

Connecting Entrepreneurship and Empowerment: Legal Perspectives on Women in Business

S Ravi Shankar¹, Dr. AR Annadurai²

¹Assistant Professor, Koshys Institute of Management Studies

²Assitant Professor, Government Arts and Science College for Women, Paramakudi

doi.org/10.64643/IJIRTV12I8-190363-459

Abstract—This article investigates the site of entrepreneurship and empowerment from a legal perspective, examining how women's entrepreneurship can disrupt and reframe legal systems. Entrepreneurship gives women economic autonomy and visibility in the public sphere, but it is also a rich portal into legal empowerment. By navigating business regulations, property rights, contract laws, and financial systems, women entrepreneurs increasingly interact with legal frameworks shaping their social and economic realities. As more women in the region engage in small and medium enterprises from textiles and food processing to digital services, they increasingly have interactions with legal systems governing business registration, access to credit, rights to property, and labor regulation. By drawing on field observations, policy analysis, and domestic case illustrations, the article examines how enterprise is transforming women's relationship with the law. It contends that special legal education, enabling policies, and access to justice are critical to ensure that enterprise enhances livelihoods as well as realizes sustained gender equality. The paper ends by making a series of suggestions for the enhancement of legal infrastructure and the promotion of inclusive business environments for women in the region.

Index Terms—Entrepreneurship, Legal education, Legal infrastructure, Legal empowerment

I. INTRODUCTION

Over the past decades, women's entrepreneurship has become a major driver of economic development and social change. But beyond productivity and profit, the emergence of women's enterprises holds wider consequences particularly in the struggle for gender equality. Perhaps the most underappreciated yet most important of these is its linkage to legal rights. How does legal empowerment relate to entrepreneurship? And how can the law, in return, facilitate or obstruct

women's entrepreneurial success? The link between entrepreneurship and women's empowerment has attracted increased attention in recent years, especially as a means to promote gender equality and economic development. Business-enterprise women not only contribute to economic development but also resist traditional gender norms and gain increased control over their lives. Yet, their capacity to be full participants in the entrepreneurial process is oftentimes defined and sometimes constrained by the legal context in which they find themselves. Legal systems have a profound impact on making women's access to resources, opportunities, and protections available for operating successful enterprises possible, or alternatively, impossible. This essay examines how legal institutions and laws affect women's entrepreneurial experiences, both the challenges they pose and the ability of legal reforms to promote meaningful empowerment. This paper addresses these issues from a legal perspective, linking enterprise and equality within the framework of women's business experiences.

1.1 Objective and Hypothesis

1. To measure the degree to which entrepreneurship activities empower women with greater legal literacy and better access to legal assistance.

(H0): entrepreneurship activities do not allow women to achieve greater legal literacy and better access to legal assistance.

(H1) entrepreneurship activities allow women to acquire greater legal literacy and better access to legal assistance.

II. REVIEW OF LITERATURE

Agarwal and Tripathi (2021) argue that without parallel legal support such as simplified registration, protection from exploitation, and legal aid these programs fall short of enabling systemic change. Venkatesh and Nair (2019) explored women entrepreneurs in Tamil Nadu and found that many operated informal businesses due to bureaucratic hurdles in registration and limited legal literacy. Desai and Joshi (2014) highlight the persistence of gender-biased inheritance laws and limited land ownership, which directly affect women’s ability to obtain business capital. These structural legal inequalities significantly limit the growth potential of women-led enterprises. There is a notable lack of engagement from the legal academy in female entrepreneurship scholarship, highlighting the need for interdisciplinary approaches and the development of a new substantive area of law (Loza de Siles, 2011). Golub (2010) defines legal empowerment as the use of legal rights,

services, and systems to improve lives and livelihoods. Roomi and Parrott (2008) found that women entrepreneurs in developing countries gain confidence, social capital, and negotiation power through enterprise, which often translates into more active participation in civic and legal affairs.

III. LEGAL PERSPECTIVES

Entrepreneurship is not just about starting a business it's about navigating legal systems, accessing property rights, signing contracts, managing taxation, and securing credit. Each of these elements is embedded in a legal framework. When a woman paces into entrepreneurship, she inevitably engages with these systems, often becoming more legally aware and active in the process.

Table I. Legal Perspectives

Sl. No.	Perspective	Key Issues/Areas	Legal Impact
1.	Access to Economic Rights	<ul style="list-style-type: none"> Property ownership Contractual rights Access to finance 	<ul style="list-style-type: none"> - Ability to own/inherit land - Legal right to enter contracts independently - Laws affecting access to loans or credit
2.	Business Ownership and Registration	<ul style="list-style-type: none"> Equal opportunity to start businesses Licensing and registration laws 	<ul style="list-style-type: none"> - Gender-neutral business registration processes - Restrictions requiring male consent (in some countries)
3.	Workplace Equality and Protection	<ul style="list-style-type: none"> Non-discrimination Harassment protections Parental leave laws 	<ul style="list-style-type: none"> - Equal pay laws - Anti-harassment policies in workplace - Maternity leave policies supporting entrepreneurs
4.	Legal Literacy and Access to Justice	<ul style="list-style-type: none"> Awareness of legal rights Legal aid access 	<ul style="list-style-type: none"> - Training in business laws - Availability of affordable legal services
5.	Representation and Advocacy	<ul style="list-style-type: none"> Inclusion in law-making Institutional support 	<ul style="list-style-type: none"> - Women’s participation in policy drafting - Gender desks in business ministries or legal bodies
6.	International and Regional Frameworks	<ul style="list-style-type: none"> Global conventions Regional agreements 	<ul style="list-style-type: none"> - CEDAW enforcement - ILO labour conventions supporting gender equity

