The Essentiality of Entrepreneurship in Women Empowerment in Madhya Pradesh

Shubhangi Dhagat* & Pallavi Banerjee**

Abstract

Entrepreneurship is an innovative and dynamic process, whereby, a new enterprise is created. It is an important segment of economic growth. Enterprise is a catalytic agent of change, which generates employment opportunities for others. Entrepreneurship among women is a recent phenomenon. The Indian culture has made women mere subordinates and executors of the decisions by male members in the family. The views of the Indian society have become liberated to a great extend and women are found indulged in every line of business. The emergence of women entrepreneurs and their contribution to the national economy is quit visible in India. The challenges and opportunities provided to the women in the modern era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. Women’s entrepreneurship needs to be studied separately for two main reasons. The first reason is that women’s entrepreneurship has been recognized during the last decade as an important untapped source of economic growth. Women entrepreneurs create new jobs for themselves and others and by being different also provide society with different solutions to management, organization and business problems as well as to the exploitation of entrepreneurial opportunities. However, they still represent a minority of all entrepreneurs. Thus there exists a market failure discriminating against women’s possibility to become entrepreneurs and their possibility to become successful entrepreneurs. This market failure needs to be addressed by policy makers so that the economic potential of this group can be fully utilized. While without a doubt the economic impact of women is substantial, we still lack a reliable picture describing in detail that specific impact. The second reason is that the topic of women in entrepreneurship has been largely neglected both in society in general and in the social sciences. Not only have women lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries than men tend to do.
The industries (primarily retail, education and other service industries) chosen by women are often perceived as being less important to economic development and growth than high-technology and manufacturing. Furthermore, mainstream research, policies and programmes tend to be “men-streamed” and too often do not take into account the specific needs of women entrepreneurs and would-be women entrepreneurs. As a consequence, equal opportunity between men and women from the perspective of entrepreneurship is still not a reality. In order for policy makers to address the situation the report makes a number of recommendations. Promoting entrepreneurship for women will require an even greater change in traditional attitudes than the mere creation of jobs for women would. Women in India face many problems to get ahead in business. The greatest deterrent to women entrepreneurs is that they are women. Entrepreneurs usually require financial assistance of some kind to start their business i.e a formal bank loan or money from a savings account. The women entrepreneurs lack access to external funds due to their inability to provide tangible security. Very few women have the tangible property in hand. Women's family obligations also bar them from becoming successful entrepreneurs. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" (Starcher, 1996, p. 8). The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again. The result is that they are forced to rely on their own savings, and loan from relatives and family friends. Indian women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and home. More over the business success depends on the support the family members extended to women in the business process and management. The interest of the family members is a determinant factor in the realization of women folk business aspirations. Another reason for low-rate of women participation in entrepreneurship is that women entrepreneurs have low-level management skills. Low-level risk taking attitude is also affecting women folk decision to get into business. Low-level education provides low-level self-confidence and self-reliance to the women folk to engage in business, which is continuous risk taking profession. Proper steps to release women from these constraints should be taken to encourage women entrepreneurship in the country. This research paper will focus on the problems and issues which act as barriers to empower women as successful entrepreneurs in Madhya Pradesh. It would also focus on the schemes for encouragement of women entrepreneurship and their effective implement to empower women further. The paper aims to come up with valuable suggestions which would help to improve the condition of women in the state as entrepreneurs and empower them to help the country in achieving the objective of becoming a developed
Empowering women entrepreneurs is essential for achieving the goals of development. As remarked by Jawahar Lal Nehru "when a women moves forward, the family moves, the village moves and the nation moves." Therefore, promoting entrepreneurship among women is certainly a short-cut to rapid economic growth and development.

Key Words: Entrepreneurship, woman, Security, Savings, Family, Nation

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**Introduction**

Entrepreneurship is an innovative and dynamic process, whereby, a new enterprise is created. It is an important segment of economic growth. Enterprise is a catalytic agent of change, which generates employment opportunities for others. Entrepreneurship among women is a recent phenomenon. The Indian culture has made women mere subordinates and executors of the decisions by male members in the family. The views of the Indian society have become liberated to a great extend and women are found indulged in every line of business. The emergence of women entrepreneurs and their contribution to the national economy is quit visible in India. The challenges and opportunities provided to the women in the modern era are growing rapidly that the job seekers are turning into job creators. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation.

