

BARRIERS TO WOMEN ENTREPRENEURSHIP: A COMPREHENSIVE ANALYSIS OF SOCIAL, ECONOMIC, AND CULTURAL CHALLENGES

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Abstract

Women entrepreneurship is widely recognized as a key driver of economic growth, social development, and innovation. However, in many parts of the world, especially in developing countries like India, women entrepreneurs continue to face a complex web of barriers that hinder their participation and success in the business landscape. These obstacles are not just economic in nature, but deeply rooted in social norms, gender biases, and cultural expectations. This research paper provides a comprehensive analysis of the major challenges faced by women entrepreneur's social, economic, and cultural dimensions. This study adopts a qualitative and descriptive research design to comprehensively analyse the social, economic, and cultural challenges faced by women entrepreneurs. The methodology is based on secondary data. All data used in this research is derived from secondary sources. These include, Research papers published in academic journals, Government and NGO reports. study has shown that women entrepreneurs face many challenges that make it harder for them to start and grow their businesses. These challenges are not just one type they come from different areas like society, economy, and culture. This study not only highlights the barriers but also focus the urgent need for collaborative efforts across government, society, and industry to unlock the untapped potential of women entrepreneurs.

Keywords: *Women Entrepreneurship Barriers, Social, Economic, And Cultural Challenges.*

Introduction

Women are increasingly becoming strong forces for innovation, inclusive growth, and economic transformation in the ever-changing world of entrepreneurship. Across the globe, and particularly in developing nations like India, women-led enterprises have shown remarkable resilience and creativity. Yet, despite their potential and passion, women entrepreneurs often find themselves navigating a path filled with hurdles not commonly faced by their male counterparts. A woman entrepreneur's path is rarely limited to a business activity. It is often a silent revolution against deep-rooted social norms, economic inequalities, and cultural expectations. These barriers manifest in various forms: from lack of access to finance, limited decision-making power, and absence of mentorship, to societal biases, gender stereotypes, and cultural restrictions on mobility and independence.

This study explores the many and interconnected social, economic, and cultural barriers that prevent women from fully engaging in the entrepreneurial environment. The study intends to identify the root causes of these obstacles and investigate viable methods to remove them through a thorough analysis backed by data and case studies from real-world situations. By doing this, it seeks to add to the expanding conversation on sustainable development, economic empowerment, and gender equality.

Literature Review

Women's entrepreneurship is now widely acknowledged as a means of promoting gender equality, economic growth, and poverty reduction. Still, scholarly and empirical research has consistently demonstrated that women encounter significantly greater challenges than men when pursuing entrepreneurship. These obstacles are deeply rooted in societal, economic, and cultural structures and go beyond simple financial limitations.

- **Gupta et al. (2023)** Observed that even when women do receive financial support, the size of loans is often small, limiting scalability. Many women also lack financial literacy, which further restricts their ability to plan and manage business finances effectively.
- **NITI Aayog, (2022)** While governments have launched various programs to support women entrepreneurship such as Stand-Up India, Mudra Yojana, and Mahila E-Haat studies show that many women are unaware of these schemes or unable to access them due to lack of documentation, digital illiteracy, or bureaucratic barriers.
- **Goyal and Yadav (2022)** Found that lack of family support and mobility restrictions continue to hamper women's ability to network, access markets, and attend business training programs, especially in rural and semi-urban areas.

