. In what follows, an attempt is made to analyse the success of such a scheme in terms of its survival, growth and development of women entrepreneurs and identify the problems faced by the women entrepreneurs.

### 3. Objectives and Research Methodology of the Study

The study is based on secondary data which is collected from the published reports of RBI, NABARD, Census Surveys, SSI Reports, newspapers, journals, websites, etc. The study was planned with the following objectives:

- 3.1 To evaluate the factors responsible for encouraging women to become entrepreneurs
- 3.2 To study the impact of assistance by the government on women's entrepreneurship.
- 3.3 To study the policies, programmes, institutional networks and the involvement of support agencies in promoting women's entrepreneurship.
- 3.4 To critically examine the problems faced by women entrepreneurs.

### 4. A Woman Entrepreneurship in Andhra Pradesh: A Case of DWCRA:

The scheme, Development of Women and Children in Rural Areas (DWCRA), launched in 1982-83, inaugurated an era for systematically organizing women in groups for providing them opportunities of self-employment on a sustained basis. Several thousands of rural women from the length and breadth of the state participate in this programme and they have taken up a number of trades under DWCRA banner.

Since entrepreneurship development involves provision of additional channels of funds in the form of working capital and credit, training, management skill etc., DWCRA, with an entrepreneurial development of women, provides all these inputs by considering women as critical to development. This intervention aims at not only raising the income of rural women of poor households, but also enabling organized participation of groups in the programme of credit, skill training and infrastructure support for self employment in groups who cannot take up economic activities, individually on their own.

The main objective of the scheme is to improve the economic, health, educational and social status of rural women by providing them assistance and creating employment opportunities. The specific objectives of the scheme are:

- 4.1. to help and promote self-employment among the rural women, who are below the poverty line, by providing skill training in vocations which are acceptable to the beneficiaries, by encouraging productivity in their existing vocations and by introducing new activities hitherto not undertaken;
- 4.2. to organize the beneficiaries in groups, activity-wise and promote economic and social self-reliance;
- 4.3. to generate income for the rural poor by creating avenues for production of goods and services;
- 4.4. to organize production enhancing programmes in rural areas; and

4.5. to provide for care of the children of the working women by providing an improved environment, care and food by establishing balwadis.

The programme called for formation of groups of 10-15 women who could collectively engage in an activity. One woman amongst the members functions as the group organizer who helps in the choice of activity, procurement of raw materials, marketing of products etc.

Table 1: Performances of DWCRA – All India

Period	Target (No. of Groups)	Achievement (No.of group formed)	No. of women benefited	Utilization of funds (Rs.in lakh)
Sixth Plan	6035	3308	52170	298.53
Seventh plan	35000	28031	469707	3663.53
Annual Plan 1990-01	7500	7139	109557	898.00
1991-92	7500	9378	208012	962.72
Eighth Plan 1992-93	7500	9029	128744	1548.17
1993-94	11000	15483	268525	2365.00
1994-95	13400	37964	592026	3100.00
1995-96	30000	37565	697088	3600.00
1996-97	30000	41356	580434	2907.06
Eighth plan Total	91900	141397	2266817	16220.23
1997-98	30000	30367	393984	2012.12
1998-99*	30000	31263	402834	2274.76
Grand Total	177953	250883	3903081	26329.94

\*Provisional Source: Government of India, Ministry of Rural Development – Annual reports of various issues.

A revolving fund of Rs. 15,000/- (subsequently increased to Rs.20,000/-) was made available to each group for credit and administrative needs. The programme is implemented by the District Rural Development Agency (DRDA) at the district level. DWCRA is the only programme of its kind which aims at empowering the rural poor women by inculcating entrepreneurial skill. It seeks to encourage collective action in the form of group activities which are known to work better than individual efforts. Furthermore, by encouraging the habit of thrift and credit, it aims at making poor women self-reliant through assistance from the government in the form of revolving fund and seeks to integrate women providing opportunities for self employment. Table - 1 shows physical and financial progress of the programme since its inception. A glance at Table- 1 reveals that about 250883 groups of woman entrepreneurs have been formed with membership

of about 39 lakhs women entrepreneurs since the beginning of the programme in 1982-83. During 1998-99, over 31263 groups were formed benefiting about 402834 women entrepreneurs. It clearly indicates that the programme has gained momentum in recent years in terms of both financial and physical achievements. So it can be inferred that the group mechanism under DWCRA, which is now merged with Swarnjayanthi Gram Swarozgar Yojana (W.e.f. 1 April 1999), had empowered women entrepreneurs to approach functionaries, offices, banks and markets. Above all it had generated self-confidence in their ability to run an enterprise.

