

# Difficulties Encountered by Female Entrepreneurs in India

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## **INTRODUCTION:**

In recent years, entrepreneurship has emerged as a pivotal force driving innovation, economic growth, and societal change worldwide. However, despite significant strides towards gender equality, female entrepreneurs in India continue to face a myriad of challenges unique to their gender. From cultural norms to systemic barriers, the journey for women in business is often fraught with obstacles that demand attention and resolution.

At the heart of this issue lies the complex interplay of social, cultural, and economic factors that shape the entrepreneurial landscape in India. While the country has witnessed a surge in entrepreneurial activity in recent decades, the participation of women in this domain remains disproportionately low. Despite the undeniable potential and talent of female entrepreneurs, they encounter a host of challenges that hinder their progress and limit their success.

This paper aims to explore the difficulties encountered by female entrepreneurs in India, shedding light on the systemic barriers, cultural biases, and societal expectations that impede their entrepreneurial journey. By understanding these challenges in-depth, we can pave the way for targeted interventions and policy reforms aimed at fostering a more inclusive and supportive ecosystem for women in business.

## **REVIEW OF LITERATURE**

Bowen and Hisrich (1986) observed that while female entrepreneurs are well-educated, they often lack management skills. Tovo (1991) noted that self-employed women face market and resource access hurdles, leading to economic vulnerability. Rani (1996) found that leisure time motivated women entrepreneurs from higher income classes, whereas others took up entrepreneurship due to the necessity of contributing to family income. Papisetty Rama and Mohana Rao (2004) highlighted issues like inadequate infrastructure and labour mobility. Damwad (2007) discussed Nordic countries' initiatives and challenges, emphasizing work-life balance and market access. Singh (2008) identified factors hindering women entrepreneurs, recommending measures to support their growth. Lall and Sahai (2008) assessed issues faced by women entrepreneurs and found factors like commitment, challenges, and expansion plans influenced by demographics. They identified self-perception, self-esteem, and operational problems as key characteristics affecting growth. Despite the rise in women in family businesses, they still face operational challenges. Tambunan (2009) focused on women entrepreneurs in Asian developing countries, noting the importance of small and medium enterprises. Saidapur et al. (2012) found that women comprised 10% of entrepreneurs in India, predicting growth to 20%. Vinothalakshmi and Ganesan (2013) emphasized the need for societal and familial support for women entrepreneurs. Sharma (2013) compared historical and modern roles of Indian women, noting limited economic decision-making participation

## **OBJECTIVES OF THE STUDY**

1. To gain insight into the concept of women entrepreneurship in India.
2. To analyse the challenges faced by women entrepreneurs in India.
3. To investigate the government's role in promoting women entrepreneurship.
4. To recommend various strategies for the development of women entrepreneurs.

## **RESEARCH METHODOLOGY**

The study, which focuses on several facets of women entrepreneurship, is based on a substantial amount of secondary data from numerous books, national and international periodicals, and public and private publications that can be accessible through websites and libraries. It is also based on secondary data from numerous websites, journals, and papers. Studies show that female entrepreneurs make less money than their male counterparts. This essay addresses the difficulties encountered by female entrepreneurs and the resources provided by the government.

## **IMPACT OF WOMEN ENTREPRENEURS ON INDIAN ECONOMIC PROGRESS**

Since mid-1991, the Indian economy has undergone significant changes due to policies of liberalization, globalization, and privatization. Despite India's vast entrepreneurial potential, women's involvement in economic activities remains low, with many concentrated in unorganized sectors and less skilled jobs. Effective economic development requires the inclusion of women, who make up half of the global population. It's well-established that entrepreneurial spirit is not exclusive to men, and women entrepreneurship has notably grown over the past three decades, contributing significantly to economic growth. Traditionally, women's roles were confined to the family, managing household duties and converting raw materials provided by men into consumable products under rudimentary conditions. However, factors such as urbanization, technological advancement, and women's education have gradually lightened these domestic responsibilities, especially in metropolitan areas. Despite India's patriarchal norms, industrialization, urbanization, education, and democracy are driving societal changes. Women are increasingly seeking employment across various sectors. In contemporary India, although traditional values persist, women's participation in the workforce is rising, reflecting a shift in their societal and familial roles due to economic and social progress.