- **Kusuma and Basargekar (2021)** Found that societal perceptions often discourage women from taking entrepreneurial risks. In many cases, women are expected to prioritize family responsibilities over business growth. This "double burden" leads to time poverty and affects their business productivity.
- **World Bank (2020)**, Lack of financial resources remains one of the most frequently cited challenges for women entrepreneurs. According to the World Bank (2020), women are significantly underrepresented in access to formal credit systems. In India, this challenge is further intensified by the lack of property ownership and financial literacy, making it difficult for women to offer collateral or manage business accounts confidently.
- **Bain & Company and Google (2020)** reported that only 20% of Indian women entrepreneurs had access to institutional finance, and less than 5% received venture capital funding. This funding gap is a major barrier to scaling women-led enterprises.
- **Eagly and Wood's (2012) Social Role Theory** suggests that traditional gender roles assign domestic and caregiving responsibilities to women, discouraging them from exploring business ventures. This is particularly prevalent in developing countries like India, where women are expected to prioritize household duties over personal or professional ambitions. Social norms and gender-based expectations often play a crucial role in limiting women's participation in entrepreneurship.
- **According to Brush, de Bruin, and Welter (2009)**, women often lack access to the informal networks, mentors, and support systems that are critical to entrepreneurial success. These social structures frequently limit women's mobility and freedom to engage in networking, client meetings, and market exploration.
- **Roomi and Parrott (2008)** found that women in conservative regions often face societal disapproval, mobility restrictions, and limited decision-making power in family and business matters. Cultural attitudes toward women in business often discourage risk-taking and independence. In patriarchal societies, entrepreneurship is still viewed as a male-dominated activity.
- **Hofstede's (2001) cultural dimensions theory** highlights that high power distance and masculinity in cultures can significantly impact women's ability to lead or own businesses. In rural India, women may require permission to travel or attend market fairs, directly affecting their customer outreach and business growth.

Research Objectives

- To identify key social, economic, and cultural barriers faced by women entrepreneurs.
- **To analyse how these challenges impact their business performance and entrepreneurial morale.**

Research Methodology

This study adopts a qualitative and descriptive research design to comprehensively analyse the social, economic, and cultural challenges faced by women entrepreneurs. The methodology is based on secondary data sources. The study is exploratory and analytical in nature. It aims to identify, examine, and interpret the existing barriers to women entrepreneurship through the lens of previously conducted studies, reports, and literature. All data used in this research is derived from secondary sources. These include, Research papers published in academic journals, Government and NGO reports on women entrepreneurship, Books and case studies related to gender and entrepreneurship, Articles and publications by international organizations such as UN Women, World Bank, and ILO. The data has been analysed using content analysis. Common themes such as social norms, access to finance, policy limitations, and gender bias were identified and categorized to draw meaningful insights.

Findings

Social, Economic and Cultural Barriers:

The study, focusing on understanding the multidimensional barriers that hinder women's entrepreneurial progress. The aim is to explore the systemic and structural challenges that exist within society, the economy, and cultural environments that prevent women from fully engaging in or succeeding at entrepreneurial activities.

1. Social Barriers:

These include norms, attitudes, and expectations that influence how women are perceived and supported as entrepreneurs. Often, women face: Gender stereotypes that label entrepreneurship as a male-dominated field, Limited access to social and professional networks that are essential for business growth, Work-life balance pressures due to traditional roles expected of women within the family. Understanding these issues highlights the invisible constraints that affect women's confidence, exposure, and societal support in business.

2. Economic Barriers:

These are the financial and institutional challenges that restrict women's access to resources necessary for entrepreneurship. Common obstacles include: Difficulty in accessing capital or credit, often due to lack of collateral or financial history, Income inequality and lower savings among women, reducing their investment capacity, Lack of awareness or eligibility for government or private funding schemes. This part of the analysis reflects how economic systems often undervalue or under-support women's ventures, leading to limited growth opportunities.

3. Cultural Barriers:

Culture significantly shapes women's participation in the economy. Cultural barriers may include: Patriarchal beliefs and restrictive traditions, especially in rural or conservative societies, Religious or community norms that discourage women from working outside the home or owning businesses, Fear of social backlash for breaking cultural expectations. These elements show how deep-rooted belief systems can restrict women's mobility, ambition, and visibility in the business ecosystem.

Impact on business performance and entrepreneurial morale

The study a step further from identifying the barriers women entrepreneurs face to evaluating their consequences. It focuses on the real-world effects of social, economic, and cultural challenges on both the business outcomes and the psychological well-being of women entrepreneurs.

