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Is India Moving in Conjunction with the Other BRICS Countries in Terms of Women Entrepreneurship?

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Abstract:

During recent years, the number of female entrepreneurs across the world has been growing gradually. Efforts are being taken globally to provide a basic platform for equitable development of women entrepreneurs and bridge the gender gap in access to opportunities. The paper attempts to analyze India's position vis-à-vis its counterparts in the association of BRICS nations. The 2015 Female Entrepreneurship Index has been taken as the base for the study as it includes both individual as well as institutional factors that tend to enable or restrict high potential female entrepreneurs. The study unearths the fact that majorly all the BRICS countries face gender-based employment segregation. Although, amongst the BRICS nations, Russia came out to be the most unbiased and the most highly ranked in terms of the gender gap between males and females, yet, none of the BRICS countries have been able to make a position among the list of top ten countries in terms of women entrepreneurship. In fact, India is the only country among the five BRICS countries to have registered a positive increase in global ranking (Gender-GEDI 2014 compared with FEI 2015) with respect to women entrepreneurship. Female entrepreneurs in India are not only sectorally separated but also geographically concentrated.

Off late due emphasis is being given by the Indian Government on the issue of empowering women entrepreneurs and some recent measures taken up by the Government, both present as well as the previous few, are expected to create a swirling impact in the women enterprise space in the country.

Keywords: BRICS, entrepreneurs, entrepreneurship, entrepreneurship development, gender participation

1. Introduction

Women participation in all aspects of economic as well as social life of an economy is an inevitable aspect for a nation's economic development. Such contributions made by women depend on the unbiased institutional support and promotion of gender equality in the nation. Although women constitute about fifty percent of the world population, compared to men, they have less opportunity to control their lives and make decisions (Revenga and Sudhir 2012). Various studies done in the past emphasize upon absolute as well as relative importance of entrepreneurs towards job creation, economic development and different aspects of wellbeing through creative destruction. One of the famous economists, Schumpeter also emphasized upon entrepreneurial process as a major factor in economic development and regarded entrepreneur as the key element in a nation's economic growth. All countries consider entrepreneurial promotion as a crucial policy for sustained employment creation, as well as innovation in products, production processes and organizations (OECD Council Report, 2012).

Countries with high total entrepreneurial activity rates are also associated with high female entrepreneurial activity rates (Verheul et al. 2004). During recent years, the number of female entrepreneurs across the world has been growing gradually. Off late, greater attention is being given by researchers and policy makers to female entrepreneurship (Nedelcheva, 2012). The efforts put in by global organizations, like the United Nations and the World Bank, to bridge the gender gap in access to opportunities have failed in solving the grave problem of gender inequality, which is still widely prevalent and women are deprived of having equal rights with men (Sarfaraz & Faghih, 2011).

Women entrepreneurs contribute substantially to the growth of their economies (Terjesen and Amorós, 2010). An economy suffers a vicious circle when the country fails to achieve its full potential. Fewer 'high potential' female entrepreneurs result in fewer ideas being realized, leading to less innovation, less export potential, and fewer job creation. High-potential female entrepreneurs, through their entrepreneurial activities, not only increase their own economic welfare, but also improve the economic and social fabric of society through job creation, product-process-service innovation, and international trade. (GEM-FEI, 2016)

The paper aims to analyze India's position vis-à-vis its counterparts in the association of BRICS nations. BRICS refers to a group of five countries, including Brazil, India, China and Russia (being the founder members), and South Africa (which joined in 2010). According to the World Bank classification of countries, South Africa, Brazil and China are deemed upper middle income countries, with Russia classified as a high-income country and India as a lower middle income country (World Bank, 2012). The BRICS countries have been widely acknowledged to be possessing high growth potential. According to economists from Goldman Sachs, the BRIC economies (Brazil, Russia, India and China) would surpass the G7 countries (the richest countries) before the middle of the century (Glosny, 2010). All of the BRICS countries enjoy huge political clout in their respective regions as well as in the international arena, with all five of them enjoying the membership of the G-20 group of countries. The bare fact that these economies hold huge stocks of important resources to be offered to the global economy, creates a positive outlook for each individual country (Arkhangelskaya, 2011).

This group of countries has an impressive geographic, demographic as well as economic statistics. Together they contain approximately 43% of the global population, as in 2013, comprising almost 3 billion people, and cover a geographical area of 39.7 million square meters. As per IMF data, in 2013, their joint nominal GDP contribution amounted to US\$16.039 trillion, and their joint foreign reserves were estimated to be of US\$4 trillion (IMF, 2013; Christian Science Monitor, 2011; Arkhangelskaya, 2011). Additionally, these countries collectively account for 21% of the global GDP and enjoy much influence internationally and regionally, as well as in sub-Saharan Africa (IMF, 2013).

The early stages of study of female entrepreneurship majorly revolved around comparisons of individual characteristics of male and female entrepreneurs, e.g., demographics of age and education as well as attitudes and perceptions such as risk aversion, growth ambitions, or self-efficacy (Sexton and Bowman-Upton, 1990, Fagenson, 1993). However, as suggested by a budding body of comparative international entrepreneurship research on female entrepreneurs, a number of environmental institutions must also be considered, like family-related institutions such as greater provision of childcare services and family leave as women tend to start ventures at a later age (ages 35-40) than men, and must manage work-family conflicts (Terjesen, Hessels, and Li, 2013; Terjesen and Elam, 2012; Verheul, van Stel, and Thurik, 2006; Elam, 2008; Shelton, 2006).

Additional factors influencing the levels of female entrepreneurship are country-level differences in terms of women's freedom to work and travel due to religious and traditional family norms (Terjesen and Elam, 2012). Other important institutions impacting female entrepreneurship include access to education, technology, networks and capital, equal legal rights, and social norms, values and expectations. Furthermore, female entrepreneurs' ability to thrive and grow also depends heavily upon a country's general business environment in terms of laws, regulations, and business stability.

