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Powering the Economy with Her: Women Entrepreneurship in India

Originally published by: Bain & Company and Google
(2019)

Introduction

The report by Google and Bain starts with the premise that India's growth story has left unrecognised the role of one particular group of people - women. It begins with how although India has developed in many parameters, this growth does not extend to women, who are primarily left behind when it comes to economic inclusion and development. While women enjoy better education and healthcare than they did previously, they continue to face numerous structural, social and economic barriers to paid employment. This will prove a hindrance to the development of the nation itself, the report points out, and women continue to be an untapped resource in the country.



Key Highlights:

1. Out of 432 million working age women in India, more than 340 million are not in paid formal work. 324 million of these women are not in the labour force at all, and another 19 million are in the labour force, but not employed. Hence, there is a need to unlock the economic potential of about 400 million women by 2030.
2. Women who are actively participating in the labour force are 2.9 times more likely than men to be unemployed.
3. It is estimated that the unemployment rates in women will continue to rise as women typically hold most of the administrative and data-processing roles that artificial intelligence threatens to take over.
4. Entrepreneurship would prove a powerful opportunity for working-age women in India as it was found that when provided with equal access to inputs, women-owned enterprises produce equally strong economic outcomes in comparison with enterprises led by men.
5. Encouraging women entrepreneurship will also benefit future generations as women invest most of their income on their children's health and education.
6. 59% of women believe working for themselves reduces their dependence on spouses and families, while 46% view it as a means to break through the glass ceiling.
7. Women's enterprises are often innovative and address unmet and neglected needs in the market.
8. Over the past decade, women-owned enterprises have increased from 14% to 20%, but India performs below the 20th percentile in the female entrepreneurship index.
9. Only 17% of all women-owned enterprises employ hired workers, most are single-person enterprises.
10. Surveys across the country suggest that 10%-30% of the women-owned enterprises are not actually women-owned, and accounting for these, the actual enterprises run by women is lower than 20%.
11. Women-owned enterprises can generate over 50-60 million direct jobs by 2030.
12. The report identifies six segments of women entrepreneurs - viz. scaler, urban small business owner, rural small business owner, urban solopreneur, and rural agripreneur.
13. The report also identifies some common themes regarding the challenges of entrepreneurship. Though they have ambition, they have limited access to business and technical skills, they are less integrated with formal and informal networks, their access to funds is limited, personal and social challenges (such as their assumed primary role in the household as caregivers, their unequal access to ancestral property despite laws, etc.) continue to remain a big hurdle for most women.
14. The report calls to action a few key interventions to encourage women entrepreneurship. They are: driving financial awareness and access, targeted mentorship and community role-models, customised capability programmes and promotion of self-help groups.

Read More: https://www.bain.com/contentassets/dd3604b612d84aa48a0b120f0b589532/report_powering_the_economy_with_her_-_women_entrepreneurship_in-india.pdf

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