

## Women Entrepreneurship: Constraints and Prospects

**Renu<sup>1</sup>, Sanya Jain<sup>2</sup>, Shaina<sup>3</sup>**

<sup>1</sup>Assistant Professor, Department of Commerce,  
Sanatan Dharma College, Ambala Cantt

<sup>2</sup>Assistant Professor, Department of Commerce,  
Sanatan Dharma College, Ambala Cantt

<sup>3</sup>Assistant Professor, Department of Computer Science,  
Sanatan Dharma College, Ambala Cantt

### ABSTRACT

An entrepreneur is an individual who perceives the business opportunity and uses technical and personal skills to grow. Nowadays the motivation to become an entrepreneur is strikingly similar for both men and women. The reasons to become entrepreneurs are to become independent and to get recognized. The key concern for women to become entrepreneurs is the access to capital. There are many other challenges that women entrepreneurs face but also overcome them with skills and abilities. Women have come a long way in business. The number of women entrepreneurs is increasing because they are born communicators and have great potential to make use of their capabilities to grow in business as well as in personal life. Women consider economic necessity and recognition as the essential factors for business goals. So, in order to gain visibility and voice, women need to gain economic strength. This is possible only when they transform their constraints into prospects.

**KEYWORDS:** Women, Entrepreneurs, Women Entrepreneurship, Constraints

### OBJECTIVE

The objective of the study is to discuss the constraints and prospects to women entrepreneurship and the initiatives taken by the Government to promote Women Entrepreneurship.

## INTRODUCTION

Entrepreneur is the word which is derived from a french word 'entreprendre' which means 'undertaker' coined by economic philosopher Jean-Baptiste (Desai, 1999; Singh and Belwal, 2008). MSMEs in India account for 95 percent of the overall industries, and their participation in national GDP is enormous. MSME sector has already been hit hard by demonetization and later on, by the ineffective implementation of GST leads to a protracted economic downturn and now biggest of all Covid-19 which has exacerbated the situation of the economy (Saikia, B., & Dey, S, 2020). Searching for opportunities, ability to examine and understand them and building a successful business around this opportunity are the essential traits of an entrepreneur and to be able to do this, education is an important factor. It has been experienced that the female population in developed countries are more educated as compared to their counterparts in developing countries. In India, the situation is that the 56% of female population is literate with majority of them not even having education beyond school. This leads to a scenario where the women entrepreneurs are not adequately equipped to the latest developments in technology or market, let alone being aware about new business opportunities. Thus, women entrepreneurs run into a number of problems while setting up and operating their businesses due to this deficiency.

## CONSTRAINTS TO WOMEN ENTREPRENEURSHIP

Gender biasness has been prevalent in the economy since ages. Women are always seen as homemakers and Men are considered as Bread earners. Role of women is confined within four walls which lead to marginalization of the economy. Lot of hardship is faced by women when they start living their life on their terms. Entrepreneurship is considered as a catalyst for the growth of the economy. When men and women are treated equally only then the growth and development of the economy will be possible. There are various problems faced by women like Indian culture and traditions, Lack of education, Poverty, Continued marginalization of Women because of Government apathy, Gender inequalities etc.

Educational: The majority of the rural population is uneducated, necessitating on-the-job training in their native language, as they are considered to be less creative in their thought (Jayadatta, 2017). India's education system is far behind most of the employment opportunities (Santhi and Kumar, 2011).

While the impact of education on entrepreneurship is up for debate and education does have an effect on entrepreneurship and entrepreneurial motives (Goel and Farooque, 2014). In terms of education, it is critical to vindicate the role of educational institutions in the growth of entrepreneurial competencies as well as fundamental skills needed to manage a company (Guerrero and Alberto, 2020). Women especially in rural areas who own micro and small businesses have dearth of experience and inadequate education, due to which they possess fewer chances of success. They work to supplement their family's meagre income side by side hauling out their responsibility towards family. In between they got no time for enhancing their abilities. This poses a greater challenge in front of women as they begin their enterprises without the necessary expertise and skills (Loveline et.al, 2014). Quality of training provided is not so commendable and one of the main concerns is that entrepreneurship is not regarded as a subject in most of the educational institutions Guerrero and Alberto (2020). Lack of information is one of the prudent challenges that women face as they do not have information about markets, training programs and policies launched by the government (Rathna et.al, 2016) Muslims in rural areas have a different perspective on the significance of learning; formal education is regarded peripheral among them. Due to low education levels among teenagers, adolescents, and adults possess greater challenge in front of them to excel in enterprise.(Muhammad et.al, 2015). According to some researchers, women are much more likely than men to be driven into entrepreneurship because they have no other feasible job options due to marginally lower levels of qualifications possess fewer work experience, or more employment hassles. (Coleman & Robb, 2012; Kelley et. al.)

