

Women Entrepreneurship Encouragement & Promotion: Tool for Economic Growth

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Abstract

The entrepreneurial development is looked at as a tool for economic upgradation throughout the globe. The urge of economies to grow economically facilitates striving for more economic opportunities worldwide. The women in India estimates for nearly half the human capital which makes women a vital force for economic growth. The number of women engaged in formal economic activities for which they are paid is very less as compared to the total number of women who are of working age. The study emphasises on the need to promote women entrepreneurship in India. This paper focuses on highlighting the factors that encourage women entrepreneurship. The secondary data collected from journals, books, newspapers, published reports and internet is analysed. The data collected from 100 women entrepreneurs forms the basis for primary data analysis for the study. The paper presents the perception of women entrepreneurs towards performance of women entrepreneurs. The aspect of financial liberty of women as entrepreneurs observed. The initiatives taken by the government to promote women entrepreneurship in India are highlighted. The entrepreneurship of women can allow women to have at par economic and social status. The role women entrepreneurship plays in shaping the economy is pivotal and progressive.

Keywords: Empowerment, Entrepreneurship, Women Entrepreneurship, Economic Growth

Introduction

The world economy focuses on ensuring growth through constant effort of creating economic opportunities for participation of both men and women. The participation of women in economic activities is crucial for the economy. Women have proven their capabilities in all the sectors including entrepreneurship. The women are now excelling the world of business and business owners. The successes of women's entrepreneurial endeavours and the rapid rate of economic growth of female-owned businesses are witnesses to the brilliance and level of development of these individuals in putting their ideas into action. At regular intervals, governments worldwide will create and implement laws that specifically promote the interest in entrepreneurship, especially in those regions where female entrepreneurs have shown successful in increasing their incomes and advancing their communities. Given the high rate of unemployment, poverty, and inferior financial standing of women, there is considerably greater room for challenge in the emergence of female entrepreneurship.

Dr. R. Sivanesan, (2014), Women entrepreneurs were previously associated with the 3ks—kitchen, kids, and knitting. Later, the 3ps linked to powder, pappad and pickles. Women entrepreneurs found in densely populated areas in electronics, engineering, electricity, and energy, or the 4Es. Despite this, women in India have been limited to small businesses, with many of these enterprises based in low-paying, low-skilled, low-tech, and low-wage jobs. In summary, now is the perfect time to draw attention to women's changing ideal opportunities and positions in society, both in India and around the world.

In addition to creating jobs for themselves, entrepreneurs often help other parties such as suppliers, investors, employees, and the companies they interact with. By creating innovations that raise people's standard of living, solving societal problems, starting new businesses, and revitalising old ones, they improve society (GEM, 2015). There is a positive correlation between the economic impacts of entrepreneurial action, such as innovation and economic growth, and the activity itself (Osterbek et al., 2010).

The national setting encompasses a wide range of socio-cultural, political, and economic elements. The focus of this study is on a few national traits related to the degree of political and economic development of the nation. The combination of

GDP (at purchasing power parity) per capita, stage of economic development (SED) (Acs, Desai & Hessels, 2008; Porter, 1990; Schwab, 2017), and a number of other well-known indices, including the global competitiveness index (GCI) (Schwab, 2017), political stability, perceptions of corruption, and the collection of civil liberties and political rights, is the specific focus of our analysis.

The people feel that to the greatest extent possible, entrepreneurs ought to constantly be recognised, encouraged as the nation's resources. In addition to making money through business ventures, they have the potential to change by providing numerous new job opportunities in a more gender friendly environment that can encourage participation of women in economic activities. This allows inculcation of gender awareness to ensure pragmatic decision making that creates a progressive society with economically stable households. Enacting laws and policies that support the phenomena of women's empowerment will benefit businesses and communities worldwide in the field of entrepreneurship. It appears that multinational firms are looming large over us even as we are taking greater steps to improve the culture of entrepreneurship in order to achieve economic growth. Micro, small, and medium-sized businesses are equally important to the health of the modern economy, job creation, and investment stimulation. Developing the spirit of entrepreneurship is a sensible move, but there are numerous barriers in developing nations, where women face inadequate motivation and lack of supervision. Because of this, these women frequently fall short of their goals and become an important untapped resource for growth.

Women entrepreneurs identified as an autonomous and sovereign element of battle the great struggles for an economic recovery. Since then, women in India have come to represent change and reform. Different factors stimulate direct participation in entrepreneurship; however, despite the disparities in socioeconomic conditions, people have shown that they hold them accountable by taking greater risks in their firms. Indian women have demonstrated their equality through business and their constant ability to compete with men in all ages.

