

A Research Framework for Identifying the Opportunities and Barriers for Women Entrepreneurship in the Developing Countries

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Abstract

In the research article, the researcher has discussed the concept of women entrepreneurship in developing countries. The study has shown the problems of global discriminations in share offered to women in different sectors which further highlights discrimination to enhance position of women entrepreneurs in developing countries. Opportunities and also hindrances are identified for women entrepreneurship in the developing countries where women have not been provided with training programmes. The researcher has used the techniques of interview and survey to understand the study, both processes are important to understanding the opportunities and barriers in terms of women entrepreneurship.

Keywords

Barriers, developing countries, opportunities, Women entrepreneurship.

INTRODUCTION

The research has been prioritising **women entrepreneurship** where women entrepreneurs come across barriers and opportunities in some developing countries. In developing countries such as **India, Indonesia, Argentina, China** and others, women entrepreneurship has played an important role. Women entrepreneurship has been started and established along with women's innovative ideas. The woman is involved in entrepreneurship management.

Problem statement

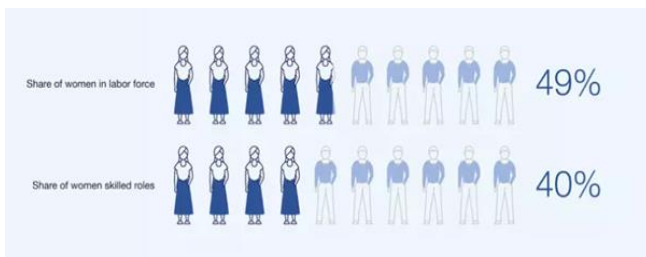


Figure 1: Global discrimination in shares of women encourages discrimination in developing countries (Source: Influenced by [1], 2021)

The above image shows the reason behind not offering opportunities to women entrepreneurs in developing countries. In the past few years, **men entrepreneurs have been hiring around 30.2%** and **women entrepreneurs have been hiring 18.7%** denoting that it is a male-dominated world ([1], 2021). The above image shows **49% women** have indulged in the **labour force** and **40% of women** have included **skilled roles globally in different sectors**. The issue is that discrimination among women considered within labour force and as skilled employees in global platform among men has been imitated in developing countries.

Women entrepreneurship has been facing issues for ages under the **garb of male domination** and male entrepreneurship. In developing countries, many women entrepreneurs have faced many problems to continue their newly grown business. The developing country Indonesia where the government has supported women entrepreneurship and also has focused on business. On the other hand, India as a developing country has been posing barriers for women entrepreneurship where only **8.05 million within 58.5 million** are women business founders ([8], 2020). The decreasing number of women entrepreneurs are financial constraints where men are provided with loans and other support than women.

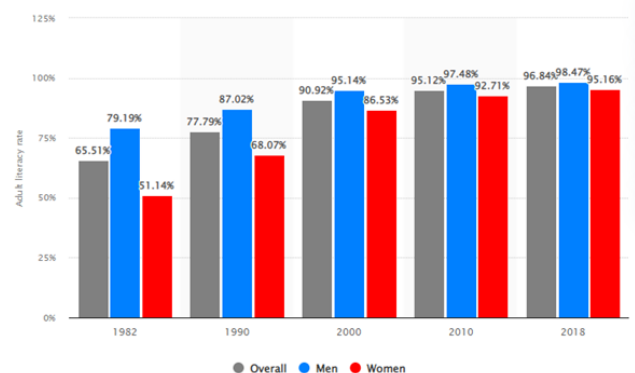


Figure 2: Decrease of literacy rate in China among women (Source: [7], 2021)

In Indonesia, there is the highest unemployment rate among men and women. The above image shows that in China, women literacy rate is lower than the men literacy rate. There are "**self-made women entrepreneurs**" in China and the country extends support towards women entrepreneurship. The country, despite encouraging women

entrepreneurship, indirectly fails to accomplish it due to low literacy rates.

Aim and objectives

The research study identifies and explains the opportunities and hindrances of women entrepreneurship in developing countries. The objectives of the research study will be as follows:

- To understand the concept of women entrepreneurship
- To analyse hindrances within women entrepreneurship in developing countries
- To evaluate opportunities in the developing countries for women's entrepreneurship

LITERATURE REVIEW

Notion of women entrepreneurship

Entrepreneurship is the ability to form business while **encountering risks and rewards** simultaneously. According to [2]. (2020), **women entrepreneurship** may be explained as a women group who **organise, initiate**, and also **continue a business organisation**. India is a developing country where women entrepreneurs in the form of women entrepreneurs own around **51% of financial interest of business capital**. However, the literacy rate of **China is low indicating encouragement of women entrepreneurship** on one hand and **discouragement of inculcating education within women on the other hand**.