### **5. Challenges before Women entrepreneurs in India:**

The following are the major challenges before women entrepreneurs in India.

5.1 Choice between family and career

5.2 Illiteracy or low level of Education

5.3 Dearth of financial assistance

5.4 Socio-cultural barriers

In developing countries like India women work long hours daily, carrying out family chores such as cleaning, cooking, bringing up children along with concentrating on their income generating activities. Such family responsibilities prevent them from becoming successful entrepreneurs. As regards illiteracy among women, available statistics reveal that two-third of the world's 876 million illiterates are women In India of the 59.5 per cent of total population that is illiterate, women comprise 48.3 per cent (Estimated in 2003).

As regards finance, women in developing nations have little access to finance due to the fact that they are concentrated in poor rural communities with few opportunities to borrow money. The Times of India, March 18, 2004 reports that compared to states like Maharashtra and Tamil Nadu, the states of Haryana, Punjab and Chandigarh have not done well in distributing loans to female entrepreneurs. Such lack of access to credit is still worsened by a lack of information on where credit can be sought and requirements for loans. According to a 1995 report by the United Nations Industrial Development Organisation (UNIDO), despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit" often due to the discriminatory attitudes of banks and informal lending groups.

In many parts of India, women belonging to certain communities are found to be very conservative due to their upbringing in orthodox families. Insecurity for women is a common phenomenon in many areas of the country and there is a requirement to educate the community about the need for transformation and to increase women's mobility beyond the home through long-term strategies. The conventional social roles assigned to women often proved

to be a handicap for their free mobility and freedom to work. It is thus evident that women entrepreneurs have to confront more challenges from their culture, family and society than their male counterparts.

Indian women are in no way inferior to men in all walks of life and they can be as good entrepreneurs as men in the country. Therefore, it is essential to exploit the potentials of Indian women. Women's participation in trade, industry and commerce, requiring entrepreneurship, is still poor mainly because of the problems associated with their gender roles. Therefore, promotion of entrepreneurship and economic empowerment of women poses a challenge to the government, funding agencies and non-government organizations. It is important for these people to focus on the limitations faced by women and to plan supporting system.

### **6. Women Entrepreneurship in India**

Empowering women has become the key element in the development of any economy. It is been found that there are various forums and NGOs that are working hard towards this end. There are lots of research studies supporting this view. The Indian economy has been substantially liberalised in recent years with an increasing role for small-scale private enterprise. Alongside economic liberalisation has come a drive to enhance the role of women with moves to ensure that women have at least 30 per cent of seats in local councils and many other elected bodies.

Women have a unique position in every society. Real development cannot take place if it bypasses women who not only represent one half of a country's population but also the kernels around which societal revolution take place. Entrepreneurship enhances financial independence and self esteem of women. Around 50 per cent of India's population is women, yet business spheres such as trade, commerce and industry is still considered a male preserve. Entrepreneurial work has also been predominantly a man's world in India. This is based on the fact that only seven per cent of the total entrepreneurs in India are women. Among the states, Gujarat, Maharashtra and Karnataka have more women entrepreneurs.

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In rural areas, women are already helping men in agriculture and agro-based industries. With a little training, they can set up industries independently. Women can particularly enter food preservation, bakery, dairy, poultry; forest based weaving and handloom areas of business. In urban areas women can be assisted to set up ancillary units, maintenance and repair units in mechanical and electrical industries.

### **7. Need and importance of women entrepreneurs:**

It is imperative to note the participation of women in economic activities as self employed individuals. Many of the traditional occupations open to women are mainly based on caste, creed and the nature of self-employment is based on the standard of living. At present, women are generating employment for themselves in unorganized sectors and other category of women provides employment for others.

The country needs to mobilize and utilize fully all its resources including human resources. 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 programmes 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 and political and cultural activities.

