

ROLE OF WOMAN ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT IN INDIA

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ABSTRACT

Entrepreneurship development among women is important for the achievement of broader development objectives such as growth with equity. Women Entrepreneurship is important to achieve objectives such as growth with equity. This paper also attempts toward generate awareness concerning the involvement of women entrepreneurs en route for the economic growth of a particular country and further more they require for making of an energetic entrepreneurial ecosphere on behalf of women entrepreneurs. In the same way when we speak about a nation, the Women entrepreneurship plays a dominant role in the economic development and make significant contributions to the economic growth of the country. The development of the country would be very slow if the women entrepreneurship is ignored and stopped to join the main stream of productive activities.

Keywords: Entrepreneurship, Economic Development, Organization, Equity, Ecosystem.

Introduction:

The entrepreneur who is a business leader looks for ideas and puts them into effect in fostering economic growth and development. Entrepreneurship is one of the most important input in the economic development of a country. The entrepreneur acts as a trigger head to give spark to economic activities by his entrepreneurial decisions. He plays a pivotal role not only in the development of industrial sector of a country but also in the development of farm and service sector. Right from the beginning, man's endeavor has been for the upliftment or enrichment of society. In recent times the single most important factor contributing to this advancement has been industrialization, for bringing about social and economic development of the society. The very concept of economic development would, surely, have remained a fantasy, notwithstanding the abundance of all economic resources, but one, the entrepreneur. The main thrust of all the policies is on the development/promotion of new entrepreneurs/entrepreneurship. The march of a

nation on the path of economic prosperity has proved this theory, beyond the realm of the conceivable doubt/expectation. Obviously, industrialization is merely a tool for the advancement of the society in the form of social and economic development. Thus, industrialization can only be achieved by two efforts, namely, collective and individual, which are two different forms of entrepreneurship.

Entrepreneurship started catching up in 1980s just as professionalism in management caught up during 1970s. However, confusion still prevails as to what exactly we mean by the term 'Entrepreneur': An attempt therefore, has been made here to define an entrepreneur. There is generally no accepted definition or model of an entrepreneur. Much of the literature on entrepreneur is fragmented and highlights divergent or highly controversial views. In the past decade, a number of trends have emerged which distinguish between individual entrepreneurship and corporate entrepreneurship and entrepreneurs and small business owners. The literature abounds with criteria ranging from creativity, innovation, risk taking, high need achievement etc., to personal traits such as appearance and style. Models of the entrepreneurial leaders are almost as plentiful as the number of authors who write about them. 1725: The French Economist, Cantillon, the first to introduce the term entrepreneur, defined him as an agent who purchased the means of production for combination into marketable products. Furthermore, at the moment of the factor purchases, the entrepreneur was unaware of the eventual price which he would receive for his product.

- **Women as Entrepreneurs: A Historical Perspective**

Any study on the position of women in ancient India's social life makes it manifestly clear that in the Vedic period, women enjoyed the same status as men. History also records that women in Vedic age have played an important part in religious and social functions. The position of a wife was an honored one as no religious ceremony could be performed by the husband alone. The third millennium B.C. Harappan and Mohenjo-Daro culture indicates that Indian women enjoyed a comparatively high status which surpassed that of contemporary civilization in ancient Greek, Mesopotamia or Egypt. 'Freedom depends on economic conditions even more than political. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else, and dependents are never free'. These were the ideas of Pandit Jawaharlal Nehru, first Prime Minister of India, which vividly highlight the importance of economic independence of women. These views are antagonistic to the laws of Manu written much early either before or during the Christian era which stress the need to control women because of the 'evils' of female character. Women were the first humans to taste bondage. She was treated as a slave before the slavery system existed. Her inferiority can largely be attributed to her sexual peculiarities. Man has always played the role of Lord. Since long she has been treated as an object of lust, slavery and exchange. So much so that even the Ten Commandments are addressed only to man and the

tenth commandment refers to woman along with servants and domestic animals. This prejudice is visible in the older regions of the world too. Almost all religions preach that women is unclean and impure, the greatest sinner of the world, one who has caused the “downfall” of man.¹Plato, the Greek Philosopher, went to the extent of saying that he was fortunate for not having been born as a woman. Economically, although women have been making progress, still men enjoy a larger share of the cake. The majority of women earn on an average about three-fourth of the pay of males for the same work, outside the agricultural sector, in both developed and developing countries. In most countries, women work approximately twice of the male labors’ work. Women make up 31 per cent of the official labor force in developing countries and 47 per cent of the world-wide level. Rural women produce more than 55 per cent of all food grown in developing countries. The value of women’s unpaid housework and community work is estimated at between 10 per cent and 35 per cent of the Gross Domestic Product (GDP) world-wide, amounting to \$12 trillion in 1996. Women hold 11 per cent of the seats in world’s parliaments. The per centage of female cabinet ministers world-wide has more than doubled in the last decade, from 3.4 in 1988 to 7.00 in 1998. Women hold 35 per cent of professional posts in the United Nations Secretariat including 18 per cent in senior management positions.²

The path treaded by women entrepreneurs starting and establishing a new business venture is thronged by many a hurdle. Let us look at some of the key changes for women over the last five decades.

