

# A Study on India's New Generation Women Entrepreneurs: Propelling Community Empowerment through Transformative Relationships

Tanushri Purohit<sup>1</sup>, Sunil Kumar<sup>2</sup>

<sup>1</sup>Amity Business School, Amity University Haryana, Gurugram – 122143, India

<sup>2</sup>Alliance School of Business, Alliance University, Bengaluru – 562106, India

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## Abstract:

Entrepreneurship development in India is accelerating at a very fast pace and women are playing an extremely dynamic role in this path of progress. They are rising to their highest potential, turning determination into reality. This evolution has given an impetus of growth to the communities which are coming their way. This study profile women entrepreneurs from India and studies their journey of growth partnering with communities thus becoming an active instrument of empowerment. The study focuses on potential resolutions and enablers which can further empower communities through these women leaders. The paper concludes that pioneering partnership are making large scale influences leading to novel opportunities and scalable impacts.

**Keywords:** women entrepreneurship, entrepreneurial development, community development, inclusive growth

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## I. Introduction

Even though women entrepreneurs are meaningfully contributing to economic growth and community development they have been significantly understudied specifically in our own country where next generation women leaders are instrumental in changing the facet of entrepreneurial development. They have identified their rights, capacities potentials as well as they become aware of the potential situations which have propelled them to move in various businesses and professions. Through interactions with communities they inculcate knowledge and make them aware of the experiential learning path for success. This study also explores their success path and contributory factors for holistic growth. We need to identify the structural support required for further enhanced growth.

One of the foremost challenges when considering to give impetus to female entrepreneurship is the lack of reliable and timely data. Hence, the need to collect more specific data in this area and come out with inferences which are essential for environment and all stakeholders. These entrepreneurs and their contributory factors need to be studied in detail since they create innovative opportunities in the market.

There is no doubt that women entrepreneurship is accelerating in India. Many women entrepreneurs are travelling aboard to understand the business world and for expansion of their business. NITI Aayog also acknowledged the contribution of women entrepreneurs. But there is not much visibility to this area as far as research is concerned. NITI Aayog is planning to launch dedicated women's cell to provide platform for women entrepreneurs for their contribution in inclusive growth. This area of inclusive growth with women entrepreneurship is unexplored.

The current research has focused on the contribution of women entrepreneurship in inclusive growth. There are many areas, where the contributions of women are highlighted in many roles such as political, social and economic. When it comes to women entrepreneurship, then it is not much explored by the researchers.

The most of research on women internship in India are conceptual or limited to a small area or a small sample size. There is lack of empirical research in this area. This research will attempt to fill this gap, as it is based on primary data.

## II. Literature Review

Entrepreneurial led community progress makes an imperative component of human development as an end product of economic development and expansion. A very vital contribution for community empowerment can be made through women entrepreneurship. Accelerating women's economic empowerment has multiplier effects across the wide arena of development.

Women entrepreneurs have been accepted as the contemporary foundations for growth and development in developing countries to bring community prosperity and well-being. A variety of stakeholders

has pointed at them as an important 'untapped source' of economic growth and development (Minniti and Naudé, 2010). The escalation in the share of women entrepreneurs in developing countries has drawn the attention of both the academic and the institutional sector. International institutions, national and local governments, NGOs, corporate, charities, academic and business organizations have initiated programs or policies to promote and develop women's entrepreneurship. Programs for capacity-building of entrepreneurial skills, strengthening women's networks, provide finance and trainings, or design policies that enable more and stronger women-oriented start-ups and business expansion.

Diverse psychological and sociological factors relate women entrepreneurship to various socioeconomically productive effects beyond the purely financial, quantifiable ones. Globally women identify success in broader and more diverse terms than men; ones that include giving back to the community and the well-being of their families, as well as making profit. Also women entrepreneurship assists in poverty alleviation in indirect ways. When women are economically mobilized through ownership of an independent business, they tend to build transformative relationship with community partners.

Women tend to hire other women, which helps ease the cycle of chronic female unemployment in developing nations (Aidis et al, 2005). Innovative leaders tend to pass on their professional know-how and skills, thereby constituting the much-needed role models for future generations, and are able to "build and maintain long-standing relationships and networks to communicate effectively, to organize efficiently, to be fiscally conservative, to be aware of the needs of their environment, and to promote sensitivity to cultural differences" (Jalbert, 2000). Also starting and heading successful independent businesses helps raise women's sense of self-worth, "making them even more eager to be productive members of society" (Seymour, 2004).

Economic and social development is imperative without active participation of women in all spheres of life. There is an accord among scholars that women can play significant role in the entrepreneurial happening. The share of women's involvement to the economic and social development on the encouragement of gender equality and support from the institutions is phenomenal. Although women constitute about fifty percent of the world population, compared to men they have less opportunity to make decisions (Revenge and Sudhir 2012). Though women often face particularly difficult challenges that suppress the growth of their firms (Nichter and Goldmark, 2009); women are often highly effective firm owners and their role has greater than before in several fields and the orientation of one of them is a proof of its ability to extend, creativity and giving. Women entrepreneurs can inculcate ethics in business and humanistic approach in social economic relation and bring in community development.

Presently, not only are women creating employment opportunities for themselves in all sectors, they are also generating employment opportunities for others (Charantimath, 2005). Therefore, it becomes very important for the government and policy makers to frame policies for the creation and development of entrepreneurship among women. The economic and social stand in the country which would definitely lead to community upliftment. It becomes imperative to give due acknowledgement to women's contribution in various socio-economic development activities (Nieva, 2015).

