

## **EVOLUTION OF WOMEN ENTREPRENEURSHIP DURING COVID -19**

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### **ABSTRACT**

Women entrepreneurship is the key to women's empowerment. Women are half the world's population, so if women are empowered, the world economy will also get power. Albeit, It is necessary for the positive attitude of their family members and society towards them as many women struggle to find their existence in the family and community. They can get the respect they deserve if they are not dependent on anyone else. Women are proved to be good homemakers, effective leaders, efficient professionals, and successful entrepreneurs as well. During Covid 19 pandemic, most startups are closed due to non-operation, financial crisis or other reasons, but it is also true that many women entrepreneurs emerged during covid 19 pandemic. This research article will focus on issues regarding women entrepreneurship during covid 19 pandemic. It will also discuss the measures to encourage women entrepreneurship in the world.

**Keywords:** Women Empowerment, Women Entrepreneurship, Covid 19, Pandemic

### **Introduction**

Entrepreneurship is defined as designing, launching, running a business of products and/or services, and the people who do so are entrepreneurs. To start any enterprise, four factors of production are required which include land, labour, capital and entrepreneur. The classical economics of Adam Smith, David Ricardo, and their followers focus on physical resources in defining its factors of production. They included land, labour and capital. In the first half of the 20th century, some authors added the work of organization or entrepreneurship as a fourth factor of production. This became standard in the post-war Neoclassical synthesis. For example, J. B. Clark saw the co-ordinating function in production and distribution as being served by entrepreneurs. Frank Knight introduced managers who co-ordinate using their own money

(financial capital) and the financial capital of others. In contrast, many economists today consider "human capital" (skills and education) as the fourth factor of production, with entrepreneurship as a form of human capital.

In markets, entrepreneurs combine the other factors of production, land, labor, and capital, to make a profit. Often these entrepreneurs are seen as innovators, developing new ways to produce new products. They plan how land, labor, and capital should be used to provide for maximum benefit.

The sociologist C. Wright Mills refers to "new entrepreneurs" who work within and between corporate and government bureaucracies in new and different ways.

Now there are some differences between business and entrepreneurship. Businessmen run their business for the primary purpose of making profits. Entrepreneurs intend to make profits but with a purpose of making a difference. They want to change the world by addressing a problem. They are passionate about providing unique solutions for problems in the community.

### **Entrepreneurship Statistics**

There are 582 million entrepreneurs in the world (MARKINBLOG, 2020). The World Bank's Ease of Doing Business index ranks economies according to how conducive they are for new businesses. Of the 189 countries and territories analyzed in its 2019 report, New Zealand came out on top. This is followed by Singapore, Hong Kong, Denmark, and South Korea. India has recorded 77th rank.

### **Women Entrepreneurship Statistics**

As of 2020, there were approximately 274 million women worldwide engaged in entrepreneurial activities (GEM Consortium, 2021). With 51.1 percent of the female adult population involved in entrepreneurial activity, Angola has the highest female entrepreneurship rate in the world. This is followed by Panama with 29.1 percent and then Saudi Arabia with 17.7 percent.

Of the 274 million female entrepreneurs worldwide, the majority of them cited a lack of jobs as their main reason to start a business. This is especially true for women located in Latin America, the Caribbean, Europe, North America, the Middle East, and Africa. In Central and East Asia, however, most female entrepreneurs said they decided to start a business to grow their wealth.

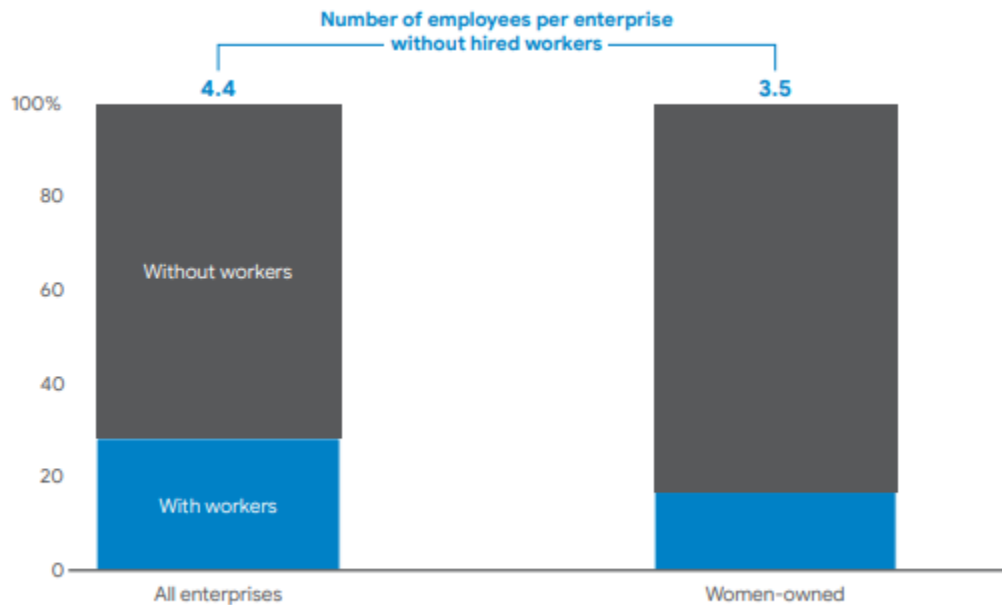
In Bharat, There are 13.5–15.7 million women-owned enterprises, representing 20% of all enterprises. While large in absolute numbers, these are overwhelmingly comprised of single person enterprises, which provide direct employment for an estimated 22 to 27 million people. Of the approximately 432 million working age women in India, about 343 million are not in paid

formal work. An estimated 324 million of these women are not in the labor force; and another 19 million are in the labor force but not employed.

