

A STUDY ON THE ROLE OF WOMEN ENTREPRENEURS IN ECONOMIC DEVELOPMENT

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Abstract

Women entrepreneurs are very important for helping the economy grow by creating jobs introducing ideas making money and improving the way people live. Even though they are getting better at what they do women entrepreneurs still face a lot of problems. These problems include not being able to get money to start a business not getting the right training and people not understanding what they do. This study is about women entrepreneurs and how they help the economy. We want to know what things help or hurt their businesses. To do this we asked 60 women entrepreneurs some questions. They told us about their experiences. We also read books and articles to get information. When we looked at all the information we collected we found out that women entrepreneurs are really good at creating jobs and helping their communities. We also found out that the internet and help from the government have made it easier for women to start and run their businesses. However not having money is still a big problem for women entrepreneurs. So what can we do to help women entrepreneurs? We think that if we can get them better access to money teach them skills help them understand how to use the internet and make laws that support them they will be able to grow their businesses and help the economy in a big way. Women entrepreneurs are crucial to making sure that everyone has a chance to succeed and that the economy grows in a way that is good, for everyone.

INTRODUCTION

Across the globe, women-owned businesses are having a growing impact on modern economies. In the past, women's economic roles were often overlooked or limited to informal, low-income

work because of social and cultural barriers. Today, female entrepreneurs are seen as key contributors to economic growth, job creation, and innovation. Supporting women-led businesses is now recognized as a smart economic move that brings new talent into the workforce and increases national productivity. Research shows that women often reinvest much of their business earnings into their families, especially in areas like education, healthcare, and living standards. This creates a cycle that helps families escape poverty and strengthens local economies. When women start businesses, they become job creators, which helps reduce unemployment and brings new ideas to the market, making the economy stronger and more adaptable. Despite these benefits, women entrepreneurs still face challenges that their male counterparts do not. The biggest issue is access to finance; women often struggle to get bank loans, venture capital, or other funding. They also carry a heavy load of unpaid family care, face social biases, and have less access to business networks. Because of these obstacles, many women-led businesses remain small and cannot grow into larger, high-growth companies. This research paper examines how women's entrepreneurship affects economic development, focusing on [region\country]. While global studies show women can drive economic change, there is a need for local research to understand the specific barriers they face and what solutions are effective. By looking at the direct impact of female entrepreneurs and identifying the main social and financial challenges, this study aims to provide practical recommendations for governments, banks, and community leaders to create a more supportive environment for women in business.

REVIEW OF LITERATURE

Over the past decade, research on female entrepreneurship has moved from highlighting basic inequalities to exploring digital solutions. The discussion began with a World Bank study by Meunier, Krylova, and Ramalho (2017), which found that women own less than a third of formal limited liability companies worldwide, showing a large gap in asset ownership. Kanze, Huang, Conley, and Higgins (2018) then showed that venture capitalists tend to ask men about growth and women about safety, which leads to less funding for female founders. In the 2020s, researchers like Cardella, Hernández-Sánchez, and Sánchez-García (2020) reviewed decades of studies and found that while women's entrepreneurship is important for economic diversity, it is limited by work-family conflicts and male-dominated business networks. **Brixiová, Kangoye, and Jones**

(2020) found that lack of seed capital often pushes women into lower-yield service businesses instead of more profitable sectors. By the mid-2020s, organizations like the OECD (2023) used national data to show how much innovation and GDP is lost when policies do not support women business owners. **Grand-Clement (2023) showed that** mobile banking and digital micro-loans can help women bypass traditional banks and get funding. The World Bank Group (2024) studied 190 economies and found that laws about property, movement, and financial independence limit the growth of women-led businesses. Ge, Sun, Sha, et al. (2024) found that e-commerce and social media are helping women overcome some of these barriers. Recent data from the **Global Entrepreneurship Monitor (2024) shows that**, despite ongoing challenges, more women are starting innovative businesses and showing strong motivation. Xie and Level (2025) found that while some barriers remain, digital platforms help women grow their networks, build brands, and reach international clients.