❖ **Women Entrepreneurs of the Fifties**

These women fall into two categories. One set took to creating and managing an entrepreneurial activity where there was no income-generating male. The second category was the one who lived by social roles and woke up one day to find that either she took charge of the enterprise the husband had left or she and her own family would be the losers. However, such women in the fifties were few.

❖ **Women Entrepreneurs of the Sixties**

Sixties were the decade when many women educated in schools and colleges began to aspire. Women accepted the social coding of the socio-cultural traditions and married. But soon they took small steps to start small one –women enterprises at home and from home.

❖ **Women Entrepreneurs of the Seventies**

This was the decade when a critical mass of women completed their education and entered the work force as professionals. The women in this decade opened up new

frontiers. They opted for self-employment either as a one –woman enterprise or who employed several others.

❖ **Women Entrepreneurs of the Eighties**

The women entrepreneurs of 50's, 60's, and 70's had accepted both their social and occupational roles. They played the two roles and tried to balance both. However, during the eighties, the women were educated in highly sophisticated technological and professional education. Many had medical, engineering and similar other degrees and diplomas. This was the decade of the breakthrough for women in many fields and many frontiers.

❖ **Women Entrepreneurs of the Nineties**

The women entrepreneurs of the nineties already had a role model in the two earlier generations of women. The women of the nineties were capable, competent, confident and assertive women. The nineties have thrown up many names of women who initiated an enterprise, fostered it and nurtured it to grow. Sometimes they outshone the names of their fathers and husbands.

❖ **Women Entrepreneurs of the 21st century**

This is the century of Information Technology. Women's expertise in all these industries is beginning to emerge as a force to reckon with as many of these new industries are headed and guided by women who are seen as pioneers and mavericks. The transition to the next millennium is where the women will create new paradigms of being a daughter who takes the responsibility of her parents, is a wife who wishes to create a home and a family, a mother who takes charge of the children to make them the children of the new millennium. She is open to a life without marriage and parenting without a father. However, the next millennium offers a space beyond the present horizon where, instead of hope there is active engagement with the world, instead of dreams there are commitments, instead of aspirations there are choices and instead of searching for affirmation.

• **Need for Women Entrepreneurial Development**

Women Entrepreneurs just like their male counterparts have the right to the equality of opportunities and treatment. The right to support and to contribute to the economic well-being of one's family is as important for woman as man. In fact, majority of women want and need to

work and their income earning capacity is essential for their own survival and that of their families.

In the advanced countries like USA etc. there has not only been a substantial increase in employment of women but the last decade has seen the number of self-employed women increased by 69 per cent as compared to 13 per cent increase in the number of self-employed men.³ According to the figures of U.S. Dept. Of Labor, there was a 24.9 per cent increase in women owned manufacturing companies. While the amount of American made goods has been declining, there has been a 24.9 per cent increase in women owned manufacturing companies.⁴ The past experience has been that the same trends exist in India also only at a slower pace.

The World Bank's World Development Report 2011 suggests that productivity could increase by as much as 25% in some countries if discriminatory barriers against women were removed. As regards India, women constitute 60 per cent of the rural unemployed, and 56 per cent of the total unemployed. The latter figure is likely to be an under estimate, because of the large number of qualified women who do not enter the employment market due to socio-cultural reasons. In short, women form the largest disadvantaged group of the country. In the above background, it is necessary that women entrepreneurship is to be developed.

Though women entrepreneurship development programme has been recognized as an affective human resources development too, many a times there are very many expectations from a single programme, like removing unemployment, enhancing industrial development, promoting small scale industries, developing industrially under developed regions etc. It is needless to say that no one programme can achieve all these ambitious objectives easily. The main strength of economic development of a nation can be constituted by both men and women as human resources, women form an important segment of the labor force and the economic role played by them can't be isolated from the framework of development as the role and degree of integration of women in economic development is always an indicator of women's economic independence and social status. The government also is trying to make planned efforts to create/inculcate the spirit of enterprise among women in the form of many incentives and developmental programmes. All these efforts are expected to spin good results with many more women taking to entrepreneurship.