1. Impact on Business Performance:

Measurable elements of entrepreneurial success like profitability, expansion, market reach, client base, and sustainability are referred to as business performance. The difficulties noted were a lack of support networks, societal regret, inadequate financial access, etc. can directly lead to: Reduced access to capital, limiting inventory, marketing, or expansion opportunities, Lower participation in competitive markets, due to lack of confidence or exposure, Difficulty in hiring or retaining skilled labour, especially when social constraints prevent late working hours or mobility, Underperformance in sales or innovation, stemming from time constraints and family obligations. By analysis these issues, the study can demonstrate how external barriers translate into internal inefficiencies, limiting the potential of women-led enterprises.

2. Impact on Entrepreneurial Morale:

Morale refers to the psychological and emotional state of an entrepreneur confidence, motivation, resilience, and the will to persist. Social and cultural challenges often erode morale through: Lack of encouragement from family and peers, leading to self-doubt,

Negative societal attitudes that diminish women's self-worth and risk appetite, Constant juggling of multiple roles (e.g., business owner, homemaker), causing burnout and fatigue, Fear of failure or public criticism, reducing willingness to take entrepreneurial risks. These emotional and psychological effects can lead to low persistence, early exit, or inability to scale, even when the business idea or product has potential.

Conclusion

This study has shown that women entrepreneurs face many challenges that make it harder for them to start and grow their businesses. These challenges are not just one type they come from different areas like society, economy, and culture. On the social side, women are often expected to focus only on their family and household responsibilities. They also face negative comments and lack of trust from society, especially in rural areas. From the economic view, women often have less access to money, loans, and financial help. Many do not own property or have collateral to get loans from banks. Also, they may not have enough knowledge about managing money or finding investors. This lack of financial support stops many good ideas from turning into successful businesses. Cultural factors also play a big role. In many communities, traditions and customs do not allow women to take leadership roles. They are sometimes not allowed to travel alone or attend business meetings. These rules limit their freedom and chances of growing their business. Even when women are strong, skilled, and motivated, these barriers slow down their progress. These challenges affect their performance, confidence, and overall mental strength. Many women feel discouraged or stressed, which impacts their business success.

If we want more women to become successful entrepreneurs, we must break these barriers. Families, society, government, and financial institutions must work together. Women need support, training, funding, and encouragement. Only then can they fully use their talents, help the economy grow, and become true change-makers in our world.

Recommendations

To help women grow as successful entrepreneurs, it is important to remove the social, economic, and cultural barriers they face. Below are some practical and easy-to-understand recommendations:

- **Increase Awareness and Change Social Mindsets:** must stop thinking that only men can run businesses. Awareness campaigns should be held in schools, colleges, and villages to encourage respect for women entrepreneurs. Success stories of women entrepreneurs should be shared widely to inspire others.

- **Family Support is Very Important:** Families should support women's dreams and allow them to take business decisions. Household responsibilities should be shared equally, so women can focus on their businesses too. Husbands and parents must encourage women to attend training programs and business events.
- **Provide Easy Access to Finance:** Banks and financial institutions should offer special loan schemes for women with low interest rates. Government should create grant programs and startup funds specially for women entrepreneurs. Women should be given training in managing money, budgeting, and maintaining financial records.
- **Skill Development and Education:** Special training programs should be provided to women in areas like marketing, digital skills, business planning, and communication. Women should be encouraged to attend workshops, webinars, and entrepreneurship courses.
- **Create Women-Friendly Business Policies:** Government policies should be made simpler to women entrepreneurs. Laws that protect women in business should be strongly implemented. Special incentives like tax benefits, subsidies, and priority in government tenders should be given to women-led enterprises.
- **Encourage Work-Life Balance:** Women should be given flexible working hours, especially during pregnancy and child care. More daycare and child-friendly workspaces should be created to support working mothers. Business models like part-time work, online businesses, and home-based ventures should be promoted.

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