There is a need to study women’s entrepreneurship separately for two main reasons. The first reason is that women’s entrepreneurship has been recognized during the last decade as an important untapped source of economic growth. Women entrepreneurs create new jobs for themselves and others and by being different also provide society with different solutions to management, organization and business problems as well as to the exploitation of entrepreneurial opportunities. However, they still represent a minority of all entrepreneurs. Thus, there exists a market failure discriminating against women’s possibility to become entrepreneurs and their possibility to become successful entrepreneurs. This market failure needs to be addressed by policy makers so that the economic potential of this group can be fully utilized. While without a doubt the economic impact of women is substantial, we still lack a reliable picture describing in detail that specific impact. The second reason is that the topic of women in entrepreneurship has been largely neglected both in society in general and in the social sciences. Not only have women lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries than men tend to do. The industries (primarily retail, education and other service industries) chosen by women are often perceived as being less important to economic development and growth than high-technology and manufacturing. Furthermore, mainstream research, policies and programmes tend to be “men streamed” and too often do not take into account the specific needs of women entrepreneurs and would-be women entrepreneurs. As a consequence, equal opportunity between men and women from the perspective of entrepreneurship is still not a reality.
Indian sociological set up has been traditionally a male dominated one. Women are considered as weaker sex and always dependent on men folk in their family as well as society. The number of women entrepreneurs have grown over a period of time, especially in the 1990’s. While women entrepreneurs have demonstrated their potential, the fact remains that they are capable of contributing much more than what they already are. In order to harness their potential and for their continued growth and development, it is necessary to formulate appropriate strategies for stimulating, supporting and sustaining their efforts in this direction. Women contribute significantly to the running of family businesses mostly in the form of unpaid efforts and skills. Their effort is not valued by the family as they take them for granted. On the other hand, many of the enterprises defined as being run by women are in fact run in their names by men who control the operation and decision making. Programmes meant to reach women entrepreneurs can succeed only if they take note of this aspect of our Indian society. Programmes for encouraging entrepreneurship among women are doomed to fail or at best to succeed partially when taken up in isolation. This is because entrepreneurship by definition implies being in control of one's life and activities. It is precisely this independence that society has denied to women in our country.

Promoting entrepreneurship for women will require an even greater change in traditional attitudes than the mere creation of jobs for women would. Women in India face many problems to get ahead in business. The greatest deterrent to women entrepreneurs is that they are women. Entrepreneurs usually require financial assistance of some kind to start their business i.e a formal bank loan or money from a savings account. The women entrepreneurs lack access to external funds due to their inability to provide tangible security. Very few women have the tangible property in hand. Women's family obligations also bar them from becoming successful entrepreneurs. "Having primary responsibility for children, home and older dependent family members, few women can devote all their time and energies to their business" (Starcher, 1996, p. 8). The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business and become housewives again. The result is that they are forced to rely on their own savings, and loan from relatives and family friends. Indian women give more emphasis to family ties and relationships. Married women have to make a fine balance between business and home. More over the business success depends on the support the family members extended to women in the business process and management. The interest of the family members is a determinant
factor in the realization of women folk business aspirations.

Another reason for low-rate of women participation in entrepreneurship is that women entrepreneurs have low-level management skills. They have to depend on office staffs and intermediaries, to get things done, especially, the marketing and sales side of business. These intermediaries take major part of the surplus or profit. The male - female competition is another factor, which develop hurdles to women entrepreneurs in the business management process. Knowledge of latest technological changes, know how, and education level of the person are significant factor that affect business. The literacy rate of women in India is found at low level compared to male population. Many women in developing nations lack the education needed to stimulate successful entrepreneurship. They are ignorant of new technologies or unskilled in their use, and often unable to do research and gain the necessary training. Low-level risk taking attitude is also affecting women folk decision to get into business. Low-level education provides low-level self-confidence and self-reliance to the women folk to engage in business, which is continuous risk taking profession. Though the risk tolerance ability of the women folk in day-to-day life is high compared to male members, while in business it is found opposite to that.

**Concept of Women Entrepreneurs**

Women Entrepreneurs are the women or a group of women who initiate, organize and operate a business enterprise. The government of India notes women entrepreneurs as “an enterprise owned and controlled by women saving a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women”.

**What Is Women Empowerment?**

Empowerment strategies are varied and refer to those strategies which enable women to realize their full potentials. They consist of greater access to knowledge and resources, greater autonomy in decision making, greater ability to plan their lives, greater control over the circumstances that influence their lives and finally factors which would free them from the shackles of custom beliefs and practices. Unless they themselves become conscious of the oppression meted out to them and show initiative to push forward it would not be possible to change their status much. Some of the empowerment
mechanisms could be identified as follows:

1. Literacy and higher education
2. Better health care for herself and her children;
3. Higher age at marriage;
4. Greater work participation in modernized sector;
5. Necessary financial and service support for self-employment;
6. Opportunities for higher positions of power including Governance
7. Complete knowledge of her rights; and above all
8. Self-reliance self respect and dignity of being a woman;

Several measures have been introduced to encourage women education. Incentives have been provided for larger enrollment of Girls in schools and higher seats of learning. Reduction in fees, provision of bicycles in rural areas, scholarship, exclusive schools & colleges for girls and many more literacy programs like each one teach one, project approach, continuing education approach are other measures. The % of literacy has risen, more girls are enrolled in technical education, like medicine/ engineering, Management etc. They are proving their merit in competitive examination.

Women have become sensitive to better health care for them and their children. Early marriage is now a rarity especially in urban area. However inspite of fixing minimum age of marriage for boys & girls, it stills occurs at places. Women organization actively works to restrict this menace.

Women are working in most of the modern sectors. Some of the sectors are exclusively owned by women, with women in higher management seats. There are a large number of self help groups exclusively for women. They are managing it with profit which is also helping them to gain confidence. The opportunities for higher positions of power have increased under Panchayat Raj Institutions & municipal bodies. They have developed confidence in occupying such seats of power and function without the crutches of their male relatives. All these measures have given tremendous self confidence, respect and dignity of being women.

