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A Study on Global Status of Women Entrepreneurship

Atiba Batul^{1*} & Keya Das Ghosh^{2*}

Abstract

The contribution of women in today's world is immense. They have come a long way since they were confined within four walls in their homes, a few decades ago. They have contributed towards the well-being of their households and impacting a country's economic development, poverty alleviation, job creation, wealth creation and economic vitality. There is still exclusion in terms of finances, opportunities and entrepreneurial schemes with regards to the female population of the society. There are many researches that have discussed the inclusion of men in the mainstream of business and enterprise setting. The domain of entrepreneurship development with regards to women population and its impact on empowering women is not much explored in literature. This study analyses the status of women worldwide while accessing entrepreneurial schemes and attempts to identify their access and non-access pattern. This study concludes that associated stakeholders play an important role in entrepreneurship schemes' awareness.

Keywords: Entrepreneurship, Women, Inclusive Growth, Empowerment, Economic Development.

1. Introduction

The growth and development of any economy noticeably depends upon an inclusive and equitable growth. Inclusive in the sense that no citizen remains excluded from the mainstream system and equitable in the sense that no discrimination is made among the individuals based on their gender, caste or creed. If the economic systems follow this mechanism of growth progress, then their nation will be able to facilitate mobilization of financial resources and channel them towards productive motive to be able to consequence capital formation. Usually, people belonging to small/marginal and weaker sections of the society has been identified as a great sufferer due to economic backwardness specifically in developing and less developed countries. Moreover, extended and chronic deprivation of basic necessities and livelihood facilities to a big section of the population, like the low earning group and female citizens, results in a decline in economic development and has the ability to gasoline social tensions causing social exclusion. Women constitute almost 50% of the world's total population and are indispensable in building a great society (Lahiri, 2022). They have come a long way- since they were confined within four walls in their homes a few decades ago. They are running their businesses successfully and unleashing their talents into businesses. The authorities of various nations realized the importance of women entrepreneurship and took a collaborative approach, creating a better and more encouraging business environment for them. Women entrepreneurs are encouraged through various financial, entrepreneurial, and industrial incentive-based schemes. In the present scenario of industrialization, universal thrust has

¹ Project Associate, Amity Institute of Training & Development, Amity University Kolkata. atibabatul94@gmail.com

² Deputy Director & HOI, Amity University Kolkata. ghoshkeya77@gmail.com

* Scholar: Centre for Modern Indian Studies -CeMIS, Goerge August Gottingen university, Germany. ajeet.shekhar@stud.uni-gottingen.de

been on motivating the future generation entrepreneurs. Women entrepreneurial activities will pull them out of distress to be able to get them included into the mainstream system willingly, so that the greater number of citizens can become part of this in efficient way and their cash may be utilized for effective functions. It will result in excessive capital formation and the authorities can move forward on the direction of inclusive progress.

Women play a complete crucial function in the economic development globally by way of increasingly and actively taking part in the system that were previously considered as a male domain. Entrepreneurship amongst women has been a latest challenge. Women are now aware about their rights and their work state of affairs. They are also being provided with training about banking and financial offerings. The financial, social, spiritual, cultural, and mental factors affect origination and success of women entrepreneurs. The motives and motivations for starting commercial enterprise or financial activities by means of females are massive. The important motives are getting cash or appealing source of profits, taking part in higher positions of the social hierarchy, availability of loans, beneficial government policy, private satisfaction, preference to make use of own talent and capabilities, self-belief, non-potential to find appropriate activity, monetary necessity, etc. Although both men and women face problems in securing employment, women have more obstacles to overcome. Some of the obstacles are negative socio-cultural attitudes, criminal barriers, practical external boundaries, lack of training and personal problems. One important step that can be taken towards the holistic approach of women empowerment is to provide women with entrepreneurial opportunities. This will advocate women to open and manage their enterprise ledger without the requirement of being dependent on their male partners and enable them to avail access to credit and range of monetary products from banks. This will also attract a big part of the unbanked populace to formal banking mechanism. Such efforts should be aimed for building an international social safety mechanism for the below-privileged women population. Women entrepreneurship will prove to be extraordinary. The progress this concept has made so far, is constrained in literature. This paper attempts to bridge this gap in literature.