The 2015 Female Entrepreneurship Index has been taken as the base for the study as it includes both individual as well as institutional factors that tend to enable or restrict high potential female entrepreneurs. It depicts that a number of individual and institutional factors, like attitudes, norms, values, legal environments- particularly those helping women to make use of resources, acceptance of women in leadership positions, and unbiased operations in all sectors, impact their ability to start and grow as entrepreneurs. The index also emphasizes that the countries occupying the top position are not necessarily the one with the highest GDP, but the ones characterized by an enabling environment for female entrepreneurship development.

An attempt has been done to analyze India's position with respect to women entrepreneurship growth against the backdrop of the key global trends highlighted by the GEM Female Entrepreneurship Index 2015 report, namely, improvements in technology transfer and business risk, increase in female business gazelles, female entrepreneurs having higher education levels, and decline in female entrepreneurs' innovativeness and participation in technology sector.

2. Aims/Objectives of the Study

The study aims to

- Make a comparative analysis of India in contrast to its other counterparts of the association of BRICS nations with respect to gender equality in terms of entrepreneurship growth.
- Study the present status of women entrepreneurship in the country and highlight the major problems faced by such entrepreneurs
- Analyze the applicability of various employment promotion efforts made by the Government of India for promotion of equitable and unbiased advancement of women entrepreneurship in India

3. Research Methodology

The study entailed an analysis of published data from GEDI i.e. The Global Entrepreneurship and Development Institute in its report titled, 'The 2015 Female Entrepreneurship Index' and 'The Global Enterprise Monitor 2015-16', specifically to make a comparative study of BRICS nations with respect to female entrepreneurship status. The research also involves the study of various published data sources in order to study the current position of female entrepreneurship in the country. It also involves an analysis of various policies adopted by Indian government with respect to female entrepreneurship development.

4. Results and Discussions

4.1. Gender Economic Equality – A Global Perspective

Over the past twenty-five years, the gender participation gap has been narrowed globally due to increasing number of women joining the global labour market (the labour market here refers to both self-employed labours as well as those employed with other employers)

(Duflo, 2011). As per the World Bank data, published in 2012, the global female labour participation rate increased to 51.8% in 2009, from 50.2% in 1980; and the male labour participation rate fell from 82.05 to 77.7% during the same period. Additionally, the gender difference in labour force participation rates fell from 32 percentage points in 1980 to 26 percentage points in 2009 (World Bank, 2012). Despite the trend, the women labors throughout the globe are less prone to working without hassles (in the form of family as well as social); they are remunerated less as compared to their male counterparts, and are likely to experience poverty despite their working status (Duflo, 2011).

The World Bank (2012) emphasized upon the dire urgency and need of analyzing productivity and earning differences, in addition to the historical approach of studying the breakdown of the composition of the labour market and labour force participation rates, in order to obtain a more holistic picture of how men and women encounter the labour market and highlight the issue of gender differences in the labour market. The Bank also accepts the crude reality of existence of deep gender differences with regard to productivity and remuneration across sectors and jobs despite some progress been made with regard to women's labour force participation during the past 25 years. This fact has a great bearing on women willingness and ability in investing in human capital, harming their well-being and disempowering women (World Bank, 2012).

Majorly all the labour markets throughout the globe are characterized by the segregation of employment, which seems to be clearly evident from the type of jobs performed by the two genders sectorally, industrially, occupationally and firm-wise. Women globally tend to be confined to low-productivity jobs and occupy a miniscule presence in influential positions in the labour market. They tend to be confined to a limited number of sectors, namely, agricultural sector and the service sector. The two sectors tend to record more participation of women as compared to men. During 2003-2008, the global agriculture sector accounted for 37% of all employed women compared to 33% of all employed men, while the global service sector accounted for 47% of all women employed against 40% of all employed men. Women participation in manufacturing is low as compared to men globally (World Bank, 2012)

Global figures for 2003-2008 also highlighted the fact that women comprising 40% of the global workforce, accounted for 58% of all unpaid workers. Additionally, only 44% were in wage employment whilst 50% were located in the informal sector. The very fact clearly highlights the basic characteristics of women entrepreneurship globally, namely, that women primarily operate in micro, small and medium enterprises, very less number of women own large firms, most of women-headed enterprises are run from home, and most importantly, that most of their activities are borne out of necessity and entrepreneurship regarded only as the last resort (World Bank, 2012).

4.2. Gender Economic Inequality – India vis-s-vis Its BRICS Counterparts

Majorly all the BRICS countries face gender-based employment segregation as they clearly depict a visible existence of women workers in the service sector and a very miniscule presence in industry. A majority of these countries register only 40% of women employed in the non-agricultural sector. India has a large proportion of women working in agriculture, and other informal sector, in self-employment and in vulnerable employment. The BRICS nations generally register a low proportion of female employers as well as those holding key leadership positions. However, Russia seems to be fairly placed with respect to female participation in firm ownership, but South Africa fails miserably when it comes to both female employment and female youth employment. Among the BRICS nations, Russia is the most unbiased and the most highly ranked, in terms of the gender gap between males and females in terms of economic participation and opportunity (Lalthapersad-Pillay, 2014). The group countries have taken efforts over the years, but no drastic changes have been registered till date on the gender-based equality on the entrepreneurship front. In fact, none of the BRICS countries have been able to make a position among the list of top countries in terms of women entrepreneurship, despite the group comprising of the two-future potential super powers. They are far behind the top five performing countries i.e., the USA, Australia, UK, Denmark and Netherlands. Amongst the BRICS countries South Africa leads the way with 36th rank, followed by China at 48th position, Russia at 56th, Brazil at 60th, and India at 70th position. However, when compared with the Global Entrepreneurship Index, only China and Brazil depicted better FEI ranking than the GEI ranking. In fact, South Africa lagged far behind India and Russia (as depicted in Figure 2)