Literature Review

In her study "A Study on the Factors Motivating Women to Become Entrepreneurs in India," Saikia (2023) asserts that a woman entrepreneur is an individual who comes up with novel ideas, bases her own business on these ideas, and uses her own initiative to make a positive contribution to society. Nonetheless, it's clear that women still have difficulties in this field, to aid in their appearance. A thorough understanding of this topic is critically important. In order to better understand the motivations behind Indian women's decision to pursue farming or entrepreneurship, this research provides an extensive analysis of female entrepreneurs. This research makes use of secondary data that was collected from a number of earlier academic studies written by eminent authors.

Nandy and Biswas (2022) brought up a list of recommendations for female entrepreneurs in Bangladesh to deal with pandemics in the future, but same tactics are applicable to other countries. Providing training on how to use digital means for business, creating stronger ties with financial institutions, offering counselling when necessary, allocating funds for addressing future pandemics, and making stimulus packages available are some of the strategies suggested for addressing issues posed by pandemics for female entrepreneurs.

Chakraborty and Ray (2020), focuses on how government initiatives, like Startup India, affect the development of entrepreneurs. It emphasizes the benefits of governmental interventions in terms of more funding sources, streamlined rules, and startup support services.

The notion of women's entrepreneurship in India was investigated by Charulakshmi et al. (2019), who analyzed the underlying reasons of the lower percentage of female entrepreneurship engagement. The writers claim that Indian women deal with an array of obstacles. The most notable of them is the significant amount of time Indian women spend on sustaining home chores. They are unable to devote their time to more fruitful pursuits like entrepreneurship as a result. Another factor is the low quality of education given to girls since it is believed that a girl's marriage is more significant than her education.

Korreck (2019) explores the factors that impede Indian women from being successful business owners. The existence of wider gender disparities is one factor contributing to this low proportion of entrepreneurial activity. This issue can be resolved by giving women equal access to school and enabling them to use the skills they have acquired to enter the workforce in pursuit of pay. Secondly, it is imperative to address the unfavourable attitudes held by women when it comes

to pursuing entrepreneurship. Women can overcome unconscious biases and mindsets by sharing the success stories of other women in comparable fields, which will encourage more women to pursue entrepreneurship. Thirdly, women's reluctance to take risks and limited financial resources prevent them from pursuing commercial ventures. To address the issue, financing accessibility needs to be improved.

Henry (2018) conducted a study of the last three decades of research on gender-based entrepreneurship. They recognized and commented about the methodological advancements that this subject will demand in the future. They proposed that there is a dearth of feminist analysis and that future scholars should investigate the post structural feminist approach using techniques like qualitative research and in-depth analysis.

In the paper, Paula Kantor (2018) expressed the opinions. "In Ahmedabad, factors that influence women's micro-enterprise success." Women's empowerment is not achieved via the methods this study suggests for improving the financial results of women's enterprises through improved training, access to markets, and financing equipment. They need to look for creative ways to place women in certain situations.

In their 2018 study, Timungpi and Chanu sought to quantify the degree to which women entrepreneurs in the Karbi Anglong area of Assam were influenced by push and pull motivators. The four main push factors that have been discovered are: "to earn additional income," "to support the family," "economic necessity," and "unemployment." The things that drew people in were their "knowledge," "self-assurance," "independence," "earning respect," and "passion." The research emphasized that push forces had a greater impact on the studied area than pull variables did.

Cavada et al. (2017) made an attempt to examine the driving forces behind Mexican women's entrepreneurship. The study demonstrates that, although push and pull factors are present, pull factors account for the majority of the motivations for Mexican women entrepreneurs. The study discovered that a variety of elements, such as the entrepreneurs' personal characteristics and social and economic circumstances, had an impact on female entrepreneurship. The study established that women's entrepreneurship was driven by their lack of work opportunities and economic prospects. Because there were more substantial chances offered by the growing number of non-governmental organizations during the startup phase of the enterprise, entrepreneurship was more prevalent in Mexico.

Rani and Hashim (2017) examined into the key elements influencing Malaysian women entrepreneurs' success. The results of the study revealed a strong and positive correlation between the performance of female entrepreneurs and their level of self-assurance, inventiveness, risk-taking capacity, and drive for success. In addition, compared to non-financial factors, financial elements such as opportunity, networking, credit availability, financial support, and human capital were also identified as having greater influence. Therefore, in order to motivate female entrepreneurs to exert effort, a thorough examination of these elements is necessary.