Hindrance for women entrepreneurship in developing countries

In some developing countries women entrepreneurship has faced some problems which stand in front of entrepreneurship development. The main barriers to women entrepreneurship are explained as follows:

High production cost is an important issue for women entrepreneurs to expand the business. As per the view of [5]. (2018), low productivity with materials and high prices has affected the business growth. **Lack of any kind of financial support from the governments of developing countries** increases production cost.

Lack of education is a main problem for the growth of women entrepreneurs in the developing countries of the world. In India, most of the women have no proper knowledge of education. [9], (2018), argued that many individuals have thought that educated **women are a liability for society, not a blessing**. Lack of educational knowledge and also experience has created a big problem in establishing and operating an organisation.

Low capacity to handle risks is another problem for the development of the women entrepreneur. [4], (2019), stated that in developing countries society, women are dominated by the other members of the family and also have led a secure life. For this reason, women have less confidence to bear the risk of the organisation. Due to the lack of risk handling criteria, women can never be an entrepreneur and also not

continue the business.

Lack of information and training are the most common problems for women entrepreneurs. There are no training programs developed to enhance skills and knowledge of women to adopt entrepreneurship management. On the other hand, women are not aware of the **development of new technology** and market trends which have been used for the business.

Opportunities for women entrepreneurship in developing countries

In developing countries, some opportunities may be taken to solve the hindrance faced by women entrepreneurs. Women can improve entrepreneurship into an area of high growth. The opportunities for women entrepreneurship are discussed below:

To encourage women and also to continue the business, women have got many facilities such as **tax rebates, subsidised land, special incentives** and others as assistance for business. [3], (2018) opined that the government of developing countries has invented many schemes to help women entrepreneurs to continue their business. There are **government regulations and policies** that have been constructed to motivate women entrepreneurs. **Financial institutions** such as **banks, post offices, financial organisations** and other sectors have opened to provide easy loans at low interest rates for women entrepreneurs.

In case of start-up businesses, women have been provided with resources such as raw materials and goods at low prices in developing countries. [6]. (2020) mentioned that **self-employment of women** has also been focused to make developing countries rich in **diversity and inclusion**. In the present-day context, the government of developing countries has given many advantages for **development and training of women entrepreneurs at a nearby place**. The government also has taken many attempts to increase literacy through opening schools, colleges and Universities to instil education within women. Government's initiatives have been heavily effective for the illiterate women of the society and also the women entrepreneurs.

MATERIALS AND METHOD

The researcher has collected **200 women participants** that have been used in this research study and also tested for the overall study conclusion. Surveys and interviews have been conducted to understand the position of women entrepreneurs and age of business ([3], 2018). There is around 10% of the informal **sector located in Bali, Indonesia**. The survey includes businesswomen, established businesses for one year, and others. The interview questionnaire has been framed where the questionnaire has been distributed among women based on culinary, services and others. As per their answers to surveys and interviews, women become entrepreneurs between the ages of 30 to 45 years. The researcher has prepared a questionnaire based on the following criteria such as business owners and also the business which have been set

up for one year. The performance of women entrepreneurs is based on the organisation’s performance and the growth rate.

FINDINGS AND DISCUSSION

In the research study, the researcher identifies many factors such as knowledge sharing, innovation and also social capital which has influenced the entrepreneur business by the women. For the requirements of the survey, the researcher has found out the productive age and also the business sector of the entrepreneurs. The research indicator is used to adapt from several studies in forms of norms, beliefs, cognitive and structural. Data analysis and processing will be executed through the help of resampling and Smart PLS software, where the various steps to be accomplished are outer model, inner model, path diagram construction, converting into the outer and inner model, parameter evaluation, the test of model fit and also testing and discussion of hypothesis.

Group	Frequency	%
Culinary	70	35
Mode	55	27.5
Service	45	22.5
Others	30	15

Figure 3: Table of descriptive data (Source: Influenced by [6]. 2020)

In the research study, the researcher has taken 200 participants who completed the survey questions. The above table shows that in Denpasar, Bali, **35% of the culinary sector, 27.5% of the fashion sector, 22.5% of the service sector and 15% of other sectors respondents** are highly involved in the research study. The **need for money has encouraged women to become entrepreneurs**. The research study has also shown that women entrepreneurs have a **high level of aspiration to choose a field of business**. On the other hand, the holders of **secondary education have chosen women entrepreneurship** for the difficulty of securing jobs.