### **8. Factors influencing women entrepreneurs**

The following are the major factors influencing the women entrepreneur.

- Economic independence
- Establishing their own creative idea
- Establishing their own identity
- Achievement of excellence
- Building confidence
- Developing risk-taking ability
- Motivation
- Equal status in society
- Greater freedom and mobility

The concept of developing women entrepreneurship lays emphasis on the productive utilization of women labour force to generate income and output. The programme for developing women entrepreneur would help to alleviate poverty. The Sixth Five Year Plan for the first time highlighted the problem of women integration in economic development in India and emphasized the need to expand women employment in the household sector by providing adequate support in the areas of technology upgradation,

training, credit, raw material requirements and development of financing loans. For this purpose, sincere efforts have been taken under various plans, policies, programmes for the development of women entrepreneurship since 1990s.

The DWCRA groups (also known as SHGs) are considered as a viable organization of the rural poor particularly women for delivering micro credit in order to undertake entrepreneurial activities. Some of the studies on these groups particularly those managed by women successfully demonstrated how to mobilize and manage thrift activities, appraise credit needs, enforce financial discipline, maintain credit linkages with banks and effectively undertake income generating activities etc. These studies also showed that the poor as a group are quite creditworthy and repayment of loan is quite satisfactory.

### **9. Problems faced by women entrepreneurs**

Apart from the tacit assumption that women are frail and indecisive, women entrepreneurs encounter many problems in their efforts to develop the enterprises they have established. The main problems faced by the women entrepreneurs may be analysed as ,

9.1 Shortage of Finance: Women and small entrepreneurs always suffer from inadequate financial resources and working capital. They lack access to external funds due to absence of tangible security and credit in the market. Women do not generally have property in their names.

9.2 Inefficient Arrangements for Marketing and Sale: For marketing their products, women entrepreneurs are often at the mercy of the middlemen who pocket large chunks of profit.

9.3 Shortage of Raw Materials: Women entrepreneurs find it difficult to procure raw materials and other necessary inputs. The failure of many women cooperatives in 1971 such as those engaged in basket-making was mainly due to the inadequate availability of forest- raw materials. The prices of many raw materials are quite high.

9.4. Stiff Competition: Many of the women enterprises have imperfect organisational setup. They have to face severe competition from organised industries and male entrepreneurs.

9.5. High Cost of Production: Another problem which undermines the efficiency and restricts the development of women enterprises is the high cost of production.

9.6. Low Mobility: One of the biggest handicaps for women entrepreneurs is mobility or travelling from place to place. Women on their own find it difficult to get accommodation in smaller towns.

9.7. Family Responsibilities: In India, it is mainly women's duty to look after the children and other members of the family. Their involvement in family leaves little energy and time for business. Married women

entrepreneurs have to make a fine balance between business and home.

9.8. Social Attitudes: The biggest problem of a woman entrepreneur is the social attitude and the constraints in which she has to live and work. Despite constitutional equality, there is discrimination against women. In a tradition-bound society, women suffer from male reservations about a woman's role and capacity. In rural areas, women face resistance not only from males but also from elderly females who have accepted inequality.

9.9. Low Ability to Bear Risk: Women have comparatively a low ability to bear economic and other risks because they have led a protected life.

9.10. Lack of Education: In India literacy among women is very low. Due to lack of education, majority of women are unaware of technological developments, marketing knowledge, etc. Lack of information and experience creates further problems in the setting up and running of business enterprises.

9.11. Low Need for achievement: Need for achievement, independence and autonomy are the prerequisites for success in entrepreneurship. But women are proud to bask in the glory of their parents, husbands, sons, etc.

In addition to the above problems, inadequate "infrastructure, shortage of power and technical know-how and other economic and social constraints have retarded the growth of women entrepreneurship in not only in India but also in Andhra Pradesh.

#### **10. Motives for becoming Woman Entrepreneurs:**

Women, especially those belonging to the low-income strata and who have no other option for employment are taking to entrepreneurship not only to meet the survival needs of the family but also due to low barriers of entry and flexibility. In recent years, entrepreneurship research has focused on what motivates women to venture as entrepreneurs. In trying to answer this question, research studies have identified various types of entrepreneurial motivation.