Nehru and Bhardwaj (2013) examined the factors that motivate women to set up their own businesses as well as the obstacles they encounter while they attempt to carve out a position for themselves in the competitive business environment.

Women Entrepreneurs

The term "women entrepreneurs" refers to one woman or group of women who start, plan, and run a business. "An enterprise owned and controlled by women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women" is how the Government of India defines women entrepreneurs. There are various factors that motivate women to become entrepreneurs. These are categorised into push and pull factors. The factors that attract women such as financial independence, ability to make decisions and recognition may be categorised as pull factors. The factors such as need to be need to generate income; lack of suitable job opportunity may be categorised as push factors.

Objectives

- Exploring the perception of women entrepreneurs towards the performance of towards women entrepreneurs.
- Understanding the need for women entrepreneurship
- Exploring ways in which women entrepreneurship facilitates economic growth

Research Methodology

This academic research utilises both primary and secondary data to meet the objectivity of the research. The primary data comprises of data collected from 100 women entrepreneurs which is further analysed for the study. The secondary data analysis carried utilising the data collected from books, journals, newspapers, reports, etc. already published.

Causes of slow Progress in Women's Entrepreneurial Effort

- **Male Dominance:** Many regions of the nation still have high rates of male chauvinism. Women are perceived as "abla," or weak in all ways. Women's lack of equality in a society where men predominate acts as a barrier to women entering the corporate world.
- **Stereotyped Gender Roles:** The inability of families to change with the changing times stands as a great challenge for women to be able to start their businesses. The women are believed to be responsible for all the household chores, this burden results in minimised allocation of time for self and career. This does not allow women to focus of their journey as entrepreneurs.
- **Lack of Liberty like Males:** Female entrepreneurs encounter fierce rivalry from male colleagues who effortlessly engage in product development and promotion, as well as from easy product marketing with both the organized sector and other businesses. The final outcome of this kind of rivalry is the liquidation of female business owners.
- **Low Literacy Rate Among Women:** There are regions in India where the literacy rates of women are still shrunk. The lack of education does not allow right development that strives growth in professional area. This acts as a huge barrier for women.
- **Lack of Financial Support:** The families are more confident, willing and interested to invest in the ideas of male owned businesses.
- **Improper Conditioning:** The women are not made to understand the importance of making their own-decisions. They are expected to accept decisions made by their elders when they are young and later after marriage the decisions taken by the spouse are believed to be accepted. This does not allow women to develop ability for making their own decisions.
- **Involvement of risk:** Entrepreneur must bear the trait of risk-bearing capabilities. The fear of the risks involved in starting a business act as an obstacle in starting a business.

Need for women entrepreneurship

Entrepreneurship facilitates economic growth. The entrepreneurship of women has a huge potential for growth of the economy and also serves as a solution to many problems prevailing in the society. The idea of having a progressive society cannot alone be realised by empowering only males of the society. The dominance of males in all sectors is evident for decades. The lack of equal pay for men and women is also observed in both skilled and unskilled sectors. The progress of all including women alone can ensure true progression of ideas and bring change in the economy.

➤ Benefits people, economy and society

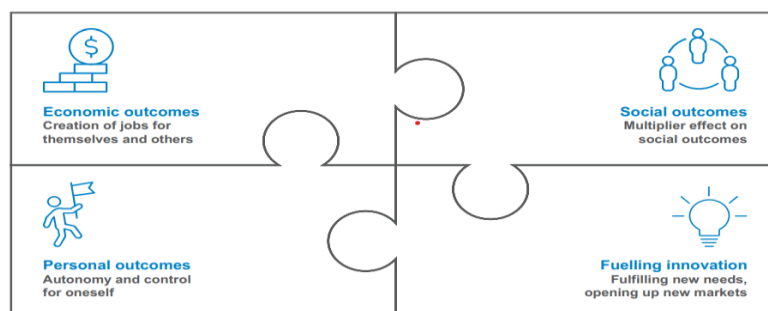


Figure 1: Women's entrepreneurship creates transformative benefits for people, the economy, and society

Source: Bain & Company analysis

The entrepreneurship of women has the potential to create a lot of job opportunities for women as it will create job opportunities for both men and women.

There is a lot untapped scope in women entrepreneurship.