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Review of Literature

Over the past two decades, women have been recognized for their significant contributions to the socio-economic development of their countries through their entrepreneurial activities. The existing literature offers multiple alternative hypotheses. The microfinance view, arguably the most prominent view, is that the constraint is a lack of access to (cheap) credit. Empirical evidence on this remains mixed, with papers such as De Mel, McKenzie, and Woodruff (2008) suggesting that female enterprises exhibit very low returns to capital. A second view is that the constraint is informational {women are relatively uninformed about available opportunities and remain untrained in basic cost-benefit analysis. This may be one reason why many small businesses in India and other poor countries appear to make sub-optimal investments in equipment (Banerjee and Duflo, 2005). This information view has been an important reason for the rise of what is often called the Microfinance Plus" approach {the notion that access to credit needs to be accompanied by programs that teach financial literacy and basic business skills.

An alternative possibility is that women's choices are constrained by their aspirations. Indeed, there is recent evidence that successful role models are able to change female perceptions of what is achievable in the workplace (Macours and Vakis, 2008; Ray, 2006; Genicot and Ray, 2009). A final view is the empowerment view { that is, due to intrahousehold conflict women are unable to undertake high return activities since these are deemed inappropriate for women. Access to savings products is often seen as an important way of enabling women to make empowered choices (Ashraf, Karlan, and Yin, 2006).

It is found that through the motivational route personality influences entrepreneurial behaviour (Singh, 1997). Ingredients like need for achievement, economic independence, and autonomy are essential elements for the success of an entrepreneur (Pujar, 1989). On the psychological side, willingness to take risks, ambition, a strong desire for individual achievement, and persistence are considered some of the main traits (Kaza, 1996). Especially with those who are unaccustomed to taking risks, the fear of failure (psychological) and of peer opinion (social) are predominant at the entry level. The key barrier that a woman entrepreneur has to overcome is the fear of risk (Histrich, 1986). In short, an entrepreneur is very different from a non-entrepreneur in social and psychological disposition (Rani, 1996). Regional
differences in the matter cannot be overlooked. In developed countries motivation of women entrepreneurs often has roots in job frustration and interest in the area of business (Hisrich, 1986). In developing countries entrepreneurship has to be socially desired behaviour rather than individual activity (Vinze, 1987). Further, in developing countries women entrepreneurs face considerable repercussions within their families and social relationships because of the role transformation from that of the traditional homemaker to a business person. To cope with these psychological stresses women require great confidence and mental resolve. Researchers do believe that these psychological traits like need for achievement, power, and affiliation are those that can be developed (Uddin, 1989). Among the few empirical studies of these factors in India, an important one is that of Rani in Vishakapatnam in 1996, which examined the socio-economic background of women entrepreneurs, analysing their motivational factors, major strengths and weaknesses against their environmental threats and opportunities. It also investigated the degree of work-home conflict and its effects on enterprise performance.

Kaza investigated why banks were not able to meet their targets for women enterprises in Baroda (1997). He also found the over-riding importance of family for women and instances such as marriage, childbirth or even a crisis in the family led to closure of enterprises of women. Financial institutions are therefore hesitant to give loans to women entrepreneurs; they might quit even a well-running business for the sake of their families. This factor also leads women to locate their enterprise near their homes even if it means compromising on business interests.

Vinze (1987) studied the socio-economic background and the factors that contributed to entry into business of women entrepreneurs in Delhi. Corroborating with above findings, she highlighted the cultural aspects. It is harder for women to take ‘calculated risks’ that are essential to entrepreneurship, as they are the custodians of society in the maintenance of cherished values, habits, and accepted norms of conduct.

Why Do Indian Women Undertake Entrepreneurship?

In spite of the growing number of female entrepreneurs, the share of female entrepreneurs is still significantly low when compared to their participation rate. However, there are several factors responsible for increasing the level of female entrepreneurship in India:
Motivation: Several evidences suggest that women do not lack the motivation to enter into business ownership. They are often highly motivated than their male counterparts to overcome the barriers to business start-up.

Nature of Entrepreneurship: Women enter into entrepreneurial activity because regular employment does not provide them with the flexibility, control or challenge offered by business ownership.

Empowerment: Indian women are becoming more empowered now-a-days. Legislations are being progressively drafted to offer them more opportunities at various levels.

Economic Conditions: Auspicious economic conditions favour the participation of women in entrepreneurial activity. The smaller amount of financial capital requirement and higher proportion of available bank loans positively correlates the level of female entrepreneurship to economic conditions. In fact, in a country like India, the relationship between the size of unofficial economy and entrepreneurial activity is positive.

Social Conditions: Population growth results in a strong positive relationship on entrepreneurial activity. Across genders, the increase in demand and competition for jobs attracts more people into necessary entrepreneurship. For women, in particular, the relatively high involvement in necessary entrepreneurship indicates that self-employment is used as a way to circumvent institutional and cultural constraints with respect to female employment, as well as a way to provide supplemental family income.

Literacy & Education: Increased levels of education have been instrumental in initiating the process of entrepreneurship. It is not only the illiterate that are starting the businesses but those with education & skills are also exploiting profit opportunities.

What Are The Needs Of Women Entrepreneurs In Madhya Pradesh?