India has more women-owned enterprises than many other countries, with an estimated 13.5 million to 15.7 million MSMEs and agribusinesses, as per published sources. A closer look reveals the need for a multifaceted push to improve women's involvement across these businesses.

- Women-owned enterprises are growing. Over the past decade, women-owned enterprises have increased from 14% to 20%, as per government sources. This is with the help of national and state governments, investors, banks, financial and educational institutions, and, most of all, the enterprising female workforce.
- India still faces a large gap compared with peers. As per the Global Entrepreneurship and Development Institute (2015), India performs below the 20th percentile in the female entrepreneurship index. This is far below developed markets such as the US and UK, and developing markets such as Brazil, Russia and Nigeria.
- Women-owned enterprises in India are largely single-person enterprises. This translates to lower returns and employment—only 17% of all women-owned enterprises employ hired workers vs. 28% for all enterprises.
- True entrepreneurship among women is over-represented in numbers. To provide economic independence to women, enterprises need to be owned, controlled or run by women. Surveys across parts of India suggest that 10% to 30% often are not run by women. Accounting for enterprises disguised as women-owned enterprises, Bain's analysis suggests that the total share of enterprises that are truly owned and run by women is likely to be lower than 20%.

Figure: Women-owned enterprises are largely self employed; less than 20 percent generate additional employment



Source: Sixth Economic Census

### Measures To Promote Women Entrepreneurship

In recent years, there has been a clear recognition of women on the national economic agenda, including efforts to promote entrepreneurship. Some interventions launched to address gender-specific financing challenges, providing skills training and mentorship access, and building market linkages. With emerging positive outcomes, some of these programmes illustrated below.

- The Ministry of Micro, Small and Medium Enterprises' recent policy mandates that ministries, departments and public sector undertakings must target 25% procurement from the MSME sector, of which 3% must be women owned.
- In 2018, Telangana's government launched WE Hub, an initiative to promote women-owned enterprises by providing access to capital, infrastructure, marketing and legal services, mentorship, and technical support. This programme has incubated 25 start-ups, with 16 benefitting from loans up to INR 2 crore.
- Mann Deshi Foundation's successful finance and skills development project for rural women entrepreneurs has resulted in INR 500 crore in aggregate financing for 90,000 women, the establishment of more than 50,000 micro businesses and 4 lakh women having participated in their business school and chambers of commerce programmes.

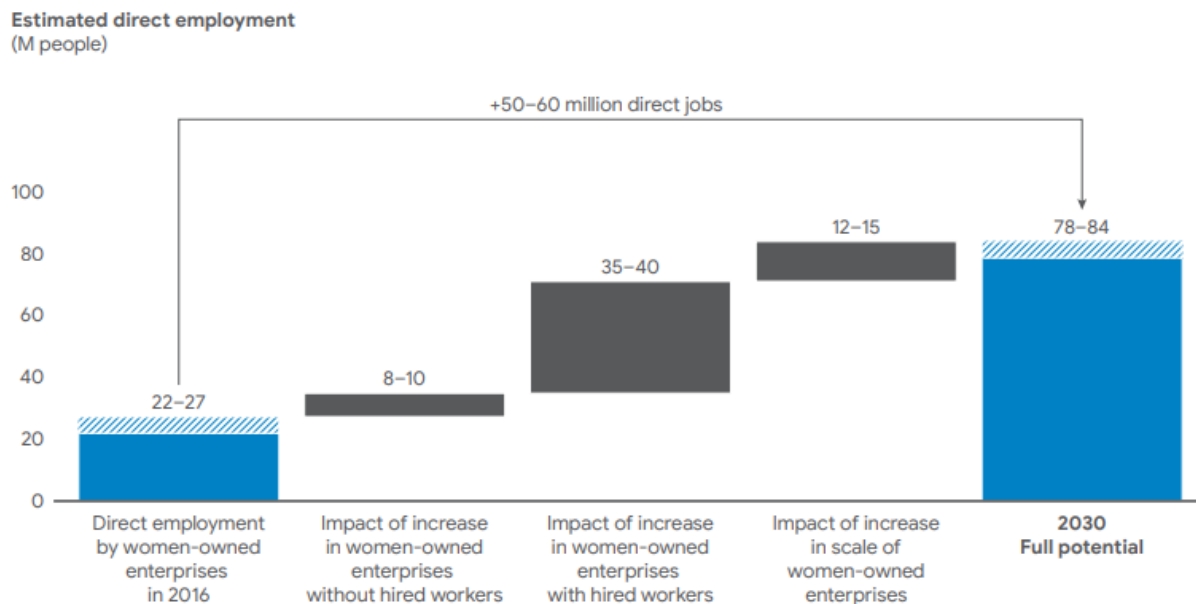
- Launched in 2016 by TiE Global with funding support from US State Department, the All-India Road Show for Women’s Economic Empowerment through Entrepreneurship (AIRSWEEE) facilitates women entrepreneurship in tier-2 and tier-3 cities in India. 575 women entrepreneurs have directly enrolled in a coaching and mentorship programme across 106 cities in 20 states in India so far. AIRSWEEE has established a pay-it-forward culture through which these mentees have further mentored an additional 2,500 plus women.

