

Synthesizing Research: Challenges Faced by Women in Entrepreneurship

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Abstract— Women entrepreneurs encounter particular difficulties while launching and expanding their companies. This comprehensive assessment of the literature summarizes the most recent findings regarding the major obstacles that female entrepreneurs, particularly those in developing nations, face. The review identified five main themes of challenges: (1) financial, (2) socio-cultural, (3) educational and skills, (4) networking and marketing, and (5) political and legal. Developing countries were the primary context examined, and the majority of studies used qualitative methodologies. Socio-cultural barriers, such as gender role expectations and discrimination, were found to be a significant hurdle for many women entrepreneurs. Absence of access to finance, business networks, and marketing support also posed major challenges. Educational and skills gaps, as well as unfavorable political and legal environments, further compounded the difficulties faced by women in entrepreneurship. This paper lays the groundwork for further investigation and emphasizes the need for focused policies and initiatives to tackle the particular difficulties faced by female entrepreneurs, especially in developing nations.

Index Terms- Women Entrepreneurship, Developing Countries, Challenges, Systematic Literature Review

I. INTRODUCTION

Due to its important role in fostering social development and accelerating economic progress, particularly in developing nations, women's entrepreneurship has attracted more attention in recent years (Kelley et al., 2013). Notwithstanding this acknowledgment, female entrepreneurs face a unique range of obstacles that impede their capacity to launch, grow, and maintain profitable ventures (Brush et al., 2009). In order to empower women and realize their full entrepreneurial potential, these issues must be resolved.

This systematic literature review seeks to consolidate current research on the primary hurdles encountered by women entrepreneurs, with a particular focus on contexts in developing countries. By identifying the main barriers and obstacles encountered by women in entrepreneurship, this review establishes a basis for future research and emphasizes the necessity for targeted interventions and support mechanisms.

The review delves into five main issues that include impediments faced by female entrepreneurs: financial limits, socio-cultural limitations, gaps in education and talent, difficulty with networking and marketing, and legal and political barriers. These themes emerged from a thorough analysis of the body of literature that has been written about women entrepreneurs in developing nations, primarily using qualitative approaches.

Understanding the multifaceted challenges that women encounter in entrepreneurship is crucial for policymakers, support organizations, and the broader entrepreneurial ecosystem. It enables the development of effective strategies and interventions tailored to address the unique needs and barriers faced by this underrepresented group. This review contributes to the expanding knowledge base on women's entrepreneurship and offers insights to guide future research and practical initiatives aimed at fostering a more inclusive and supportive environment for women entrepreneurs, particularly in developing country contexts.

Objectives of the study

1. To find out various challenges faced by women entrepreneurs
2. To study plans and policies made by government to empower women entrepreneurship

Research Methodology

This study focuses on the secondary data collected by various books, articles, research papers and websites.

Key challenges faced by women entrepreneurs

Based on the findings from various studies, women entrepreneurs encounter a range of significant challenges that can be categorized into several key areas:

Financial Challenges

- Women entrepreneurs often face difficulties in accessing financing, such as securing loans and venture capital investments. They tend to receive smaller amounts of funding compared to their male counterparts (Vidyaratne, 2023; Jahanshahi et al., 2010).
- Women face obstacles when starting or expanding their businesses since they have less access to capital and other financial resources (Hero FinCorp, n.d.).

Socio-Cultural Barriers

- Gender-based discrimination, societal expectations around family and household responsibilities, and cultural biases against women in business pose significant hurdles for women entrepreneurs (Jahanshahi et al., 2010).
- Women entrepreneurs are often viewed as less competent than their male counterparts and face challenges in gaining recognition and respect for their entrepreneurial endeavors (Gowramma & Kumar, 2018).

Educational and Skills Gaps

- Some women entrepreneurs lack access to business education, training programs, and the necessary skills to effectively manage and grow their ventures (Vidyaratne, 2023).
- Insufficient entrepreneurial education and skills development opportunities hinder women's ability to start and scale successful businesses (Hero FinCorp, n.d.).

Networking and Marketing Challenges

- Women usually have restricted access to professional networks, mentors, and marketing resources that could help them find customers, partners, and expand their businesses (Jahanshahi et al., 2010).

- Lack of access to useful networks and resources makes it difficult for women entrepreneurs to overcome various challenges (Gowramma & Kumar, 2018).

Political and Legal Hurdles

- Unfavorable policies, regulations, and legal environments can create additional barriers for women entrepreneurs, especially in developing economies (Vidyaratne, 2023).
- Discriminatory laws and lack of legal protection may impede women's ability to operate on an equal footing with their male counterparts (Hero FinCorp, n.d.).

Plans and policies made by Indian government to empower women entrepreneurship

The Indian government has implemented various plans and policies to empower women entrepreneurs and promote gender equality in the business sector. These plans and policies also known as initiatives aim to lay emphasis on the prominent hurdles encountered by women entrepreneurs.

