

## Women Entrepreneurship – Opportunity and Challenges

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### Abstract

The growing involvement of women in entrepreneurship is leading to substantial transformations in economies worldwide, resulting in both economic growth and social empowerment. This examination examines the multitude of opportunities and challenges that women entrepreneurs encounter in the present dynamic business environment. This article emphasizes the growing participation of women in initiating and managing enterprises, supported by extensive research and empirical data. It highlights the significant role women play in fostering innovation, generating employment, and fostering community development. Nevertheless, female entrepreneurs continue to face distinct obstacles as a result of gender biases, restricted financial prospects, and sociocultural limitations. To fully leverage the potential of female entrepreneurs and promote an inclusive economy, it is imperative to promptly enact targeted legislation and provide conducive settings.

**Key words:** Women , entrepreneurship, gender, challenges, business , opportunity.

### Introduction

Entrepreneurship is widely acknowledged as a pivotal catalyst for organizational expansion and progress (Scott, 1986). Globalization is not only essential but also crucial for creating diverse opportunities for future actors (Mitra, 2002). One major obstacle that many companies encounter in the current economy is the task of optimizing the efficiency of their workforce. This entails the measurement and effective utilization of progress as a separate entity (Brush, 1992).

The term "entrepreneurship" is derived from the French terms "entree" (which means "to enter") and "prendre" (which means "to take"). It commonly denotes persons that launch novel ventures or investigate new opportunities. Entrepreneurship entails the establishment of a new company or revitalizing an already existing one in order to take advantage of innovative opportunities. An entrepreneur is an individual who proactively initiates the establishment of a firm, which economists consider as the fourth factor of production, in addition to land, labour, and capital. Sociologists acknowledge distinct communities and

cultures, such as the diligent disposition of Gujarati's and Sindhi's in India. Entrepreneurs are those who bring forth new ideas for products, markets, or processes, so impacting the economy through the creation of wealth, employment opportunities, and the promotion of innovation. While entrepreneurship has historically been male-dominated, it has now expanded to encompass women as significant and inspiring people (Saidapur et al., 2012). Presently, the proportion of women in the entrepreneurial community in India is at approximately 10%, and this percentage is growing each year. Based on present patterns, it is estimated that women will make up 20% of the entrepreneurial workforce in the next five years. Women have come to realize the significance of working alongside males for the economic well-being and future progress of their families, due to financial demands (Marlow, 2002). Education has enabled women, equipping them with the self-assurance and drive to explore fresh entrepreneurship prospects. Nevertheless, the actuality differs considerably based on geographical demarcations. Women are frequently perceived as physically and emotionally inferior on a worldwide scale, which restricts their chances for advancement in the economic world. This emphasizes the necessity of resolving a neglected matter that demands immediate consideration (Wennekers, 1999).

### Review of Literature

1. **Darrene and et.all. (2008)** conducted a study that demonstrated a correlation between human capital and self-employment. The study revealed notable disparities in many human capital factors between self-employed women and women who get a salary or wage. Furthermore, it was discovered that self-employed women achieve higher levels of education at a more rapid rate compared to women in other occupations.
2. **Singh (2008)** undertook a study to ascertain the causes and determinants of women's engagement in entrepreneurship and to elucidate the barriers hindering the expansion of women entrepreneurship. The study highlighted several factors that contribute to the challenges faced by women entrepreneurs, including limited exposure to successful entrepreneurs, societal resistance towards women in entrepreneurship, familial obligations, gender bias, limited social connections, and inadequate family and financial support.

