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Women Entrepreneurship and Employment Generation: A Special Study on Women Entrepreneurs in the Context of India

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Abstract:

Already We crossed the spring of 2013 and now we are enjoying 2014 when Entrepreneurship is not only fourth factor of production to women but also a new source of employment in India. Women Entrepreneurs Change the traditional views of Entrepreneurship in this digital era. In 21st century Women Entrepreneurs face various challenges as a Chief Executive Officers or Chairpersons in the corporate world. In the Global era of modernization Indian women also transform themselves from stereotypical housewives to modern professionals. Now they enjoy their position and create job for another person. Women Entrepreneurship in India is the solution to reduce the urban and rural poverty and increases our national income and economic growth. Not only in corporate world but also in micro, small and medium enterprises ,agricultural sector, Indian women flourishes as a self-Employer.

This research paper specially highlights all those factors which are barriers to an Indian Women Entrepreneurs and of course all those factors which are strength to themselves, I also focus on various schemes and the various sources of finance for an Women Entrepreneurs. The research paper is based on secondary data. The role of Women Entrepreneurs for our economy come to light through this research. What is the role of multiplier increase the employment is also discussed here. Lastly, some suggestions I have given here based on some of the analytical experiments both qualitative and quantitative.

Keywords: *Entrepreneurs. Era, Modernization, Finance, MSMEs etc.*

1. Introduction

“The glass ceiling that once limited a woman’s career path has paved a new road towards business ownership, where women can utilize their sharp business acumen while building strong family ties.”

- Erica Nicole, who left Corporate America to start YFS Magazine

When we study Microeconomics we learn about Entrepreneurship is the fourth factor of production and one of the important inputs for increasing output level. But we already crossed the spring of 2013 and we are enjoying 2014 when we say that Entrepreneurship is not only a Microeconomics factor but also is a macroeconomic concept as it increases economic development and employment level for a country. Women are no longer at the backward. Women entrepreneurs change the traditional views of Entrepreneurship in this digital era. As we know in National Income, the work done by housewives is not measured but Indian women are transforming themselves from stereotypical housewives to modern professionals and increase our National Income. In the global era of modernization Indian women flourish as self-employer. But in 21st century they still face various challenges as a Chief Executive Officers or Chair person in the corporate world because the lion’s share of Entrepreneurship are dominated by men. Through this research the pros and cons of women entrepreneurship comes to light.

2. Objective

It is very important for any research because without any purpose research is fruitless. If we don’t think our objectives before research then what will we analyze for the topic. So, I also have some objectives for this analysis which are mentioned in the next page.

- What is the role of women Entrepreneurship in Indian Economy
- Discuss the factors which are barriers to an Indian woman Entrepreneurship
- Discuss the factors which are strength to an Indian women Entrepreneurship
- Describe various schemes woman
- Discuss various sources of Finance for an woman Entrepreneurship
- What is the role of education?
- What is the role of investment?
- How their skill can be improved?

3. Methodology

The analysis of the research paper is based on both Statistical and econometric model here. The data are collected from various journals and research papers. The model which is used-
Dynamic- Auto regressive time – lag model

$$Y_t = \alpha + \beta_0 X_t + \beta_1 X_{t-1} + \beta_2 X_{t-2} + \dots + u_t$$

4. The Role of Women Entrepreneurship in Indian Economy

“You can tell the condition of a nation by looking at the status of its women”

After seeing Nehruji’s quotation one can easily understand the importance of Women Entrepreneurship for our economy. Some crucial roles of women Entrepreneurship are listed bellow here-

- Increase assets for family
- Introduce new technology for innovation and invention of entrepreneurship.
- Increase liquidity in the market.
- By adopting new strategy and policies they create job for another person today.
- Adding liquidity in the market they not only increase the Economic Growth but also increase National Income.
- Their independent style increases standard of living.
- Their income increases Per capita income for our country.
- Overall our Women Entrepreneurship leads to economic development

5. The Factors Which are Barriers to Indian Women Entrepreneurship

“Nobody talks about Entrepreneurship as a survival but that’s exactly what it is and what nurtures creative thinking Running that first shop taught me business thinking. Running that first shop taught me business is not financial science, it’s about trading: buying and selling:

- Anita Roddick, founder of the body shop.