The entrepreneurship of women can act as a vital force to bring economic growth in the society. The figure 1 explains how India as an economy can benefit from increased entrepreneurial effort.

➤ Status Upgradation

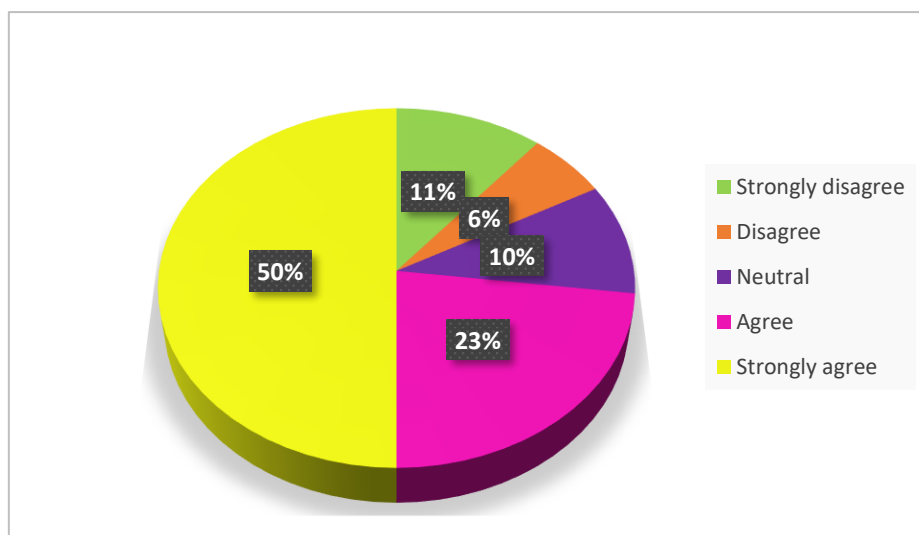


Figure 2: Status of Successful Women Entrepreneurs

Source: primary data

Figure 2 shows that for the statement majority of the respondents agree that the women entrepreneurs feel that successful women entrepreneurs enjoy the same economic and social status as men do. The urge to be at par with men both economically encourages setting up of more women owned businesses.

➤ Declining Influence of Family Background

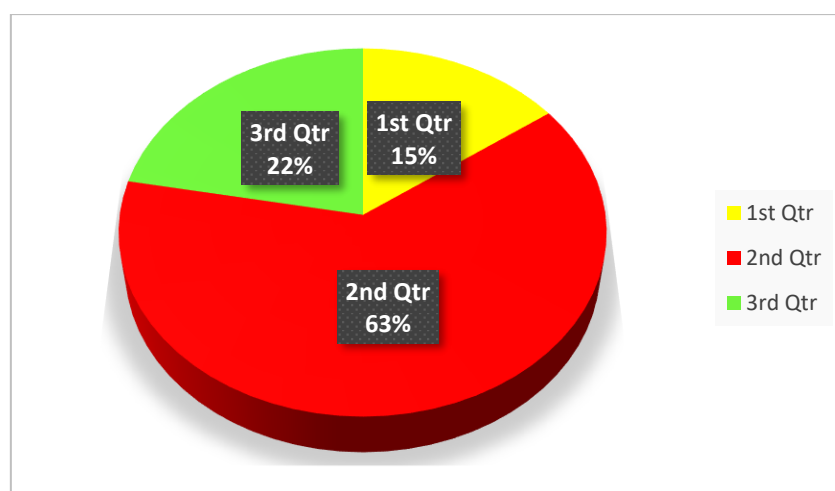


Figure 3: Role of Family Background

Source: primary data

Figure 3 shows that only a small share of fifteen percent respondents believe that successful women entrepreneurs come from business families, that is, the families where parents are engaged into the practices of heading their own business units. The majority share of sixty three percent respondents do not believe in successful women entrepreneur's coming

from business families alone. A successful a women entrepreneur may or may not come from a family with an existing business unit. The women from any background can be successful as an entrepreneur.