Studies conducted across the countries have identified some of the motivating factors of women entrepreneurship and these can broadly be classified as pull and push factors. Orthan and Scott<sup>27</sup> identified a range of motivating factors as dynastic compliance, on other choice, entrepreneurship by chance, natural succession, forced entrepreneurship and 'pure entrepreneurship' which reflects the route which they have chosen to venture. Most of the studies conducted in developed countries indicated that women were motivated by desire of achieving autonomy or independence or becoming own boss. Nearchou Ellinas and Kountouris found that the women in their study exhibited high concern for control and dealing Winn argues that as compared to men, more women start their own business to make social contribution in addition to desire of autonomy economic motive and fulfilling their own and spouse dreams.

Attacking the cultural theory's belief, Andrea etal found that minority women in the study had high achievement orientation for establishing own enterprise as compared to white women. The study conducted by Aravinda and Renuka explored that women entrepreneurs in study were motivated by self interest in that specific area of enterprise or inspiration from others success. Surprisingly, venturing for self respect occupied third place in ranking of motivating factors. A study conducted on Indian women by Dhaliwal identified children as driving force to initiate business for independent women. Mitra classified Indian women entrepreneurs in four categories and identified their motivating factors while others by negative pull factors, family driven entrepreneur's hobby for self fulfillment and additional income driven entrepreneurs were motivated by financial needs. The population of India is large, therefore, presence of a variety of entrepreneurs appears to be common.

The role of society is dominant in entrepreneurial venture and success. Many in- depth studies have been conducted to study the attitude and support of society to women entrepreneurs across the countries. Tomkiewicz etal argue that the perception of women in society depends on gender and men perceive the role of women much more conservatively, while in the case of study conducted by Ljunggren and Kolvereid women received strong support from their social environment which They may have built either due to start up types, requiring more social support or hesitation, to enter the business formation process.

Unlike other developed economies, Indian society is male dominated and women are treated as dependent on men. Therefore, social support is key determinant in entrepreneurial establishment. Most common problem, which women may face in the form of non cooperation, is from their husbands or close family members. Raghavulu reports that more than 50 per cent women in the study faced resistance from their husbands or close family members at the time of inception. Apart from these family level problems, women have to overcome some hidden problems also. These problems are in the form of mobility constraints, dual responsibilities, inadequate financial resources, operational and marketing problems, gender related myths, poor managing ability, low risk bearing ability, poor access to government support etc. These problems have been discussed below.

It is unfortunate that women in Indian society have got restricted mobility. Traditionally, the career of women in Indian society has got restricted mobility. Traditionally, the career of women was confined to three Ks-Kitchen, Kids and Knitting as there was hardly any opportunity to cross this boundary. Now women have got relatively more freedom in terms of entrepreneurial activity but they are suspected not only by the society members but also by the family members if they move out after normal hours or

contact a man frequently. To start an enterprise, an entrepreneur has to visit various financial institutions and governmental support agencies repetitively, which frustrates women from both angles. The humiliating attitude of officials forces her to give up the idea of venturing.

The mobility problem has been solved to a large extent by the advancement of information technology and telecommunication facilities. Now, women entrepreneurs may have dialogue with government officials through telecommunication mode and access to procedures and formalities through Internet by sitting at office or home. No doubt the technological improvements have reduced the number of visits but it has not removed it completely. Therefore, the solution lies in mental advancement of both society members as well as higher authorities.

Woman has to attend dual duties, one at business and another at family as mother or wife. The responsibility of family care largely remains in the hands of women. Most young men and women still see their mother doing the majority of home chores and father's job is seen more importantly in terms of both money and prestige. The women exploitation on family responsibility ground depends on her social dependence. In societies like India where women are taught to depend on men, the intensity of this type of exploitation is very high. Women entrepreneurs in India have suffered from work family conflicts and dual responsibility. However in some cases, they were able to manage by delegating their responsibilities and duties without detriment to the normal duties. On the basis of in-depth interviews with women who lived in both worlds, Winn reports that for men, marital status neither has influence on their decision to rise in corporate ranks nor to begin their own enterprise while, for women, family structure has a different impact on their ability to focus on running a business or on the perception of commitment to their business. An exploratory study conducted by Manimekalai and Rajeswari reports that though in many cases women received support from family members at venturing stage, yet lack of support from family members at operating level and looking after household activities resulted in family conflicts. Women in the study were of opinion that family members want to enjoy the fruits of the business but are not necessarily ready to cooperate with the functioning of the enterprise. Therefore, the success or failure of enterprise is dependent on how well women perform the balancing act between family and work and how much support she can attain from family, friends and relatives. The development of kindergartens, day nurseries and crèches has facilitated women in rendering family responsibilities along with work responsibility. However, family elders should realize that their female member is not only able 'to manage house

but she can also manage business and thus should be allowed to show her capabilities.

