

## PRESENT ENVIRONMENT FOR ENTREPRENEURSHIP DEVELOPMENT

**Ms.R.Meenakshi**

*Research Scholar (FT) Department of Commerce  
Manonmaniam Sundaranar University, Tirunelveli, Tamilnadu, India*

**Dr.B.Revathy**

*Professor & Head, Department of Commerce  
Manonmaniam Sundaranar University, Tirunelveli, Tamilnadu, India*

### Introduction

The Indian economy has been witnessing a drastic change since mid -1991, with new policies of economic liberalization, globalization and privatization initiated by the Indian government. India has great entrepreneurial potential. At present, women involvement in economic activities is marked by a low work participation rate, excessive concentration in the unorganized sector and employment in less skilled jobs. Any strategy aimed at economic development will be lop-sided without involving women who constitute half of the world population. Evidence has unequivocally established that entrepreneurial spirit is not a male prerogative. Women entrepreneurship has gained momentum in the last three decades with the increase in the number of women enterprises and their substantive contribution to economic growth. The industrial performance of Asia-Pacific region propelled by Foreign Direct Investment, technological innovations and manufactured exports has brought a wide range of economic and social opportunities to women entrepreneurs. In this dynamic world, women entrepreneurs are an important part of the global quest for sustained economic development and social progress. In India, though women have played a key role in the society, their entrepreneurial ability has not been properly tapped due to the lower status of women in the society. It is only from the Fifth Five Year Plan (1974-78) onwards that their role has been explicitly recognized with a marked shift in the approach from women welfare to women development and empowerment. The development of women entrepreneurship has become an important aspect of our plan priorities. Several policies and programmes are being implemented for the development of women entrepreneurship in India. There is a need for changing the mindset towards women so as to give equal rights as enshrined in the constitution. The progress towards gender equality is slow and is partly due to the failure to attach money to policy commitments. In the words of president APJ Abdul Kalam "empowering women is a prerequisite for creating a good nation, when women are empowered, society with stability is assured. Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation."

### Statement of the Problem

In India, the financial institutions have not been able to reach the poor households particularly women in the unorganized sector. Structural rigidities and overheads led to high cost in advancing small loans. Experience in implementing different anti poverty and other welfare programmes has shown that the key to success lies in starting appropriate community based organizations with

participation at the grass root level. Moreover, the group approach may be one of the effective ways to reduce the difficulties of small businessmen and agriculturists. Non Governmental Organisations play an important role in preparing the members by changing their attitude to participate in group activities. The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their life in a sound hygienic environment and pursue a better living. This is evident from mushroom growth of self help group in the states and also in Tirunelveli District.

### **Objectives of the Study**

- To analyze the Evolution of entrepreneurship development.
- To measure the impact of the SHGs on the economic development of the members.

### **Entrepreneurship Development**

In India soon after independence, there has been an aggressive effort on the part of the Government, which was concerned with improving the access of the rural poor to formal credit system. Some of these measures have been institutional, while some others were through implementation of focused programmes for removal of rural poverty. Reaching out of the far flung rural areas to provide credit and other banking services to the hitherto neglected sections of the society is an unparalleled achievement of the Indian Banking System. The main emphasis is the spread of the banking network and introduction of new instruments and credit packages and programmes were to make the financial system responsive to the needs of the weaker sections in the society comprising small and marginal farmers, rural artisans, landless agricultural and non agricultural labourers and other small borrowers falling below the poverty line. In spite of these impressive achievements in the expansion of the credit delivery system and the special programs, nearly half the indebted rural households are still outside the ambit of the institutional credit system. They approach the moneylenders for meeting their consumption and production in the absence of institutional support. Some of the poor who have not been reached even by the vast network of the institutional credit delivery system, have organized themselves into self help group (SHGs) and many such groups have come into existence either spontaneously or with the active involvement of the Voluntary Agencies which motivated the rural poor to pool their meager financial resources for meeting their small and frequent consumption and production credit needs.

### **Concept of Entrepreneur**

An entrepreneur is a person who combines capital and labor for production. According to Cantillon "entrepreneur is the agent who buys means of production at certain prices, in order to sell at prices that are certain at the moment at which he commits himself to his cost". According to P.F Drucker "he is one who always (1) searches for change (2) responds to it (3) exploits it as an opportunity."

### **Ways to Develop Women Entrepreneurs**

1. Consider women as specific target group for all developmental programmers.
2. Better educational facilities and schemes should be extended to women folk from government part.

3. Adequate training program on management skills to be provided to women community.
4. Encourage women's participation in decision-making.
5. Vocational training to be extended to women community that enables them to understand the production process and production management.

#### **Categories of Women Entrepreneurs in Practice in India**

- First Category
- Established in big cities
- Having higher level technical & professional qualifications
- Nontraditional Items
- Sound financial positions
- Second Category
- Established in cities and towns
- Having sufficient education
- Both traditional and nontraditional items
- Undertaking women services-kindergarten, crèches, beauty parlors, health clinic etc
- Third Category
- Illiterate women
- Financially weak
- Involved in family business such as Agriculture, Horticulture, Animal Husbandry, Dairy, Fisheries, Agro Forestry, Handloom, Power loom etc.

#### **Direct & Indirect Financial Support**

- Nationalized banks
- State finance corporation
- State industrial development corporation
- District industries centers
- Differential rate schemes
- Mahila Udyog Nidhi scheme
- Small Industries Development Bank of India (SIDBI)
- State Small Industrial Development Corporations (SSIDCs)

#### **Review of the Study**

**Jennings and Brush**, 2013. The literature on mainstream entrepreneurship primarily focusing on the male entrepreneur emerged in the 1930s. The late 1970s witnessed the emergence of an explicit sub-domain of women entrepreneurship. This section outlines the chronological history of development of the literature on women/female entrepreneurship. presents a summary of the key historical milestones in this sub-domain.

**Hisrich and O'Brien** (1981). In 1976, Schwartz published the first academic paper on female entrepreneurship in the Journal of Contemporary Business and the first policy report in this area

titled "The bottom line: Unequal enterprise in America" was released in 1979 in Washington DC) made the first academic conference presentation on women entrepreneurs at the Babson College Conference on Entrepreneurship in 1981.

**Bruni** 2004 Initial research on entrepreneurship assumed that male and female entrepreneurs were generally the same and there was no specific need for a separate investigation.

### **Conclusion**

Entrepreneurship among women, no doubt improves the wealth of the nation in general and of the family in particular. Women today are more willing to take up activities that were once considered the preserve of men, and have proved that they are second to no one with respect to contribution to the growth of the economy. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

### **References**

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### **Websites**

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