

Driving Empowerment: A Holistic Insight into Women Entrepreneurship and Influencing Factors

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Abstract

Women play a vital role in shaping the worldwide economy, contributing towards its resilience and dynamism. Their multifaceted role in diverse sectors is the pivotal driver of sustainable progress at the global level. The main focus of this study is to comprehensively evaluate the employment scenario in India. Firstly, it seeks to assess the overall employment landscape of women in India. Secondly, it focuses on analyzing the proportional distribution of enterprises operated and managed by women entrepreneurs within the context of the overall business landscape. Lastly, it unveils the factors that influence women's entrepreneurship, recognizing the multifaceted aspects of elements that contribute to the success and the challenges faced by them in India. By addressing these specified objectives, this study provides valuable insights regarding the complex dynamics of women's participation in the labour force and entrepreneurial landscape in the Indian landscape. To achieve the desired objectives, secondary data has been collected from diverse sources such as MSME report, MoSPI, PLFS, various websites and the research paper published within this field. By recognizing the potential of women in the economic realm this study contributes towards sustainable economic development and a more equitable future for all.

Keywords: Women entrepreneurship, employment, factors influencing, economic growth, labour force and women participation.

1. Introduction

Entrepreneurship serves as a cornerstone for the economic development of both developed as well as for the developing nation, contributing as the backbone of the country's economy (Koster & Rai, 2008). It serves as a catalyst agent of change and plays a vital role in sustaining economic development and improving the standard of living for the people (Fatima, 2022). It is vital to acknowledge the integral role of women in the economy, as women comprise approximately half of the total population (Selvaratnam, 1988). Women entrepreneurs bring fresh and innovative ideas to the business landscape and contribute their diverse experiences and unique knowledge to foster a more robust and adaptable economy (Shah, 2013). Women's entrepreneurship emerged as a driving force in shaping the economies, playing a pivotal role in fostering economic growth and the development of the nation (Niethammer et al., 2007). Women's entrepreneurship emerges as a force not only contributes to economic growth but also fosters empowerment and inclusivity. When

women actively engage in entrepreneurial activities, their impact across various facets of the economy contributes to its vibrancy and resilience.

By examining the factors that influence women's entrepreneurship, this paper provides useful insights that can inform policymakers and influence entrepreneurs in fostering a more inclusive and supportive environment for women within the realm of entrepreneurship. This paper offers a holistic understanding of women's entrepreneurship in India. By addressing these objectives this study aspires to catalyse informed decision-making among policymakers and entrepreneurs contributing to the creation of an environment that empowers and supports women in their entrepreneurial endeavours.

2. Research Objectives

1. To assess the employment landscape of women in India.
2. To assess the proportionate distribution of enterprises run and managed by women entrepreneurs within the context of the Indian business landscape.
3. To highlight the multifaceted factors that influence women's entry into entrepreneurship.

3. Research Methodology

To achieve the specified objectives, the research methodology involved the collection of secondary data from diverse sources such as MSME reports, PLFS, MoSPI, websites and various research papers and reports etc. A comprehensive examination of existing literature will be used to focus on the factors that influence women's entry into entrepreneurship. This step provides a theoretical foundation for this study. The analysis of results is presented through various kinds of means such as tables, charts and diagrams. This visual aid serves as an effective tool to assess the trends and patterns within the data ensuring a thorough and accessible interpretation of the study's outcomes. This comprehensive analysis conceptualises the findings and contributes to enhancing the credibility and depth of the research work.

4. Findings and discussion

4.1 Analysis of objective 1: Employment landscape of women in India

Female in Labour force (32.8%)	
Self-employed	19.7%
Regular wage and salaried employees	5.3%

Casual labour	6.8%
Unemployed	1.1%
Females outside the labour force (67.2%)	
Women attended only domestic duties	34.7%
Attend domestic duties and engage in free collection of goods, weaving, tailoring etc.	14.1%
Attended educational institutions	11.3%
Pensioners, rentiers, remitters etc	4.9%
Not able to do any work due to disability	0.9%
Others such as baggers etc.	1.2%

Source: PLFS and MoSPI

The landscape of women's employment exhibits a notably pronounced rise in self-employment, closely followed by participation in casual labour. Among the total women force, only 32.8% of them engaged in economic activities and the rest 67.2% females are outside of the bracket labour force. Among the working labour force, 19.7% are engaged in self-employment, 6.8% in casual work and only 5.3% hold regular wage and salaried positions.