Finance is the lifeblood for any business. Women entrepreneurs around the globe face problem of non-availability of financial resources in general and access to credit in particular. A study conducted by Amatucci and Sohi points out that search and diligence stage which involves financial search also, was time consuming and gender plays an important role in assessment of trust relationship between investor and entrepreneur. Further, the study also advocates that women entrepreneurs lack financial skills as they did not understand hidden costs and anticipate appropriate cash requirement. Women have to depend on own savings as the lending practices of banks and government funding agencies are believed to be restrictive and unfriendly to women. Even in some cases women have to take loan from bank on their husbands or male counterparts' name. Inadequate equity finance and working capital are one of the major problems which women entrepreneurs in India face. The study conducted by Manimeklai and Rajeswari found that women in their study had shortage of capital and more specifically scarcity of seed money to expand business. In developing countries like India there are no venture funds or other sources paying special attention to women's need. Thus they have to depend on banks or other investors which have complicated procedures. Dubhashi observed stereotyped gender bias as bankers and people had reservations in their minds about the women's ability to set own business. This problem is severe in case of rural woman entrepreneurs. Raghavulu explored that rural women entrepreneurs were unhappy due to non-availability of sufficient funds and stringent practices like right payment schedule, etc.

It can be observed from the above discussion that normally banks are blamed for not financing women. Banks do not have doubt on women's capabilities. They do not consider gender while financing but they place high premium on security of principal and interest amount for which they take mortgage on bank finance. The women in a study conducted by Rajendran had lack of access to external funds due to their inability to provide tangible security. Most of the Indian women neither have immovable properties in their names nor any other economic wealth to mortgage. The discriminating laws like property rights, inheritance laws, etc. deprive women of capital or collateral securities. In most of the cases, the property is distributed among the male members of the family while the female child's responsibilities are assumed to be over with dowry in their marriages. Government of India has introduced policy measures to ensure easy financial access to women entrepreneurs. Yet the doubt is whether it is reaching in the right hands or is it financed to those enterprises which are owned by women but run by their male counterparts.

For development of real woman entrepreneurship, the joint efforts of both society and government are needed. On one hand, parents have to do justice to their female child and on the other, women also need to be aware of and demanding of their rights. Banks and financial institutions should consider the health of projects instead of health of family or family backup. The Self Helping Groups scheme launched by NABARD and SIDBI may prove to be a boon for flow of funds to micro-enterprises. This type of innovations will not only solve the problems of women entrepreneurs but also boost their morale.

Women entrepreneurs in India not only struggle at the time of establishment of enterprise but at operation stage also they have to overcome different functional difficulties. A study conducted by Raghavulu found that women face two fold operational problems. On one hand, they have to overcome problems of production processes like non-availability of raw material, lack of technical skills, scarce utilities and infrastructure etc., and on the other, they face marketing challenges in the form of competition from cheaper and substitute products, delayed payments and liberal credit terms. The study conducted by Rajendran also supports this view and argues that these result in high cost of production which ultimately hinders the development of women enterprises. Similar observations were also made by Manimekalai and Rajeswari. Women entrepreneurs neither have knowledge nor access to proper markets, thus, they sell their products through the middlemen. These middlemen exploit them and the entrepreneurs receive lesser prices than desired even if the demand of the product is high. In some cases, the brand names are also changed. This problem is acute in case of homemade rural products.

In most of the entrepreneurship development programmes, the marketing part is overlooked presuming it to be easy. Therefore, it is suggested that the knowledge of marketing tools and strategies with special reference to a product or product group should be inculcated in these types of programmes. Along with entrepreneurship creation, the Government should also make provisions to maintain existing entrepreneurs by way of conducting refresher programs in management skills for them to refresh their skills and impart new developments in the area.