Women are always considered as a weaker sex. Parent always want their daughters become doctor, IAS officer or a lecturer but nobody supports their daughters to become Entrepreneurs. This is the basic problem of women entrepreneurship some obstacles are listed here.

- To get family support to become an entrepreneur is the basic problem because our culture and society don’t understand the inner power of women.
- Capital is one of the necessary inputs for an organization but in maximum cases women have no financial support and they manages all the things themselves.
- Always mobility is a question for them because their first preference is always their family.
- Education is one of the obstacles for becoming an Entrepreneur.
- Some Women Entrepreneur don’t have technological knowledge. In today’s life technology changes day by day and new technology changes the meaning of Entrepreneurship. This technology create great problem for women Entrepreneurs.
- In the age of globalization our taste and preferences changes as a result of fascination towards modern and digital life. This often makes women Entrepreneurs puzzled.
- Lack of proper information is another major hindrance.
- A world class infrastructure facility is not available in India.
- An efficient legal system lacks in India.
- Taxation policies dissatisfy women entrepreneur in India.
- Above all, corruption and sex discrimination are the root problem for becoming an Entrepreneur.

6. The Factors Which Strengthen Indian Women Entrepreneur

The factors which give strength to India women Entrepreneur are listed here

- If there is will, there is way - Today women also think about themselves, they also want to increase their standard of living. This desire is the most important factor to be a self- employer.
- Today maximum women want to educate their child properly because they know the value of education. This makes them self-employer.
- Today everything is very costly. To support their family financially many women opt this.
- Imagination power is also important.
- The most perfect thing is patience here. Because to be an Entrepreneur everybody takes Risk and that’s why it is very necessary to be calm and cool in every situation.
- To manage everything during a time period is also their strength.
- Globalization changes the life style and personality of women. This is really important for a fertile Entrepreneur.
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7. Various Schemes for Women

Various schemes for providing loans and incentives by government for women Entrepreneur are listed here briefly

- Development of women and children in Rural areas (DWCRA) – September, 1982
- Rajrajeshwari Mahila kalyan yojan – October 19, 1998.

- Bhagya shree Bal Kalyan Policy-
- Swarna Jayanti Gram Swarozgar Yojana- April, 1999
- Prime Minister’s Rozgar Yojana (PMRY)
- Trade related entrepreneurship assistance and development (TREAD) scheme for women.
- Mahila Coir Yojana
- Swayam Siddha
- Support to Training and Employment for women (STEP) etc.
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8. Various Sources of Finance for an Women Entrepreneur

In general, women have lower personal financial assets than men. That’s why it is a great problem for woman entrepreneur to manage everything with lower capital. But today this problem has solution and the various resources of capital are-

- Personal wealth and assets – (63%)
- Banks – 22%
- Venture capitalist – 3%
- Angel investor – 3%
- State Finance Corporation – 9%

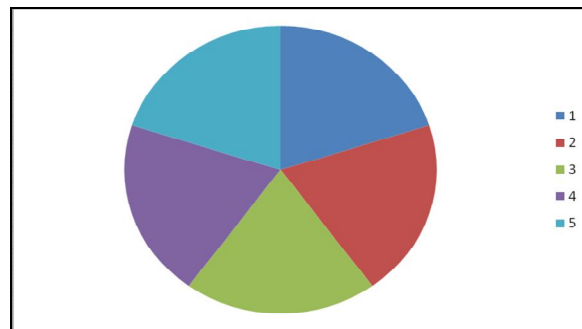


Figure 1
Sources – NKC, 2008

If we want to see the sources of personal wealth then the scenario is life-

- Borrowed from family friends – 52%
- Family business – 18%
- Own previous earnings – 36 %