Self-employed Sector (19.7%)	Total females %
Agriculture sector	15.1%
Secondary sector	2.6%
Service sector	2%

Source: PLFS and MoSPI

According to the results of PLFS, 19.7% of females aged 15 years or above were self-employed. Only 24.2% of the total rural workforce was self-employed, in contrast to 8.6% of the total urban female population. A significant portion of around 15.1% was engaged in the agriculture sector, in contrast only 2.6% were engaged in the service sector and 2% in the service sector.

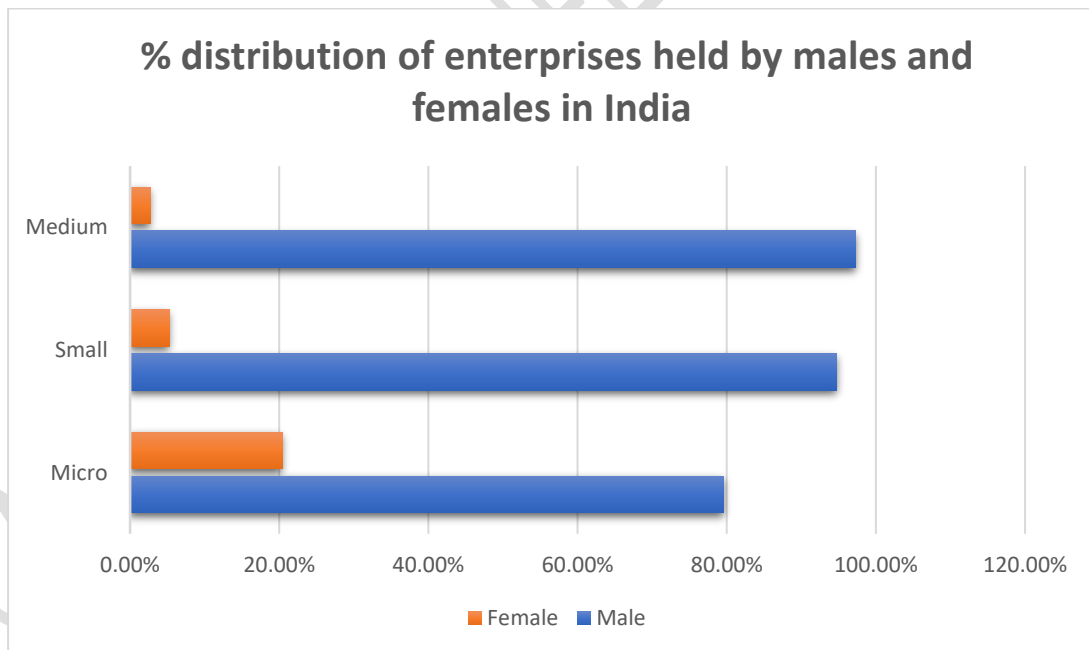
4.2 Analysis of objective 2: % distribution of enterprises owned and managed by women

4.2.1 % distribution of enterprises held by males and females in India:

During the fiscal year 2022, the ownership landscape of micro-enterprises within India exhibited a high gender disparity, with males holding a substantial of more than 79% of the total ownership, while females accounted for approximately 20.4% of the ownership only. This trend of disparity persists across medium and small enterprises, demonstrating a similar and skewed pattern towards male ownership.

Category	Male	Female	All
Micro	79.56%	20.44%	100%
Small	94.74%	5.26%	100%
Medium	97.33%	2.67%	100%
All	79.63%	20.37%	100%

Source: (Ministry of Micro Small and Medium Enterprises, 2023)