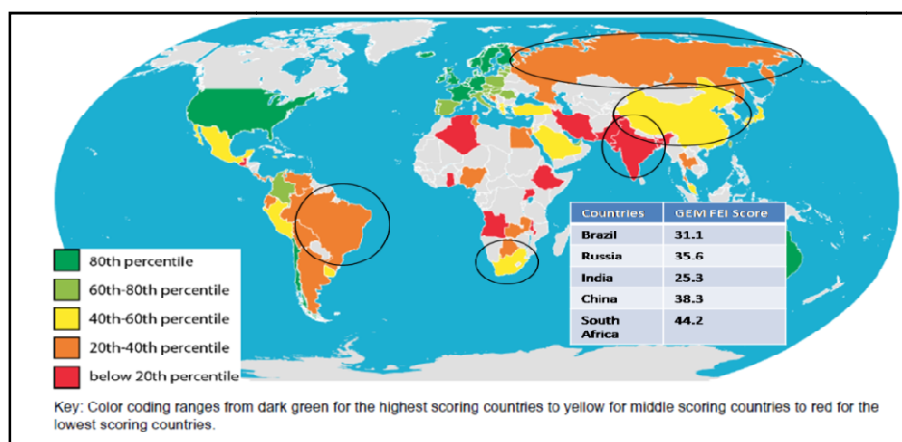


Figure 1: Global Positioning of BRICS Countries in Gem FEI, 2015

Source: FEI 2015

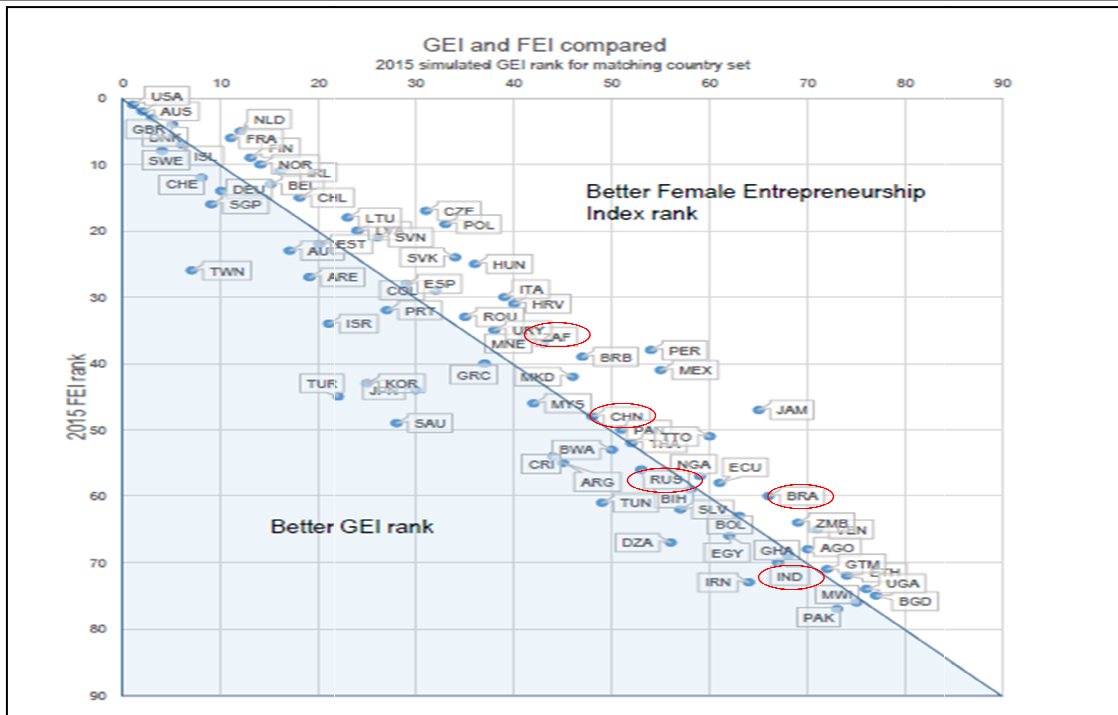


Figure 2: GEI and FEI Compared for BRICS Countries
Source: FEI 2015

| Countries | 2014 Matched Rank | 2015 Matched Rank | Change in Matched Rank |
|--------------|-------------------|-------------------|------------------------|
| Brazil | 51 | 55 | -4 |
| Russia | 47 | 51 | -4 |
| India | 68 | 64 | +4 |
| China | 39 | 45 | -6 |
| South Africa | 32 | 34 | -2 |

Table 1: The Gender-GEDI Compared to FEI 2015 Rankings for Bricks Countries

The data depicted in Table 1, clearly presents the improvements shown by India in terms of women entrepreneurship in the country. In fact, India is the only country among the five BRICS countries to have registered a positive increase in global ranking with respect to women entrepreneurship. It clearly indicates towards the efforts taken towards improvement of women entrepreneurship in the country in terms of both individual as well as institutional fronts. However, the data depicted in Figure 2, indicates that India is still lagging behind in terms of gender equality in terms of entrepreneurship development due to its better GEI 2015 rankings as compared to FEI 2015 rankings. On the other hand, South Africa, Brazil and China have stolen the show when it comes to strengthening of women’s position with respect to gender roles in entrepreneurship.