The concept of women empowerment was discussed for a long time but it gained more significance after the pledge of adoption and fulfilment of the Sustainable Development Goals (SDGs) by the countries. According to the World Bank, empowerment is the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. The mechanism deals with the capacities of women in taking decisions about their lives with reference to their choices and preferences. It can take place in a variety of ways. Liberty results in true empowerment. Many women are victims of societal evils, traditional burden and lack of basic necessities, even though they have successful footprints in different fields. Even when women make up half of the population, there is still bias in their status with respect to birth, education, employment rights and remuneration (Maurya, 2015). According to the experiences gained from most of the parts of Africa, Asia and Latin America, women are more at risk of violence if they lack economic power. If they are more involved in paid work than in an abusive relationship, it will give them opportunities of gaining skill, knowledge and confidence, and make them more social (Capraro, 2017). Women in less developed and developing countries are less well-off than men due to various social evils, and are more powerless due to the acceptance gender specific norms by them. The process of guarding them against all kinds of violence is to empower women through access to education, employment, and transformed social structure. Women empowerment is the phenomenon of uplifting economic, social and political status of women in the society (Shettar, 2015). The government along with civil societies and other shareholders have endorsed gender equality. There is a need to raise economic women empowerment in order to end violence against women (Dhar, 2018). The purpose of this study is to assess the development made by way of providing a global perspective of the impact of entrepreneurship on women empowerment and to assess whether women entrepreneurship development has in reality reached to those belonging to the lowest of the hierarchy of social system.

The study has been framed in the following way: Section 2 presents systematic review of literature; Section 3 represents the objectives of the study; Section 4 research methodology; Section 5 presents the analysis and findings; Section 6 concludes and recommends; and Section 7 research implications.

2. Literature Review:

The Gender Snapshot 2023 by UN Women highlights that the gender gap in power and leadership positions remains deeply entrenched. Achieving gender equality and women's empowerment by 2030 will require an additional investment of USD 360 billion per year (UN Women Press Release, 2023).

Adam et al. (2023) examined the impact of the COVID-19 pandemic on healthcare services, the labor market, education, and community safety in the Global South, finding that the pandemic had a disproportionately negative effect on individuals based on gender. The disruption of education was particularly pronounced for girls. Additionally, there was an increase in domestic violence and a rise in women's unpaid workloads. Women's income and labor force participation declined significantly during the pandemic, with single rural women with children being the most affected demographic group.

The Global Entrepreneurship Monitor (2022) reported a 15% decrease in women-led startups from 2019 to 2020, with no significant change in 2021. Women also experienced a sharper decline than men in their intentions to start a business within three years and their overall startup activity in 2020, although this trend was less pronounced in higher-middle-income countries.

Batul and Ghosh (2020) argued that access to economic services for the poor has been a longstanding issue worldwide. Traditional banking systems require extensive paperwork, collateral, and other transaction processes that vulnerable populations struggle to meet. In the absence of formal financial services, these individuals often rely on informal credit sources, such as money lenders and borrowing from family or friends.

Mathew (2019) reported that, according to the Sixth Economic Census (2014), only 14% of Indian women own or run businesses. Furthermore, approximately 90% of women-led businesses are microenterprises, with around 79% being self-financed..

3. Objective of the Study, Method, Analysis and Finding

This study aims to explore the global status of women entrepreneurship. It employs a descriptive and analytical approach, drawing on secondary data from various sources, including research journals, news articles, UN Women, the United Nations Department of Economic and Social Affairs, the World Bank, and others.