1) More and better access to finance/credit is mentioned very frequently. Give a woman 1000 rupees and she can start a business. Give her another 1000 rupees and she will be able to feed not only for her family, but for her employees as well.
2) Access to business support and information, including better integration of business services.
3) Training on business issues and related issues
4) Better access to local and foreign markets.
5) Day care centers & nurseries for children, and also for the elderly;
6) Positive image-building and change in mentality amongst women, whereby women see themselves as capable achievers and build up confidence.
7) Breaking through traditional patrons and structures that inhibit women’s advancement.
8) Role modeling of women in non-traditional business sectors to break through traditional views on men’s and women’s sectors.
9) More involvement and participation in legislation and decision-making processes.
10) Removing of any legislation which impedes women’s free engagement.
11) Awareness-raising at the governmental as well as private level to truly and really create entrepreneurial opportunities and not just programs that stay on paper.

The Need for Fostering Self-Employment among Women

Women are trying their level best to attain equality in various ways which are different over time and among societies. After the World War II, a large number of women in western countries resented their deprived status. There was a general awakening among women about their secondary status. They do follow various strategies to overcome subordination and to fight against gender related disadvantages directly and indirectly. Self employment is one among the many strategies and is considered to be the best strategy since simultaneously it helps to change women's own self perception and also helps to attain social status.

The other possibility is individual strategy. Women are generally concentrated in low paid jobs, and secondary sector occupations and hence the opportunities to climb up are very limited. Their success and upward mobility in career are much restricted. Only a few women occupy the managerial or executive position.

Female business proprietorship is an attempt to tackle this kind of subordination. Female proprietorship provides economic independence to women and at the same time they directly enter the main stream and do not remain in the periphery. Especially in developing countries, women proprietors are successful in obtaining material independence from men and this economic independence provides a basis for female solidarity. In these circumstances, individual action fosters collective action to combat subordination.
Women in the 11th Five Year Plan

Women are significant contributors to the growing economy and children are assets of the future. Almost 50% of our population today comprises women while 42% is under the age of 18. For growth to be truly inclusive, we have to ensure their protection, wellbeing, development, empowerment and participation.

India has committed to meeting the MDGs and is a signatory to many international conventions, including Convention for Elimination of all forms of Discrimination against Women and the Convention on the Rights of the Child. Yet, at the start of the Eleventh Five Year Plan, women and children continue to be victims of violence, neglect, and injustice. The Eleventh Plan will address these problems by looking at gender as a cross-cutting theme. It will recognize women’s agency and the need for women’s empowerment. At the same time it will ensure the survival, protection, and all-round development of children of all ages, communities and economic groups.

Approach: The vision of the Eleventh Five Year Plan was to end the multifaceted exclusions and discriminations faced by women and children; to ensure that every woman and child in the country is able to develop her full potential and share the benefits of economic growth and prosperity. Success will depend on our ability to adopt a participatory approach that empowers women and children and makes them partners in their own development. The roadmap for this has already been laid in the National Policy on Women 2001 and the National Plan of Action for Children 2005.

The Eleventh Plan recognizes that women and children are not homogenous categories; they belong to diverse castes, classes, communities, economic groups, and are located within a range of geographic and development zones. Consequently, some groups are more vulnerable than others. Mapping and addressing the specific deprivations that arise from these multiple locations is essential for the success of planned interventions. Thus apart from the general programme interventions, special targeted interventions catering to the differential needs of these groups will be undertaken during the Eleventh Plan.

The gender perspectives incorporated in the plan are the outcome of extensive consultations with different stakeholders, including a Group of Feminist Economists. In the Eleventh Plan, for the first time, women are recognized not just as equal citizens but as agents of economic and social growth. The approach to gender equity is based on the recognition that interventions in favour of women must be multi-pronged and they must: (i) provide women with basic entitlements, (ii) address the reality of globalization and its impact on women by prioritizing economic empowerment, (iii) ensure an environment free from all forms of violence against women (VAW)—physical, economic, social, psychological etc., (iv) ensure the participation and adequate representation of women at the highest policy levels, particularly in Parliament and State assemblies, and (v) strengthen existing institutional mechanisms and create new ones for gender main-streaming and effective policy implementation.

The child development approach in the Eleventh Plan is to ensure that children do not lose their childhood because of work, disease, and despair. It is based on the understanding that the rights of all children, including those who do not face adverse circumstances, must be protected everywhere and at all times so that they do not fall out of the social security net. Successful integration of survival, development, protection, and participation policies are important for the overall well being of the child.

**Targets:** The Eleventh Plan lays down six monitorable targets:

1. Raise the sex ratio for age group 0–6 from 927 in 2001 to 935 by 2011–12 and to 950 by 2016–17
2. Ensure that at least 33% of the direct and indirect beneficiaries of all government schemes are women and girl children;
3. Reduce IMR from 57 to 28 and MMR from 3.01 to one per 1000 live births
4. Reduce malnutrition among children of age group 0–3 to half its present level
5. Reduce anaemia among women and girls by 50% by the end of the Eleventh Plan
6. Reduce dropout rate for primary and secondary schooling by 10% for both girls as well as boys.