It should however be noted that there is hardly any relationship between the level of GDP of these countries when compared to their FEI rankings. It is clearly indicated by the data given in Table 2. As per the data, there exist an insignificant correlation of 0.329 between the GDP per capita of the BRICS nations and their respective FEI 2015 scores. It is further strengthened by as negative correlation of -0.202 between their GDP and their respective FEI rankings. So, it can be said that it is not necessary a condition that economically efficient countries also depict gender equality.

| Country | GDP Per capita* (a) | FEI 2015 (b) | Correlation (a, b) | FEI 2015 Score (c) | Correlation (a, c) |
|--------------|---------------------|--------------|--------------------|--------------------|--------------------|
| India | 5,238 | 70 | -0.2022 | 25.3 | 0.32941 |
| Brazil | 14,555 | 60 | | 31.1 | |
| China | 11,525 | 48 | | 38.3 | |
| Russia | 23,564 | 56 | | 35.6 | |
| South Africa | 12,106 | 36 | | 44.2 | |

Table 2: Relationship between GDP and FEI Rankings of BRIC Countries
Source: *GEI 2015-16; FEI 2015

The above data clearly depicts the absence of any significant correlation between GDP per capita of the five BRICS nations and their respective FEI rankings and scores. This very fact drives out the basic notion that the countries with high GDP tend to create better

entrepreneurs. Rather, it takes a little more effort on the social and psychological fronts to create successful entrepreneurs, both males and females alike.

| Country | Strength | Weakness |
|--------------|---|---|
| Brazil | Executive Status Entrepreneurship Ratio Female Leadership | R&D Expenditure 1st Tier Finance |
| Russia | Tech Sector Businesses Secondary Education SME Support and Training | Opportunity Recognition Perception of Skills Know an Entrepreneur |
| India | Innovativeness New Product New Technology | Labor Force Parity 1st Tier Finance |
| China | Market Size Access to Childcare Monopolized Markets R&D Expenditure Business Gazelles | Opportunity Recognition Perception of Skills Willingness to Start |
| South Africa | Opportunity Recognition Perception of Skills Know an Entrepreneur | Internet and Networks Tech Sector Businesses R&D Expenditure |

Table 3: Differences among BRICS Countries with Respect to Their Respective Regional Strengths and Weaknesses
Source: FEI 2015

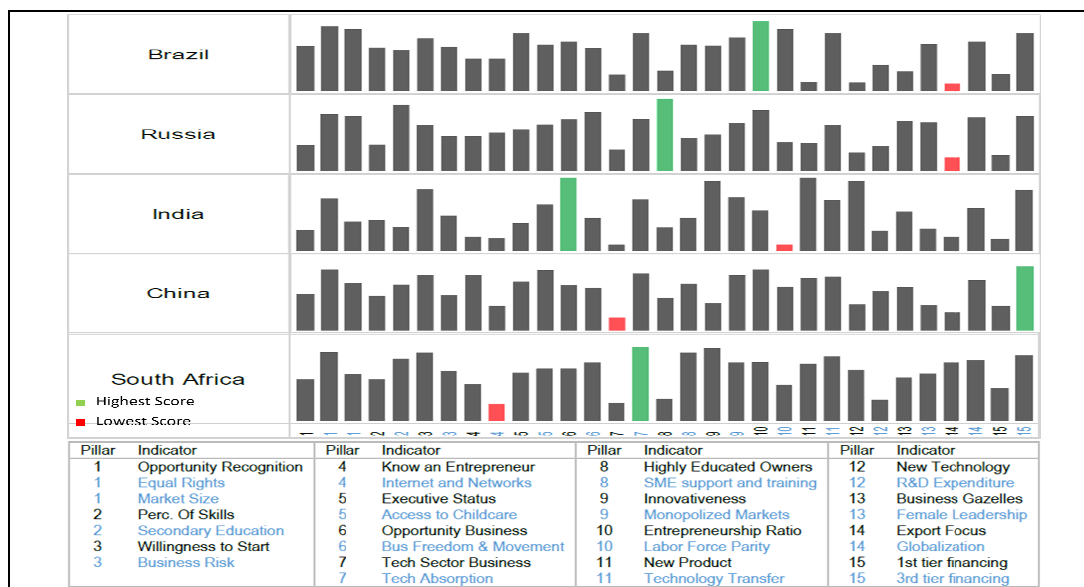


Figure 3: FEI Results for BRICS Countries across 15 Individual and Institutional Level Indicators
Source: FEI 2015; Individual indicators are listed in black; Institutional level indicators are listed in blue

From the above Figure 3, it is evident that **Brazil** recorded highest score in entrepreneurship ratio which is an individual indicator. It measures the ratio of female to male TEA (Total Entrepreneurial Activity), which includes both opportunity and necessity-driven entrepreneurs, and does not distinguish between formal or informal entrepreneurial activity (FEI 2015). It therefore indicates that both men and women entrepreneurs take equal initiatives in terms of start-up and early stage entrepreneurial activity. On the contrary, the country scored the lowest in institutional indicator of export focus, which includes the variable of globalization. It measures the degree to which a country's entrepreneurs are internationalized, as measured by businesses' exporting potential, controlling for the extent to which the country is economically globalized (FEI 2015). This clearly indicates the conservative approach of the country's entrepreneurs with respect to out-bound international trade.

Russia scored the highest in the individual indicator of 'Highly Educated Owners'. It measures the quality of entrepreneurs' academic preparation (FEI 2015) against the back drop of a widely-accepted belief that highly qualified entrepreneurs possess greater capabilities and willingness to start and manage high-growth businesses. At the same time, another fact that should not be undermined is that a business' development, innovation, and growth potential is highly affected by the quality of its employees. In addition, female entrepreneurs having a higher degree may not be the only advantage in education as graduate school may open up access to key networks and networking channels that help female entrepreneurs in their businesses (Morris, 2012). The predominance of high-

quality human capital is beneficial for highly innovative ventures as well as those requiring an experienced, healthy and educated healthy workforce to grow continuously. An entrepreneur's level of education is a critical feature of a new business with high growth potential (Bates, 1990). On the other hand, it scored the lowest in export focus. Just as in case of Brazil, it indicates low export orientation of the country's entrepreneurs, creating a hindrance in its attainment of the status of highly globalized economy.

