

A STUDY ON INITIATIVES TAKEN BY GOVERNMENT OF INDIA TO EMPOWER WOMEN ENTREPRENEURSHIP

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ABSTRACT

The spirit of entrepreneurship among nationals of a country leads and contributes significantly to the growth process of a country. In this drive, there should not be gender biasness. The government in India has taken several initiatives to increase the participation of women entrepreneurs and thus making them a partner to the growth and development process of the country. The initiatives in this direction were taken up through five-year development policy plans commencing from the fifth five-year plan (1974-78). The five year plans before were more focused on welfare for women rather than development. The focus of five-year plans since then has been reoriented towards women development stressing more specifically on women empowerment through women entrepreneurship programs. The objective of this paper is an appraisal of series of development plans and programs initiated for the empowerment of women entrepreneurship in India. For the purpose of this study, the secondary data available from authenticated sources used. The secondary data includes past research studies on the subject, government policies and programs aimed at women

entrepreneurs and development schemes launched for women entrepreneurs. The study reveals that government of India has launched several policies and development programs to infuse the spirit of entrepreneurship among the women groups and thereby not only making them financially self-sustained but also to contribute to the growth process of the economy.

Key words: Economic growth, Development, Policies, programs and India.

Introduction:

“Empowerment of women is central to achieving the objective of inclusive, equitable and sustainable development and it is not only a national goal but also a global agenda”- M. Venkaiah Naidu

According to Sixth Economic Census released by the Ministry of Statistics and Programme Implementation, women constitute around 14% of the total entrepreneurship i.e. 8.05 million out of the total 58.5 million entrepreneurs. Out of this, 2.76 million women constituting 13.3% of women entrepreneurs work in agriculture sector whereas 5.29 million women constituting more than 65% work in non-agriculture sector. The average employment in women-owned enterprises is meager 1.67asper the data disclosed on business standard. In line with these trends, developing economies exhibit a greater demand for women’s entrepreneurship, as it presents an opportunity for economic development, poverty alleviation and women’s experiences empowerment (Katre, 2018).

The word entrepreneurship describes combination of various components that an enterprise possesses. The major focus of an enterprise remains on the discovery of opportunities, innovations and creativity in taking up variety of projects that aim at the growth and development. Based on the needed inputs and resources, the entrepreneur designs and develops the innovative enterprising models. Entrepreneurship focuses on innovation, and therefore, entrepreneurs involve in certain unique strategies such as enhancing competitive advantage, impelling growth, generating employment and wealth, renewing the enterprise policies, and encouraging the employees for better performance of the enterprise (Appelstrand & Lidestav, 2015). Thus,

entrepreneurs carry out all the strategies that are required for entrepreneurial activities. The entrepreneurs are capable of devising new ideas, discovering and exploiting new opportunities by taking reasonable risks for the effective functioning of their enterprises (Agarwal & Lenka, 2018).

The spirit of entrepreneurship and enterprising nature exists in all human beings irrespective of gender. According to Cabrera & Mauricio (2017), economic growth of the nation would be lop-sided without the involvement of women in entrepreneurial activities, as women constitute approximately half of the population and the domain of entrepreneurship is not confined to any particular gender. The women are almost equal in number but there remains wide disparity in their economic status particularly in India. Therefore, there is a need to unearth the reasons for economic disparity and identify measures to promote the status of women. Promotion and encouragement to women as entrepreneurs are the fundamentals which have been accepted and implemented across the globe. Women entrepreneurs pursue their altruistic commitment to society and strongly believe that their new concepts and emerging enterprises will greatly contribute to economic development in their community as well as generate new job opportunities. The pace of growth in the women enterprises as well as success of women entrepreneurs is the testimonial of their intuition and the extent of innovations they capture in turning their ideas into reality. Policy makers have specifically formulated and implemented policies from time to time to promote the spirit of women entrepreneurship particularly in those areas where role of women entrepreneurs has been successful in augmenting their income and growth. The growth of women entrepreneurship has become more challenging in view of increased pace of unemployment, poverty and low economic status of women. Therefore, the growth strategies and effective planning to promote the cause of women entrepreneurship assume more significance to achieve the goals of equal justice on one side while on the other facilitating the economic empowerment of women entrepreneurs.