**Government Schemes for Women Empowerment**

The government programme for women development began as early as 1954 in India but the actual participation began only in 1974. At present, the Government of India has over 27 schemes for women operated by different departments and ministries. Some of these are:
1. Integrated Rural Development Programme (IRDP)
2. Training of Rural Youth for Self-Employment (TRYSEM)
3. Prime Minister’s Rojgar Yojana (PMRY)
4. Women’s Development Corporation Scheme (WDCS)
5. Working Women’s Forum
6. Indira Mahila Yojana
7. Indira Mahila Kendra
8. Mahila Samiti Yojana
9. Rashtriya Mahila Kosh
10. Khadi and Village Industries Commission
11. Indira Priyadarshini Yojana
12. SIDBI’s Mahila Udyam Nidhi Mahila Vikas Nidhi
13. SBI’s Sree Shaki Scheme
14. NGO’s Credit Schemes
15. National Banks for Agriculture and Rural Development’s Schemes

The efforts of government and its different agencies are ably supplemented by non-governmental organizations that are playing an equally important role in facilitating women empowerment. Despite concerted efforts of governments and NGOs there are certain gaps. Of course we have come a long way in empowering women yet the future journey is difficult and demanding. The growth and development of women entrepreneurs required to be accelerated because entrepreneurial development is not possible without the participation of women. Therefore, a congenial environment is needed to be created to enable women to participate actively in the entrepreneurial activities. There is a need of Government, non-Government, promotional and regulatory agencies to come forward and play the supportive role in promoting the women entrepreneur in India.

The Government of India has also formulated various training and development cum employment generations programs for the women to start their ventures. These programmes are as follows:

**Steps taken in Seventh Five-Year Plan:**

In the seventh five-year plan, a special chapter on the “Integration of women in development” was introduced by Government with following suggestion:
(i) **Specific target group:**

It was suggested to treat women as a specific target groups in all major development programs of the country.

(ii) **Arranging training facilities:**

It is also suggested in the chapter to devise and diversify vocational training facilities for women to suit their changing needs and skills.

(iii) **Developing new equipments:**

Efforts should be made to increase their efficiency and productivity through appropriate technologies, equipments and practices.

(iv) **Marketing assistance:**

It was suggested to provide the required assistance for marketing the products produced by women entrepreneurs.

(v) **Decision-making process:**

It was also suggested to involve the women in decision-making process.

**Steps taken by Government during Eight Five-Year Plan:**

The Government of India devised special programs to increases employment and income-generating activities for women in rural areas. The following plans are lunched during the Eight-Five Year Plan:

(i) Prime Minister Rojgar Yojana and EDPs were introduced to develop entrepreneurial qualities among rural women.

(ii) ‘Women in agriculture’ scheme was introduced to train women farmers having small and marginal holdings in agriculture and allied activities.

(iii) To generate more employment opportunities for women KVIC took special measures in remote areas.

(iv) Women co-operatives schemes were formed to help women in agro-based industries like dairy farming, poultry, animal husbandry, horticulture etc. with full financial support from the Government.

(v) Several other schemes like integrated Rural Development Programs (IRDP), Training of Rural youth for Self employment (TRYSEM) etc. were started to alleviated poverty.30-40% reservation is provided to women under these schemes.
Steps taken by Government during Ninth Five-Year Plan:

Economic development and growth is not achieved fully without the development of women entrepreneurs. The Government of India has introduced the following schemes for promoting women entrepreneurship because the future of small scale industries depends upon the women-entrepreneurs:

(a) Trade Related Entrepreneurship Assistance and Development (TREAD) scheme was launched by Ministry of Small Industries to develop women entrepreneurs in rural, semi-urban and urban areas by developing entrepreneurial qualities.

(b) Women Component Plant, a special strategy adopted by Government to provide assistance to women entrepreneurs.

(c) Swarna Jayanti Gram Swarozgar Yojana and Swaran Jayanti Sekhari Rozgar Yojana were introduced by government to provide reservations for women and encouraging them to start their ventures.

(d) New schemes named Women Development Corporations were introduced by government to help women entrepreneurs in arranging credit and marketing facilities.

(e) State Industrial and Development Bank of India (SIDBI) has introduced following schemes to assist the women entrepreneurs. These schemes are:

(i) Mahila Udyam Nidhi
(ii) Micro Cordite Scheme for Women
(iii) Mahila Vikas Nidhi
(iv) Women Entrepreneurial Development Programmes
(v) Marketing Development Fund for Women

Consortium of Women entrepreneurs of India provides a platform to assist the women entrepreneurs to develop new, creative and innovative techniques of production, finance and marketing.

There are different bodies such as NGOs, voluntary organizations, Self-help groups, institutions and individual enterprises from rural and urban areas which collectively help the women entrepreneurs in their activities.
Training programmes

The following training schemes specially for the self employment of women are introduced by government:

(i) Support for Training and Employment Programme of Women (STEP).
(ii) Development of Women and Children in Rural Areas (DWCRA).
(iii) Small Industry Service Institutes (SISIs)
(iv) State Financial Corporations
(v) National Small Industries Corporations
(vi) District Industrial Centres (DICs)

Mahila Vikas Nidhi:

SIDBI has developed this fund for the entrepreneurial development of women especially in rural areas. Under Mahila Vikas Nidhi grants loan to women are given to start their venture in the field like spinning, weaving, knitting, embroidery products, block printing, handlooms handicrafts, bamboo products etc.

Rashtriya Mahila Kosh:

In 1993, Rashtriya Mahila Kosh was set up to grant micro credit to poor women at reasonable rates of interest with very low transaction costs and simple procedures.

