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## Problems Faced By Women Entrepreneurs In Starting Their Own Enterprise

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### Abstract

“Women entrepreneurs may be defined as a “Woman or a group of women who initiate, organize and run a business enterprise”. Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise.”

In India, a country rich in culture and religion, where women encounter numerous obstacles when trying to launch their own businesses in the same way that men do. Men receive social, financial, and medical support from society, but women, particularly in India, do not. Women in India are creating and succeeding in their own businesses in spite of numerous obstacles and issues. Women still suffer a lot of issues and hurdles in this new period where they are treated equally to males. This study uses secondary sources of data, such as websites with articles from magazines, to illustrate the issues faced by female entrepreneurs. The paper's goal is to identify the most pressing diplomatic issues and offer solutions.

**Keywords-** women entrepreneur, problems, challenges and business.

### Introduction

Women entrepreneurs are one or more women who start and manage a business venture. An entrepreneurial woman performs a range of duties. In addition to taking chances and bringing innovations, they should consider the possibility of launching a new company, plan, organise, and oversee daily operations, and demonstrate strong leadership in all areas of the organisation. According to the study's findings, women own 20.37% of MSMEs in India, while men own 79.63% of them, reflecting the dominance of men in the MSME sector. West Bengal has the highest percentage of female-owned MSMEs (23.42%), in contrast. Although the number of MSMEs has increased over time, more needs to be done to enhance the share of female entrepreneurs in the industry. (2024)

Additionally, members spearheaded advancements in gender equality at the 13th Ministerial Conference (MC13), held in February 2024. The MC13 Ministerial Declaration acknowledges that women's trade participation helps to economic growth and sustainable development, including a special paragraph on women's economic empowerment. Additionally, it acknowledges the WTO's work on the subject and outlines the importance of programmes like experience sharing and capacity building, which are two of the main tenets of the Informal Working Group on Trade and Gender's work. (2024)

Economic development depends on an understanding of the obstacles faced by female entrepreneurs for a number of reasons. Through generating revenue, promoting innovation, and creating jobs, women entrepreneurs play a key role in contributing to economic prosperity. According to McKinsey Global Institute estimates (McKinsey Global Institute, "The Power of Parity: How Advancing Women's Equality Can Add \$12 Trillion to Global Growth," 2015), eliminating the gender gap in labour force participation and productivity could add \$12 trillion to global GDP by 2025.

## 1. Literature review

1. **Hisrich, R. D. (1986).** The author explained that being a woman in a field dominated by men, having few role models, and lacking confidence in some business abilities enhance the risks associated with starting and running a firm. She must create a track record if she wants to succeed. Education and business training that are required should be acquired. Experience in technical or middle management fields is advantageous. The family situation should be evaluated before to beginning. It is important to build a solid moral support network of friends, family, clients, and business partners.
2. **Stevenson, L. (1990).** The author identifies and highlights some of the most important methodological issues that have historically hindered researchers' ability to comprehend women's entrepreneurial experiences and continue to impede the development of female perspectives. It is necessary to take fresh approaches to integrate women's experiences into entrepreneurship theory rather than continuing with the "male-based" models that are already in use.
3. **Hisrich, R. D., & Öztürk, S. A. (1999).** The author findings show that although the female entrepreneurs shared many traits with their international counterparts, they also differed in other areas, such as the reasons and motivation for their business launches and the challenges they faced. A developing economy's distinct social structure, including the effects of income inequality, occupational segregation, and involvement in unsupported sectors of the economy, is partially reflected in these differences. According to these results, notions about women entrepreneurs that are based on established nations should be thoroughly studied before being applied to developing and non-OECD economies.
4. **Ganesan, R., Kaur, D., & Maheshwari, R. C. (2002).** The authors highlight the issues that these business women are worried about and suggests the best sort of entrepreneurship education. The authors believe that as more women start their own firms without receiving this kind of formal training, resources should probably be allocated to helping them become independent. The paper has also noted several unique elements, issues that women in business typically face, and the gendered causes of these issues. It is suggested that these issues could be resolved by making investments to form alliances and networks.
5. **Okafor, C., & Amalu, R. (2010).** The authors explained the purpose of this study is to investigate the connection between female entrepreneurs' obstacles and motivating elements. Previous studies on personal dissatisfaction, a motivational factor, have concluded that personal dissatisfaction acts as a "push factor" that has an intrinsic effect on women entrepreneurs' performance and can aid in overcoming the challenges they face in business. This sheds more light on the multiple effects of each motivational variable on women entrepreneurial challenges. This study found a favourable correlation between the obstacles faced by female entrepreneurs and motivational factors, whether extrinsic or internal, push or pull. Statistical research was done to find out more about the various impacts of family influence, financial, psychological, and environmental elements as motivating factors on the difficulties faced by female entrepreneurs in the business world.
6. **Huang, K. H., Mas-Tur, A., & Yu, T. H. K. (2012).** The authors primary goal is to investigate the relationship that exists between the abilities held by female entrepreneurs and their driving forces, obstacles, and output. The degree of schooling, prior work experience, and prior business expertise and management abilities are some of the variables that are related to the talents needed of a business owner and are reviewed by the author on the theoretical framework. The analysis

