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ROLE OF WOMEN ENTREPRENEURS IN A DEVELOPING ECONOMY

JYOTI

Extension Lecturer

Department of Economics

D.C.C., Gurugram, Haryana

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Abstract

In this article, we are going to learn about the importance of women entrepreneurs with special reference to developing or emerging economies and their roles. This paper also aims to raise awareness of how important female entrepreneurs are to the nation's economic development as well as the importance of creating a vibrant entrepreneurial environment for women business owners. As per the recent stats we have witnessed a significant raise in the number of women entrepreneurs. Developing countries are socioeconomically and demographically impacted by women entrepreneurs. Women are constantly participating in the creation of jobs for millions of families who come from the background of the below poverty line, and middle class and they are getting the benefit of it. Women are highly appreciated for their leadership quality and their predominant results. The manufacturing and service industries are the major sectors where the women workforce contributes immensely. Women in developing countries have come successfully long way.

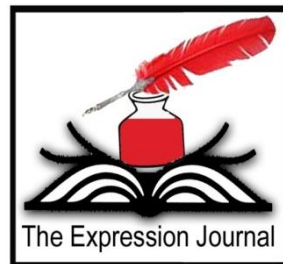
Keywords

Women Entrepreneurs, Work-Life Balance, Constrained Mobility, Socioeconomic, Gender-specific training, Bottom of the Pyramid, Micro, small and medium entrepreneurs (MSMEs), Self Help Groups (SHGs), Non-Govt Organizations (NGOs).

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Introduction:

There are two key reasons why women's entrepreneurship needs to be researched individually. First, women's entrepreneurship has gained recognition as a significant untapped source of economic growth. The second reason is that social sciences and general society have generally ignored the subject of women as entrepreneurs. Never try to achieve success by being motionless or by yourself. strongly supporting women in the workplace, helping them in representation, and recognizing and encouraging them in their career advancement will lead to great success. One of the successful women entrepreneurs from India Mrs. Kiran Mazumdar Shaw, the Chairman and Managing Director of Biocon Ltd said that "The gender gap disappears as you rise in achievement. When you start achieving success, the credibility issues you faced as a child start to go away." Women-led business is doing phenomenally in India and other developing economies. Small and medium-sized enterprises (SMEs) are growing quickly and adding new job possibilities in the majority of developing nations. Since many women start businesses to support their families during times of economic distress, SMEs are increasingly becoming the main source of income for many women.

Research Objectives:

- This thesis focuses specifically on the contribution made by female entrepreneurs to the global economy, which is currently underappreciated yet has a significant positive impact on growth.
- To study the problems and challenges faced by women entrepreneurs in emerging economies.
- To analyze the types of issues and problems they encounter in order to reach the level of success.

Research Question: How to uncover indicators of the issues and difficulties experienced by women entrepreneurs?

Review of Literature: The study of women entrepreneurs has grown significantly in recent years, gaining academic acceptance and, most importantly, aiding in the knowledge of all the elements that contribute to women's challenges in starting their own businesses. I have taken a few reviews of the literature for a better understanding. A lady of her ability can do everything

she wants to do, according to M. Aminul Islam.¹ V Krishnamoorthy and R Balasubramani (April 2014),² identified the important women's entrepreneurial motivation factors and their impact on entrepreneurial success. G. Palaniappan, C. S. Ramanigopal, A. Mani (19 March 2012),³ in their article, analyzed that women have been successful in breaking their barriers within the limits of their homes by entering into varied kinds of professionals and services.

Research Methodology: This paper provides a thorough review of the literature on a given topic, presents the information intelligently, and adds value by drawing a conclusion. For the purpose of this paper, e-databases like Google Scholar, Scopus, and Shodhganga were employed as the sources of literature. A few library databases were also examined for relevant articles on women entrepreneurs in underdeveloped economies.

Research Limitation: This paper is limited to the difficulties faced by women entrepreneurs in special reference to developing economies with available limited secondary resources.