IV. DATA ANALYSIS AND INTERPRETATION

A correlation analysis was conducted to explore the relationship between Years in Business and Legal Literacy Level among business owners.

Understanding this relationship is essential, as legal literacy can significantly influence how effectively business owners navigate regulatory environments, contracts, and legal obligations.

Table II. Pearson correlation between Years in Business and Legal Literacy Level

Correlations			
		Years in Business	Legal Literacy Score
Years in Business	Pearson Correlation	1	.729**
	Sig. (2-tailed)		.000
	N	50	50
Legal Literacy Score	Pearson Correlation	.729**	1
	Sig. (2-tailed)	.000	
	N	50	50

** . Correlation is significant at the 0.01 level (2-tailed).

The analysis found a strong, positive, and statistically significant correlation ($r = 0.729$, $p < 0.01$) between Years in Business and Legal Literacy Score. This indicates that business owners with more years of experience tend to have higher legal literacy. The result suggests that accumulated business experience contributes to greater legal knowledge, highlighting the importance of supporting less experienced business owners through targeted legal education.

To further examine the predictive relationship between Years in Business and Legal Literacy Level, a simple linear regression analysis was conducted. The results, presented in Table 3, indicate the extent to which the number of years a business has been operating can explain variations in legal literacy among business owners. This analysis provides insight into the strength and significance of business experience as a predictor of legal knowledge.

Table III. Regression coefficients predicting Legal Literacy Level from Years in Business

ANOVA ^a						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.533	1	31.533	54.352	.000 ^b
	Residual	27.847	48	.580		
	Total	59.380	49			

a. Dependent Variable: Legal_Literacy_Score

b. Predictors: (Constant), Years_in_Business

Coefficients ^a						
	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.950	.276		3.449	.001
	Years in Business	1.050	.142	.729	7.372	.000

a. Dependent Variable: Legal Literacy Level

The regression results show that Years in Business is significant predictor of Legal Literacy Score. The unstandardized coefficient ($B = 1.050$, $p < 0.001$)

indicates that for each additional year a business has been operating.

The legal literacy score increases by approximately 1.05 points, holding other factors constant. The standardized coefficient ($Beta = 0.729$) confirms a

strong positive effect, and the t-value of 7.372 ($p < 0.001$) shows that this effect is highly statistically significant.

Table IV. Comparison of Legal Literacy Scores by type of Business.
Descriptive

Legal Literacy Score

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Retail	13	2.85	.899	.249	2.30	3.39	2	5
Manufacturing	9	3.33	1.118	.373	2.47	4.19	1	5
Service	12	2.17	1.030	.297	1.51	2.82	1	4
Agriculture	13	3.08	1.188	.329	2.36	3.79	2	5
Others	3	2.67	1.155	.667	-.20	5.54	2	4
Total	50	2.82	1.101	.156	2.51	3.13	1	5

These results indicate that the Manufacturing sector had the highest average legal literacy score ($M = 3.33$), indicating that business owners in this group reported stronger legal knowledge on average. This was followed by the Agriculture sector ($M = 3.08$) and Retail ($M = 2.85$). The Service sector had the lowest average score ($M = 2.17$), suggesting comparatively lower levels of legal literacy. The category labelled ‘Others’ also reported a modest average score of 2.67. legal literacy levels vary by business type, with manufacturing and agriculture showing higher scores.

This may be due to greater regulatory demands or legal compliance requirements in those sectors. Conversely, service businesses may have fewer interactions with formal legal systems, potentially explaining their lower scores.

To assess whether legal literacy scores differ significantly across various types of businesses (Retail, Manufacturing, Service, Agriculture, Others), a one-way Analysis of Variance (ANOVA) was conducted. This test evaluates whether the observed differences in mean scores across groups are statistically significant or likely due to random variation.

ANOVA

Legal Literacy Score

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.431	4	2.108	1.862	.134
Within Groups	50.949	45	1.132		
Total	59.380	49			

The ANOVA results indicate that there is no statistically significant difference in legal literacy scores across the five business types, $F(4, 45) = 1.862$, $p = 0.134$. Although descriptive statistics showed variation in mean scores (with manufacturing appearing to have the highest mean), this variation is not large enough to be statistically significant at the conventional alpha level of 0.05. The p-value of 0.134

exceeds the 0.05 significance threshold, indicating that any observed differences in legal literacy among business types could be due to chance rather than a true effect. Therefore, the type of business does not have a statistically significant impact on legal literacy in this sample.