STATEMENT OF THE PROBLEM

Women entrepreneurs contribute significantly to business creation, but many remain limited to small-scale enterprises due to financial, institutional, and socio-cultural barriers. Challenges such as limited access to credit, restricted networking opportunities, and domestic responsibilities hinder business growth and scalability. As a result, women-led businesses often struggle to expand, innovate, and maximize their contribution to economic development.

NEED FOR THE STUDY

This study is needed to identify the barriers that prevent women-owned businesses from scaling and reaching their full economic potential. Understanding these challenges can help improve access to finance, support inclusive policies, encourage digital adoption, and enhance women's contributions to employment, innovation, GDP growth, and community development.

OBJECTIVES

- To analyze the impact of social expectations and family responsibilities on a woman's ability to run and grow a business.
- To examine how women-owned businesses directly boost local economies through employment and revenue generation.
- To evaluate the specific banking, funding, and investment hurdles that keep female-led startups from expanding.

HYOTHEESIS

•**Null Hypothesis (SH_0\$):** There is no significant relationship between the growth of women's entrepreneurship and economic development.

•**Alternative Hypothesis (SH_1\$):** There is a significant positive relationship between the growth of women entrepreneurship and economic development

RESEARCH METHODOLOGY

Research methodology refers to the systematic process used to collect, analyze, and interpret data for the study. This study adopts a descriptive research design to understand the relationship between the growth of women entrepreneurship and its contribution to economic development. Data are collected from respondents using a structured questionnaire and analyzed using simple statistical methods.

Research Design: The study uses a descriptive research design to examine the growth of women-led businesses and their overall impact on economic development.

Research Approach: The required information is collected through:

- Structured questionnaire
- Direct interaction with respondents

Sources of Data

- **Primary Data:** Data collected directly from respondents through questionnaires and personal interactions.
- **Secondary Data:** Data collected from books, journals, research articles, websites, government reports, and other published sources related to women's entrepreneurship and economic development.
- **Sample Size:** 60 respondents were selected for the study.
- **Sampling Technique:** Convenience sampling is used to select respondents.

Limitations of the Study:

- The study is limited to respondents in [Insert Your City Name Here, e.g., Mysuru] city.
- The sample size is limited to 60 respondents.

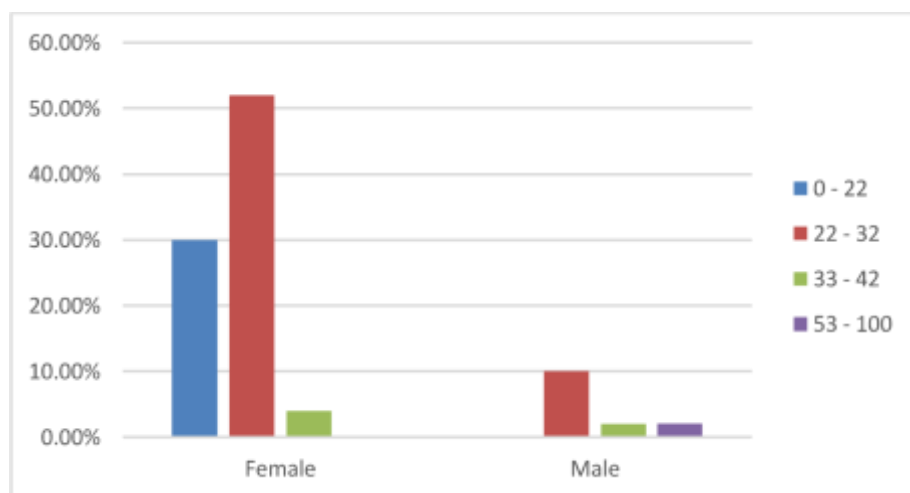
Responses are based on opinions and awareness of respondents.

