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WOMEN ENTREPRENEURS - ECONOMIC DEVELOPMENT

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Abstract

Women entrepreneurship has emerged as a pivotal force in global economic development, yet it remains significantly underutilized due to multifaceted challenges. Despite governmental support and policy reforms, women entrepreneurs often face barriers such as limited access to finance, lack of familial support, inadequate training, and marketing constraints. This study aims to explore these core challenges by reviewing current literature, analyzing data, and offering practical insights. Using a combination of qualitative and quantitative methods, including survey-based data analysis from 120 women entrepreneurs across urban and rural India, this paper identifies key impediments affecting their growth. Findings indicate that 68% of respondents relied solely on personal savings due to credit inaccessibility, 72% faced family resistance, and over 60% cited inadequate training as a major hurdle. Marketing problems were reported by 57% of the women surveyed, highlighting the importance of infrastructural and informational access. The study concludes with targeted recommendations to address these issues through policy, education, and community engagement. It emphasizes the need for holistic interventions that empower women entrepreneurs and foster inclusive economic development.

Keywords: Women Entrepreneurship, Entrepreneurs, Economic Development, Women Empowerment.

1. Introduction

Entrepreneurship is a vital component of economic growth, innovation, and job creation. Women entrepreneurs, in particular, bring unique perspectives and solutions that drive social and economic transformation. However, despite increasing awareness and policy efforts, the rate of women's participation in entrepreneurship remains disproportionately low, especially in developing countries like India. This disparity can be attributed to a variety of structural, financial, cultural, and educational challenges.

Women entrepreneurship refers to women initiating, organizing, and operating a business enterprise. These ventures can be found across diverse sectors—manufacturing, services, retail, and agriculture. While the number



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of women entrepreneurs has increased over the years, the pace is still slow due to numerous challenges that are often deeply rooted in systemic gender inequalities.

This paper explores the primary obstacles faced by women entrepreneurs: availability of finance, lack of cooperation from family, inadequate training and know-how, and marketing challenges. These barriers are examined using literature reviews and empirical analysis. The findings not only highlight the urgency of removing these barriers but also provide a roadmap for stakeholders, including policymakers, NGOs, and educational institutions, to create a more enabling environment for women entrepreneurs.

Literature Review

- Studies (Brush et al., 2004; Carter & Rosa, 1998) show that women face greater difficulty in obtaining loans compared to men due to lack of collateral and credit history. According to the World Bank (2020), nearly 70% of women-owned businesses in developing countries are underserved financially.
- According to a study by Jamali (2009), women in patriarchal societies often struggle to gain approval from male family members. This lack of support often leads to burnout and reduced business efficiency. Family support plays a crucial role in entrepreneurial success
- Women in rural areas are especially vulnerable, as highlighted in the work by Sharma and Goyal (2011), which emphasizes the absence of skill-building infrastructure tailored to women. Educational and skill development is a significant challenge
- According to a study by the Indian Institute of Management (IIM), lack of access to markets and over-dependence on middlemen hampers profit margins. Women entrepreneurs are frequently excluded from business networks that facilitate growth.
- Cultural conditioning often discourages risk-taking in women. Hofstede's cultural dimensions theory explains how power distance and masculinity affect entrepreneurial dynamics in gendered societies.

Research Methodology

This study employs a mixed-method approach, combining both quantitative and qualitative data. Primary data was collected through a structured questionnaire distributed to 120 women entrepreneurs across urban and rural India.



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SamplingTechnique:

Stratified random sampling was used to ensure representation across regions and sectors.

Data Collection:

Data was gathered through face-to-face interviews, online surveys, and phone interviews. Secondary data was obtained from government reports, NGO publications, and academic journals.

Data Analysis Techniques:

Descriptive statistics were used to summarize the data. Chi-square tests and correlation analysis were used to test relationships between variables such as education level and access to credit.

Objective of the study

1. To examine whether there is a significant difference in the frequency of reported challenges.
2. To assess the relationship between access to training and business success among women entrepreneurs.

Data Analysis and Test of Objectives

Objective 1: Identifying Key Challenges

Challenge	% of Respondents Affected
Lack of Finance	68%
Family Resistance	72%
Lack of Training	63%
Marketing Problems	57%

To analyze the data effectively for

Objective 1: Identifying Key Challenges, we can use **descriptive statistics** and **inferential analysis** to draw meaningful conclusions from the percentages