Concept of Women Entrepreneurs:

The concept of women entrepreneurs is not a very contemporary phenomena concept, while executed under a patriarchal society, a system that used to fail. In the challenging conditions of women's great achievements in commerce, trade, and industry today, women entrepreneurs are essential. Their foray into business is quite new. Women have previously demonstrated their critical significance in fields like politics, administration, engineering, medicine, technology, social work, and education. Women entrepreneurship it is associated with the concept of women empowerment. It is also increasingly being pushed as being essential for improving the quality of life for women in developing countries.

Entrepreneurship:

An individual who possesses the skill and motivation to launch, manage, and be successful in a startup enterprise, coupled with the risk necessary to do so, is referred to as an entrepreneur. In other words, "the creation of extraction of economic value is known as entrepreneurship."

Meaning & Definition of Women entrepreneurs:

The term women entrepreneur refers to a woman or group of women who start, plan, and run a business. Therefore, a woman entrepreneur is a strong, imaginative, and creative lady. individual economic independence while also producing work.

Women entrepreneurs have been defined by the Indian Government as "a woman entrepreneur is someone who owns and controls a business and provides at least 51 percent of the capital and at least 51 percent of the jobs created by the business to women." In layman's language, a woman entrepreneur is a female who starts, organizes, and manages a business concern.

Who can be a woman entrepreneur?

A woman entrepreneur is a creative, self-assured, financially independent woman who is skilled in obtaining self-economic independence or in partnership, generates employment chances for the people, and takes risks while maintaining a busy personal and social life.

Currently, there are more women running their own businesses than ever before, especially in emerging nations. More than 25% of businesses are owned by women. Many individuals contend that women are pushed into business rather than pulled by it. Ownership According to recent studies, many women now deliberately seek to work for themselves at their own risk.

¹ https://www.academia.edu/11100642/Women_Entrepreneurship_A_Literature_Review

² https://www.researchgate.net/publication/344350199_Women_Entrepreneurship-A_Literature_Review

³ <https://iosrjournals.org/iosr-jbm/papers/Vol17-issue2/Version-2/B017220613>.

particularly the younger females. It's fascinating to see that female business owners can considerably contribute to entrepreneurship mobilization, poverty alleviation, economic upliftment, and speeding up the fulfillment of more general socioeconomic goals.

There are some experts felt that women entrepreneurs have some traits where it makes them separate from men entrepreneurs, let's we discuss the different characteristics of women entrepreneurs.

Characteristics of women entrepreneurs:

Women have remarkable abilities. The influence that women have on the world is supported by several anecdotes. In today's world, women can do anything and are frequently seen in leadership roles. From running their alarm firms to designing websites, female entrepreneurs are involved in every aspect of the business.

Courageous: One of the most crucial qualities of a woman entrepreneur is courage. Even though many people have the desire to launch their own business, only the brave achieve professionally.

Ambitious: According to this research, ambitious entrepreneurs are those who are just starting the process of creating a business and who have high expectations

Self-Confident & Bold: Self-efficacy is the conviction that one can and will succeed in achieving their goals. One of the most important aspects of truly succeeding at what you do is having the belief that you can.

Belief: Human beings are a collection of the beliefs they hold. Together, these ideas shape our thoughts, behaviors, and emotions. We shall suffer the consequences if we have incorrect kinds of beliefs. We will prosper if we hold the appropriate kinds of beliefs.

Vision: The key power that propels the entrepreneur is vision.

Hard-working & risk-taking: There is a famous saying hard work pays off. The calculated risk if not taken by entrepreneur the sustainability will not be there. Some entrepreneurs fail, and the failure takes them in to think and plan strategically. Entrepreneurship requires systematically and constantly taking on risks. Their chances of succeeding, especially over the longer term, are depressingly small.

Optimist approach: The upbeat entrepreneur is more likely to persist in their endeavors despite difficult obstacles.

Work-life balance: Being an entrepreneur is a very tough job, there will be so many ups and down. You will not get the support everywhere to expand your business. Entrepreneurs will not succeed professionally when they are not able to do their work-life balance. Most of the workforce presumes working long hours generally gets them the desired results. If an entrepreneur knows how to balance their life and work, they will definitely avoid unnecessary burn out and anxiety.