- Time and resource constraints may affect the scope of the study.

DATA ANALYSIS

1. Age					
Gender	0 - 22	22 - 32	33 - 42	53 - 100	Grand Total
Female	30.00%	52.00%	4.00%	0.00%	86.00%
Male	0.00%	10.00%	2.00%	2.00%	14.00%
Grand Total	30.00%	62.00%	6.00%	2.00%	100.00%

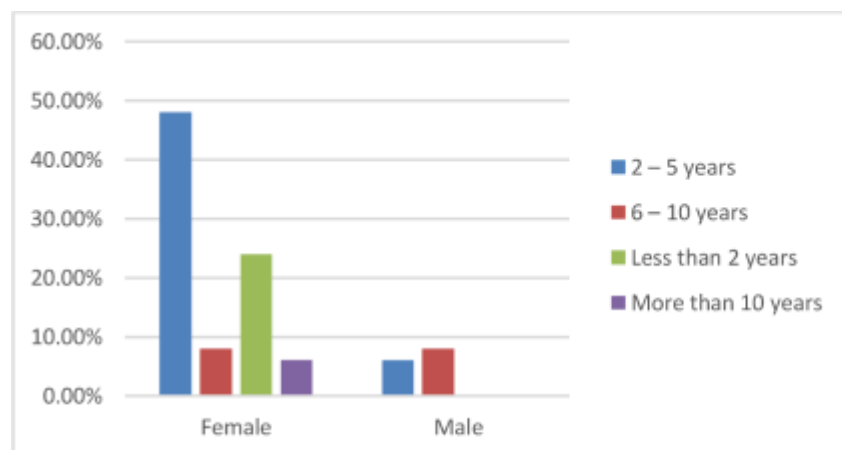
Analysis: Your absolute core demographic is Females aged 22–32, making up **52%** (more than half) of the entire dataset. If this data is for a business or marketing campaign, this is your primary audience. They hold the majority of the weight.



Interpretations: The most striking demographic feature is the gender split. Females make up 86% of the total population, while Males account for just 14%. Whatever this dataset represents (a product's user base, a specific university major, or a survey group), it is overwhelmingly appealing to or composed of women.

2 .Years of business Operation					
Gender	2 – 5 years	6 – 10 years	Less than 2 years	More than 10 years	Grand Total
Female	48.00%	8.00%	24.00%	6.00%	86.00%
Male	6.00%	8.00%	0.00%	0.00%	14.00%
Grand Total	54.00%	16.00%	24.00%	6.00%	100.00%

Analysis: Mostly Women. The vast majority of the business owners surveyed (86%) are women. Men only make up 14%. Mostly New Businesses: Most of these businesses are quite young. In fact, 78% of them have been open for 5 years or less.

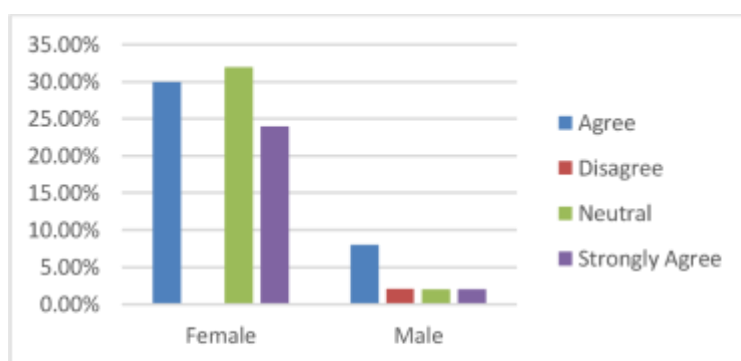


Interpretations: The Female Entrepreneurship Surge. There is a massive concentration of female business owners in the newer brackets. Nearly three-quarters of the entire sample (72%) consists of women who started their businesses within the last 5 years (24% under 2 years + 48% between 2–5 years). This strongly points to a recent, powerful wave of female entrepreneurship.