## **THE RISE OF WOMEN ENTREPRENEURS IN CONTEMPORARY INDIA**

The emergence of female entrepreneurs in modern India signifies a profound change in the social and economic landscape of the nation. The number of women founding and running their own businesses in a variety of industries has significantly increased during the last several decades. This pattern challenges traditional gender roles and shows how women are becoming more empowered and involved in the workforce. In addition to fostering economic growth, female entrepreneurs have challenged preconceptions and social norms. Their achievements serve as an inspiration to others and provide doors for more diversity and gender equality in the business world. Nevertheless, obstacles including financial accessibility, networking prospects, and cultural prejudices continue to exist. Encouraging and supporting women entrepreneurship through policy interventions, mentorship programs, and access to resources is crucial for sustaining this momentum and fostering an environment where women can thrive as entrepreneurs in contemporary India.

## CHALLENGES FACED BY WOMEN ENTREPRENEURS IN INDIA

- 1. Access to Finance:** One of the primary hurdles for women entrepreneurs in India is accessing finance. Despite various government schemes and initiatives, women often face difficulty in obtaining loans or investment due to lack of collateral or limited financial literacy.
- 2. Social Norms and Cultural Expectations:** Deep-rooted social norms and cultural expectations often discourage women from pursuing entrepreneurship. Many women face resistance from family members or society who believe that their primary role should be within the household.
- 3. Limited Networking Opportunities:** Networking is crucial for business success, but women in India often have limited access to networking opportunities, especially in male-dominated industries. This lack of networking can hinder their ability to build partnerships, find mentors, or access new markets.
- 4. Balancing Family and Business Responsibilities:** Juggling family responsibilities with business commitments is a significant challenge for women entrepreneurs. The societal expectation for women to prioritize family often conflicts with the demands of running a business, leading to stress and burnout.
- 5. Gender Bias and Discrimination:** Gender bias and discrimination persist in various forms, including unequal pay, lack of recognition, and limited career advancement opportunities. These biases also extend to entrepreneurship, where women may face scepticism or prejudice from investors, suppliers, or customers.
- 6. Lack of Access to Information and Resources:** Women entrepreneurs often lack access to essential information, resources, and support networks that can help them navigate the complexities of starting and scaling a business. This includes training programs, mentorship opportunities, and market insights.
- 7. Legal and Regulatory Barriers:** Women entrepreneurs in India may encounter legal and regulatory barriers that disproportionately affect them. These barriers can include complex bureaucratic processes, discriminatory laws, and lack of awareness about their rights and responsibilities as business owners.
- 8. Limited Representation in Leadership Roles:** Women are underrepresented in leadership roles across industries, which can make it challenging for aspiring women entrepreneurs to find role models or mentors who share their experiences and can provide guidance.
- 9. Infrastructure and Technology Challenges:** Inadequate infrastructure and technological limitations can hinder the growth of women-led businesses, particularly in rural areas. Poor access to electricity, internet connectivity, and transportation can impede their ability to operate efficiently and compete in the market.
- 10. Market Stereotypes and Consumer Bias:** Women entrepreneurs may face stereotypes and biases from consumers who perceive their products or services differently based on the gender of the business owner. Overcoming these stereotypes and gaining trust in the market can be a significant challenge for women entrepreneurs.

## GOVERNMENT'S ROLE IN PROMOTING WOMEN ENTREPRENEURSHIP.

The Indian government has taken several initiatives to promote women entrepreneurship, recognizing its critical role in economic development and gender equality. Here are seven key roles the government plays in this regard:

- 1. Financial Support and Schemes:** The government offers various schemes and financial incentives to encourage women entrepreneurs. Programs like the **Mudra Yojana Scheme**, **Annapurna Scheme**,

and **Mahila Udyam Nidhi Scheme** provide loans and financial assistance to women starting or expanding their businesses.