Financial: Inadequate funding from banks is one of the primary causes of Micro Enterprise finance issues (Nishanth and Zakkariya ,2014) The key issues confronting this enterprise are banks' unwillingness to lend credit to women, an inability to provide sufficient protection and margin capital, and a tight repayment period (Rao & Ganesh, 2011; Nishanth and Zakkariya ,2014). Availability of finance is critical for startups and is always a problem to get sufficient amounts. A numerous options ranging from loans, etc. the requirement of more cash starts increasing as the business progress. (Thippeswami and Poojitha, 2020). Starting Business on credit is one of the key problems faced by the early stage entrepreneurs in India. Getting financed by the Banks is still tough, after a lot of practices of the governments. There are some more ways of funding like venture capital,

angel funding, and private equity which are becoming popular these days, But still institutional finance is not able to meet the entrepreneurial demands.(Goel and Farooque).

Governmental: It has been found that government has failed to keep up the pace for the development of various initiatives for entrepreneur's growth due to paucity of government and institutional funding (Singh and Belwal, 2008).Also European Union fund founded to be idle due to lack of government efforts (Wudneh, 2005; Singh and Belwal, 2008). Limited amount of government and institutional support; studies-government policies, attitudes, overall quality of public administration and service to entrepreneurship or lack thereof, have been further cited as the most constraining reasons for African entrepreneurship (Elkan, 1988; Kallon, 1990; Rasheed and Luke, 1995; Koop et al., 2000). The government initiatives have failed to keep adequate pace with the desired entrepreneurial development. European Union funds granted for such developments have reported to be unused owing to lack of government initiatives (Wudneh, 2005). The same statistics hold for the inadequacy of training and updates pertaining to promotion of women entrepreneurship. Impediments of the bureaucracy, corruption and unstable government policies (Chu et al., 2007; Hussain and Yaqub, 2010), obstruct the pathways of entrepreneurs to continue with their businesses. Furthermore, they agree that the country's rising level of corruption has raised the cost of doing business (Gray et al., 1997; Kiggundu, 2002; Hussain and Yaqub, 2010). Main hurdles that obstruct the path of entrepreneurs are like critical Government clearances, perplexity and expending huge time in making assessee installments to the Government due to different taxes, absence of mentorship and legal direction, particularly about rewards and hazards etc. Starting a business necessitates a number of permits from various government agencies.

Marketing: Overall, a lack of cooperation on the part of business partners, e.g. banks, suppliers and marketing intermediaries, etc. was witnessed (Singh and Belwal, 2008). Absence of adequate and timely supply of bank finance, limited capital and knowledge, lack of power, low quality inputs, low return, non availability of suitable technology, low production capacity, ineffective marketing strategies are the main problems of MSMEs in India. (Shiralashetti, 2012). Lack of capital, business information, technology, and skilled workforce, difficulties in procuring raw materials, marketing and distribution challenges, and government policy and regulations are the main constraints' faced by SMEs. These constraints may differ from region to

region, between sectors, or between individual enterprises within a sector. (Tambunan, 2011). One of the main problems of MSMEs in India is, lack of production capacity, and ineffective marketing strategies (Shiralashetti, 2012;(Nishanth and Zakkariya, 2014)).The main constraints' faced by SMEs are a lack of capital, business information, technology, and skilled labour, difficulties in procuring raw materials, marketing and distribution challenges, and government policy and regulations. These constraints may differ between regions, sectors, or individual enterprises within a sector (Tambunan, 2011; (Nishanth and Zakkariya, 2014).