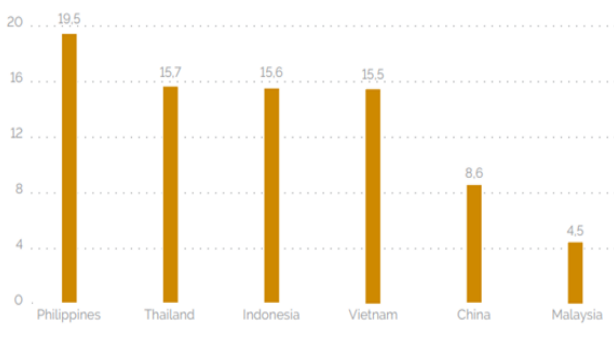


Figure 4: Women entrepreneurship rate in Indonesia and China (Source: Influenced by [6]. 2020)

The above graph shows that the rate of women entrepreneurship in Indonesia has increased in comparison with the rate of women entrepreneurs in China. As per above

graph, it has been found that **women entrepreneurship rate is around 15.6%** as compared with **8.6% in China** across the globe ([6]. 2020). There is a vast difference between the rates of China and Indonesia. The increase of women entrepreneurs in a country such as Indonesia means that the government of Indonesia has been effective in encouraging women in comparison with the government of China. Therefore, it depends on how governments are taking actions to support women entrepreneurship.

Variable	R-Square	R-Square Adjusted
Innovation (Z1)	0.519	0.509
Knowledge Sharing (Z2)	0.490	0.484
Performance WE (Y)	0.735	0.727

Figure 5: Table of coefficients value for R-square (Source: Influenced by [6]. 2020)

In this study, the researcher has found the dependent variable and the value of coefficient determination has presented the above image. The R-square value of the innovation value is 0.519 that means 51.9% of the innovation can be discussed by the information sharing and social capital variables ([6]. 2020). The R-square value of knowledge sharing is 0.490 that means 49% of the knowledge sharing variable is affected by social capital. The value for the women entrepreneurs is 0.735 that means 73.5% of the variable is discussed through social capital, sharing knowledge and also innovation. The use of these variables denotes both opportunities and also barriers for women entrepreneurs as in this case, if women have been provided with opportunities and effective knowledge then it will result in growth of women entrepreneurship in mentioned countries.

Between Path Variables	Coefficient	t Statistics	p-Value	Information
Social Capital (X) → Performance WE (Y)	0.081	1.181	0.000	Positive and Significant
Social Capital (X) → Innovation (Z ₁)	0.163	1.540	0.000	Positive and Significant
Social Capital (X) → Knowledge Sharing (Z ₂)	0.700	15.135	0.000	Positive and Significant
Knowledge Sharing (Z ₁) → Innovation (Z ₁)	0.597	6.121	0.000	Positive and Significant
Innovation (Z ₂) → WE Performance (Y)	0.585	9.145	0.000	Positive and Significant
Knowledge Sharing ₁ → Performance of WE (Y)	0.272	3.621	0.000	Positive and Significant

Figure 6: Table for path coefficients (Source: Influenced by [6]. 2020)

In the research study, the above table shows the relationship between the independent variables’ such as **social capital, innovation, knowledge sharing** and others on women entrepreneurship. In the table, the researcher has shown that all independent variables have positive and significant relationships. As the value of **Probability (P) is less than 0.05** thus, it indicates that there is an existence of alternate relationships between variables. However, all these are required to be identified to encourage women entrepreneurs unlike men entrepreneurs. As there are no

negative relations between estimated variables, it can be stated that women entrepreneurship has a huge scope in different developing countries.

CONCLUSION

The above research study is all about identifying the opportunities and barriers within developing countries for women entrepreneurs. The study focused on the problem of discrimination on women position in some of the vital developing countries where literacy rate is low. In the literature review part, the researcher has discussed the concept, opportunities and also hindrance of women entrepreneurship within the developing countries. In the research study, the researcher has shown the relationship between the dependent variables included with various equations. In the research study, the researcher also has focused on preparing the survey questionnaire that helps the participants of the survey.

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