China scored the highest in institutional indicator of '3rd Tier Financing', which *measures the 'Depth of Capital Markets'*. It *measures access to equity capital for high growth entrepreneurs* (FEI 2015). Countries that possess a better developed equity markets provide risk capital, which serves as a financial reward for successful entrepreneurs. Such types of rewards are not available in the countries having bank-centered capital markets, thereby, leaving the owner-manager of a new business in such countries to be much more conservative. It is of primary importance that the entrepreneurs have access to readily available sources of external financing, specifically equity rather than debt, if they are supposed to undertake entrepreneurial venture resources beyond their own financial resources (Gompers and Lerner, 2004). It is a general phenomenon for women to start their businesses with lower levels of overall capitalization and lower ratios of debt financing as against their male counterparts (Carter and Allen, 1997; Coleman, 2000). The country scored the lowest in individual indicator of 'Tech Sector Business', which *measures the percentage of female TEA businesses that are operating in the medium or high technology sectors* (FEI 2015). These businesses play a vital role in innovation, economic development and growth of a nation like China. A low participation of women entrepreneurs in these businesses would lead to undermining their contribution towards the country's economic development, which is supposed to be its major driver on the global front.

South Africa scored the highest in institutional indicator of 'Tech Absorption', which *measures the technology absorption capability in a country at the level of individual firms* (FEI 2015). Additionally, it combines 'Tech Absorption' with 'Female ICT Role Models', which *measure perceptions of existence of a large number of prominent women in senior positions in IT-sector firms, as well as in senior government positions that have an impact on or govern the sciences or information technology* (FEI 2015). On the contrary, the country scored the lowest in institutional indicator of 'Internet and Networks', which *measures the percentage of female Internet users together with the percentage of women with LinkedIn profiles* (FEI 2015). Access to internet removes any hindrance faced by women entrepreneurs, in the form of temporal, geographic or gendered social constraints, in getting access to information and resources. Networking is regarded as an important aspect for entrepreneurs, especially female entrepreneurs (Klyver and Terjesen, 2007). Entrepreneurs with enhanced access to developed networks are construed to be more successful, through better identification of viable opportunities, and access to more and better resources (Shane and Cable, 2003).

India scored the highest in individual indicator of 'Opportunity Business'. It *measures the percentage of female Total Entrepreneurial Activity (TEA: percentage of 18-64-year-old population who are either nascent entrepreneurs or baby business owners) businesses started to exploit a good opportunity, to increase income, or to fulfill personal aims; in contrast to businesses started by women because they had no other options for work* (FEI 2015). Opportunity entrepreneurs are perceived to be well equipped, possessing superior skills and earn more as compared to necessity entrepreneurs, i.e., the entrepreneurs taking up business due to absence of any other employment option. Quality of a business venture can very well be measured by the entrepreneur's motivation levels. On the other hand, the country scored the lowest in institutional indicator of 'Labour Force Parity', which *measures the ratio of female to male labor force participation in a country's main sectors of employment* (FEI 2015). A country's capacity to utilize its innovative and entrepreneurial potential is very well indicated by its female labor force parity. It clearly indicates that business start-ups in the country follow gendered employment patterns. Additionally, on analyzing the GEI scores of India and China an interesting contrast can be observed between the two countries. India lags behind China with almost 50 percentage score possibly indicating towards the presence of bureaucratic red-tapism in India, which in-turn constrains entrepreneurial activity in the country and inhibits the conversion of perceived opportunities into opportunity-driven businesses. This imbalance is further worsened by the presence of low level of startup skills. As a developing economy, India could make considerable progress simply by addressing its basic framework conditions for entrepreneurial and economic activity, such as the rule of law (i.e., equality, objectivity, and predictability in the application of laws, rules, and regulations), equal access to markets, and human capital. (GEI 2015-16)

4.3. Current Status of Female Entrepreneurship in India

Female entrepreneurship is on rise in India, although female entrepreneurs are still not matching up to their male counterparts despite various governmental efforts in the country. Factors grouped as socio-economic factors and some law-specific factors, like the law of inheritance, can be construed as the major reason behind the situation.

As evident from the data presented in Table 4, a positive signal has been shown by the enterprises without employees, wherein the percentage of female entrepreneurs in the category has increased from 29 percent in the year 2000 to 46 percent in 2010 for manufacturing enterprises. Similarly, during the period, female participation in trade and services (within the same category of enterprises) has increased from 6 percent for both the sectors in 2000 to 10 percent and 8 percent, respectively. The possible reason for this phenomenon could be, considering the marginal nature of these activities, lack of wage employment opportunities elsewhere in the country.

If considered in absolute terms and for all enterprise categories in total, the number of female entrepreneurs has doubled during the period to reach 10005000 in 2010 from 5275000 in 2000, registering an increase of approximately 90 percent, as against 24 percent for male entrepreneurship and about 33 percent for entrepreneurship as a whole during the period. This can be considered as a positive signal for the development of female entrepreneurship status in the country.

However, as depicted in Figure 4 and 5, female entrepreneurship is highly concentrated in southern and eastern parts of India, indicating towards cultural factors playing a dominant role in determining female entrepreneurship in the country.

| Types of Enterprise | Female Entrepreneurs as % of all Entrepreneurs | | | Count in thousands | | | | | |
|--------------------------------------|--|---------|------|--------------------|--------------|---------------|--------------|---------------|---------------|
| | 2000 | 2005-06 | 2010 | 2000 | | 2005-06 | | 2010 | |
| | | | | Male | Female | Male | Female | Male | Female |
| Entrepreneurs with workers | | | | | | | | | |
| Manufacturing | 6 | 6 | 5 | 1,743 | 113 | 2,136 | 148 | 2,542 | 142 |
| Trade | 4 | N/A | 3 | 1,774 | 76 | N/A | N/A | 2,728 | 81 |
| Services | 6 | 8 | 6 | 1,402 | 95 | 1,885 | 158 | 2,762 | 188 |
| Entrepreneurs without workers | | | | | | | | | |
| Manufacturing | 29 | 43 | 46 | 8,637 | 3,448 | 8,275 | 6,129 | 7,591 | 6,542 |
| Trade | 6 | N/A | 10 | 14,210 | 945 | N/A | N/A | 15,693 | 1,770 |
| Services | 6 | 9 | 8 | 8,623 | 598 | 11,702 | 1,153 | 13,874 | 1,282 |
| TOTAL | | | | 36,389 | 5,275 | 23,998 | 7,588 | 45,190 | 10,005 |
| GRAND TOTAL | | | | 41,664 | | 31,586 | | 55,195 | |