Competition: Rural entrepreneurs face stiff and severe competition from large sized organizations and urban entrepreneurs. They incur high cost of production due to high input cost. Problem of standardization and competition from large scale units are some of the major problems faced by marketers. For the survival of new ventures competition from large scale units also creates difficulty. New ventures have limited financial resources and hence cannot afford to spend more on sales promotion and advertising. This indicates a major problem with the public distribution system. The producers too are not collective in their approach for marketing their products because they are too widely scattered and uneducated. Women are frequently encouraged to stay longer at official meetings, resulting in unnecessary delays in receiving responses to their inquiries (Roomi and Parrott, 2008). It has been seen that women entrepreneurs who become the owner of micro small and medium enterprises experience a dearth of demand for their products and they also do not pay attention towards increasing their market areas. As previously stated, women have mobility issues due to a variety of factors. Some are dependent on middle traders who buy their products at significantly lower prices than the market price. Furthermore, the findings revealed that challenges like high competition, untrustworthy suppliers, etc. are having a negative impact on the respondents' businesses (Loveline et.al, 2014).

### **INITIATIVES TAKEN BY GOVERNMENT TO PROMOTE WOMEN ENTREPRENEURSHIP**

Aim of the several initiatives taken up by the government is to guide potential entrepreneurs by voluntary efforts of successful women entrepreneurs adopting professional tools of counseling, training, hand holding and peer group support. Also to create and implement a complete approach for empowering, aspiring women entrepreneurs.

Federation of Societies of Women Entrepreneurship (FSWE)	Small Entrepreneurship Development Institute of India(DEDII)	Development of Women & Children in Rural Areas (DW CRA)	District Industries Centres(DIC)
Integrated Rural Development Programme(IRDP)	Prime Minister Rojgar Yojana(PMRY)	Training of Rural Youth for Self Employment(TRYSEM)	Women's Corporate Finance Corporation (FAWDC)
National Backward Classes' Finance and Development Corporation(NBFCDC)	National Safai karamchari Finance and Development Corporation (NSKFCDC)	Mahila Udyog Nidhi (MUN) of Small Industries Development Bank (SIDBI)	Stree Shakti Package (SSP) of State Bank of India

## PROSPECTS

Many constraints were faced by women owing to gender based discrimination. Women's work is confined to domestic and child care work. These things need to be changed. Change should start from their family where they must encourage women to step out of the domain of the household and live their life on their terms. Being an entrepreneur woman brings wealth to their houses which indeed help them to uplift economically. There should not be gender based discrimination and providing equal opportunities to both. By soliciting cooperation from their family women can make their household self-sufficient. Government has launched various schemes for encouraging women entrepreneurs. They must pay heed to them and get their benefits. Women's Organization, NGOs etc should be provided support and promoted so that they may assist women for self employment for poor women.

## CONCLUSION

Earlier, women being confined to four walls could never come to the forefront. But with the emergence of women entrepreneurship, women can now create their separate identity based on their skills and capabilities. There are many barriers in their path but these skills help them grow in confidence and diminish these challenges. They step out of their comfort, become self-reliant and turn the negative attitude into positive. Moreover, the government has also helped women to come out of their homes and take a step towards a strengthened life. There are various policies provided by them to promote women entrepreneurship and overcome the challenges.

## REFERENCES

- Madeira, A., Palrão, T., & Mendes, A. S. (2021). The Impact of Pandemic Crisis on the Restaurant Business. *Sustainability*, 13(1), 40.
- Sahoo, P., & Ashwani. (2020). COVID-19 and Indian economy: Impact on growth, manufacturing, trade and MSME sector. *Global Business Review*, 21(5), 1159-1183.
- Brammer, S., Branicki, L., & Linnenluecke, M. K. (2020). COVID-19, Societalization, and the Future of Business in Society. *Academy of Management Perspectives*, 34(4), 493-507.
- Bansal, P., Grewatsch, S., & Sharma, G. (2021). How COVID 19 informs business sustainability research: It's time for a systems perspective. *Journal of Management Studies*, 58(2), 602-606.
- Crane, A., & Matten, D. (2020). COVID 19 and the future of CSR research. *Journal of Management Studies*.
- Donthu, N., & Gustafsson, A. (2020). Effects of COVID-19 on business and research. *Journal of business research*, 117, 284.
- Roy, A., Patnaik, B. C. M., & Satpathy, I. (2020). Impact of Covid-19 crisis on Indian MSME sector: A study on remedial measures. *Eurasian Chemical Communications*, 2(9), 991-1000.
- Fabeil, N. F., Pazim, K. H., & Langgat, J. (2020). The impact of Covid-19 pandemic crisis on micro-enterprises: Entrepreneurs' perspective on business continuity and recovery strategy. *Journal of Economics and Business*, 3(2).
- Dev, S. M., & Sengupta, R. (2020). Covid-19: Impact on the Indian economy. *Indira Gandhi Institute of Development Research*, Mumbai April.
- Pratama, B. C., Darmawan, A., & Innayah, M. N. (2020, October). Covid-19 impact on MSME Business Operations around Banyumas Regency: Overview, Problems, and Suggestions. In *ICBAE 2020: Proceedings of the 2nd International Conference of Business, Accounting and Economics*, ICBAE 2020, 5-6 August 2020, Purwokerto, Indonesia (p. 115). European Alliance for Innovation.
- Singh, A. (2020). What About India's MSME Sector: COVID-19 Pandemic and Indian MSME Sector Outlook. Available at SSRN 3696778.