Problems of Women Entrepreneurs In Madhya Pradesh

Women entrepreneurs face a series of problems right from the beginning till the enterprise functions. Being a woman itself poses various problems to a woman entrepreneur, the problems of Indian women pertain to her responsibility towards family, society and lion work. The tradition, customs, socio cultural values, ethics, motherhood subordinates to ling husband and men, physically weak, hard work areas, feeling of insecurity, cannot be tough etc are some peculiar problems that the Indian women are coming across while they jump into entrepreneurship.

2 http://www.preservearticles.com/201101153366/problems-faced-by-women-entrepreneur.html
have to suffer still further. They face tough resistance from men. They are considered as helpers. The attitude of society towards her and constraints in which she has to live and work are not very conducive. Besides the above basic problems the other problems faced by women entrepreneurs are as follows:

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

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

**Family ties:**
Women in India are very emotionally attached to their families. They are supposed to attend to all the domestic work, to look after the children and other members of the family. They are over burden with family responsibilities like extra attention to husband, children and in laws which take away a lots of their time and energy. In such situation, it will be very difficult to concentrate and run the enterprise successfully. The overlapping of the family and the firm is not significant for women business owners. Unfortunately, little research has been conducted on the dynamics of family-owned firms headed by women. As the boundaries between the firm and the family tend to be indistinct, women operating family businesses face a unique set of issues related to personal identity, role conflict, loyalties, family relationships, and attitudes towards authority. Additionally, family businesses owned by women are at a disadvantage financially and are forced to rely on internal resources of funding rather than outside sources. The critical role of family in business, also emerges in cross-cultural studies which show a women relying heavily on the family for start-up capital.
Shortage of raw materials:
The scarcity of raw materials, sometimes nor, availability of proper and adequate raw materials sounds the death-knell of the enterprises run by women entrepreneurs. Women entrepreneurs really face a tough task in getting the required raw material and other necessary inputs for the enterprises when the prices are very high.

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

Problem of finance:
Women entrepreneurs stiffer a lot in raising and meeting the financial needs of the business. Bankers, creditors and financial institutes are not coming forward to provide financial assistance to women borrowers on the ground of their less credit worthiness and more chances of business failure. They also face financial problem due to blockage of funds in raw materials, work-in-progress finished goods and non-receipt of payment from customers in time.

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

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

Low risk-bearing capacity:
Women in India are by nature weak, shy and mild. They cannot bear the amount risk which is essential for running an enterprise. Lack of education, training and financial support from outsides also reduce their ability to bear the risk involved in an enterprises.
Limited mobility:
Women mobility in India is highly limited and has become a problem due to traditional values and inability to drive vehicles. Moving alone and asking for a room to stay out in the night for business purposes are still looked upon with suspicious eyes. Sometimes, younger women feel uncomfortable in dealing with men who show extra interest in them than work related aspects.

Legal formalities:
Fulfilling the legal formalities required for running an enterprise becomes an upheaval task on the part of an women entrepreneur because of the prevalence of corrupt practices in government offices and procedural delays for various licenses, electricity, water and shed allotments. In such situations women entrepreneurs find it hard to concentrate on the smooth working of the enterprise.

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

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

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

Lack of self confidence:
Women entrepreneurs because of their inherent nature, lack of self-confidence which is essentially a motivating factor in running an enterprise successfully. They have to strive hard to strike a balance between managing a family and managing an enterprise. Sometimes she has to sacrifice her entrepreneurial urge in order to strike a balance between the two.
Differential Information and Assistance Needs:
Another significant need of many women business owners is obtaining the appropriate assistance and information needed to take the business to the next level of growth. In a study conducted to gather information needs of women entrepreneurs, those who were just starting their ventures, requested assistance and training in implementing the business idea, identifying initial sources of financing, and advertising/promotion. The entrepreneurs who were already established, had a somewhat different set of needs including financing for expansion and increasing sales. Another conducted study had identified ten most desired needs of fast growth entrepreneurs: (a) using cash flow to make operational decisions (b) financing growth (c) increasing the value of the business (d) compensation for self and associates (e) hiring, training and motivating for growth (f) succeeding in a rapidly changing world (g) successful selling (h) sales force management (i) management success (j) problems and pitfalls of growth. Unfortunately, this differences in information and assistance needs can be found across cultures as well.

Lack of Visibility as Strategic Leaders:
Changing the perceptions about the likely success of women-owned businesses depends on increasing women’s visibility in leadership positions within the greater business community. In an assessment of women’s presence as CEOs or Directors of large business enterprises, it has been anticipated that the exodus of women to entrepreneurial growth firms might be because women believe that have greater representation in strategic leadership positions in privately-held or family-owned firms as they provide better opportunities for leadership than available to women in publicly-traded companies.

Women Empowerment and Entrepreneurship Through Shgs (Self Help Groups)
During the Vedic and Mughal periods, women were exploited. However, during the medieval and post-second World War periods, women enjoyed greater freedom in the society and family. After independence, eminent women and other reformers in the society started massive campaigns for women’s emancipation and liberation. These movements helped women to attain constitutional backing for assuring equality, dignity, justice, stability and prosperity.

Today, rural women have acquired a secondary statue in social life, economic activities and decision making among their families. Their role in productive work, employment generation and income
oriented activities is hindered by many socio-economic constraints. Hence, there is a need to formulate policies, which aims for the empowerment and entrepreneurship of women.