The women have been discouraged on gender grounds in different walks of life. Some gender related myths create stereotypes in the minds of men which in turn results in suspicion about women capabilities. This not only creates problem in attaining finance but also in attracting brightest human resource as there are evidences that people do not always like working for female bosses. The Gallup poll indicated that, in 1995, almost half of the people surveyed indicated a preference for a male boss and only 20 per cent agreed with female boss.

It is normally presumed that women have low managerial ability. Studies have shown that men have proven to be better than women in certain key indicators of managerial acumen. Women performed better as compared to men in 28 out of 31 key management categories. They were stronger in more logic based skills while weaker in self promotion and handling frustration. A study conducted by Tomkiewicz reports that men and women both appear to be symmetrical in supervisory ability. The key to the entrepreneurial success, opportunity recognition, was found similar across the gender in a study conducted by Ljunggren and Kolvereid to investigate impact of gender differences on expected outcomes. The increasing number of female students and their excellent performance in management education is a testimony to the fact. It can be observed that women have less emotional stability; thus, they need to improve upon it. Further they need to be assertive in demanding recognition for their efforts.

Risk taking is an essential pre-requisite for entrepreneurial success. It is assumed that women being feminist gender have low risk taking ability. The two principal components which contribute to developing business risk taking ability are risk exposure and financial independence. Women in India live a protected life. They are taught to depend on male members from birth. They are not allowed to take any type of risk even if she is willing to take and have the ability to bear. Economically also they are not self-dependent. Thus, saying that women do not have risk-taking ability would not be appropriate, as it has been suppressed by the protected environment. The family members should provide similar environment and exposure to male and female members to develop ability to excel in life. Further female members should also be made aware of their capabilities.

Generally, people have wrong notion that women prefer to choose traditional enterprises like food processing, cosmetics, home service, garments, etc. Three Ps (pickle, powder and papad) are popularly assumed as women's entrepreneurial choice. Enterprising choice of women is no more limited to the traditional businesses, if they are provided with an opportunity and support to enter in three Es (Energy, Engineering, and Electronics). The entry of some women entrepreneurs likes Viloo Morawala Patel of Avesta, Gengraine Technologies, Kiran Mazumdar Shaw of Biocon, and Sulajja Firodia of Kinetic is a testimony to the fact. Therefore, saying that women's business choice is limited to traditional and small enterprises will not be appropriate as women are yet to prove that what men can do women can do better, However women should also come out of the phobia that they are of weaker sex while dealing with entrepreneurial activities.

Government of India has made efforts at both central as well as state level to solve these problems by way of introducing policy measures and promoting NGOs. Annual

budget of India often announces special grants and provisions to assist self employment of women but these get entangled in bureaucratic mesh and very few women entrepreneurs are able to avail them. The State government of Karnataka has given Rs.10 lakhs in the year 2001-02 to organize exhibitions through NGOs to bring entrepreneurs and customers together. Similar amount was sanctioned for creating awareness on entrepreneurship development. Despite of efforts, the problem still exists as most of the women entrepreneurs have neither approach nor awareness about these policies due to low education level. Kumar reports that the knowledge level about policy decisions in women entrepreneurs seems to be low and entrepreneurs believed that provisions are not sufficient and more transparency and clarity is required. The findings of exploratory study conducted on women entrepreneurship in backward areas by Raghavulu may prove to be an eye opener for government and society. The study found that a high proportion of women were unhappy with support system due to harassment from the officials and high corruption. Therefore, policies, programs and seminars alone cannot change the status of women. There is a strong need for attitudinal change.

