



Breaking the glass ceiling

Empowering more women to be entrepreneurs and creating opportunities for them will fuel India's economy to a higher level of growth, say SURESH BHAGAVATULA and CRISTINA SHAPIRO

Women are undoubtedly the key contributors to India's economic growth. However, a lot more needs to be done. In 2012, Hemalatha R Yadki founded Vibha Fashions which manufactures ready-made garments with five employees operating sewing machines. Seven years later, she employed 200 women and opened a new factory, featuring cutting-edge industrial machines. It was the Goldman Sachs 10,000 Women programme at the Indian Institute of Management, Bengaluru, through which she learnt about business. The programme was established in partnership with the institute in October 2018, which nurtures women entrepreneurship in the country by providing a fully-funded curriculum for women business-owners.

When entrepreneurs like Hemalatha will have access to business education, networks and capital, they will be able to spur economic growth in India and beyond. According to the Ministry of Micro, Small and Medium Enterprises (MSME), they contribute nearly 29 per cent of the country's GDP and create 13.5 to 14.9 million jobs every year. But they currently make up only for 14 per cent of business-owners in India. An analysis by McKinsey shows that advancing women and enhancing gender equality in India can boost the GDP by \$770 billion by 2025. However, among 57 nations, India still holds rank 52 on the 2018 Mastercard Index of Women Entrepreneurs, which identifies countries with the strongest support conditions to thrive as entrepreneurs. There are a plenty of barriers—lack of

access to information, skills, and credit — that limit women's potentials as business-owners. There are three critical actions. First, through applied business and management education programmes like Goldman Sachs 10,000 Women. Globally, participants of the programme have reported growth in their businesses with 60 per cent creating new jobs and 70 per cent increasing revenues within 18 months after graduation.

Second, by cultivating active peer networks with mentors. Purnima Santosh, who graduated from the programme in 2019, joined a community of over 1,400 graduates who are applying their skills, working with each other and reporting potential improvements in their businesses. Purnima incubated an idea during the program and added other services to her venture, Value Vision Management Consultants, which specialises in technical training. Another graduate, Deepti Yanamandalla, who founded a daycare, Kyzadda, developed a new category of business.

Third is through the access to credit. Women entrepreneurs must be aware of government and private sector schemes to finance their businesses at different stages to benefit from them. Entrepreneurs like Hemalatha shared that her ability to raise funds to up to ₹2 crore boosted her confidence and inspired her to work towards employing 500 rural women in the next three years.

(The authors are entrepreneurship chair of IIM Bangalore and global director of 10,000 Women, Goldman Sachs.)