It is definite that if appropriate skills and opportunities of decision making are given to women, they are proving that they are, if not superior, at least equal to men. Women are considered to be good leaders in matters requiring collaboration, group integration and ability to listen and motivation. Recent trends in India and even at global level women are far more superior to men in various aspects of development. Only problem is that so far the society has given little chance to women to enter into the fields of various economic activities. Hence, it is necessary today to empower women by providing the facilities to enter into various economic activities to make themselves economically independent and socially confident in their endeavor.

When women move forward, the family moves, the village moves and the nation moves. Economic strength is the basis of social, political and psychological power in the society. A women entrepreneur is a recent phenomenon of late 1960’s. Earlier women were involved in self employment mostly making home products like pickles or handicrafts items which could be produced on a very small scale at home to earn money to support the scanty family income. Entrepreneurship can help women’s economic independence and improve their social status. Automatically, the women get empowered once they attain economic independence.

Alleviation of poverty is the core of all developmental programmers. Since, the 1950s, various governments in India have experimented with a large number of grants and subsidy based poverty alleviation programmers but these programmers have not been fully successful in meeting their economic objectives. At this juncture microfinance institution (MFIs) in collaboration with the government, NGOs, social organizations play a very significant role. Microfinance is seen as provision of financial service to mostly low income people, especially the poor and very poor who are without tangible assets. Microfinance is also the idea that low income individual are capable of lifting themselves out of poverty if given access to financial service. Some study suggests that microfinance can play a role in the battle of poverty.
Microfinance can help the poor to increase income, build viable businesses and reduce their vulnerability to external shock. It can also be a powerful instrument for self-employment by enabling the poor especially women, to become economic agents of change. Providing financial services to poor people is pretty expensive, especially in relation to the size of the transaction involved. This is one of the most important reasons why Banks don’t make small loans.

There are two major models under microfinance namely:

1) Self Help Group-Bank Linkage (SHG-BL)

2) Microfinance institute (MFIs)

Self Help Group is a voluntarily formed group with member size of 10-20. Basically Self Help Groups are homogeneous in nature. Members come together for addressing common problems. The amount of saving is within the range of Rs.20-150 per month. They rotate this common pooled resource within the members itself with a very small rate of interest. The president or secretary of SHG usually maintains records of transactions on a daily basis. In India NABARD initiated SHGs in 1986-87. The SHG concept is to bring banking service to the door steps of the poor, especially the women who have been neglected by the formal financial agencies in the past.

There are very large numbers of institutions, both in the formal and non-formal sectors. They are providing a variety of financial services using different delivery mechanisms. Microfinance institutions include NGOs, federations of SHGs, Mutually Aided Cooperative Societies (MACS), state and national cooperatives which provide specified financial services targeted to the poor.

Empowering Women has become the key element in the development of any economy. The role of micro-credit is to improve the socio and economic development of women and improve the status of women in households and communities. The micro entrepreneur-ships are strengthening the women empowerment and remove the gender inequalities. Self Help Group’s micro credit mechanism makes the members to involve in other community development activities. Micro credit is promoting the small scale business enterprises and its major aim is to alleviate poverty by income generating activities among women and poor. The rural women are engaged in small-scale entrepreneurship programmed
with the help of Self Help Groups. Through that they were economically empowered and attaining status in family and community.

Empowerment of rural women is an important aspect today and self-help group is an important tool. Self-help groups have successfully developed a system of revolving credit for the benefit of group members on their own savings. The linking of these self-help groups with formal financial institutions has further enhanced availability of micro-credit financing to the groups. The SHGs have successfully maintained a high rate of loan repayment and successfully generated income, jobs and small enterprises for their members.

**Strengths of Women Entrepreneur**

Despite the many challenges women face, this early socialization has given women specific traits and abilities that define the female model of business ownership. This different management style can be an asset and one from which men can learn. The style can be described as more cooperative than the competitive male model now taught in business schools. This style is often further developed through volunteer activities in early adulthood. The cooperative style naturally used by most women comes from their early experiences and focuses on the welfare of the group. Participation is shared among the employees with attention paid to their ideas and needs. The style often extends to social issues that are frequently driving forces within the company. The business strategy is formed through active listening and educational experiences and focuses on issues—not just the bottom line. The ability to build relationships is an asset with customers and suppliers, and in the international marketplace. In order to overcome the obstacles they face, women often come up with creative, out-of-the-ordinary methods to help further their goal.

These variables help define the cooperative style that has developed from early socialization of females. Once aware of these traits they become more apparent to observation. This cooperative style is easier to recognize in women business owners where the women are not conforming to a culture set by males in a large corporation. This new, distinctive business is one from which we all can learn. The new model of business for the next century will combine the talents of this cooperative style used by women with the more traditional business approach.
What Steps Need To Be Initiated For Women Entrepreneurial Development In Madhya Pradesh? - Suggestions

A possible set of three inter-linked and inter-dependent clusters of recommendations can be aimed at “pushing” a larger number of women entrepreneurs towards growth opportunities, unlocking their potential as creators of wealth and jobs, and providing a more conducive legal and regulatory framework which would finally lead to empowering them further. These recommendations can also ensure the proper positioning of “pull mechanisms” to enable the growth-oriented women entrepreneurs to expand and grow in terms of investments, markets and profits.