3. **Tambunan (2009)** conducted a study on the current developments in women entrepreneurs in developing nations in Asia. The study specifically examined women entrepreneurs in small and medium-sized firms, utilising data analysis and a review of recent relevant literature. The survey revealed that women's entrepreneurship is increasingly more relevant across all sectors. Nevertheless, it also emphasised that the proportion of female entrepreneurs in this area is still relatively small because of obstacles such as limited educational attainment, insufficient financial resources, and cultural or religious limitations.
4. **Tovo (1991)** observed that female entrepreneurs in small-scale firms face multiple obstacles as a result of their restricted access to cash, resources, and markets. A multitude of tiny enterprises operate within the identical market segment, resulting in fierce rivalry and reduced prices. As a result, these enterprises frequently depend heavily on a limited number of suppliers and distributors, which raises the likelihood of economic exploitation for women entrepreneurs.
5. **Mustafaraj (2017)** studied that the establishment of democracy, there was a notable transition in entrepreneurial endeavors, with men assuming the predominant role. Women started to imitate or emulate the same behaviour, although in fewer quantities. Multiple studies have investigated the widespread phenomenon among Albanians of limiting women's involvement in the same endeavors as males, such as entrepreneurship.
6. **Damwad (2007)** examined the encounters, endeavour, and obstacles associated with women's entrepreneurship in the Nordic nations, including Finland, Denmark, Iceland, Norway, and Sweden. The primary obstacles found encompassed financial limits, insufficient business acumen and expertise, challenges in market access, concerns around work-life balance, and the distinct attributes of women in comparison to other demographic cohorts. The study also analysed the entrepreneurial activity in the early stages in the Nordic nations and the USA, along with the assistance programme and schemes created by Nordic countries and organisations to aid women entrepreneurs.
7. **Lall and Sahai (2008)** examined the similarities and differences between women entrepreneurs and family enterprises, with a specific emphasis on their psychographic and demographic traits. The study uncovered that female entrepreneurs in metropolitan Lucknow encountered problems pertaining to commitment, entrepreneurial motivation,

self-perception, self-esteem, and operational barriers that impeded their prospective growth strategies. Although there has been a rise in the involvement of women in family businesses, they still face challenges such as lesser social status and more operational obstacles when compared to males in similar positions.

8. **Mansi et al. (2020)** studied that in such circumstances, where women face daily obstacles in conducting business, the essential components of a macro-environment conducive to business would encompass peace and political stability, effective governance, consistent policies, transparency and accountability, and strong macroeconomic policies. Many businesses headed by women have greater costs and uncertainties due to bureaucracy, impediments, arbitrary decision-making, corruption, and confusion around the implementation of inefficient regulations and practices. These factors have impeded investment and, more significantly, eradicated market access.
9. **Mulyankan (2009)** analyzed the positive and negative aspects of enterprises and suggest remedies for the challenges encountered by female entrepreneurs. In order to enhance the circumstances for female entrepreneurs, they priorities the significance of providing women with education, increasing their knowledge, and instilling in them a sense of their own capacity to succeed in the business world. They emphasize the importance of women recognising their capabilities and the substantial impact they can have on their respective businesses and the overall economy.
10. **Singh (2008)** examines the causes and determinants that impact women's involvement in entrepreneurship. He observes that barriers to the expansion of women entrepreneurship encompass limited engagement with accomplished entrepreneurs, societal non-acceptance, familial obligations, gender bias, insufficient networking opportunities, and diminished priority from financial institutions in granting loans to women entrepreneurs. He proposes implementing corrective actions such as fostering micro-enterprises, facilitating institutional frameworks, and providing assistance to accomplished female entrepreneurs.
11. **Sahu Puspamita (2020)** highlight that women encounter significant obstacles related to funding and managing life duties when initiating and operating a business. Gender discrimination, limited access to information, training opportunities, and infrastructure, as well as risk aversion, lack of confidence, and absence of strategic vision, are external

and internal issues that hinder the development of women entrepreneurship. They propose that the government should give priority to women entrepreneurs when assigning industrial plots, sheds, and other facilities, and take steps to prevent men from misusing these resources under the guise of women.

12. **Sethi Sunita (2009)** argue that certain perspectives suggest that India has benefited from the inclusion of women as entrepreneurs. These improvements can be ascribed to shifts in societal views towards women, the daring and risk-taking talents of women, support from society, modifications and relaxations in government legislation, and the implementation of numerous empowerment programmes for women entrepreneurs. In addition, they pinpoint several elements that contribute to this favourable tendency.

### **Objectives**

The aims of this study are as follows: -

1. To understand the concept and progression of women entrepreneurship in India.
2. To ascertain the underlying incentives that propel women to engage in entrepreneurial endeavors.
3. To examine the obstacles faced by female entrepreneurs.
4. To determine efficacious strategies to assist women in overcoming these obstacles.

### **Research Methodology**

This research utilizes a descriptive study methodology in order to gain a comprehensive comprehension of the subject matter. The inquiry is conducted comprehensively by utilising secondary data obtained from a wide range of sources, such as academic literature, published books, peer-reviewed journal articles, journals, conference papers, working papers, blogs, and websites. This study employs a diverse array of resources, ensuring a thorough investigation and offering useful insights and opinions from numerous experts and fields. Utilising secondary data enables a thorough examination of pre-existing research and findings, so bolstering the robustness and dependability of the study.