Although the one-way ANOVA did not find statistically significant differences in legal literacy

scores among business types ($p = 0.134$), a Tukey HSD post hoc test was conducted to explore potential pairwise differences between specific business categories. This test helps identify where any

meaningful gaps may exist, even if the overall ANOVA result was not significant. The Tukey HSD test results are presented below.

Table V. Potential pairwise differences between specific business categories.

Multiple Comparisons

Dependent Variable: Legal Literacy Score

Tukey HSD

(I) Type_of_Business	(J) Type_of_Business	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Retail	Manufacturing	-.487	.461	.828	-1.80	.82
	Service	.679	.426	.508	-.53	1.89
	Agriculture	-.231	.417	.981	-1.42	.96
	Others	.179	.682	.999	-1.76	2.12
Manufacturing	Retail	.487	.461	.828	-.82	1.80
	Service	1.167	.469	.112	-.17	2.50
	Agriculture	.256	.461	.981	-1.05	1.57
	Others	.667	.709	.880	-1.35	2.68
Service	Retail	-.679	.426	.508	-1.89	.53
	Manufacturing	-1.167	.469	.112	-2.50	.17
	Agriculture	-.910	.426	.223	-2.12	.30
	Others	-.500	.687	.949	-2.45	1.45
Agriculture	Retail	.231	.417	.981	-.96	1.42
	Manufacturing	-.256	.461	.981	-1.57	1.05
	Service	.910	.426	.223	-.30	2.12
	Others	.410	.682	.974	-1.53	2.35
Others	Retail	-.179	.682	.999	-2.12	1.76
	Manufacturing	-.667	.709	.880	-2.68	1.35
	Service	.500	.687	.949	-1.45	2.45
	Agriculture	-.410	.682	.974	-2.35	1.53

The results indicate that none of the comparisons were statistically significant at the 0.05 level. All p-values exceeded the conventional threshold for significance, and the 95% confidence intervals for the mean differences included zero, suggesting that any observed differences in legal literacy scores between business types could be due to chance.

Notably, the largest mean difference was observed between Manufacturing and Service businesses (Mean Difference = 1.167, $p = 0.112$), but this was still not statistically significant

V. FINDINGS

Despite progressive legal frameworks, poor implementation limits their effectiveness. Legal

reforms face pushback from deep-rooted societal norms; awareness campaigns are essential to drive attitudinal change. Legal approaches often overlook intersectionality; rural, low-income, and disabled women face compounded challenges. Digital tools like online registration, fintech, and legal aid can improve access, but digital inclusion must be ensured.

VI. CONCLUSION

Entrepreneurship has immense potential not just to empower women economically, but to shift legal and social systems toward equality. However, this transformation does not happen in a vacuum. It requires intentional legal frameworks, supportive institutions, and on-going advocacy to remove structural barriers. Connecting entrepreneurship and

equality is not just about business growth it's about recognizing that when women engage in enterprise, they are also stepping into public life, influencing legal norms, and pushing societies closer to justice.

REFERENCES

- [1] Begum, A., Ahmed, B., & Murthy, S. S. (2023). Challenges and prospects of women entrepreneurs in India. *European Chemical Bulletin*, 12(S2), 656–667.
- [2] Silambarasan, D., Sabesh, R., & Ramprasath, S. (2023). Issues and challenges faced by rural women entrepreneurs in India. *Iconic Research and Engineering Journal*, 7(1), 289–292.
- [3] Singh, P., Sharma, S., & Kaur, L. (2022). Socio-familial and marketing problems faced by women entrepreneurs: An analytical analysis. *Indian Research Journal of Extension Education*, 22(2), 90–95.
- [4] Subathra, C., Krishnakumari, S., & Bharathivasu, S. (2020). Women's contribution in agriculture and allied activities. *International Journal of Management*, 11(12), 2875–2881.
- [5] Ulrike Fasbender and Yue S. Ang (2019). Women's entrepreneurship: discussing legal perspectives in light of individual and institutional drivers. *Women, Business and Leadership*, 2-18
- [6] Naaraayanan, S.L., Sen, R., Singh, M., & Yu, X. (2019). Women's Inheritance Rights and Entrepreneurship Gender Gap.
- [7] Anju, P. A., & Chakkachamparabil, E. P. (2018). Problems encountered by women entrepreneurs: With special reference to Thrissur district Kerala. *Vistas*, 7(1), 16–27.
- [8] Shabana, Khan, A.F., Vashistha, N., & Siddique, R. (2017). Women Empowerment through Entrepreneurship for their Holistic Development. *Asian Journal of Research in Business Economics and Management*, 7, 1-17.
- [9] Goltz, S.M., Buche, M.W., & Pathak, S. (2015). Political Empowerment, Rule of Law, and Women's Entry into Entrepreneurship. *Journal of Small Business Management*, 53, 605 - 626.
- [10] Siles, E.L. (2011). Female Entrepreneurship Theory: A Multidisciplinary Review of Resources.