#### **11.A Case from Andhra Pradesh:**

Smt. Damayanthi migrated from Thotada village for her livelihood and got married to a resident of Tekkali village of Srikakulam District. She studied up to 4th class. She was married to a person 13 years back who is engaged in the business of sofa cover repairs, sales, etc. She belonged to a nuclear family and gave birth to four children consisting of three male and one female. Damayanthi has very good interest in business. In her own words, "I like to do business and earn for my satisfaction". Before her marriage she used to earn her pocket money by weaving and selling wire baskets to friends, relatives, neighbours and others. She also helped her mother in all kinds of household work. She was intelligent, hardworking and has good human relation skills. After marriage Smt. Damayanthi wanted to start a business, but was discouraged by her husband and relatives. Meanwhile, she gave birth to four children and spent her time in looking after her children but she continued to take some orders of wire baskets occasionally. At one time, she wanted to continue basket making for selling them, but she had difficulties in marketing them. As the children were growing, Damayanthi again felt the desire of starting a business due to increased leisure time. Surprisingly her neighbour Smt. Aruna and three more friends of her started encouraging her to start the business, while her mother discouraged her because Damayanthi's husband didn't like the idea of her starting a business. She started with her own investment of RS. 250/-. She felt starting this type of business was risk free and more profitable. As her husband and relatives restricted her from opening a shop she started

it in the SC Colony, in a small shed at her home which was generally overlooked by many customers, except a few regular ones. She was getting low profits as there was less demand for the items sold due to low investment. Upper caste people did not visit their street and her business lacked advertisement. Despite the lack of support from her family, she was able to venture, which indicated her intense entrepreneurial desire. She expressed that without family support "It was very difficult for a woman to start and sustain in business". She attended Training programs and scope for a rural woman given by DRDA at Srikakulam. But it took nearly 2 years for Damayanthi to start business which clearly indicates lack of support for putting the idea into practice. Her family members initially opposed her entrepreneurship. After seeing the continuous encouragement by Smt. Aruna and Smt. Tulasamma, her family too started encouraging her and now she claims total support from the entire family. She got a new idea of purchasing a tractor through their YESU PRABHU SHG, admits that she and other 10 members could achieve more than 150 per cent profit, and have become a self made contractor for cleaning the whole village through the Panchayat Office Tender. All the schools and Anganwadis have been provided with water and sanitation facilities. Sanitation of a village did not finish with the construction of toilets in the individual houses, schools and other Government buildings only. For a village to look clean, its streets should be cleaned and there should be a proper disposal of drainage/sewage in order to ensure cleanliness of the village. Damayanthi heard about various Government schemes but she could not have access to any scheme where credit from financial institution was linked. It was true that the poor do not need doles of charity. What she needed was a helping hand to guide others in the path of self-reliance and prosperity. Insufficient capital to income generating activity trapped her in the vicious circle of poverty. She could not offer any security to a bank, as she did not have property in her name. For expansion of her business she used to borrow working capital from the local moneylenders. She used to go to two or three moneylenders to get the money because no single person was willing to advance her the amount of Rs. 10,000/- that she needed. A lot of her valuable time was being wasted in the process of borrowing money. Hence, she disliked borrowing money from her neighbours.

She was frustrated as she was unable to explore her entrepreneurial potential due to lack of family and environment support. In psychological terms, entrepreneurship may be described as a creative or innovative response supported by a deep sense of motivation in the environment. The study reveals that women are trying to exercise a variety of business ideas, but needed support from the family members and positive attitude from society, in particular, for establishing and

sustaining their enterprises. Some of the women of her caste used to earn money by getting the tender of cleaning hospitals on yearly renewal basis. Damayanthi was very happy when she came to know that in the year 2002, DWCRA scheme was introduced in their village. They suggested that, if a group of women form together as a SHG with savings they are entitled to get Rs 20,000/- as revolving fund from DRDA. She motivated another ten of her friends in the neighborhood who were in her street and formed a group named Yesu Prabhu SHG Group, so that they availed revolving fund under DWCRA Scheme. The members of the Group elected her as a group leader and met regularly once in a month to discuss the agenda and pass resolutions. After three months, members decided to prioritise their needs. Two of the members borrowed Rs. 1000/- each from the group. The Group members continued their savings, met every month and resolved to help each other. She also borrowed money as group loan of Rs 800/-, 1200/- and 1500/- respectively in three stages. The amount was used to meet her immediate needs, and make her free from the clutches of money lenders on whom she depended for credit needs at an exorbitant interest rate. As a member of the SHG project, she was able to expand her idea to purchase a tractor, She again planned to borrow 2,00,000/- from their Team members each of 20,000/- and remaining from Bank loan through SC Corporation or by DRDA. Hard work, determination and discipline helped her to make steady progress while she became eligible for sanction of Bank linkage with SC Corporation for Rs 80,000/- as Community Investment Fund from DRDA. She used that money to purchase tractor and applied for Panchayat office for Sanitary cleaning of total major Panchayat & Govt. Hospitals. She procured all equipment and 2 male workers to maintain the Tractor and to discharge the waste material from the town to far-off Places. In the initial years she found it very difficult to run the business as a profitable venture. Her total involvement in family matters left little or no energy and time to devote to her business. The tractor lay in her street often rather than get some work. This led to the downfall of her business. She struggled to develop her business but was not sure whom to approach for help. Many of the rural SHG members felt that they were powerless because they knew very little beyond their own small world.