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Challenge	% of Respondents Affected										
	provided. Below is a structured breakdown of the analysis, including frequency distribution, ranking, and significance testing (Chi-square goodness-of-fit test) to determine whether differences in response rates are statistically significant. 1. Descriptive Analysis You have four challenges and their respective impact (% of respondents affected): <table border="1"> <thead> <tr> <th>Challenge</th><th>% of Respondents Affected</th></tr> </thead> <tbody> <tr> <td>Family Resistance</td><td>72%</td></tr> <tr> <td>Lack of Finance</td><td>68%</td></tr> <tr> <td>Lack of Training</td><td>63%</td></tr> <tr> <td>Marketing Problems</td><td>57%</td></tr> </tbody> </table> <i>Ranking of Challenges</i> Based on the percentage of respondents affected: Family Resistance (72%) – Most pressing challenge. Lack of Finance (68%) Lack of Training (63%) Marketing Problems (57%) – Least reported issue. This suggests socio-cultural factors (family resistance) are more prominent than purely economic or operational challenges.	Challenge	% of Respondents Affected	Family Resistance	72%	Lack of Finance	68%	Lack of Training	63%	Marketing Problems	57%
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Challenge	% of Respondents Affected																				
2. Visual Representation Challenge Impact (Bar Chart): Family Resistance (72%) Lack of Finance (68%) Lack of Training (63%) Marketing Problems (57%) 3. Inferential Analysis: Chi-Square Goodness-of-Fit Test To assess whether the differences between the challenges are statistically significant, we use the Chi-square Goodness-of-Fit test. Here's how: Hypotheses: • H₀ (Null Hypothesis): All challenges are equally likely (i.e., no significant difference in their frequency). • H₁ (Alternative Hypothesis): There is a significant difference in how frequently each challenge is reported. <table><tr><th>Challenge</th><th>Observed (O)</th><th>Expected (E)</th><th>(O-E)² / E</th></tr><tr><td>Family Resistance</td><td>72</td><td>65</td><td>0.754</td></tr><tr><td>Lack of Finance</td><td>68</td><td>65</td><td>0.138</td></tr><tr><td>Lack of Training</td><td>63</td><td>65</td><td>0.062</td></tr><tr><td>Marketing Problems</td><td>57</td><td>65</td><td>0.985</td></tr></table>		Challenge	Observed (O)	Expected (E)	(O-E) ² / E	Family Resistance	72	65	0.754	Lack of Finance	68	65	0.138	Lack of Training	63	65	0.062	Marketing Problems	57	65	0.985
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Challenge	% of Respondents Affected							
	<table><tr><td>Total χ^2</td><td></td><td></td><td>1.939</td></tr></table>				Total χ^2			1.939
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	With 3 degrees of freedom (df = number of categories – 1) and at a 5% significance level, the critical value from the chi-square table is 7.815. Since 1.939 < 7.815, we fail to reject the null hypothesis. Conclusion: Although Family Resistance ranks highest, statistically, the differences in challenge frequencies are not significant at the 5% level. This may be due to sample size or close margins between categories.							
4. Interpretation & Policy Implications - While Family Resistance emerges as the most reported challenge (72%), the gap between it and other issues like Finance (68%) and Training (63%) is not statistically large. - This suggests that interventions should be comprehensive, addressing all four challenges rather than focusing solely on one. - Policymakers and NGOs should consider multi-pronged support systems—for example, training programs that include family counseling, finance linked with mentorship, and market access solutions tailored to women's needs.								

Objective 2: Testing Correlations

- Null Hypothesis (H₀):** There is no significant relationship between access to training and business success among women entrepreneurs.



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- **Alternative Hypothesis (H_1):** There is a significant relationship between access to training and business success among women entrepreneurs.

Data Summary

We surveyed **120 women entrepreneurs** and collected the following data:

Training	Business Improved	Business Did Not Improve	Total
Received Training	76	14	90
No Training Received	12	18	30
Total	88	32	120

Expected Frequencies Calculation

Expected frequency for each cell:

$$E_{ij} = \frac{(\text{Row Total}) \times (\text{Column Total})}{\text{Grand Total}}$$

Training	Business Improved	Business Did Not Improve	Row Total
Received Training	$(90 \times 88) / 120 = 66$	$(90 \times 32) / 120 = 24$	90
No Training Received	$(30 \times 88) / 120 = 22$	$(30 \times 32) / 120 = 8$	30
Column Total	88	32	120

Chi-square value: 10.24

Compare with Critical Value

- **Degrees of Freedom (df):**

$$(rows-1) \times (columns-1) = (2-1) \times (2-1) = 1$$



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- Critical Value at $\alpha = 0.05$ (df = 1): 3.84

Since the **calculated Chi-Square value (22.74) > critical value (3.84)**, we **reject the null hypothesis (H_0)**.

There is a **statistically significant relationship** between **access to training** and **business success** among women entrepreneurs. Women who received training were **significantly more likely to report improved business operations** compared to those who did not receive training.

Conclusion

Women entrepreneurs face a plethora of challenges ranging from financial barriers to societal pressures. While efforts have been made through various government and non-government initiatives, these challenges persist due to deep-rooted gender norms and structural inequities.

The study confirms that lack of access to finance, inadequate training, and lack of familial support significantly hinder the growth of women-led enterprises. Data analysis further validates the critical role of training and mentorship in improving entrepreneurial outcomes.

To address these challenges, the following steps are recommended:

- Financial institutions must design women-friendly credit schemes that do not solely rely on collateral.
- Skill development programs should be localized and made accessible in vernacular languages.
- Community sensitization initiatives can help shift societal perceptions and foster family support.

Promoting women entrepreneurship is not just a matter of gender equality—it is a necessity for inclusive economic development.

7. References

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