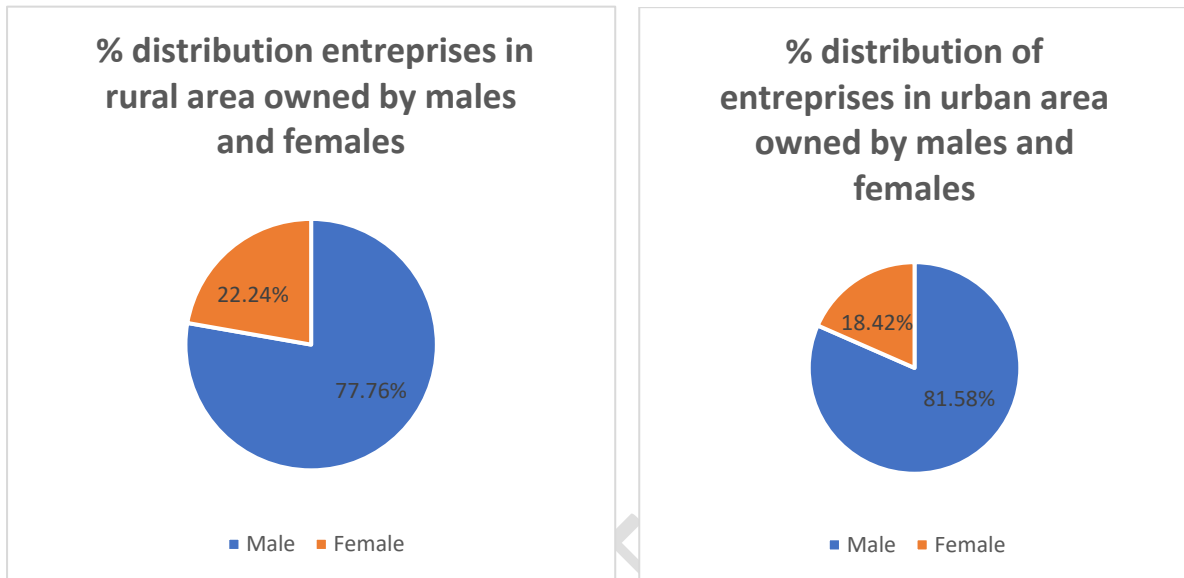


Source: Author's creation based on data collected from the MSME website and Statista

4.2.2 % distribution of enterprises in rural and urban areas based on male and female ownership

Sector	Male	Female	Total
Rural	77.76	22.24	100
Urban	81.58	18.42	100
Total	79.63	20.37	100

Source: (Ministry of Micro Small and Medium Enterprises, 2023)



In rural areas, a substantial majority of enterprises approximately 77.76% owned by women, while women own a comparatively smaller proportion, accounting for only 22.24% of the total enterprises. Urban areas also reflect the same kind of gender disparity in enterprise ownership with around 81.58% owned by men and only 18.42% of the enterprises in the hands of women. The overall data underscores the clear gender disparity in enterprise ownership, with men holding a significantly larger share as compared to women in both rural and urban settings.

4.3 Factors influencing women's entrepreneurship

A comprehensive analysis of existing literature has been performed to explore the factors that influence women's entrepreneurship.

1. Social and cultural factors

Social norms:

Prevailing social norms in society can influence the role of women, and impact their legitimacy and acceptance as an entrepreneur. Overcoming stereotyping and bias is crucial for expanding the economic opportunities for women entrepreneurs (Linan et al., 2020).

Cultural attitude

Cultural factors play a significant role in influencing entrepreneurship. Beliefs, norms, and values shape individuals' perceptions, attitudes and behaviour. Cultural norms and expectations can influence their choice. Cultural attitudes towards authority and hierarchy can influence the way entrepreneurs interact (Shinnar et al., 2012).

2. Economic factors

Income disparity:

Prevailing economic disparities such as the gender pay gap and occupational inequalities can influence the ability of women to start and sustain their business ventures (Olawaju & Fernando, 2020).

Limited access to financial resources:

Limited access to financial resources such as income, assets ownership, property, unavailability of loans and venture capital poses a significant barrier in the path of women entrepreneurship (Abebe & Kegne, 2023). Various kinds of discrimination such as lack of collateral and gender-based bias in the financial sector can hinder their ability to secure loans and advances (Manta, 2019).

Limited Economic opportunities:

Women's limited access to traditional employment and lack of access to formal employment can push women to explore more entrepreneurship as a way to create more opportunities and contribute to the economy to achieve financial independence (Carrington, 2006).