At this juncture, the DRDA trained her to develop confidence by providing demonstration. She participated in exposure visits to other successful entrepreneurs and gained the knowledge on the reduction of idle time of machinery and utilizing different opportunities. In spite of certain problems that have arisen in her business she could withstand and develop her business successfully in the village. She used her tractor under Upadhi Hami Pathakam and improved her business. The Village Panchayat has also introduced household collection of garbage within the

village. Two separate garbage bins are available in the households. Household collection of garbage was separated as degradable and non-degradable wastes and the villagers themselves collected this by means of tri-cycles. Big garbage pits have been constructed across various parts of the village to compost the degradable and non-degradable wastes and such pits were placed across the National Highway that passes through this village. Apart from this they continued to search different business opportunities on how to get rent for their Tractor. With all their efforts she was getting Rs. 6,500/- net income per month. The income was used to pay and clear the previous internal and private loans and for reinvestment in the business. She repaid the bank loans as and when she had cash flow from the business.

In addition, with the support from DRDA officials, she got very good opportunities to send their tractor for different work even in land development schemes promoted by SC Corporation. She has improved her communication skills, leadership qualities and empathy towards social issues. She improved her social status by means of motivating other poor women and makes them to join in SHG. She convinced her husband in assisting her in her own business. Now she was able to stand as a local contractor and provide services of her tractor for different purposes.

Today, she is woman with a sense of achievement and she is confident of making life secure for her three sons and one daughter. The economic and social betterment of the family has prompted her husband to rejoin the family business. She confidently says that it may not take too many years to come out of poverty, provided one was disciplined, dedicated and hardworking coupled with the kind of financial support given by SHG micro-credit programme. Now she exhorts the ladies of her village to become the members of SHG.

## 12. Conclusion:

India being a socially male dominated country, women are assumed to be economically as well as socially dependent on male members. The extent of dependence seems to be diluted among the high and middle class women as they are becoming more aware of personal needs and demanding greater equality. Similarly, the entrepreneurial sphere is also male dominated. Women entrepreneurship in India has gained sharp momentum in recent years but the doubt is that whether these figures include only enterprises owned and run by women or enterprises owned by women and run by men. Desire to be independent; achievement orientation, etc. are some of the common motivating factors of women entrepreneurs across geographical boundaries. Women entrepreneurs in India have to face many problems at start up as well as operating stage. The main reason of non-availability of finance to women is their inability to provide collaterals as they do not have any

property on their name. Women have got restricted mobility, and freedom, and have to perform dual roles, one at family, another at business, which hinders the entrepreneurial growth. Similarly some gender related stereotypes also create obstacles for women entrepreneurs. Government of India has introduced policy measures to promote the status and level of women entrepreneurship in the country. But very few entrepreneurs could approach for assistance which is an indication that there is need to revitalize the whole system. The root cause of these problems lies in the social systems and attitudes. The technological advancement and information technology advancements has reduced the problems of women entrepreneurs. Along with technological revolution, mental revolution of society is needed to change the attitude of the society and provide women with democratic entrepreneurial platform.

Increasingly, women entrepreneurs are being considered as an important catalyst for economic development. For women, entrepreneurship is essentially a journey out of poverty and towards equality and equity. Pandit Jawaharlal Nehru, India's first Prime Minister, realizing the pathetic situation of women, stated, "in order to awaken people, it is the woman who has to be awakened. Once she is on the move, the household moves, the village moves, the country moves, and thus, we build the India of tomorrow. The Government has emerged as a major catalyst by way of providing training incentives and other facilities to succeed particularly in rural areas. But this marks only the beginning of an arduous journey ahead for the Indian woman entrepreneurs.

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