Table 4: Female and Male Entrepreneurs in India: Recent Trends
Source: Various NSS Rounds

4.3.1. Concentration of Female Entrepreneurs State-Wise, 2011

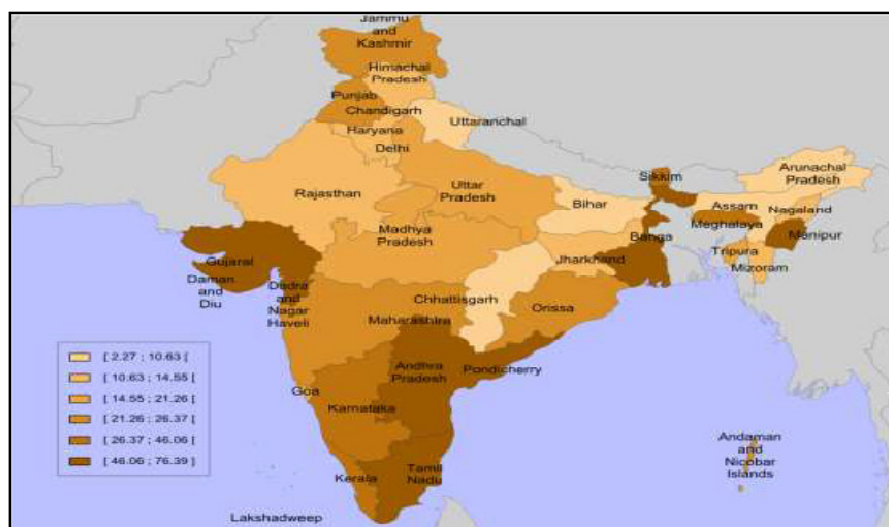


Figure 4: Number of Female Self-Employed Per 1000 Women of Age 15-59
Source: NSS 67th Round 2010-2011



Figure 5: Number of Female Entrepreneurs Per 1000 Women of Age 15-59
Source: NSS 67th Round 2010-2011

| Rank | Female Entrepreneurs | | Male Entrepreneurs | |
|------|---|---------------|--|---------------|
| | Sector | In % of Total | Sector | In % of Total |
| 1 | Retail trade, except of motor vehicles and motorcycles | 17 | Retail trade, except of motor vehicles and motorcycles | 22 |
| 2 | Manufacture of wearing apparel | 14 | Wholesale trade, except of motor vehicles and motorcycles | 7 |
| 3 | Education | 12 | Food and beverage service activities | 7 |
| 4 | Other personal service activities | 11 | Land transport and transport via pipelines | 7 |
| 5 | Human health activities | 9 | Manufacture of wearing apparel | 5 |
| 6 | Manufacture of textiles | 6 | Manufacture of food products | 5 |
| 7 | Food and beverage service activities | 6 | Wholesale and retail trade and repair of motor vehicles and motorcycles | 5 |
| 8 | Manufacture of food products | 4 | Manufacture of textiles | 4 |
| 9 | Wholesale trade, except of motor vehicles and motorcycles | 3 | Manufacture of fabricated metal products, except machinery and equipment | 3 |
| 10 | Manufacture of wood and products of wood and cork, except furniture | 2 | Education | 3 |
| | Total top ten sectors | 83 | Total top ten sectors | 69 |

Table 5: Sector-Wise Break-Up of Entrepreneurs with Workers In 2011
Source: NSS 67th Round, 2010-2011

In India, female entrepreneurship is majorly prevalent in services, followed by manufacturing sector and trade. If a detailed breakdown of entrepreneurial activities based on operating sectors is done it can be clearly stated that male and female entrepreneurs show inclination towards different activities. One exception to this phenomenon is retail trade, which is one sector that attracts both male and female entrepreneurs alike. Considering the data depicted in table 5 given above, it can be clearly deciphered that approximately 50% of the female entrepreneurs with workers operate in sectors which are traditionally female-oriented, namely, education; wearing apparel; health; and other personal services like, hairdressing, beauty treatment, household maintenance, cleaning of textile, etc.

4.4. Policy Initiatives in India to Boost Entrepreneurship

The process of Women Entrepreneurship development is being increasingly recognized in India as an untapped source of speeding up economic growth. This phenomenon is majorly driven by the fact that women economic development is very closely related to new employment opportunities developed through women entrepreneurship.

Country's MSME (Micro Small and Medium Enterprise) sector is also gaining prominence if looked from a gender perspective. Despite lack of properly organized gender based data on gender base participation in the MSME sector, it is commonly accepted that the MSME sector provides employment to a large number of women workers, and that too majorly in the unorganized sector. Although various government policies and promotion strategies have been giving new opportunities to women for increased women entrepreneurship, yet only a few women entrepreneurs have taken the initiative.

Over the last two decades' women in India have started noticing the various attempts made by the government to design programmes for promotion of women entrepreneurship as an inevitable aspect of national development plans (Shah, 2013). Women status and work-place situations have undergone substantial changes during the past five decades. But, still women entrepreneurs, with only 13.72 per cent of enterprises in the registered MSMEs sector, constitute a very small proportion of registered Indian entrepreneurs. The Indian enterprise space also suffers traditionally from girth of organizations or institutions, whether governmental or non-governmental organizations, working to facilitate women's entrepreneurship. Further, the services provided by such institutions are not widely known among women in general, as well as potential and established entrepreneurs. Taking clues from the facts highlighted in Table 3 and Figure 3, it is evident from the weaknesses mentioned that the country suffers from lack of labour force parity and first tier finance facilities.

A number of developmental programs, including Entrepreneurship Development Programs (EDPs) are being conducted by various State Small Industries Development Corporations, the Micro, Small & Medium Enterprises development organizations, the Nationalized banks and even NGOs (Non-Governmental Organizations) in the country. A Women Cell has also been opened by the office of DC (MSME) for providing assistance and coordination to women entrepreneurs encountering specific problems. Small Industries Development Bank of India (SIDBI) has also been initiating various special schemes for promotion of women entrepreneurs in India.