Entrepreneurship is influenced by a wide range of factors, and it does not exist in a vacuum. The ease or difficulty of starting a business is shaped by the national context and available resources. The National Expert Survey (NES) provides insights into the national environments in which individuals establish businesses. In addition, Table 1 presents data on the availability of financial resources for SMEs, including grants and subsidies, for the year 2022.-

Table 1: Financial Support to Entrepreneurs by Different Economies

Sl. No.	Countries	Financing for Entrepreneurs
1.	Angola	2.97
2.	Argentina	3.17
3.	Austria	4.97
4.	Brazil	3.47
5.	Canada	5.19
6.	Chile	3.51
7.	China (PRC)	5.62
8.	Colombia	3.56
9.	Croatia	4.83
10.	Cyprus	3.38
11.	Egypt	4.22
12.	France	5.61
13.	Germany	5.4
14.	Greece	4.18
15.	Guatemala	3.01
16.	Hungary	5.27
17.	India	5.95
18.	Indonesia	5.99
19.	Iran	3.57
20.	Israel	4.85
21.	Italy	4.33
22.	Japan	4.49
23.	Latvia	5.14
24.	Lithuania	5.74
25.	Luxembourg	4.43
26.	Mexico	3.49
27.	Morocco	4.18
28.	Netherlands	6.31

29.	Norway	4.63
30.	Oman	3.96
31.	Panama	3.14
32.	Poland	3.93
33.	Qatar	4.84
34.	Republic of Korea	5.22
35.	Puerto Rico	3.63
36.	Romania	3.92
37.	Saudi Arabia	6.39
38.	Serbia	3.69
39.	Slovak Republic	4.43
40.	Slovenia	4.87

41.	South Africa	3.95
42.	Spain	3.75
43.	Sweden	5.84
44.	Switzerland	6.36
45.	Taiwan	5.88
46.	Togo	2.69
47.	Tunisia	3.5
48.	United Arab Emirates	7.18
49.	United Kingdom	4.87
50.	United States	6
51.	Uruguay	3.35
52.	Venezuela	1.85

Source: Global Entrepreneurship Monitor, 2022.

Table 1 above shows the index for financing entrepreneurs through which it is observed that Venezuela ranks the lowest among other economies, and Saudi Arabia ranks the first.

Next, we look at the Female-Male ratio based on Total Early-Stage Entrepreneurial Activity (TEA) for the year 2022, which is calculated as the Percentage of female 18-64 population who are either a nascent entrepreneur or owner-manager of a new business, divided by the equivalent percentage for their male counterparts, as shown in table 2-

Table 2: Female/Male TEA in Different Economies

Countries	Female/Male TEA
United States	0.89
Egypt	0.39
South Africa	0.86
Greece	0.55
Netherlands	0.62
France	0.65
Spain	0.99
Hungary	0.66
Romania	0.66
Switzerland	0.76
Austria	0.82
United Kingdom	0.71
Sweden	0.65
Norway	0.55
Poland	1.08
Germany	0.65
Mexico	0.88
Brazil	0.75
Chile	0.87
Colombia	0.87
Venezuela	0.89
Indonesia	1.3
Japan	0.39
South Korea	0.56

China	0.72
India	0.98
Iran	0.7
Canada	0.81
Morocco	0.58
Tunisia	0.75
Togo	1.12
Luxembourg	0.63
Cyprus	0.42
Lithuania	0.54
Latvia	0.6
Serbia	0.43
Croatia	0.56
Slovenia	0.55
Slovakia	0.8
Guatemala	0.92
Panama	0.79
Uruguay	0.83
Puerto Rico	0.8
Taiwan	0.62
Saudi Arabia	0.74
Oman	0.98
UAE	0.71
Israel	0.67
Qatar	1.04

Source: Global Entrepreneurship Monitor, 2022.

The above table shows that almost all the economies have shown a similar kind of trend in the context of female/male TEA, however, still Indonesia has done better than all.

To evaluate the status of women entrepreneurship, consider the following table 3, which shows the data on different nations with their respective most recent year's information available.