### **Current Status of Women Entrepreneurs in India**

Highly educated women in India aspire to surpass traditional domestic responsibilities and insist on receiving equal respect from their partners. Nevertheless, the task of attaining parity in rights and social standing continues to be a formidable obstacle, mostly due to entrenched cultural traditions that prioritise male dominance. Women are frequently regarded as the

more vulnerable sex and are conditioned to rely on male family members both inside and outside the household, so reinforcing a subordinate position where they execute decisions made by males. Although women possess significant intellectual capacity, they are still not fully utilised as a resource on a global scale.

The significance of female entrepreneurship has gained more recognition in recent years due to its beneficial effects on economic growth, job creation, and the extension of entrepreneurial activities (Acs et al., 2005; Langowitz and Minniti, 2007; Verheul et al., 2006). In addition to its economic advantages, female entrepreneurship provides women with chances for self-expression and personal satisfaction (Eddleston and Powell, 2008). Nevertheless, the capabilities and aptitudes of female entrepreneurs are frequently disregarded and not fully utilised (Baughn et al., 2006).

In 2009, Tambunan performed a study that examined the advancement of female entrepreneurs in rising Asian countries, with a specific emphasis on small and medium-sized firms (SMEs). The research emphasized the vital significance of Small and Medium Enterprises (SMEs), which constitute more than 95% of all firms in diverse industries within these countries. However, the level of women's involvement in entrepreneurship remains insufficient as a result of reasons such as insufficient education, restricted access to financial resources, and cultural or religious constraints. A significant number of women entrepreneurs in small and medium-sized enterprises (SMEs) are categorized as "forced entrepreneurs," compelled by the need to enhance their family's economic circumstances.

A woman entrepreneur is a female who takes the initiative to establish and possess a firm, with a minimum investment of 51% in the enterprise. Women entrepreneurs are categorized globally according to many criteria, such as the sector they operate in (organized and unorganized), the industry they belong to (traditional and modern), their location (urban and rural), the magnitude of their business (large-scale and small-scale), and the ownership structure (single and joint businesses). In India, women entrepreneurs are categorized into many groups based on their business activities:

Category I comprises women entrepreneurs who are located in major urban areas, possess advanced technical and professional skills, are involved in non-traditional industries, and have a solid financial position. These categories emphasize the diversified and dynamic nature of women's entrepreneurship in India, demonstrating the wide range of origins and accomplishments of women entrepreneurs in many sectors and areas. Category II consists of



educated women residing in metropolitan areas who are engaged in both traditional and non-traditional business sectors. They offer services specifically designed to meet the requirements of women, such as childcare facilities, beauty salons, and healthcare clinics. Category III comprises women who have a low level of education or literacy, are experiencing financial limitations, and are engaged in family-owned businesses such as agriculture, horticulture, animal husbandry, dairy farming, fishing, hand-loom, and power loom sectors. The World Bank's "Doing Business in India 2009" report reveals that the female workforce participation rate in India stands at 31.6%, which is lower than that of the United States (45%), the United Kingdom (43%), Indonesia (40%), Sri Lanka (45%), and Brazil (35%). This data highlights the disparities in women's involvement in the labour force among different nations.

### **Obstacles Encountered by Female Entrepreneurs**

Entrepreneurship, however advantageous, presents notable obstacles that can be classified into economic and social considerations, as delineated by writers such as Samiti (2006) and Tan (2000). Economic obstacles encompass factors such as market rivalry, limited market and raw material accessibility, inadequate financial resources, insufficient marketing proficiency, restricted production or storage capacity, subpar infrastructure, unpredictable electrical supply, and inadequate business training. Social obstacles include the constraints of social acceptance, limited avenues for networking, and prejudices stemming from social hierarchy and cultural norms. Academics such as Gemechis (2007), Hisrich (2005), and the ILO (2009) highlight various factors that are important in addition to the ones mentioned. These factors include societal and cultural attitudes towards youth entrepreneurship, entrepreneurship education, administrative and regulatory frameworks, availability of business assistance, and barriers to accessing technology. These factors collectively influence the achievement and long-term viability of women entrepreneurs. Women in India encounter significant domestic obligations, including the care of family members and the management of household duties, which make it challenging to achieve a work-life balance. Women have significant challenges in obtaining financial access, mostly due to difficulties in securing credit. These challenges arise from factors such as the absence of collateral, reluctance to use personal assets as security, and biased attitudes exhibited by loan authorities (Mahbub, 2000). Female entrepreneurs often lack adequate marketing abilities, which limits their capacity to advertise products, enter global markets, and build commercial networks.