However, some recent measures taken up by the Government, both present as well as the previous few, are expected to create a swirling impact in the women enterprise space.

Against this back-drop the various governmental policy measures taken up during the past two decades need to be analyzed to measure their respective gender neutrality in order to boost up women entrepreneurial activities in the country.

4.4.1. Analysis of Policies and Legal Framework for Enterprise Development in India

| Name of Policy | Scope | Type |
|---|--------------------------------------|----------------------------|
| Governmental Policies for Enterprise Development | | |
| Poverty Eradication - National Policy for the Empowerment of Women (2001) | Specific sub-sector laws and rules | Women Specific |
| Gender Sub-Plan (Gender Budget Initiative) | Specific sub-sector laws and rules | Women Specific |
| Women Component Plan (Ninth Five Year Plan (1997- 2002) | Specific sub-sector laws and rules | Pro-Women |
| The National Commission for Women Act, 1990 | Specific sub-sector laws and rules | Women Specific |
| Policies for Promotion of Entrepreneurship Development | | |
| Promotion of Entrepreneurship for Small & Tiny enterprises under priority sector (MSME Policy Statement, 6th August 1991 – Priority Sector 7.0) | Self-Employment and Entrepreneurship | Women Specific |
| Women and Industry - National Policy for the empowerment of Women (2001) | Self-Employment and Entrepreneurship | Women Specific |
| Credit Policies for Entrepreneurship Development | | |
| Micro Credit - National Policy for the Empowerment of Women (2001) | Credit and Financial support | Women Specific |
| Promotional Schemes for Enterprise Development | | |
| The programmes of intensive development of KVI through area approach with tie-up with DRDA, TRYSEM and ongoing developmental programmes | Self-Employment and Entrepreneurship | Pro-Women |
| The Micro, Small & Medium Enterprises Development Organization (MSME-DO), the various State Small Industries Development Corporations (SSIDCs), the nationalized banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs) | Self-Employment and Entrepreneurship | Women Specific & Pro Women |
| MSME-DO has introduced process/product oriented EDPs in areas like TV repairing, printed circuit boards, leather goods, screen printing etc. | Self-Employment and Entrepreneurship | Women Specific & Pro Women |
| A special prize to "Outstanding Women Entrepreneur" of the year is being given to recognize achievements made by and to provide incentives to women entrepreneurs | Self-Employment and Entrepreneurship | Women Specific |
| Training for credit utilization as also credit delivery skills for the executives of voluntary organizations working for women – SIDBI | Self-Employment and Entrepreneurship | Women Specific |
| Support to Training and Employment Programme (STEP) | Self-Employment and Entrepreneurship | Women Specific |
| Swawlamban, erstwhile Setting up of Employment and Income Generating Training-cum-Production Units for Women (NORAD) | Self-Employment and Entrepreneurship | Women Specific |
| National Mission for Empowerment of Women | Self-Employment and Entrepreneurship | Women Specific |
| Integrated Scheme for Women Empowerment | Self-Employment and Entrepreneurship | Women Specific |
| Socio-Economic Program | Self-Employment and Entrepreneurship | Women Specific |
| The Swa-Shakti Project, a scheme for Rural Women's Development and Empowerment | Self-Employment and Entrepreneurship | Woman Specific |
| Priyadarshini, Women's Empowerment and Livelihood Programme in the Mid Gangetic Plains | Self-Employment and Entrepreneurship | Pro-Women |

| | | |
|--|--------------------------------------|----------------|
| Swarnjayanti Gram Swarozgar Yojana (SGSY) | Self-Employment and Entrepreneurship | Pro-Women |
| Sampoorna Grameen Rozgar Yojana (SGRY) | Self-Employment and Entrepreneurship | Pro-Women |
| Assistance for Rural Employment Guarantee Schemes | Self-Employment and Entrepreneurship | Pro-Women |
| National Rural Employment Guarantee Act (NREGA) | Self-Employment and Entrepreneurship | Pro-Women |
| National Common Minimum Programme (NCMP) | Self-Employment and Entrepreneurship | Pro-Women |
| The Swarna Jayanti Shahari Rozgar Yojana (SJSRY) | Self-Employment and Entrepreneurship | Pro-Women |
| Science and Technology Programmes for Socio - Economic Development | Specific Sub-sector | Pro-Women |
| National Science and Technology Entrepreneurship Development | Self-Employment and Entrepreneurship | Pro-Women |
| Internship for Women for Self Employment | Self-Employment and Entrepreneurship | Woman Specific |
| Rashtriya Krishi Vikas Yojana (RKVY) | Specific Subsector | Pro-Women |
| Vocational Training for Women | Self-Employment and Entrepreneurship | Women Specific |
| Schemes for Leadership Development of Minority Women | Self-Employment and Entrepreneurship | Women Specific |
| Workshed Scheme for Khadi Artisans | Specific Subsector | Pro-Women |
| Trade Related Entrepreneurship Assistance and Development (TREAD) Scheme for Women | Self-Employment and Entrepreneurship | Women Specific |
| Participation in International Trade Fair | Specific Subsector | Pro-Women |
| Hire Purchase Scheme, NSIC | Specific Subsector | Pro-Women |

*Table 6: Governmental Policies for Enterprise and Entrepreneurship Development in India
Source: Shah (ESCAP), 2013*

An analysis of the above data (Table 6-9) highlights the various schemes and policy initiatives of the Government of India to empower women to take up entrepreneurial activities. The government has also laid down policies specifically for the development of female entrepreneurship in the country. This clearly emphasizes upon the increasing governmental concerns for promotion of women entrepreneurship in the country as the key element of its development program.