Table 3: Percentage of Female Owned Firms in Different Countries

Economy	Year	Firms with female participation in ownership (% of firms)
Afghanistan	2014	2.2
Albania	2019	20.7
Argentina	2017	57.8
Armenia	2020	27.4
Austria	2021	36.9
Azerbaijan	2019	15.3
Burundi	2014	44
Belgium	2020	44.2
Benin	2016	36.7
Bulgaria	2019	41.7
Bosnia & Herzegovina	2019	24.9
Belarus	2018	45.5
Bolivia	2017	68.6
Bhutan	2015	43.3
Cote d'Ivoire	2016	24.4
Cameroon	2016	39.7
Colombia	2017	66.9
Cyprus	2019	45.1
Czechia	2019	29.9
Germany	2021	33.5
Denmark	2020	31.8
Dominican Republic	2016	32.2
Ecuador	2017	70.4
Egypt, Arab Rep.	2020	5.2
Spain	2021	61.8
Estonia	2019	35.5
Ethiopia	2015	36.2
Finland	2020	44
France	2021	51.2
Georgia	2019	22.4
Guinea	2016	9
Gambia, The	2018	16.8

Greece	2018	45.9
Guatemala	2017	31.5
Honduras	2016	54.7
Croatia	2019	31.7
Hungary	2019	51.9
Indonesia	2015	22.1
India	2014	10.7
Ireland	2020	54.9
Italy	2019	24
Jordan	2019	22.6
Kazakhstan	2019	30.5
Kenya	2018	47.5
Kyrgyz Republic	2019	45
Cambodia	2016	46.2
Lao PDR	2018	36.5
Lebanon	2019	9.9
Liberia	2017	37.4
Lesotho	2016	39.1
Lithuania	2019	43.1
Luxembourg	2020	40.5
Latvia	2019	46.6
Morocco	2019	16.1
Moldova	2019	39.9
North Macedonia	2019	29.3
Mali	2016	15.3
Malta	2019	46
Myanmar	2016	35.1
Montenegro	2019	24
Mongolia	2019	43.7
Mozambique	2018	28.3
Mauritania	2014	15
Malawi	2014	28.1
Malaysia	2019	40.9
Namibia	2014	41
Niger	2017	14.5
Nigeria	2014	16.2
Nicaragua	2016	35.8

Netherlands	2020	35
Peru	2017	56.6
Philippines	2015	69.2
Papua New Guinea	2015	46.5
Poland	2019	37
Portugal	2019	37.8
Paraguay	2017	66.2
West Bank & Gaza	2019	6
Romania	2019	32.4
Russian Federation	2019	34
Rwanda	2019	26.5
Sudan	2014	8.2
Senegal	2014	22.9
Solomon Islands	2015	47.4
Sierra Leone	2017	18.8
El Salvador	2016	38.4
Serbia	2019	28.5
South Sudan	2014	21.9
Suriname	2018	32.7
Slovak Republic	2019	28.9

Slovenia	2019	34.1
Sweden	2020	37.3
Eswatini	2016	36
Chad	2018	13.1
Togo	2016	25.3
Thailand	2016	64.4
Tajikistan	2019	22.7
Timor-Leste	2021	26.9
Tunisia	2020	40.1
Turkiye	2019	11.3
Tanzania	2013	24.7
Ukraine	2019	38.6
Uruguay	2017	37
Uzbekistan	2019	25.9
Vietnam	2015	51.1
Kosovo	2019	7.3
South Africa	2020	10.6
Zambia	2019	41.5
Zimbabwe	2016	42.5

Source: Gender Portal Data, World Bank, 2021 (Note: Data is subject to availability of different years).

The above table shows that for highest number of female owned firms, Afghanistan ranked the lowest. It is to be noted here that some of the countries' data were not available. Also, for convenience, we have retained data from 2014 onwards.

From all the above data, it is clear that women entrepreneurship has not shown much of the impressive figures worldwide. There is still a long way to go.