Review of literature: women and entrepreneurship

The word “entrepreneur” is derived from the French verb “entreprendre”, which means ‘to undertake’. This refers to those who “undertake” the risk of new enterprises. An enterprise is created by an entrepreneur. The process of creation is called “entrepreneurship”. Entrepreneurs are the person who sets

up a business or businesses, taking on financial risk in the hope of profit and ultimately contribute toward economic growth. “Entrepreneurship is the purposeful activity of an individual or a group of associated individual, undertaken to initiate, maintain or aggrandize profit by production or distribution of economic goods and services” (Cole, 1965). **Government of India** has defined “women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women”. Entrepreneurial skills and competencies of the individuals need to hold to become a successful entrepreneurs. These are planner, stimulus to do well, innovator, ability to organize, communicative, risk taker, decision making, continuous learner and openness to change, negotiation skills and strong belief on themselves (Kapoor, 2018). It was always debated that the growth of a country lies in gender equality and thus, entrepreneurship call for equal participation of all section of society to achieve the goal of economic growth. Entrepreneurs are known for variety of skills and abilities as they belong to different social classes, locations, upbringings, with different education levels. The main characteristics they poses include: competence (Santandreu Mascarell et. al, 2013), Embeddedness, self-efficacy, hardworker, and morality (smith, 2017), educational attainment (Altinay & wang, 2011), ready to take risks (Boermans & Willebrands, 2017), urge for learning and experiencing new things (Lenka and Agarwal, 2017), passionate about entrepreneurial activities (Agarwal and Lenka, 2016), and ability to sell and promote the things (smale, 2015). The above stated traits were not differentiated on the basis of gender and none of the study claims about any specific trait hold by a male or female. Thus, these are equally possessed by both male and female. Women entrepreneurs have been emerging as a new scope for economic development in developing economy. The **world economic forum** stated that by lowering the barriers faced by women entrepreneurs at home and internationally, and helping more businesswomen to connect to international value chains, would bolster growth and inclusion. It would create more and better-paying jobs for women, not least since women-owned firms hire more women, especially at senior levels. It is already discovered that women business owners are making significant contributions to global economic heath, national competitiveness and community commerce by bringing many assets

to the global market. women entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks to communicate effectively, to organize efficiently, to be fiscally conservative, and to be aware of the needs of their environment and to promote sensitivity to cultural differences (**Jalbert, 2000**). The fact is that representation of women entrepreneurs is low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study also revealed the fact that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes (**Tambunan, 2009**). A question was raised why women participate in entrepreneurship and bear all types of risks like financial, personal, social risk etc.? There are some motivational factors which inspire women to initiate their own enterprise such as, desire to display their abilities and skills into use, need for self-sustained economically, flexibility in lifestyle, zeal to being personal improvement and recognition in society, desire to work on own rules and regulations, to maintain the standard of living of own and family, desire to improve standard of living (**Orhan & Scott, 2001**). There are many reasons & influencing factors behind entry of women in entrepreneurship. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc(**Singh, 2008**). The changing global context and in view of the stress on women entrepreneurship development, the things are getting changed and women have come forward to take up innovations and enterprising projects rather than merely at home. The increased education opportunities including professional and technical education, extent of awareness, encouraging support through government policies and programs etc., have been contributing to the changing perspective of women entrepreneurs in India (**Radadiya, 2012**). Women entrepreneurs met restrains in facets of financial, marketing, family, health and location problems. What women need for enterprise management is little training, finance, co-operation and