2. **Skill Development and Training:** Through initiatives like the **National Skill Development Corporation (NSDC)** and the **Skill India Mission**, the government conducts training programs tailored for women. These programs equip women with necessary entrepreneurial skills and technical know-how.
3. **Infrastructure Development:** The establishment of women-specific industrial parks and incubation centres helps provide the necessary infrastructure for women-led businesses. These facilities offer office space, technological support, and mentoring services to aspiring women entrepreneurs.
4. **Policy Formulation and Advocacy:** The government formulates policies aimed at reducing gender biases and encouraging women's participation in the business sector. Policies promoting equal opportunity, reducing bureaucratic hurdles, and ensuring easier access to resources are integral to fostering a conducive environment for women entrepreneurs.
5. **Market Access and Networking Opportunities:** By organizing trade fairs, expos, and networking events, the government helps women entrepreneurs connect with potential buyers, investors, and mentors. Initiatives like the **Women Entrepreneurship Platform (WEP)** by NITI Aayog provide a comprehensive ecosystem for women entrepreneurs to grow and scale their businesses.
6. **Mentorship and Support Programs:** Government-backed programs offer mentorship from successful entrepreneurs and industry experts. Initiatives like **Stand-Up India** include mentoring and support services, ensuring women entrepreneurs receive guidance on business planning, marketing, and regulatory compliance.
7. **Promoting Digital Literacy and Technology Use:** Programs aimed at enhancing digital literacy among women entrepreneurs help them leverage technology for business operations. Schemes like **Digital India** and initiatives for promoting e-commerce platforms enable women to reach broader markets and improve operational efficiency.

## STRATEGIES FOR THE DEVELOPMENT OF WOMEN ENTREPRENEURS

1. **Access to Finance :** Women entrepreneurs should have improved access to loans, grants, and investment opportunities to initiate and expand their businesses.
2. **Education and Training:** Tailored training programs should be available, focusing on business management, financial literacy, and digital skills to meet the specific needs of women.
3. **Mentorship and Networking:** Established mentorship programs and networking platforms should connect women entrepreneurs with experienced business leaders and peers.
4. **Policy Support:** Implementation of policies that endorse and assist women entrepreneurship, such as tax incentives and reduced bureaucratic hurdles, should be considered.
5. **Market Access:** The facilitation of access to domestic and international markets should be achieved through trade fairs, online marketplaces, and export promotion.
6. **Support for Technology:** Provision of resources and training to leverage technology for improving productivity, marketing, and operations is essential.
7. **Assistance for Work-Life Balance:** Establishing support systems like childcare services and flexible work policies is crucial to assist women in balancing their entrepreneurial endeavours with family responsibilities.

- 8. Promotion of Awareness Campaigns:** It is important to conduct campaigns that challenge societal norms and encourage the acceptance and acknowledgment of women entrepreneurs.

### CONCLUSION:

Women, who constitute nearly 50 percent of India's population, play a vital role in the country's economic development. Although women are in a male-dominated society, they are increasingly becoming entrepreneurs and face challenges such as lack of education, social barriers and limited management skills. With multiple push and pull factors, many Indian women overcome these barriers with determination and potential. Government initiatives in various five-year plans aimed at fostering women entrepreneurs. These efforts include systems and programs to increase their participation in economic activity and to recognize their important contributions to a modern democratic economy. Women's businesses are growing rapidly worldwide, especially in developed economies where they own more than 25 percent of businesses. However, the participation of women in income-generating activities in India remains low, with only 8% of small-scale production units owned by women. Growing awareness and support from family, society and government can increase the power of women entrepreneurs and increase their contribution to economic and social development.

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