conducted reveals that two of the most significant factors in determining the motives and challenges faced by women entrepreneurs are their lack of managerial experience and education.

7. **Rehman, S., & Azam Roomi, M. (2012).** The authors finding indicate that striking a work-life balance is one of the most important motivator factors for people to launch their own enterprises, among other factors. Having their own enterprises allows individuals to balance their social and familial obligations with flexibility, autonomy, and freedom. The biggest obstacles for women to attain balance in a patriarchal Islamic society are time constraints, gender bias, social and cultural conventions, and family obligations. The best coping mechanisms for women to manage the conflicting demands of job and family are strategic planning, organising, and delegating.
8. **Siddiqui, A. B. (2012).** The author explained that Indian social structure has historically been dominated by men. The current era is bringing about changes to this classic setup. Indian women's lifestyles had to adapt as a result of the country's social fabric shifting due to rising educational levels and a wide range of ambitions for a better life. Indian families enjoy the luxury of being admired by Westerners, as women in this country shoulder greater responsibility for raising children and providing a better, loving, and caring household. There is still much more that needs to be done in the way of encouragement, incentives, and motivation. The acceptance of their entrepreneurial skills by society, the moral backing of their families, the financial assistance provided by banks and other financial institutions (leaving scepticism behind), and the policies of women's empowerment.
9. **Agarwal, S., & Lenka, U. (2015).** The idea of entrepreneurship has gained popularity throughout the world and aided in the nation's economic growth. It makes use of entrepreneurs' skills to help their businesses succeed. Work-life balance is a difficulty for working women CEOs. Role conflict arises from the development of family duties and tasks that they may play. They need to strike a balance between their personal and professional lives in order to overcome role conflict. Women launch their own businesses in order to have greater control and flexibility over their personal and professional responsibilities. By their entrepreneurship, they support innovation, the creation of jobs, and the economic growth of the country.
10. **Carter et al., (2015).** The author explained journey of women entrepreneurs is frequently obstructed by challenges such as unequal access to financial resources, gender-specific stereotypes, and a lack of tailored support mechanisms
11. **Yadav, V., & Unni, J. (2016).** The authors explained results of 19 literature reviews on women entrepreneurs that were published between 1986 and 2016 are presented in this research. It is our conclusion that the early research on entrepreneurship assumed that male and female entrepreneurs were essentially the same and did not specifically call for a different kind of study. Because of this, studies on women entrepreneurs did not emerge as a separate field of study until the late 1990s or early 2000s. Professional communities such as the Diana International initiative, specialised journals, and conferences also emerged during this period of development. In order to expand the body of knowledge on women entrepreneurs, mainstream entrepreneurship journals released special issues in response to the recognition of the need for more study in this field.
12. **Garg, S., & Agarwal, P. (2017).** The authors explained from the days when women could only work at home, they have moved into the manufacturing, trading, and service sectors today. When women engage in entrepreneurial activities, they develop self-reliance as well as self-confidence.

As a result, it gives them the chance to improve their family's quality of life in addition to helping the country's economic development. Although women account for nearly half of India's population, just 10% of businesses contribute to the country's GDP. From 1.02 million in 2001–2002 to 2.66 million in 2005–2006, the number of registered businesses owned by women climbed from 8.32% to 13.72%.

**13. Rahim, I. H. A., Fabeil, N. F., & Sung, T. P. (2017).** The authors explained best possibility for women who wish to start their own businesses is in the business sector. Women shouldn't pass up this chance, for that reason. Women have to deal with a variety of issues in all fields. Female entrepreneurs must embrace challenges and be resolute in confronting any issues that arise in their environment. If they want to become successful business owners, they should try to figure out how to fix the challenges. In order to address this issue, a more all-encompassing strategy for supporting and keeping an eye on the entrepreneurial activity of women entrepreneurs has to be developed.