Women entrepreneurs in India represent a group of women who has broken away from the beaten track and are exploring new vistas of economic participation because of low barriers to entry and the flexible nature of the work which makes it easy to economic gainful employment with domestic responsibilities. Behind an every successful phase, there is long story list of trials in climbing the hard way. Their task has been full of challenges and yet they have steered clear of public prejudices, family opposition and cynical remarks of co-workers and is a thorny way,

they have established themselves as independent entrepreneurs. A great many of them have chosen as the entrepreneur's world because of the compelling urge of wanting to do something positive in their lives. Nevertheless, they are the pace-setters for women in their endeavors for economic development.

Entrepreneurship seems to be a captivating ideal/ambition for women seeking participation in the country's economic development, because of certain factors. The emergence of entrepreneurship is considered to be closely linked to social, cultural, religious and psychological variables⁵ and these changes seem to have become acceptable norms in the context of women at work in the Indian scenario today with more and more women participating in the economic development. Today women also find micro enterprises attractive because of low barriers to entry and the flexible nature of the work which makes it easy to combine gainful employment with domestic responsibilities.⁶

Some recent researches indicate that several women are now becoming entrepreneurs, especially the middle-class women due to pull and push of traditional and changing values.⁷ Under the pull factors, the women entrepreneurs choose a profession as a challenge, as an adventure with an urge to do something new and to have an independent occupation. Under the push factors women take up business enterprises to get over financial difficulties when responsibility is thrust on them due to family circumstances. As such women both in rural and urban sectors and specially belonging to the middle classes are turning towards entrepreneurship to fulfill their aspirations of doing something concrete both economically and socially.

In sum, the problem of entrepreneurship among women is a question of the family outlook on the role to be played by the women, and the estimation of capabilities by women themselves. Much depends upon the courage and determination of women to become entrepreneurs and with the various facilities offered by Government, banks and financial institutions to women, they should now start setting up business ventures in large numbers.

- **Role of Women in Economic Development**

Woman entrepreneur is regarded as a person who accepts a challenging role to quench her ambition to become something, such as to be economically independent by making suitable adjustments in both family and social life. They are constantly on the look-out for new and innovative ways which lead to strong economic participation. Their adeptness, skill and knowledge, their acumen in business and a pushing desire to do something positive are among the reasons for women to establish and manage organized industries and take up challenging ventures.

In the traditional society, the role of women was naturally restricted to the family. Since she was the bearer of children, she was fully occupied with her duties as a mother and home maker. Male partners were expected to earn bread and the responsibility of women folk was restricted to cooking only. Moreover, the man's responsibility was to provide the household with the raw materials which were then converted into consumable products under precarious housing conditions and by means of rudimentary methods and tools by the women.

Over the last few decades, while women have come forward to establish their own enterprises, their numbers remain few and far between. The entrepreneurial world is still male dominated. But in recent time, the traditional conditions are profoundly changed even in a developing country like India due to many factors like women's education, technical progress, urbanization etc. The emergence of changing socio-cultural values, evolution of social organization and structure and emergence of individuals has forced the women to earn their bread at their own. With the changing role that the women accepted ever since mid-eighties, the role of entrepreneurship amongst women has gained a considerable importance and hence, the women force is now directed toward work field.

The women-owned businesses are becoming increasingly important in the economies of almost all countries. To the US economy, they contribute more than \$250 billion annually and create new businesses at two to three times the rate of their male counterparts.⁸ Since 1970, the share of women owned businesses has grown from only 5 per cent to more than 30 per cent, representing nearly 6 million of the nation's 16.5 million non-formal sole proprietorship. Women-owned businesses can today be found in every sector of the economy and in every region of the US. The surge in entrepreneurship activity in Britain between 1982 and 1987 saw male self-employment increase by 30 per cent, but at the same time female self-employment increased by 70 per cent. Women now account for one quarter of the self-employed in Britain.⁹ In Central European countries, women represent between 46 and 48 per cent of the labor force, but often less than one-fourth are employers.¹⁰

In performing a physical job, the importance of man's physical ability over women has decreased in many production processes merely due to automation and mechanization. Furthermore, it has not been scientifically proved that a woman is incomparable to a man either in skill or mental abilities. This all have motivated/enabled women to take benefit of the industrialization process. Now a days, women may be seen everywhere. Their entry in the business world through the food materials and now they are entering the new areas and are touching new heights.