1. Women Entrepreneurship Platform (WEP)

NITI Aayog and SIDBI have partnered to create the Women Entrepreneurship Platform (WEP). It offers business collaborations, apprenticeships, and mentorship as part of an ecosystem that supports female entrepreneurs. In addition to helping them create a network of like-minded women, WEP assists female entrepreneurs at every level, from ideation to scaling up (NITI Aayog, 2023).

2. Udyogini Scheme

The Udyogini program, run by the Women Development Corporation, is aimed at prospective female entrepreneurs in impoverished and rural regions. It provides ₹3 lakhs in interest-free, collateral-free loans to initiate micro-enterprises in specific small-scale sectors. Furthermore, the government offers easy repayment choices with a 30% discount and educates practical skills like costing and business planning (Women Development Corporation, 2022).

3. Pradhan Mantri Mudra Yojana (PMMY)

PMMY offers small and micro businesses financing without the need for collateral. There are three loan categories available: ₹50,000 for Shishu, ₹50,000 to ₹5 lakhs for Kishor, and ₹5 lakhs to ₹10 lakhs for

Tarun. Mudra provides NBFCs and MFIs that lend money to female entrepreneurs with a 25 basis point interest rate discount. Between FY15 and FY21, women entrepreneurs received over 68% of Mudra loans, totaling ₹6.36 lakh crores (Ministry of Finance, 2021).

4. Bharatiya Mahila Bank Business Loan

Bharatiya Mahila Bank was founded in 2017 and provides business loans to women who want to launch real estate or manufacturing ventures. Collateral-free loans are accessible for amounts under ₹1 crore, while women can apply for loans up to ₹20 crores. The objective of this initiative is to support female entrepreneurs financially and encourage their business ventures (Bharatiya Mahila Bank, 2023).

5. Trade-Related Entrepreneurship Development Assistance Scheme (TREAD)

TREAD aims to empower economically disadvantaged women by enhancing their technical skills and entrepreneurial capacities. It provides comprehensive support services, including training and counseling, to help women access credit and build their businesses. This scheme addresses the challenge of obtaining credit, which is a significant barrier for many women entrepreneurs (Ministry of MSME, 2022).

6. Mahila Coir Yojana

This scheme provides financial assistance to women engaged in the coir industry. It offers loans up to ₹50,000 for the purchase of coir-making machinery and raw materials. The scheme aims to promote the coir industry and support women entrepreneurs involved in this sector (Coir Board, 2023).

7. Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

CGTMSE gives credit guarantee to micro and small enterprises, including those owned by women. This scheme helps women entrepreneurs access credit by reducing the risk for lenders, thereby increasing the availability of loans (CGTMSE, 2023).

8. Prime Minister's Employment Generation Programme (PMEGP)

PMEGP is a government initiative that provides financial assistance to set up micro-enterprises. It

offers loans up to ₹5 lakhs for setting up new enterprises and up to ₹10 lakhs for setting up projects in the non-conventional sector. This scheme aims to generate employment opportunities, particularly for women (Ministry of MSME, 2023).

9. Udyam Shakti Portal

The Udyam Shakti Portal is an online platform that provides a single window for accessing various government schemes and services. It aims to simplify the process of accessing government support for women entrepreneurs, making it easier for them to start and grow their businesses (Ministry of MSME, 2023).

10. Economic Empowerment of Women Enterprises and Start-up by Women

The goal of this program is to empower women business owners by offering training, coaching, and financial support. By boosting their involvement in the business sector, it seeks to encourage women's entrepreneurship and support economic growth (Ministry of MSME, 2022).

CONCLUSION

Women entrepreneurs come across with prominent challenges, including restricted capital, networking barriers, legislative obstacles, societal norms, and psychological barriers. However, the Indian government has implemented various plans and policies to empower women entrepreneurs and promote gender equality in the business sector.

These initiatives aim to address the challenges encountered by women entrepreneurs by giving financial assistance, mentorship, and training. They also aim to create an enabling environment by changing societal norms and promoting gender-inclusive legislative frameworks. Schemes like the Udyogini Scheme, Pradhan Mantri Mudra Yojana (PMMY), and the Women Entrepreneurship Platform (WEP) have been particularly effective in supporting women entrepreneurs (Ministry of MSME, 2023; Women Development Corporation, 2022; NITI Aayog, 2023).

Creating networks and resources that are helpful, investing in education and training, and reforming

policies are all necessary components of a complete strategy to empower women entrepreneurs. By addressing these challenges, we can discover the hidden potential of women entrepreneurs and build a more innovative, and sustainable future (Vidyaratne, 2023; Jahanshahi et al., 2010; Gowramma & Kumar, 2018).

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