encouragement in the sphere of activities, at all levels - home, the society and the government (**Saurabh, 2012**). Women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives (**Greene et.al, 2003**). All entrepreneurs face certain challenges, but women often have additional challenges and bottlenecks because of their gender. By creating a strong business network, learning new tactics to maintain balance work and life, getting inspiration from other successful women entrepreneurs, and, by keeping them updated, women entrepreneurs can attain new heights of success (**Jain & Jain, 2014**). There is a bifurcation of motivational factors into pull and push factors, where pull motives are associated with self-independent based on challenge, flexibility, desire of recognition and positive work environment etc., and push motives are related with losing a job, death of husband and financial condition of family etc. (**Agarwal and Lenka, 2015 & Walker and Brown, 2004**). Women are involved in entrepreneurship due to various reasons such as glass ceiling issues in corporate world, work and life balance, demand of work flexibility, social status, self-recognition and identity in society, prove their presence and position in family, society and nation (**Agarwal and Lenka, 2016 & Ferreira et al., 2017**). In order to excel, women entrepreneurs need to identify the various institutional agents and build on their relationships with these agents to survive the constraining institutional environment of their nations. The women entrepreneurs do play the role of leaders, innovators, creators and risk-takers in carrying out the entrepreneurial activities. The women carry out their journey from micro to high growth enterprises and thus establish their self-identity and recognition in the society and nation both. They are able to enhance their skills in managing manufacturing activities, retail business, service activities and also establishing and promoting Small and Medium Enterprises (**Kothari, 2017**). In the Indian context, in majority of the cases, women have to strive for a long to reach a stage where they could equally become the partner in the growth process by contributing and taking up entrepreneurial projects. The major obstacle experienced by women entrepreneurs in India is the conservative approach of male dominancy that causes to suppress their interest and talents to undertake innovative activities (**Sexsena, 2017**). Among the 63 economies surveyed, GEM found that Total Entrepreneurial Activity (TEA) among

women increased by 10 percent, and the gender gap (ratio of women to men participating in entrepreneurship) narrowed by 5 percent. The statistics revealed by GEM report suggested that if more and more women entrepreneurs are encouraged, the total GDP will effect significantly (**Agarwal & Lenka, 2018**). The growth and promotion of women entrepreneurship have drawn the attention of all, the academicians, development agencies and policy makers especially in emerging economies. The international organizations, educational institutions, government, Non-government organizations (NGOs), and enterprise associations focused and initiated the promotional and developmental policies and programs such as capacity-building of entrepreneurial skills, strengthen women's network, effective financial assistance, entrepreneurship education and training and design schemes that facilitate stronger start-ups to achieve enterprise growth.

In the present era, women have been emerging as powerful entrepreneurs contributing significantly for the growth process across the globe. Therefore, the policy makers in any of the economies cannot overlook the valuable contribution of women entrepreneurs. On the contrary, the agenda of women entrepreneurs' growth receive priority to make them an active partner in the growth process of the economy in general and society in particular. The growth and strength of an economy can be well measured in terms of combined contribution of male and female.

Objective of the study

Keeping in view the above issues and developments related to women empowerment, this paper explored policies and programs established by government of India that contribute towards the growth of women entrepreneurs in India.

Methodology

For the purpose of this study, the researcher has made use of the secondary data available from authenticated sources. The secondary data includes past research studies on the subject, government policies and programs aimed at women entrepreneurs and development schemes launched for women entrepreneurs. The available literature and development programs have been analyzed to support and explain as how these schemes helps in the growth of

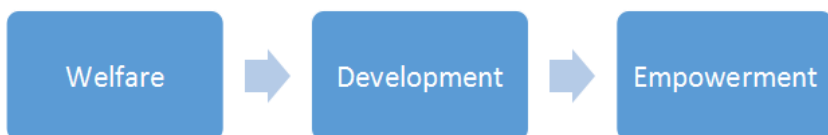
women entrepreneur in India.

Women entrepreneurship in Indian context

The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P's, Pickle, Powder and Pappad. One of the best examples to support the above claim is quoted about Jyoti Naik, who is the President of Shri Mahila Griha Udyog Lijjat Papad. But with the spread of education and passage of time women started shifting from 3P's to modern 3E's i.e., Energy, Electronics and Engineering (Goyal & Prakash. 2011). The growth of women owned enterprises has taken place rapidly in India such as women making solar cookers in Gujarat, operating small foundries in Maharashtra, mechanized capacitors in Orissa etc.; these types of activities have proved that women contributions are required for the development of our society. (Ghosh, 2016) Some other quoted worth examples are Indu Jain (chairperson of India's largest media group, Bennett, Coleman & Co. Ltd.), Kiran Mazumdar Shaw (founder Chairman and Managing Director (CMD) of Biocon Limited), Indra Nooyi (CFO and President of PepsiCo), Vandana Luthra (VLCC), Naina Lal Kidwai (Country Head and Group General Manager HSBC Group India) and Chanda Kochhar (MD & CEO of India's largest private bank ICICI Bank)

Steps taken by the government

Development of women has been a policy objective of the government since independence. Until the 70s the concept of women's development was mainly welfare oriented. In 1970s, there was a shift from welfare approach to development approach that recognized the mutually reinforcing nature of the process of development. The 80s adopted a multi-disciplinary approach with an emphasis on three core areas of health, education and employment (Goyal & Prakash, 2011). Women were given priorities in all the sectors including SSI sector. Government and non-government bodies have paid increasing attention to women's economic contribution through self-employment and industrial ventures.