1. **Employment in the organized sector:** In these sector women percentage is very small of the total women workers in the country. But women participation in this sector has

been increasing. The total employment in the organized sector is also increasing while the increase in the number of women has been generally faster than the total increase (with occasional fluctuations in the growth rate), the proportion in the total employment has remained practically constant. This participation is very much smaller as compared to women employed in similar sectors in developed countries. In various industries the women employed are predominantly in unskilled and semi-skilled categories. Even the newer industries such as engineering, electronics and pharmaceuticals which are increasingly employing educated women as skilled workers tend to limit their participations to a few processes where the job involves the dexterity of fingers or is repetitive and monotonous in nature.

2. **Employment in unorganized sector:** Women employment in this sector is large as compared to organized sector. The major proportion of women workers are engaged in agriculture and the rest is non-agricultural occupations like constructions, mining, quarrying, forestry, hunting, transport, livestock, fishing, plantations, and manufacturing industry and some services. The reason is obvious, in these sectors the problems encountered by those women are innumerable; the pre-dominant ones being-wage discriminations etc. In this sector, the wages of women are uniformly lower than those of men. Many of them are unpaid family workers, where their contribution to the family earnings as helpers of the men earners, is not always admitted.
3. **Self-employment :** There were more industrial occupations for women generally on the basis of their cast, like spinning weaving, fish cutting, basket making, mid wifery etc. could be described as self-employment and one of the traditional sources of income for women was the retail trade, selling family products, both agricultural and non-agricultural, in daily or weekly markets. This trend continues now also and women vendors selling vegetables, fish, gram, spice etc. is a common occupation in India. Yet another area where women are self-employed is in productions of food articles such as pickles, papada etc.

Industrialization and commercialization have eliminated the women from their traditional occupations as they are unable to compete in the field of production and marketing on a large scale with the aid of capital. Even in retail trading, women who used to sell the produce from their farms have now become dependent on buying the products from wholesale markets owing to the increasing distance of the markets from the place of production. This leaves the women traders with narrow margin of profit. Even in the production in the food articles, main problem is the lack of capital for higher volume of production and marketing network to market the produce profitability. This all have

resulted in women seeking employment in any of the organized units sectors producing the same food articles.

4. **Entrepreneurs:** Recently, the trend has changed where women are contributing the role as entrepreneurs are the economic development of the country. Today we find women in different types of fields like engineering electronics, readymade garments, fabrics, eatables, handicrafts, doll making, textile, pharmaceuticals etc. These women are mostly urban, appropriately educated, sometimes having specialized skills and are also equipping themselves with some training and financial support.

Perhaps, the person most representative of the first generation of women entrepreneur in India is Shahnaz Hussain who is known as the queen of herbal cosmetics. With just 3500 rupees capital borrowed from her father, she started operating a beauty clinic in a small room of her own flat in South Delhi. Gradually her business operations widened and she had attracted much better market response for her products. Now her company markets nearly 5 products in and outside India. She has been doing business in about 50 countries with a turnover of more than 7 crores per annum. Significant government and local initiatives/incentives have been introduced with the intention of stimulating entrepreneurship among women.

Conclusion:

In the majority of women operate their medium and small enterprises under very adverse conditions. Not only is it difficult for them to find premises, find markets for their products, access information and credit, but they also have limited access to training especially in the rural areas. Their educational levels are low, they are responsible for all the domestic chores and they have to seek permission from their family members to travel to trade fairs or for training, even if they do want to grow their enterprises. Women entrepreneurs need to be better organised in to women entrepreneurs Association which help identify higher potential business opportunities, develop markets for their products, improve product quality and marketing skills, practice good financial management and secure better premises.

But probably more needs to be done to ensure that these benefits finally trickle down to the common woman. Our society also needs to bring about an attitudinal change in regard to the role of woman as an entrepreneur. This will lead to the development of an appropriate environment in which women will come forth and give vent to their latent entrepreneurial talents. Ultimately, however, woman entrepreneurship must be recognized for what it is. Nationally, it has great importance for future economic prosperity. Individually, business ownership provides women with independence they crave for which ultimately brings them economic, personal and social satisfaction.

Many associations of stimulating entrepreneurs have been set-up for promoting projects for women in small and cottage industries. In view of the initiative shown by women in various economic activities, promotional organizations have been organizing special programmes for them. This trend indicates a shift towards a gender specific approach to such programmes in order to enhance the competence of women in the establishment and management of SSIs.

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