1. **Prioritizing and pushing at the micro-level:** There is a large and seemingly ever-increasing number of women entrepreneurs operating in micro-enterprises and in the informal economy. They can be facilitated to grow into sustainable, formally registered & large enterprises with the help of following actions:
   - Conducting gender analysis for all entrepreneurial support programmes
   - Gathering data on women and men entrepreneurs
   - Applying “target group segmentation” to women entrepreneurs
   - Using targeted approaches for priority categories in order to provide additional “push” to women entrepreneurs to the next level of growth
   - Promoting mobilization and organization of representative associations
   - Examining differential impacts of governmental policies, programmes and actions
   - Promoting development of demand-led supports for women entrepreneurs
   - Promoting more flexible and innovative financial products by banks

2. **Unlocking and Unfettering Institutional Framework:** Policies, laws and overall regulatory environment are frequently seen as barriers and disincentives to expansion and growth. However, they need to be promoted in such a way that women entrepreneurs see the advantages of and benefits that come with compliance.
   - Reviewing impact of existing and new instruments on women entrepreneurs
   - Identifying those instruments that act as barriers to expansion and growth
• Modifying or dismantling these instruments
• Taking account of the social and cultural contexts affecting policy implementation and redress inequalities and abnormalities
• Making use of IT and associations so as to minimize the administrative burdens on women entrepreneurs
• Holding regular consultations with key factors like women entrepreneurs, women entrepreneurs’ associations, financial institutions, etc, to review progress and identify new bottlenecks.

3. **Projecting and Pulling to Grow and Support the Winners:** The first two sets of recommendations are aimed at trying to “push” more women entrepreneurs into growth situations as well as ensuring that laws & regulations do not stand in their way. The third possible recommendation relates to facilitating and “pulling” the women entrepreneurs into situations where they can actively pursue growth strategies.

• Providing incentives for expansion and growth after removing barriers and disincentives
• Encouraging and rewarding dynamic representative associations of women entrepreneurs
• Promoting strong links and synergies with existing major economic players
• Profiling the economic and social contributors among women entrepreneurs to the national economy
• Promoting and rewarding programmes that serve women entrepreneurs
• Making full use of data gathered to inform new policies, programmes and supportive actions
• Ensuring synergies between (a) women related ministry (b) economic ministry (c) welfare & social development ministry in the government.

4. Consider women as specific target group for all developmental programmers.

5. Better educational facilities and schemes should be extended to women folk from government part.

6. Adequate training programme on management skills to be provided to women community.
7. Encourage women's participation in decision-making.

8. Vocational training to be extended to women community that enables them to understand the production process and production management.

9. Skill development to be done in women's polytechnics and industrial training institutes. Skills are put to work in training-cum-production workshops.

10. Training on professional competence and leadership skill to be extended to women entrepreneurs.

11. Training and counselling on a large scale of existing women entrepreneurs to remove psychological causes like lack of self-confidence and fear of success.

12. Counselling through the aid of committed NGOs, psychologists, managerial experts and technical personnel should be provided to existing and emerging women entrepreneurs.

13. Continuous monitoring and improvement of training programmers.

14. Activities in which women are trained should focus on their marketability and profitability.

15. Making provision of marketing and sales assistance from government part.

16. To encourage more passive women entrepreneurs the Women training program me should be organized that taught to recognize her own psychological needs and express them.

17. State finance corporations and financing institutions should permit by statute to extend purely trade related finance to women entrepreneurs.

18. Women's development corporations have to gain access to open-ended financing.

19. The financial institutions should provide more working capital assistance both for small scale venture and large scale ventures.

20. Making provision of micro credit system and enterprise credit system to the women entrepreneurs at local level.
21. Repeated gender sensitization programmers should be held to train financiers to treat women with
dignity and respect as persons in their own right.

22. Infrastructure, in the form of industrial plots and sheds, to set up industries is to be provided by state
run agencies.

23. Industrial estates could also provide marketing outlets for the display and sale of products made by
women.

24. A Women Entrepreneur's Guidance Cell set up to handle the various problems of women
entrepreneurs all over the state.

25. District Industries Centers and Single Window Agencies should make use of assisting women in
their trade and business guidance.

26. Programmers for encouraging entrepreneurship among women are to be extended at local level.
Training in entrepreneurial attitudes should start at the high school level through well-designed
courses, which build confidence through behavioural games.

27. More governmental schemes to motivate women entrepreneurs to engage in small scale and large-
scale business ventures.

28. Involvement of Non Governmental Organizations in women entrepreneurial training programmes
and counselling.

**Conclusion**

Women entrepreneurs have become a strong driving force in today’s corporate world. Not only are they
able to equalize their duties of both motherhood and entrepreneurship but they also comprise of almost
half of all businesses owned today. Many women entrepreneurs have an average age of 40-60 years old
because they have had previous careers in other areas. Their primary goal is not monetary reward but
rather personal satisfaction and community involvement. Many of them are educated and assemble into
groups in order to pool business ideas and resources together.
Women entrepreneurs also have more access to business capital and seed funding than ever before. Yet despite the many opportunities, many prospective women entrepreneurs are intimidated to move forward. Overall, there are many promising forthcoming predictions for women business owners. They will continue to form female business networks, transition towards information technology, and rely strongly on e-commerce as their form of trade.

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