## 2. Methodology

The objective of the research is to find clues to the problems and challenges faced by women entrepreneur in which author used the secondary source of data. The secondary data were collected from reports, journals and magazines. Data were also collected by surfing the net and from relevant websites.

## 3. Discussion

### Problems face by women entrepreneur

- 1. Lack of financial support:** Businesses have financial challenges due to a variety of factors, including a lack of sufficient funding, trouble getting bank credit, a low risk tolerance, capital constraints during expansion, ignorance of suitable funding sources, collateral shortages, convoluted and drawn-out loan applications, etc. Women entrepreneurs in India are consistently hampered by insufficient and unsuitable funding sources. Women own very little property and bank balances in their names, making them less creditworthy and unable to obtain financing from other sources like official financial institutions. Robert's research in developing and non-OECD economies shows that 41% of respondents reported having trouble getting a loan, and 59% of respondents cited financial problems as a critical issue.
- 2. Lack of education:** One of the most crucial characteristics of an entrepreneur is their ability to spot opportunities, analyse and comprehend them, and then turn those opportunities into a profitable firm. Education plays a major role in enabling an individual to achieve these things. Research indicates that men in industrialised nations tend to have higher levels of education than women in underdeveloped nations. In India, the majority of women do not even have a higher education beyond high school, with only 56% of them being literate. This creates a situation where female entrepreneurs are ill-prepared for the most recent advancements in the industry or technology, let alone aware of emerging company prospects. Thus, while starting and running their businesses, women entrepreneurs encounter a variety of challenges.
- 3. Fear of loss/risk diverging behaviour:** Risks are often viewed differently by female business owners. It appears from research that women are possibly less risk-taking and more cautious than men. They may carefully weigh the advantages and disadvantages of several options before making business decision as a view point of market diverse approaches to risk management may be used

by women. They might favour gradual and consistent growth over rapid expansion, for example. Stability and avoiding any problems may be the motivation behind this careful approach.

4. **Lack of marketing knowledge:** Women entrepreneurs may find it difficult to properly sell their products and succeed in the market place if they lack marketing expertise. Women entrepreneurs may find it difficult to increase their visibility if they lack a strong grasp of marketing tactics. This could lead to a decline in brand recognition and fewer chances to acquire new clients. Targeting the correct demographic is another essential component of effective marketing, and a lack of marketing expertise can result in badly designed campaigns that don't connect with prospective buyers. Furthermore, understanding online marketing tools in the digital age is essential; without it, business owners risk missing out on critical chances to interact with their audience and take advantage of digital platforms. These tools include social media, SEO, and email marketing. Furthermore, it might be difficult to differentiate oneself from competitors when there is a lack of marketing experience preventing the development of a strong brand identity and strategic positioning in the market. Another area where marketing expertise is crucial is budget management, since a lack of knowledge can result in wasteful spending on unproductive tactics.
5. **Low self-confidence:** self-assurance and failure-apprehension Generally speaking, it is believed that men are more upbeat and self-assured than women when it comes to business possibilities and operating a company. One of the main issues facing women who wish to engage in entrepreneurial activity in micro and small businesses is a lack of self-confidence. It is believed that women have lower levels of self-confidence than men in general. This may not always be the case, though, when it comes to one's level of confidence in managing entrepreneurial endeavours, as confidence levels differ among individuals and situations. However, owners dread failing, and this has been linked to the social and economic difficulties they encounter.
6. **Transportation:** Women entrepreneurs may face substantial challenges when it comes to mobility. They may find it difficult to manage and expand their enterprises due to factors including the lack of accessible, reasonably priced transport, safety worries, and the requirement for flexibility. Inadequate mobility alternatives can make it difficult for many women, particularly those living in poor or rural areas, to access markets, services, and networks.
7. **Networking Opportunities:** Establishing a robust professional network is crucial for achieving commercial success. However, the gender disparity that persists in many industries and professional circles may limit women's access to mentors, partners, and consumers.
8. **Managing responsibilities:** Women company owners frequently combine their professional obligations with caregiving for their families and the home. It may be especially difficult to strike this balance if there is little assistance or flexibility in the workplace.
9. **Gender Bias and Discrimination:** Women may experience discrimination and bias based on their gender, which may have an effect on their access to leadership positions, business prospects, and self-perceptions.
10. **Legal and Regulatory Barriers:** Restrictive business legislation or a lack of legal protections are just two examples of the legal and regulatory obstacles that women entrepreneurs may encounter in some areas. These obstacles may affect them disproportionately.
11. **Work-Life Balance:** Women are frequently under pressure to strike a work-life balance, which can be more difficult when they are in business for themselves. This involves controlling your stress and preventing burnout.