Leadership Quality: Successful entrepreneurs are often transformational leaders. There are two key reasons why women's entrepreneurship needs to be researched individually. Firstly, women's entrepreneurship has gained recognition as a significant untapped source of economic growth. The second reason is that social sciences and general society have generally ignored the subject of women as entrepreneurs.

MSME and Women entrepreneurs: MSME stands for micro, small and medium entrepreneurs, most commonly we all know by the acronym. The contribution of women in MSMEs for developing nations is huge for instance, women frequently participate actively in economic operations in rural areas, leading and managing these activities as well as serving as hired labor. Women are the backbone of society, and when one woman is empowered, all

women are empowered. Through their many initiatives, entrepreneurs support women in igniting their talent and creating their own identities. In order to encourage women, entrepreneurs in developing countries envisage some financial schemes where they can get financial aid such as Women's NGOs, associations, and SHGs. MSMEs are also regarded as a crucial setting for women, particularly in rural regions, to participate actively in economic activity, not just as employees but, more crucially, as entrepreneurs. MSMEs provide a fantastic platform for the growth of women's entrepreneurship skills.

In order to grow developing economies have gone with collaboration work. Recently India and Brazil met for Policies and experiences relating to the growth of MSMEs were given, and the potential industries for B2B interactions between them were examined. The NSIC Digital Services Division held virtual training sessions for its employees at various locations to raise awareness of the various IT-enabled services offered by M/s ZOHO and M/s Bharti Airtel Limited among MSMEs. India and Mongolia virtual met for some policy matters on MSME.

There is one successful women entrepreneur story from India. As the proprietor of My Home Foods, Ms. Umadevi Cherukupally has assumed a new identity. She began creating and distributing fast, ready-to-use spices and mixes that are frequently used in Indian kitchens to help alleviate the hectic lives of working women. She subsequently enrolled in an Online Marketing course offered by the neighborhood MSME Institute, from which she learned about the PMEGP program. With the financial support she received through the program, her business took off with renewed vigor. She currently produces and sells spices and mixtures that are hygienically produced and packaged. She firmly states, "Woman entrepreneurship will empower both the Individual and the Society," when asked how she feels. For all women, her tale is incredibly empowering.

Challenges faced by Women entrepreneurs

The meaning of entrepreneur in French is an adventurer. When women enter the world of business, they must face so many challenges and hurdles to reach the peak of success. The challenges are listed down.

- **Battle with a male opponent:** Both men and women are required by patriarchy to conform to specific, established gender roles. Women are supposed to care for children, perform household duties, cook, and other such tasks. It's difficult enough to balance personal and professional obligations, but it becomes even more difficult when you want to establish your brand.
- **Work-life Balance:** Women are expected to manage a successful business in addition to taking care of their homes on a global scale, according to an unspoken rule. Finding the correct balance between them is crucial, but sadly, in our culture, women are expected to place their families before their careers. Women who have work-life balance will be a real successful entrepreneur.
- **Obtaining funds:** Family members do not support female business owners. They are discouraged to put money into a business enterprise started by a woman entrepreneur. Banks & other financial institutions do not see the women entrepreneurs as suitable candidates for setting up their businesses, and they are hesitant to lend money to single women or girls because they are uncertain of who will pay back the loan after the couple gets married—their parents or in-laws. Unmarried women feel embarrassed by this and frequently stop the goal of starting their own businesses.