3. Educational factors

Education:

Unequal educational opportunities and limited knowledge and skills, impact women's ability to identify and pursue entrepreneurial opportunities (Feng et al., 2023). High levels of education and knowledge can positively impact women's entrepreneurial success and growth (Khan et al., 2021).

Knowledge and skills:

Access to training and various skill development programs can contribute to enhancing women's capability to be successful entrepreneurs (Khan et al., 2021).

4. Institutional factors

Legal and regulatory framework:

Supportive and restricted legal frameworks can shape the opportunities for women entrepreneurs in India. In India initiative such as Start-up India, Udhyam Yojana, and Mudra scheme contributes towards the development of women's entrepreneurship in India.

Government regulations and policies:

Various kinds of policies that promote gender equality and provide support to women in businesses such as Start-up India, Mahila E-haat, Mudra, Prime Minister employment generation programme can positively influence women's entrepreneurship (Kumar & Divya, 2021; S. Kumar & Shobana, 2023; Pathak, 2022).

5. Technological Factors

Access to technology

Entrepreneurs get benefits from reliable infrastructure and connectivity. Access to technology enhances women's productivity supports e-commerce and fosters innovation within the globally connected business landscape (Soluk et al., 2021).

Access to digital platforms

Access and reach to digital platforms can extend the entrepreneur's market reach by offering them cost-effective marketing and branding opportunities (Galindo-Martín et al., 2023).

6. Psychological factors

Self-efficacy

Belief in own skills and capabilities plays a crucial role in the path of women's entrepreneurial endeavours (Chen et al., 1998).

Tolerance of risk ability

Women's attitude towards risk-bearing can influence their willingness to take entrepreneurial risk-taking (Chawla & Bhatia, 2021). The risk tolerance can indeed be a critical factor in entrepreneurial decision-making and venture success. On average, women exhibit a higher level of risk aversion in the context of entrepreneurship (Harshitha et al., 2023).

Factors	Sub categorisations	Supporting Studies
Socio-cultural factors	Social norms Cultural	(Linan et al., 2020; Shinnar et al., 2012)
Educational factors	Level of education Knowledge and skills	(Feng et al., 2023; Khan et al., 2021)
Institutional factors	Legal framework Government policies and framework	(Kumar & Divya, 2021; S. Kumar & Shobana, 2023; Pathak, 2022)
Technological factors	Access to technology Access to digital platforms	(Galindo-Martín et al., 2023; Soluk et al., 2021)
Economic factors	Income disparity Limited access to financial resources Limited economic opportunities	(Abebe & Kegne, 2023; Carrington, 2006; Manta, 2019; Olarewaju & Fernando, 2020)
Psychological factors	Self-efficacy Risk Tolerance	(Chawla & Bhatia, 2021; Chen et al., 1998; Harshitha et al., 2023)

5. Conclusion of the Study

Empowering women not only contributes towards their individual growth but also contributes significantly towards the overall development of society. The current analysis of women's employment in India revealed a significant pronounced trend towards self-employment. The ownership landscape of enterprises in India reflects significant gender disparity, within which males hold a substantial portion. These findings underscore the need for more concentrated efforts to tackle the gender imbalances in enterprise ownership, fostering a more equitable entrepreneurial landscape in India. Furthermore, the examination of multifaceted factors influencing women entrepreneurs sheds light on the opportunities and obstacles faced by women within the business sphere. An understanding of the factors that encourage and facilitate women's entrepreneurship is vital for creating a supportive environment that encourages and facilitates women's entrepreneurship. Policymakers,

researchers and government can work together through the insights derived from this study to address these factors and promote gender-inclusive policies and ecosystems in India.

6. Limitation of the Study and Future Research Gap

The results of this are completely based on the secondary data for the limited-time framework. The accuracy of the results depends upon the reliability of the data obtained from the secondary sources. Future research work can be done on conducting the longitudinal study that provides a more dynamic understanding of the changes in trends and patterns of ownership over some time. Investigating the intersectionality of gender with other factors such as age, education and status can offer a more pronounced understanding of ownership dynamics within the diverse demographic groups. More research work could explore the impact of various specified policies aimed at fostering gender-inclusive entrepreneurship and their effectiveness in narrowing the ownership gap pattern.

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CAPCDR 7th CONFERENCE 2023