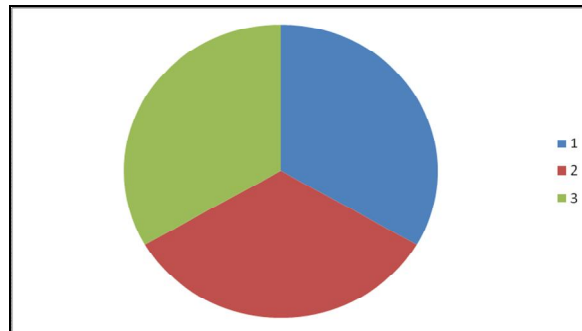


Figure 2
Source- NKC, 2008

9. The Role of Education in the Growth of Entrepreneurship

“Education is the most powerful weapon which you can use to change the world.” – Nelson Mandela.

Education is such a weapon that can change one’s life so easily cannot be described with little words. High levels of growth depend on quality education To be a good entrepreneur one must have imagination power, innovation skill, new ideas and perfect market knowledge. Here, it is remembered that prof. Samuelson always told about innovation leads to economic growth. An entrepreneur always creates wealth and job for an economy through new ideas, new strategies and innovation. For all these one must have proper education level specially (vocational and professional)

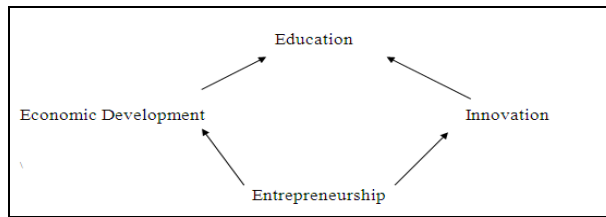


Figure 3: Circular Flow of Entrepreneurship & Development

Educational Qualification	Percentage
Postgraduate	48
Graduate	33
Higher Secondary (till 12 th Grade)	5
Primary (till 8 th grade)	5
Diploma	2
PhD, C.A.	6
Note responded	2
Total	100

Table 1
Sources: NKC, 2008

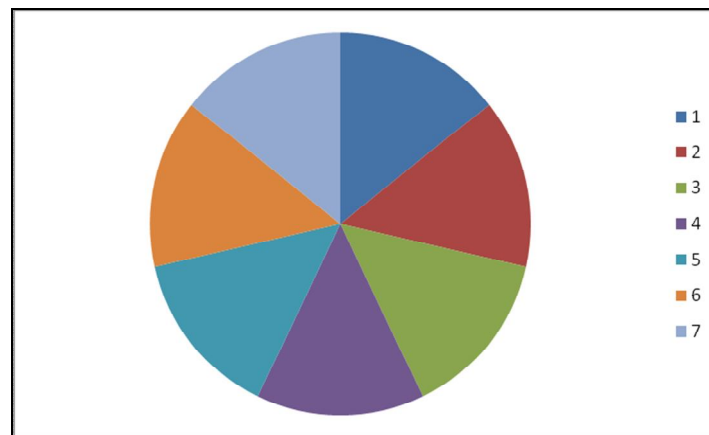


Figure 4

10. Role of Investment

The theory of multiplier occupies an important place in the modern theory of income and employment. The role of multiplier in entrepreneurship is analyzed here quantitatively.

SL. No.	Year	Total working (In lakh)	Market Value of Fixed Assets (In Crore)	Employment (In lakh)	Gross output (in Crore)
1.	2001-02	105.21	154349.00	249.33	282270.00
2.	2002-03	109.49	162317.00	260.21	314850.00
3.	2003-04	113.95	170219.00	271.42	364547.00
4.	2004-05	118.59	178699.00	282.57	429796.00
5.	2005-06	123.42	188113.00	294.91	497842.00
6.	2006-07	361.76	868543.79*	805.23	1351383.45*
7.	2007-08	377.37	917437.46	842.23	1435179.26
8.	2008-09	393.70	971407.49	881.14	1524234.83
9.	2009-10	410.80	1029331.46	922.19	1619355.53
10.	2010-11	428.77	1094893.42	965.69	1721553.42
11.	2011-12	447.73	1176939.36	1012.59	1834332.05