A number of these successful initiatives can be replicated. Further, there is a huge opportunity to expand and sharpen the role of the government in transforming the entrepreneurial landscape for women in India through a comprehensive and coordinated effort.

Women entrepreneurship directly affects income, employment and capital formation while indirectly benefiting household-level resource allocation. Supporting women entrepreneurs not only improves their livelihood but also creates jobs.

There are an estimated 13.5 million to 15.7 million women-owned and controlled enterprises creating direct employment for 22 million to 27 million people in India.

**Figure 6: Women-owned enterprises can generate over 50–60 million direct jobs by 2030**



Source: Sixth Economic Census; Bain & Company analysis

Entrepreneurship allows women to be self-sustaining, giving them greater flexibility and control vs. salaried employment while also creating jobs.

### **Emerging Opportunities**

While audacious, the goal of accelerating female entrepreneurship to match advanced countries and generate an estimated 150-170 million jobs is achievable. It will require a transformational and systematic approach to counter the challenges faced by potential entrants and existing women entrepreneurs, and drive ambition in a bold and broad-based manner. There are four key opportunity areas that can unlock the potential of women entrepreneurship in India, each requiring a dedicated but coordinated focus. According to the Bain & Company document on “Women Entrepreneurship in India”, four opportunities are discussed.

### **Women has driven change through pandemic**

Despite enormous pandemic-driven setbacks, it's also fuelled a fresh wave of female entrepreneurs who've started or plan to start their own businesses. While much of the existing systems and structures make it more challenging for women in business, it's not all bad news. The rise of women starting businesses from home—it's something has been seen in the last few years, but during pandemic has sped up, which is a real positive. If we have the same amount of female entrepreneurs as male entrepreneurs, the impact that would have on global GDP is huge. The WealthiHer report says women's wealth—along with their spending power—has been rising overall in recent years, driven by more education, more household equality, a longer lifespan, taking on leadership roles and more entrepreneurship. But there's still much more work to be done.

A higher share of women in India is now seeking entrepreneurship opportunities as compared to men, despite the country having a disproportionately low representation of women in leadership in the workforce (18%), according to latest data from LinkedIn. The data, which was a part of the World Economic Forum's 2022 Global Gender Gap Report, shows that the share of female founders grew by 2.68x between 2016 to 2021.

Although there have been many challenges, the COVID-19 pandemic has also generated several opportunities for female entrepreneurs. For instance, the virus outbreak highlighted women's ability to lead under extraordinary circumstances. As the monumental loss of lives and livelihoods was being experienced worldwide, female world leaders such as Prime Minister Jacinda Ardern of New Zealand, Prime Minister Sanna Marin of Finland, Chancellor Angela Merkel of Germany and the President of the Republic of China (Taiwan), Tsai Ing-Wen, presided over some of the most successful efforts in containing the virus while instilling order, assurance, trust and calm across their respective economies. The implication of this is

paramount; it demonstrates the untapped value of women as leaders and also provided prominent role models at a pivotal moment in world history. In addition, almost half of female entrepreneurs (48,7%) around the world report being driven by a desire to contribute to the greater societal good.

As a result of the pandemic, some women business owners are already reacting to our new world of work with renewed confidence and adaptability, tapping into new business opportunities or realigning their business models to cater to new consumer behaviour and local or global needs. According to the Mastercard Index, 42% of women-owned businesses have shifted to a digital business model, 37% are developing an area of business to meet local or global needs, and 34% have identified new business opportunities since the pandemic. They indicate that the 'desire to transform and be nimble has strengthened women business owner's resilience and this will certainly be needed in helping their economies on the path to recovery.[6] The pandemic has also presented new business opportunities for women, especially in terms of online shopping and services, ensuring access to technology or digital solutions, affordable data and modern trade.

Although government policies across the world to escalate measures to support businesses (particularly SMEs) have been effective, to balance the scales of opportunity, gender-specific support measures are needed to advance women business owners and employees who are already at a disadvantage. Now is the time for governments, professional bodies, institutions and organisations to take decisive action in implementing targeted gender-specific support, particularly in aligning domestic and business gender and specifically tackling financial marginalisation.

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