**12. cultural Norms:** In many countries, women's entrepreneurial activities are restricted or face greater challenges in being considered seriously in the corporate sphere due to conventional gender roles and cultural expectations.

**13. Absence of Mentors and Role Models:** Women may find it more difficult to obtain advice and encouragement for their entrepreneurial endeavours in particular fields when there aren't enough female mentors and role models.

#### 4. Case studies

##### A. Kiran Mazumdar-Shaw - Founder of Biocon

###### Challenges:

In the male-dominated world of brewing, Kiran Mazumdar-Shaw encountered discrimination against women when she first began working as a brew master. One of the biggest obstacles she faced when she decided to go into biotechnology—a field that was relatively unknown in India at the time—was her limited access to funding.

###### Solutions:

To establish credibility, she made use of her technical knowledge and asked industry experts to serve as mentors. She began small, working out of a rented garage, and concentrated on contract research, which required less money, in order to overcome funding concerns.

###### outcome:

Biocon expanded to become one of the biggest biopharmaceutical businesses in India, with a sizable international presence. Kiran Mazumdar-Shaw emerged as a prominent personality in the biotech sector of India, serving as an inspiration for female entrepreneurs.

##### B. Falguni Nayar - Founder of Nykaa

###### Challenges:

Entering the crowded, fiercely competitive, and mostly dominated e-commerce market presented a hurdle for Falguni Nayar.

Additionally, women were expected by society to put family before business, particularly as they got older.

###### Solutions:

Nayar made the most of her deep knowledge of the beauty business and her wealth of expertise in investment banking. She concentrated on developing a solid consumer experience and brand identity. She assembled a group of people that supported her goal and used technology to give clients a customised shopping experience.

###### Outcome:

Nykaa became a leading online beauty retailer in India and successfully launched its IPO in 2021. One of the wealthiest self-made woman business owners in India today is Falguni Nayar.

##### C. Richa Kar - Founder of Zivame

###### Challenges:

Marketing Richa Kar's lingerie was challenging because of social taboos around the topic. It was difficult to persuade investors to support a women's lingerie company because many of them had conservative views.

###### Solutions:-

To make clients feel at ease, Kar developed an incognito shopping environment and employed covert marketing techniques. In order to reach a larger audience, she first concentrated on developing a strong online platform before branching out into physical retail.

**Outcome:**

Zivame became one of India's leading lingerie brands, creating a space for intimate wear in the Indian market. Additionally, the business helped to shift how society views lingerie.

**D. Suchi Mukherjee - Founder of Limeroad****Challenges:**

Suchi Mukherjee faced the challenge of building an e-commerce platform in a market dominated by large players like Flipkart and Amazon. Due to mistrust of specialised platforms, fundraising proved to be challenging.

**Solutions:**

Mukherjee concentrated on developing a distinctive platform for user-generated content where users could produce and distribute "style looks," which fuelled organic development. She established a solid tech and operations basis for Limeroad by utilising her experience in consumer online start-ups.

**outcome:**

Particularly among women, Limeroad developed into a well-liked e-commerce site for fashion and lifestyle, drawing large investments from leading venture capital firms.

**5. Conclusion**

In summary, women entrepreneurs face a variety of challenges when launching their own businesses, such as challenges obtaining capital, negotiating gender stereotypes, and gaining access to vital professional networks. Systemic obstacles that prevent women from fully participating in the business environment exacerbate these difficulties. Targeted actions are needed to address these problems, such as strengthening financial access through specialised financing programs, fostering inclusive networking opportunities, and implementing laws that prohibit gender discrimination. Stakeholders can create a more equal atmosphere that helps female entrepreneurs overcome obstacles and achieve sustained success in their businesses by putting these strategies into practice. It is critical to put laws in place that address these disparities, improve funding accessibility, and create strong support networks that are suited to the requirements of female entrepreneurs in order to promote a more inclusive entrepreneurial environment. We can encourage a more dynamic and varied entrepreneurship ecosystem by doing this.

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