Furthermore, the presence of racism, harassment, and mobility limits can compel individuals to depend on intermediaries. The lack of literacy or limited education, resulting from early marriages, domestic responsibilities, and economic constraints, hinder numerous women from obtaining top-notch education, keeping up with technological progress, and employing efficient business tactics, all of which are essential for achieving success as an entrepreneur.

### **Recommendations for Converting Difficulties into Promising Prospects**

- 1) Women ought to adopt and execute novel techniques in order to attain a more optimal equilibrium between their professional and personal spheres. Ongoing endeavours are required to motivate, reward, provoke, and cooperate with women entrepreneurs.
- 2) It is vital to arrange mass awareness campaigns to enlighten women about diverse business prospects and domains. Female entrepreneurs should allocate time to conduct thorough study and have a comprehensive awareness of the distinctive obstacles encountered by women in the realm of business.
- 3) The government should organise training programmes to enhance professional expertise in several domains, including management, leadership, marketing, finance, production processes, profit planning, and accounting. It is important for women to actively engage in training programmes, seminars, workshops, and conferences in order to learn crucial business skills. It is recommended that women initiate their business endeavours at a small or moderate scale and progressively grow. Offering concessional loans and grants can facilitate the participation of women in economic endeavours. Financial institutions should provide increased support for both small and large-scale ventures by offering additional working capital assistance.
- 4) Educational institutions ought to collaborate with governmental and non-governmental organisations to foster entrepreneurship and provide assistance in business project planning. It is advisable to integrate skill development programmes into women's polytechnics and industrial training institutes, and to refine practical skills through workshops that mix training and manufacturing.
- 5) Female entrepreneurs should strive to improve their skills by embracing technological breakthroughs and remaining informed about current trends in their business. Economically disadvantaged women have the opportunity to obtain funds through



multiple government schemes and incentives that aim to encourage entrepreneurship. These include the Prime Minister's Rozgar Yojana, Khadi and Rural Village Industries Scheme, Entrepreneurial Development Programmes, Women's Development Corporations, Indira Mahila Yojana, Indira Mahila Kendra, Mahila Samiti Yojana, Mahila Vikas Nidhi, Micro Credit Scheme, Rashtriya Mahila Kosh, Mahila Vikas Nidhi, and SBI's Stree Shakti Scheme.

- 6) To gain a comprehensive understanding of the disparities between men's and women's entrepreneurship, it is crucial to analyse women's entrepreneurship at both the individual level (in terms of the choice to become self-employed) and the firm level (regarding the success of businesses owned and managed by women).

### **Conclusion**

Multiple research studies have revealed a range of obstacles encountered by women who are entrepreneurs. The challenges encompass balancing familial obligations with career ambitions, societal obstacles stemming from cultural norms, a predominantly male-dominated society, limited access to education or low levels of literacy, insufficient financial backing, inadequate technical expertise, deficiencies in marketing and entrepreneurial abilities, diminished self-assurance, and restricted physical mobility. Women should emancipate themselves from the limitations of domestic chores and wholeheartedly embrace their innovative and enterprising nature.

The social and political advancements in India have had a profound effect on the evolution of women's societal roles. The government has enacted a range of measures, granted incentives, and provided subsidies to foster and bolster women entrepreneurs. The rising number of educated women signifies a growing consciousness and aspiration for self-employment, hence reshaping women's societal responsibilities. The changing role of women in India has been influenced by various causes like industrialization, urbanization, increased mobility, and progressive social policies since the start of the 21st century. The number of women engaging in higher education, developing specialized expertise, and pursuing professional occupations is increasing, resulting in a higher presence of women in the workforce. Women have shifted from traditional domestic and artisan jobs to more broad and sophisticated pursuits as their knowledge and awareness have grown.

The government's emphasis on specialized entrepreneurial training programme for women, coupled with the creation of specialist divisions inside financial institutions and banks to assist women entrepreneurs, has bolstered their economic influence. Nevertheless, a comprehensive analysis of all aspects of women's entrepreneurship has not been conducted. Women exhibit a remarkable aptitude for entrepreneurship and are attracted to it due to its potential for achieving a harmonious integration of work and personal life. Female entrepreneurs, notwithstanding their achievements, nevertheless encounter barriers stemming from cultural norms that priorities men in both familial and societal settings. In order to tackle these difficulties, it is imperative for all individuals to collaborate in order to advance gender parity and enable women to thrive in their entrepreneurial pursuits.

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