3. I actively introduce new products, services, or business processes to remain competitive in the market.

1.Gender	Agree	Disagree	Neutral	Strongly Agree	Grand Total
Female	30.00%	0.00%	32.00%	24.00%	86.00%
Male	8.00%	2.00%	2.00%	2.00%	14.00%
Grand Total	38.00%	2.00%	34.00%	26.00%	100.00%

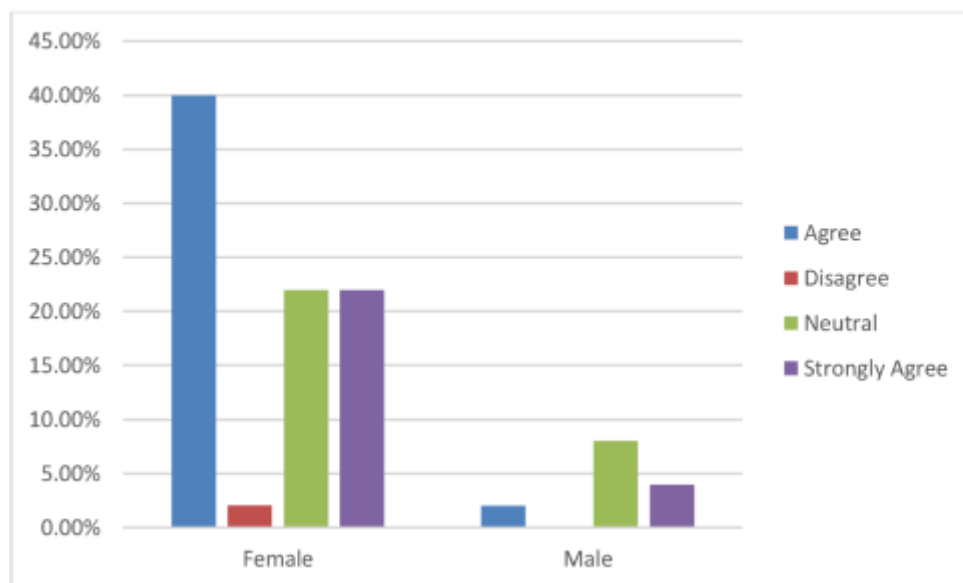
Analysis: More than half of the women (**54%**) say they Agree or Strongly Agree with bringing in new products or services. Zero women (**0%**) disagree with this statement.



Interpretations: High Innovation overall. Most business owners try to stay competitive. **64%** of the entire group answers positively by saying they **Agree** or **Strongly Agree** with introducing new things.

4.Utilizing digital technology and social media platforms has significantly improved my business reach.					
1.Gender	Agree	Disagree	Neutral	Strongly Agree	Grand Total
Female	40.00%	2.00%	22.00%	22.00%	86.00%
Male	2.00%	0.00%	8.00%	4.00%	14.00%
Grand Total	42.00%	2.00%	30.00%	26.00%	100.00%

Analysis: Looking at the women, **62%** out of the 86% total explicitly agree that social media and technology expanded their market reach.