➤ Competitiveness of women in leading businesses

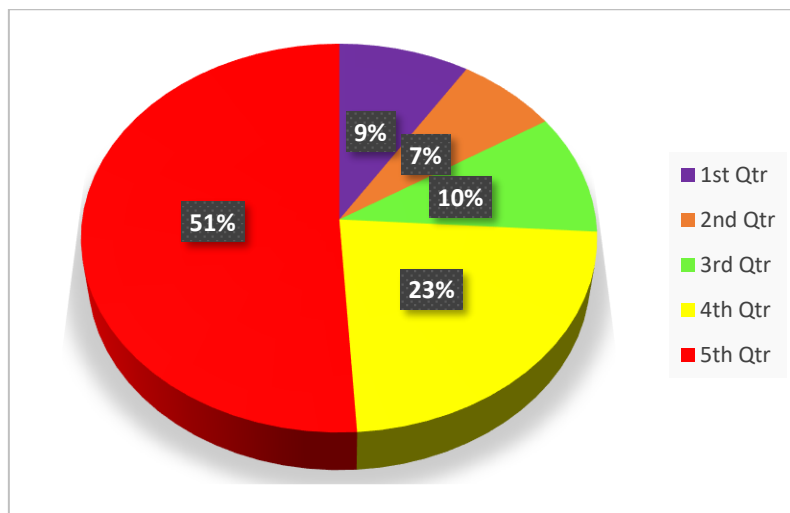


Figure 4: Performance review of female entrepreneur

Source: primary data

As per the figure 4, the majority share of the respondents agrees with the idea of women having the right potential as business owners and entrepreneurs to ensure success of the business-unit a woman has set up. There is a very small share of nine percent and seven percent, that is, sixteen percent of respondents who disagrees that women do not make good entrepreneurs.

Factors promoting women entrepreneurship

- **CREATION OF JOB OPPORTUNITY:** The women entrepreneurial firms along with them bring a lot of job opportunities for both males and females. As the participation of women in economic activities is very less as compared to total number of women who are of working age, this provides for more opportunities for females to find suitable job opportunity.
- **ABILITY OF WORK AS PER THE AVAILABILITY:** Women in India feel accountable for their household chores and domestic responsibilities. Starting their own businesses allows them to prioritise both business and home as per their individual requirement. They may function better with the autonomy they enjoy when they own their own business.
- **PERFORMANCE OF WOMEN ENTREPRENEURS:** Women have proven themselves in all the spheres including all sectors such as education, medicine, engineering and also entrepreneurship. The women entrepreneurs have shown confidence in women and perceive women to be self-driven towards success of their entrepreneurial set-up.
- **SELF-GROWTH AND CONTRIBUTION:** The urge to grow in life is what an individual strives for. Entrepreneurship is an answer to the problems that many women face. The need to be financially independent and also to support a household financially can both be achieved through women entrepreneurship. This enhances confidence.
- **FINANCIAL INDEPENDENCE:** In this hour of competition and recession, it is not easy to identify a suitable job opportunity for a person. Entrepreneurship of women allows women who have the skillset to head the business, run their own business in their area of specialisation.
- **ENTREPRENEURSHIP FOR ALL:** Women from all kinds of family backgrounds have now started working towards their journey of starting their own business firms.

- **GOVERNMENT INITIATIVES:** The government of India has launched various schemes such as MUDRA yojana, Udyogini Scheme, Annapurna Scheme, Dena Shakti Scheme, Mahilla E-haat, Mahilla Shakti Scheme, Stree Shakti Scheme, Women Entrepreneurship Platform and more to provide financial assistance to women entrepreneurs.
- **NICHE INDUSTRIES:** There are business opportunities that can be exploited by females. The skill attained by the women, as a beautician, as a homemaker, as a chef may be utilised to exploit business opportunities. Other new technologies and inventions can also be considered for working on new ideas and creating value.

Conclusion

The women have proven themselves to be self-driven as business owners. The urge to become financially independently and become contributing members in their households encourages setting up their own businesses for women. The need to strive for growth is not new to mankind. The worldwide need to growth and progress seeks equal opportunities. The women entrepreneurs have expressed confidence in the performance of women as entrepreneurs and women are believed to self-driven which makes them good managers. Women entrepreneurship allows creation of more job opportunities for females. The increase in women entrepreneurship results in an overall increase in the entrepreneurial effort in India. The government of India has launched various schemes to provide financial assistance to allow more and more women start their journey of entrepreneurship. The entrepreneurship of women can allow women to have same economic and social status as study observes the successful women entrepreneurs enjoy the same status both economically and socially as successful male business owners. The role women entrepreneurship plays in shaping the economy is pivotal and progressive. Education has a significant role in creation of awareness of self and career and this may further increase entrepreneurship among women. The government has launched various schemes to facilitate entrepreneurship of women. There must be awareness of these schemes in order to generate maximum impact by impacting maximum number of lives.

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