The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board, organization of Mahila Mandals and the Community Development Programmes were a few steps in this direction.

In the second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure.

The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's Welfare and Development Bureau was set up under the Ministry of Social Welfare.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding their growth.

The Seventh Five-Year Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment.

The Eight Five-Year Plan (1992-97) focused on empowering women, especially at the Grass Roots Level, through Panchayati Raj Institutions.

The Ninth Five-Year Plan (1997-2002) adopted a strategy of Women's Component Plan, under which not less than 30 percent of funds/ benefits were earmarked for women related sectors.

The Tenth Five-Year Plan (2002-07) aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach.

At present, the Government of India has over 27 schemes for women

operated by different departments and ministries. Some of these are:

- Integrated Rural Development Programme (IRDP)
- Khadi And Village Industries Commission (KVIC)
- Training of Rural Youth for Self-Employment (TRYSEM)
- Prime Minister's Rojgar Yojana (PMRY)
- Entrepreneurial Development programme (EDPs)
- Management Development programmes
- Women's Development Corporations (WDCs)
- Marketing of Non-Farm Products of Rural Women (MAHIMA)
- Assistance to Rural Women in Non-Farm Development (ARWIND) schemes
- Trade Related Entrepreneurship Assistance and Development (TREAD)
- Working Women's Forum
- Indira Mahila Yojana
- Indira Mahila Kendra
- Mahila Samiti Yojana
- Mahila Vikas Nidhi
- Micro Credit Scheme
- Rashtriya Mahila Kosh
- SIDBI's Mahila Udyam Nidhi
- Mahila Vikas Nidhi/SBI's
- Stree Shakti Scheme
- NGO's Credit Schemes
- Micro & Small Enterprises Cluster Development Programmes (MSE-CDP).
- National Banks for Agriculture and Rural Development's Schemes
- Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP)

- Priyadarshini Project-A programme for ‘Rural Women Empowerment and Livelihood in Mid Gangetic Plains’
- NABARD-KfW-SEWA Bank project
- Exhibitions for women, under promotional package for Micro & Small enterprises approved by CCEA under marketing support

According to the official estimates, India will have 125 million women entrepreneurs in the near future if development plans are implemented in a systematic manner. The scheme like, “Stand Up” India provides for loan assistance at least one women entrepreneur for encouraging entrepreneurship in India. Government has also launched other welfare and social schemes like, Save the girl scheme, Educate the girls scheme, Growth of girl child scheme and Daughter selfie with father focussing on the development and growth of girl child to enable to empower women in India. Programs like, Swachh Bharat has also been initiated with the aim of improving the health conditions primarily for women and children by emphasizing on building of toilets. Pradhan Mantri Mudra Yojana was launched on 8th April, 2015 by the Prime Minister for “Funding the Unfunded” for providing loans of about Rs. 10 Lac. Till date, over Rs. 1.22 Lac crores have been distributed among 57.75 Lac Scheduled Castes, 15.15 Lac Scheduled Tribes and 2.52 crore women entrepreneurs.

The efforts of government and its different agencies are ably supplemented by NGOs 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.

Conclusion

This research is limited to the policies and programs meant for women empowerment through entrepreneurship in India. However, still women lag behind their male counterpart. There are various reasons for the same such as, lack of family support, education, knowledge, lack of access to development programs, lack of flexibility etc. This research provides a future direction to the academicians, researchers, and policymakers to provide a framework to reorient the programs and policies for the cause of women entrepreneurship growth in India. The paper very much emphasis

that the research findings will have influence on government policies and serve as an effective tool for implementation of state programs meant for woman entrepreneurs more effectively and efficiently. The ultimate impact of research findings will be an economic change in the quality of life of woman enterprise in the society.

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