- Shafi, M., Liu, J., & Ren, W. (2020). Impact of COVID-19 pandemic on micro, small, and medium-sized Enterprises operating in Pakistan. *Research in Globalization*, 2, 100018.
- Wahid, R. M., & Asiati, D. I. Women MSMEs and Covid-19: Social Media Marketing as a Survival Strategy.
- Sarkar, A. IMPACT OF COVID-19 ON MSME SECTOR IN INDIA. *Jamshedpur Research Review*.
- Hidayat, W. W. Implications of Covid-19 Pandemic on MSMEs to Economy, Society: Case in the Country of Indonesia.
- Bhat, S. A., & Meher, S. (2020). Impact of Covid-19 Crisis on MSME Sector in India. *vvuqla/kku*, 40.
- Gudi, V., Shinde, G., & Deshpande, R. (2021). Strategies for MSMEs During COVID-19. *Editorial Write-up*, 10.
- Sheikh, C. A. REDEMPTION OF INDIAN MSME SECTOR TOWARDS SUSTAINABILITY AMID COVID 19 PANDAMIC ATTACK.
- Lal, B. S., Sachdeva, P., & Simran, T. M. Impact of Covid-19 on micro small and medium enterprises (MSMEs): An overview.
- Eze, B. U., & Chambe, C. C. (2021). COVID-19: An assessment of MSMEs survival strategies in Nigeria and Peru. *HALLMARK UNIVERSITY*, 123.
- Fernando, P. I. N., & Kumari, K. W. S. N. (2021). Learning to Live with Covid-19: MSMEs Perception and Strategies on Business Promotions, Uva region-Sri Lanka. *Learning*, 13(10).
- Sipahi, E. (2020). COVID 19 and MSMEs: A revival framework. *Research Journal in Advanced Humanities*, 1(2), 7-21.
- Kadam, S. A., & Pandey, D. (2020). POST COVID-19 OPPORTUNITIES AND CHALLENGES FORMICRO SMALL MEDIUM ENTERPRISES (MSMEs) DEVELOPMENT IN INDIA. *Asian Journal of Advances in Research*, 1-4.
- Abdoli, A., & Heidarnajadi, S. M. (2020). Opportunities and challenges of social media in outbreaks: A concern for COVID-19. *Ethics, Medicine and Public Health*, 15, 100557.
- Affandi, A., Sarwani, A. S., Erlangga, H., Siagian, A. O., Purwanto, A., Effendy, A. A., ... & Wahyitno, C. D. M. (2020). Optimization of



MSMEs Empowerment in Facing Competition in the Global Market during the COVID-19 Pandemic Time. *Systematic Reviews in Pharmacy*, 11(11), 1506-1515.

- Sagara, Y., Asmoro, W. K., Kembauw, E., Tuguz, N. S., & Irviani, R. (2021). The Strategic Role of MSME Challenges in the Covid-19 Situation. *Annals of the Romanian Society for Cell Biology*, 4833-4843.
- Nikolić, T. M., Perčić, K., & Nećak, M. (2020). 2.19. How To Guide Msmes Through Challenging Times: A Survey On Consumer Behavior Habits In Covid-19 Crisis. *Emerging Trends In Business Economics: Towards Competitiveness, Digitalization And Financial Innovation*, 144.
- Eggers, F. (2020). Masters of disasters? Challenges and opportunities for SMEs in times of crisis. *Journal of Business Research*, 116, 199-208.
- Saikia, B., & Dey, S. A Study On The Impact Of Covid-19 On India's Msme Sector.