Apart from the above-mentioned schemes and policies, some of the policies and initiatives taken up by the Government of India have proved to be a stepping stone for the new and rising era on the women entrepreneurship front. The most prominent amongst them being mentioned below:

- **Bharatiya Mahila Bank:** Established in 2013, the Bharatiya Mahila Bank has approximately 45 branches across the country. It has been established with the vision of economic empowerment of women in the country. The Bank especially focuses on entrepreneurship development of women who are economically neglected, discriminated, deprived, under-banked or unbanked. Its services are available to rural and urban women alike, in order to ensure their sustainable and inclusive growth. Some of the loans schemes promoted by the bank include BMB Shringaar (collateral free loan up to 1 crore for establishment of beauty parlour, saloon and spa), BMB Annapurna (collateral free loan of up to 1 crore for establishment of food business), BMB Parvarish (collateral free loan of up to 1 crore for establishment of day care centres), and Komal Kali (a recurring deposit product designed for girl child with a view to create funds for her higher studies or starting her own business etc., after she attains 18 years of age).
- **Mahila Coir Yojana:** The scheme aims to promote self-employment among rural women artisans in the regions specialized in coir production. The scheme provides for 75% contribution towards the cost of motorized rats as one time subsidy and the rest to be arranged by the beneficiary through financial institutions/ voluntary organizations or self-financing. Only one artisan per household is eligible to receive assistance under the scheme.
- **Stand-Up India Scheme:** The scheme aims to provide low interest bank loan of Rs 10 Lakh to Rs. 1 crore to SC/ST and women entrepreneurs for greenfield enterprises in the non-farm sector. The scheme also provides for creation of a credit guarantee mechanism and hand holding support to borrowers at the pre-loan stage and during operations. The Stand-Up India Credit Guarantee Fund has the initial corpus of Rs. 5000 crore.
- **Mudra Scheme:** Introduced in April 2015, the Mudra Credit Guarantee Fund has an initial corpus of Rs. 3000 crore. The scheme provides financial assistance of up to Rs. 10 lakh for a business plan of non-farm sector income-generating activity. The assistance can be sought from a bank, microfinance institution or non-banking financial company. The scheme targets young, educated or skilled workers and entrepreneurs, including women entrepreneurs. Under the scheme, a specified sum of money has been allotted to meet the fund requirements of specifically women entrepreneurs.

5. Conclusion and Recommendations

The above discussion clearly discusses and indicates towards the existence of gender inequality in entrepreneurship activity is across the globe. No country can be regarded as completely unbiased in terms for women entrepreneurship. However, USA qualified to be the least biased in the arena. The situation of BRICS countries is not an exception to the global scenario. Although the BRICS group includes countries ranging from lower to middle to higher income brackets, yet the situation is not extremely different amongst them. In recent times, the global labour market is increasingly characterized by narrowing down of gender participation gap due to increasing number of women joining the market. Yet, the venomous fact of gender inequality in entrepreneurship is still prevalent. The World Bank also accepts the crude reality of existence of deep gender differences with regard to productivity and remuneration across sectors and jobs despite some progress been made with regard to women's labour force participation during the past 25 years. Majorly all the BRICS countries face gender-based employment segregation as they clearly depict a visible existence of women workers in the service sector and a very miniscule presence in industry. Additionally, these nations register a low proportion of female employers as well as those holding key leadership positions. Among the BRICS nations, Russia is the most unbiased and the most highly ranked, in terms of the gender gap between males and females in terms of economic participation and opportunity. None of the BRICS countries have been able to obtain a position among the list of top countries in terms of women entrepreneurship. In fact, they are far behind the top five performing countries. India's position amongst the BRICS nations is no different as it occupies the lowest position to stand at 70th place as compared to South Africa at 36th rank, followed by China at 48th position, Russia at 56th, and Brazil at 60th. However, one major fact, i.e., India being the only country among the five BRICS countries to have registered a positive increase (as depicted in table 1) in global ranking with respect to women entrepreneurship, clearly indicates towards the efforts being taken in the country to reduce the gender gap in entrepreneurship. Though, India depicted its strength globally in terms of innovativeness, new product launch and utilization as well as development of new technology, yet the issues of low levels of labour force parity and problems of low provisioning of 1st tier financing facilities pulls it back. India's high FEI score under the individual indicator of 'Opportunity Business', augments the belief that Indian women have high capacity to take up business venture with the objective of exploiting good opportunity rather than as the last resort. But, a low score under the institutional indicator of 'Labour Force Parity' highlights the basic lacuna in achieving the goals of overall development.

Female entrepreneurship is on rise in India, although female entrepreneurs are still not matching up to their male counterparts despite various governmental efforts in the country. Additionally, female entrepreneurship is highly concentrated in southern and eastern parts of India, indicating towards cultural factors playing a dominant role in determining female entrepreneurship in the country. Another phenomenon worth mentioning is the existence of gender differences in sectoral distribution of entrepreneurial activity, with female entrepreneurship majorly prevalent in services (primarily retail and personal services), followed by manufacturing sector and trade.

The process of Women Entrepreneurship Development is being increasingly recognized in India as an untapped source of speeding up economic growth. Country's MSME sector is also gaining prominence if looked from a gender perspective. Women status and work-place situations have undergone substantial changes during the past five decades. But, still women entrepreneurs constitute a very small proportion of registered Indian entrepreneurs. Although a number of initiatives have been taken up by the government coupled with various State Small Industries Development Corporations, the Micro, Small & Medium Enterprises development organizations, the nationalized banks and even NGOs (Non-Governmental Organizations) in the country. Yet, the situation is far from perfect in order to encourage increasing number of females to come forward and take up entrepreneurship for the sake of harnessing a good opportunity rather than taking it up due to absence of any alternate source of income generation. Some of the recent initiatives, namely, establishment of 'Bharatiya Mahila Bank', the 'Mudra Yojana', and the 'Stand-Up India Scheme' of the government of India can be regarded as a milestone initiative in provisioning of focused financial assistance to female entrepreneurs.

In the end, it can only be said that a lot has been done, but, yet a lot has to be done to meet the global standards, and attain a respectable position globally in terms of gender parity in entrepreneurship.

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