Table 2: Performance of Investment in SSI and MSMEUNITS

Including activities of wholesale/retail trade, legal, education & social services, hotel & restaurants, transports and storage & warehousing (except cold storage) for which data were extracted Economic Census 2005, Central Statistics office, M/o SPI.
 * Estimated data Source- MSME Annual Report (2012)

11. Analysis

Here actually I want to find the role of multiplier.

The multiplier is the ratio of increment in income to the increment in investment. If Δi stands for increment in investment and ΔY stands for resultant increase in income, then multiplier is equal to the ratio of (ΔY) to the increment in

The model is $k = \frac{\Delta Y}{\Delta I}$ where k stands for multiplier

here the time – series data are available and that includes not only the current but also the lagged (past) values of the explanatory variables (the X’s) which is called distributed-lag model This dynamic econometric model is called Autoregressive model.

The elaboration of the model is-

$$Y_t = \alpha + \beta_0 X_t + \beta_1 X_{t-1} + \beta_2 X_{t-2} + \dots + u_t$$

Simply the model is,

$$Y_t = \alpha + \beta X_t + \gamma Y_{t-1} + u_t$$

And more generally the model is

$$Y_t = \alpha + \beta_0 X_t + \beta_1 X_{t-1} + \beta_2 X_{t-2} + \dots + \beta_k X_{t-k} + u_t$$

Where Y is dependent variable here income (Gross output) and X is independent variable investment (market value of fixed assets).

The coefficient β_0 is known as multiplier here.

Here,

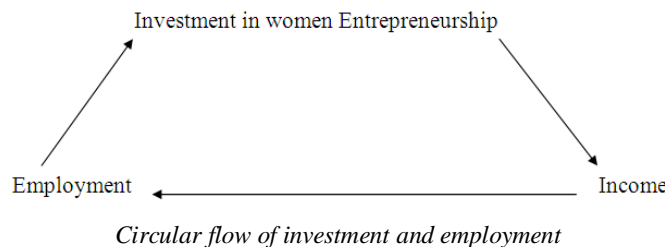
$$\sum_{i=0}^k \beta_i = \beta_0 + \beta_1 + \beta_2 + \dots + \beta_k = \beta$$

And is called distributed lag multiplier.

12. Findings

$$Y_t = \text{Constant} + 1.37 + X_t + 1.55 X_{t-1} + 1.64 X_{t-2} + \dots + u_t$$

The analysis shows increment in investment leads income level and also employment level.



It also leads our economic development.

13. How Can We Improve the Skill of Women Entrepreneur

Here I give some suggestions to improve the skill of women Entrepreneur which are listed bellow-

- Identify the purpose of the organization first and be passionate about work to identify one’s own interest because ‘nothing will work, unless you do;
- Having the competitive mentality always and to remember that “you’re not in competition with other women. You’re in competition with everyone.”
- It is compulsory for entrepreneur to move always at the forward.
- The most important thing is vision: Vision to choose the right people, and to select the strategy help to be a good entrepreneur.
- The decision making quality and leadership style are also important.
- Communication is one of the important factors and it changes one’s progress.
- Self-Confidence and to expect that the most unexpected thing can improves one’s quality.
- A goal should be targeted firstly and then try to achieve it with all the efforts.
- A business is not just about profit it is for customer satisfaction also. So one must concern about the customer satisfaction.
- Always motivate an employee and try to cooperate them.

14. Conclusion

As we can understand the importance of women – empowerment so we must motivate everybody for promoting a developed country. Entrepreneurship leads our development and turns over a new leaf for women entrepreneur. Kiran Mazumdar show, Indira Nooyi or Ekta Kapoor are not just an example, they lead our development also. So, it's very important for everybody to be ambitious and make a special place in this world for every woman

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