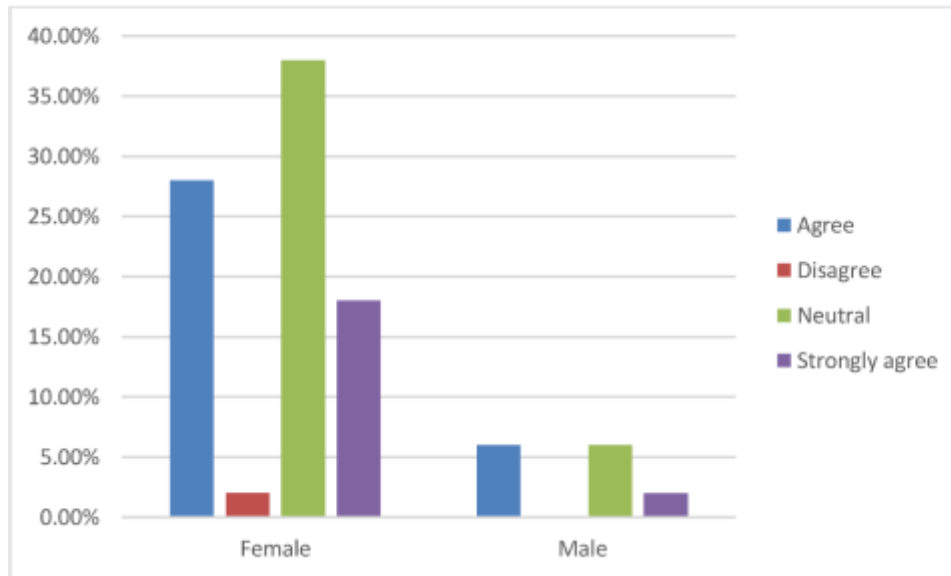


Interpretations: Digital Tools Work A massive **68%** of all business owners (**42% Agree + 26% Strongly Agree**) state that digital technology and social media have significantly boosted their business reach

5. My enterprise has shown consistent growth in annual turnover and profit margins over the past three years.

Gender	Agree	Disagree	Neutral	Strongly agree	Grand Total
Female	28.00%	2.00%	38.00%	18.00%	86.00%
Male	6.00%	0.00%	6.00%	2.00%	14.00%
Grand Total	34.00%	2.00%	44.00%	20.00%	100.00%

Analysis: The results show that most respondents have a positive opinion about their enterprise's growth. More respondents agreed or strongly agreed (54%) than disagreed (2%). This indicates



Interpretations: Neutral responses are the highest at 44%, indicating that many respondents were neither positive nor negative about the statement.

SPSS TEST

HYPOTHESIS TEST

Hypothesis Test Summary				
	Null Hypothesis	Test	Sig. ^{a,b}	Decision
7	The categories of 7. Access to formal credit and financial schemes has enabled me to expand my business operations. occur with equal probabilities.	One-Sample Chi-Square Test	.001	Reject the null hypothesis.
8	The categories of 8.Utilizing digital technology and social media platforms has significantly improved my business reach. occur with equal probabilities.	One-Sample Chi-Square Test	.327	Retain the null hypothesis.
10	The categories of 10. I actively introduce new products, services, or business processes to remain competitive in the market. occur with equal probabilities.	One-Sample Chi-Square Test	.390	Retain the null hypothesis.

N par tests

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
8.Utilizing digital technology and social media platforms has significantly improved my business reach.	51	3	5	3.98	.761
9.Active participation in business networks and mentorship programs has enhanced my entrepreneurial skills.	51	3	5	4.02	.707
Valid N (listwise)	51				

ANOVA TEST

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.001	1	1.001	1.582	.214 ^b
	Residual	30.999	49	.633		
	Total	32.000	50			

Findings

1. Women entrepreneurs contribute significantly to economic growth by creating employment and increasing income.
2. They improve the standard of living of their families and communities.
3. Lack of financial support, training, and market access are the major challenges faced by women entrepreneurs.
4. Government schemes and skill development programs have helped increase women's participation in entrepreneurship.
5. Education and digital technology have encouraged more women to start and manage businesses.

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Conclusion

Women entrepreneurs play an important role in the economic development of a country by generating employment, increasing income, and promoting innovation. Although they face challenges such as limited finance and lack of training, proper government support, education, and access to technology can help them succeed. Promoting women's entrepreneurship leads to inclusive and sustainable economic growth.

Suggestions

1. Provide easier access to loans and financial assistance for women entrepreneurs.
2. Organize regular entrepreneurship and skill development training programs.
3. Increase awareness about government schemes for women-owned businesses.
4. Improve access to digital technology and online marketing platforms.
5. Encourage mentoring, networking, and business support services for women entrepreneurs

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