There's only five years left to calculate the effectiveness of accomplishing the SDGs by 2030. However, the UN Women and United Nations Department of Economic and Social Affairs, in the 'Progress at the SDGs: The Gender Snapshot 2023', pointed out some of the obstacles in achieving gender equality, as shown in the following table 4-

Table 4: Key Challenges in Achieving Gender Equality Across the SDGs

Sl. No.	Issues	Description
1.	Lack of girls in management	27% of parliamentary seats, 36% local authorities' seats, and 28% of management positions are held by women.
2.	Poverty and lack of financial possibilities	340 million girls and ladies are predicted to face extreme poverty by 2030. 8% of the worldwide woman population surviving on much less than \$2.15 a day.
3.	Workplace discrimination and inequalities	61% of women participate in the labour force, as compared to 91% of men. In 2019, for each dollar men earned, ladies earned handiest 51 cents.
4.	An imbalance in unpaid care work	By 2050, women globally will still be spending 9.5% more time (2.3 extra hours per day) on unpaid care work than men.
5.	Social norms and cultural practices	Globally, 1 in 5 teenage girls is married before the age of 18 years.
6.	Inadequate access to education and fitness care	110 million girls and young ladies can also stay out of college by 2030.

7.	Food insecurity	24% of women are anticipated to face slight to severe food insecurity by 2030.
8.	Violence against girls and women	Each year, 245 million girls and women experience bodily and/or sexual violence by an intimate companion.
9.	Inadequate investment for gender equality projects	4% of general bilateral aid is allotted to gender equality and girls' empowerment.
10.	Legal boundaries and poorly enforced regulation	At least 28 nations do not have laws granting girls same rights to go into marriage and initiate divorce, and 67 countries lack laws prohibiting direct and indirect discrimination against ladies.
11.	Lack of accessibility to clean power and sanitation	An expected 341 million girls are projected to lack power by 2030.

Source: Progress at the Sustainable Development Goals: The Gender Snapshot 2023.

The above table shows us how backward the world is, in meeting its promises of SDGs by 2030 in promoting gender equality. This puts forward the fact that more stress has to be given on investments towards women centric schemes and ensuring its successful implementation.

4. Conclusion and Recommendation

When a nation effectively promotes women entrepreneurship, it can significantly enhance inclusivity, reduce farmers' indebtedness, foster grassroots-level improvements, create more entrepreneurship-based livelihoods, and improve the overall quality of life for its citizens. The importance of women entrepreneurship lies in the fact that the services provided by formal financial institutions must be accessible to women, and the benefits of such schemes should reach the intended recipients. However, several challenges hinder access to these benefits, such as psychological, physical, financial, or political barriers faced by the beneficiaries. These challenges serve as obstacles to the empowerment of women. Some of these barriers can be partially addressed through the banking system by optimizing operations and making better use of resources provided by governments. Additionally, policymakers can contribute by improving governance, monitoring, and the implementation of schemes. Furthermore, cooperation among various stakeholders across different sectors of the economy is crucial to addressing the social and economic dimensions of the issue. In light of these challenges, several recommendations are proposed:

- Government schemes and policies should be regularly monitored to assess their effectiveness and identify any barriers.
- Women entrepreneurs should be educated about credit centers, financial incentives, and available subsidies.
- Financial institutions should raise awareness about specific schemes and the availability of credit, ensuring that the loan process is impartial and accessible to women interested in starting their businesses.
- The government should conduct training programs specifically designed to encourage and support women, particularly regarding business setup.

5. Implications for Future Research and Practice

In the area women empowerment, this study is very helpful, since it contributes to the database of women entrepreneurs. This study is helpful for government and non-governmental agencies for the development of specific women entrepreneurship models designed to address the vulnerable population.

Further research can be done by considering both men and women. This work was prepared within a very short time with limited number of parameters. The study can also be extended with incorporating more variables and examining their association with awareness and accessibility to entrepreneurial schemes. The study provides scope for further development of the study in near future with the use of primary data. A global study was chosen due to parsimony and time constraint, might be another opportunity for further research with the aim to conduct a similar type of study with

different nations specifically. A cross country study can also be undertaken. Additionally, other methods and measurements based on technological enabled databases could also be used.

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