- **Lack of Formal & Financial Education:** The women's literacy rate in India is 65.46%⁴ the rest still illiterate. The main factor causing socioeconomic issues is illiteracy. Women are less educated, and the education they do have is of poorer quality, therefore they lack market, business, and technological skills. Additionally, women who lack knowledge tend to be less motivated to achieve. Thus, illiteracy presents women with a variety of challenges while starting and managing their own businesses. Finance is the blood of any business enterprise irrespective of business size the women entrepreneurs have been thrown into the challenge of getting funds. Primarily women typically do not own property that can be used as collateral to get funding from outside sources. As a result, they have restricted access to outside funding sources. Secondly Banks also view women as less credit-worthy and discourage female borrowers on the grounds that they could leave their company at any time. Given this circumstance, female business owners are forced to rely on their own funds, if any, and loans from friends and family members, which are inevitably little and insignificant. Women's businesses consequently fail because of a lack of funding.
- **Inadequate support system:** The lack of a strong support network may contribute to business struggles or failure. A guy is not an island in business. Women frequently encounter the most difficulties in obtaining support, whether it be because they lack the necessary connections, require access to money, or need emotional support. They also need mentors and sponsors to guide them in this new route. The cost of the support system frequently forces women to put off beginning their own enterprises.
- **Constrained Mobility:** One of the fundamental issues facing women business owners in India is restricted mobility. If at all she would travel, she must be accompanied by some family members. They are unable to travel alone or stay in hotels for business without being concerned for their safety. A lot of hotels in India still won't let women check-in unless they're accompanied by a man.
- **Tough Competition:** women entrepreneurs must contend with fierce competition from both the organized sector and unorganized sector. They are unable to compete effectively and efficiently in the market since they are unable to spend freely due to financial restrictions.
- **Scio- Political challenge:** India is a country where women are given the status of goddess. But if we see the problems they are facing it's the other side of the spectrum. First of all, women in India suffer greatly from violence against them. In different ways, it occurs virtually daily. Instead of doing anything about it, they choose to ignore it. Domestic abuse occurs more frequently than you may imagine. Additionally, dowry-related harassment, marital rape, genital mutilation, and other crimes are committed. Next, there are concerns about gender discrimination. Women are not viewed as being on par with males. They experience discrimination practically everywhere they are, including their job and the home. Even young females fall victim to this prejudice. Unfairly, the patriarchy controls a woman's life.

Even though many financially independent women have begun to invest in cars, there are still a small number of women in India who own motorized vehicles than there are men. The combination of these variables limits the mobility of female company owners.

⁴ <https://knowindia.india.gov.in/profile/literacy>.

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Findings/ Suggestions:

- By establishing a strong support network, society as a whole should foster an environment that is welcoming to female entrepreneurs.
- More Female Employment Opportunities should be created.
- The government should take private participants & NGOs to train women entrepreneurs.
- To fit their socioeconomic and demographic circumstances, women entrepreneurs must receive gender-specific training.
- Financial support should be given to women entrepreneurs.
- The product or service is to be made to fit into the bottom of the pyramid.
- The importance of sector and industry knowledge should be emphasized to female business owners.
- Self-employment options for women should be expanded in rural areas with financial aid.
- Should create marketing facilities for the purchase and selling of both finished commodities and raw goods.

The term entrepreneurship is said “the creation of extraction of economic value” you may provide all prerequisites to women where psychological support of the family is very much essential to run the show effectively and efficiently.

Conclusion:

India has been home to several women entrepreneurs it has produced several successful female business owners, including Kiran Mazumdar Shaw (Biocon) Chanda Kochar (Former MD & CEO, ICICI Bank), Indra Nooyi, (Former CEO of PepsiCo) Falguni Nayar (Nykaa), and Ekta Kapoor (Television Producer), the list will go on. Women will need to overcome obstacles and achieve. Innovating, fostering economic growth, and creating jobs can all be supported by promoting the full potential of female entrepreneurs. Entrepreneurial counseling, promotion, and well-thought-out market studies are required. First, it's crucial to support education and leadership abilities at all levels to close the gender gap and advance equality for everybody. Women should be allowed to create their businesses because of policies that encourage women to hold senior and leadership positions. Second, women business owners in all categories should be aware of and have access to any government programs that are accessible to them. There ought to be consistent drives and media.

McKinsey⁵ the global management consulting firm forecasted that there is a lot of room for women to increase their role and economic contribution in the area. There is immense potential. We estimate that by 2025, women in Asia will have contributed an additional \$4.5 trillion to the region's GDP, or 12% more than what is anticipated for the region's GDP at that time.

Women entrepreneurs still they are facing numerous issues with finances, marketing, health, families, and other issues. The government and financial institutions should occasionally provide suggestions to women business owners. What women need for businesses is minimal training, some financial support, and encouragement at all levels, of society, and the government.

⁵ <https://www.mckinsey.com/featured-insights/asia-pacific/the-future-of-women-in-asias-workforce>

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