Empowering women has been proposed as the topmost policies by international actors to support women and thus leading to economic and social development. These could be specialised policies towards women in education or training, but also access to capital and networks or confidence building. These strategies are especially significant in driving the structural change of low-income, traditional economies to modern societies. The process is straight forward: more women working outside their household, create more firms, move forward innovation and through specialization, improve productivity, employment and change in economic terms (Naudé, 2010). Women's entrepreneurship can be fostered by procedures that mix facilitate to capital, networks, and new markets; high-quality business skills and development training; and access policies that equalize gender-specific obstacles.

Women focused strategies have had transformative impacts on women's lives by developing women's business and practical skills, providing them with mentoring and market development. The pioneering power of women entrepreneurs has a significant part in ensuring a more sustainable future. Entrepreneurs are, therefore, recognized as the engines of sustainable and community development and partnership.

Women entrepreneurs globally recreate institutions to actualize their mission of social revolution and to take forward the innovative solutions. Individual entrepreneurs find new/innovative ways to create a product/service in order to cater to some social needs to achieve sustainable and community specific development without compromising profits while taking forward their entrepreneurial ventures.

### **III. Objective Of The Study And Summary**

The landscape of women entrepreneurship is all around the globe, countries which embrace the trend has new opportunities and high impact social development. The changing causes and nature of social problems requires much innovative thinking and entrepreneurial action. Society continually undergoes social, fiscal and political changes, generating new needs or altering old problems. The entrepreneurs may create and pilot new solutions or provide services more competently and effectively than before. To do this they often help build up

the social capital and capacity of the communities or client groups they work with to enable them to take greater control of their destinies and future.

Entrepreneurship stances as a vehicle to improve the quality of communities and to withstand a healthy economy and environment. The objective of the study is to study the behaviour of women entrepreneurs and their commitment towards community and social development. It researches the factors and role of these leaders in creating a social wealth in their societies through partnership working. To bring forward and identify the skills these entrepreneurs use to successfully help combine a multifaceted network of various people and organisations, through formal or informal, collaborations to tackle social requirements. The main objectives of the study are as under:

- To analyse the current scenario of women entrepreneurship in India
- To analyse the contribution of women entrepreneurs in community development
- To analyse the impact of women entrepreneurs in inclusive growth of the country

#### **IV. Methodology**

The study of women entrepreneur is the new area of study, especially in India. The existence of literature of limited in research area. This study explored the viewpoint of around 52 Indian women entrepreneurs based on data collected through online questionnaire after pre-testing. The questionnaire is being designed with demographics of respondents and other question on five scale. This research is based on primary data of 52 women entrepreneurs. For data collection purposive random sampling is been used, as data will be collected only from women entrepreneurs. After the data collection, data will be processed with statistical software. The various statistical tools are used to find out the outcome of the research such as charts, descriptives, correlation and factor analysis. The Cronbach's Alpha test is conducted to check the reliability of data, which is collected on five scale point. As data is collected on five scale, the Factor Analysis is used to find the factor (s), which have impact on inclusive growth by women entrepreneurs.

#### **V. Result And Discussion**

The primary data is collected from 52 women entrepreneurs through online questionnaire with 20 questions. These questions are of various kinds such as demographic, about business and few questions on Likert five scale point.

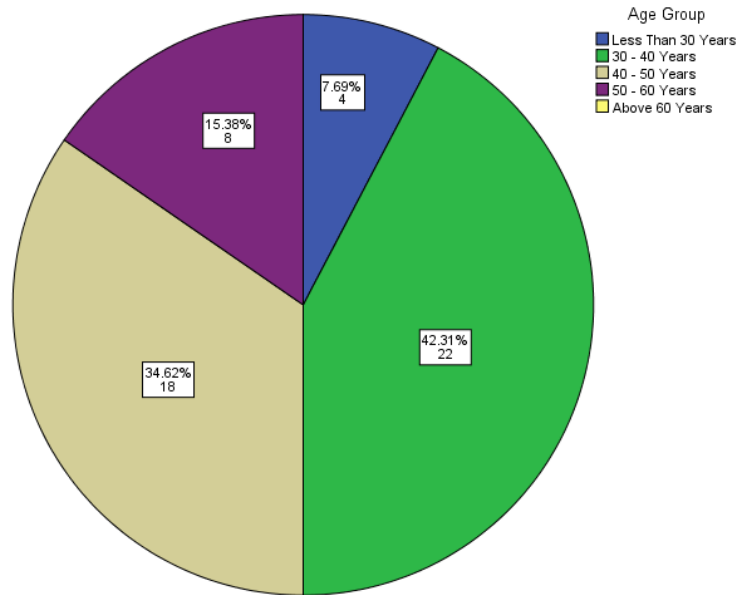
The basic analysis is been done with the help of descriptive statistics in the table 1 below. Descriptive statistics are found for all 20 variables in the present work. Descriptive statistics has five components as Number (N), Minimum Value, Maximum Value, Mean and Standard Deviation. All descriptives are shown against the variables in the table below.

**Table 1: Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
Age Group	52	1	4	2.58	.848
Marital Status	52	1	3	1.27	.528
Educational Background	52	3	4	3.65	.480
Year of Commencement of Unit	52	1988	2018	2013.73	5.818
Nature of Enterprise	52	1	4	1.56	.639
Nature of Activity	52	1	11	5.31	3.299
Which sources of finance have you used to provide funds for your business?	52	1	7	2.44	1.994
What reasons make you engage in the entrepreneurship?	52	1	6	2.38	1.301
Do you contribute money from your business towards social causes?	52	0	1	.88	.323
Are you a member of any associations of women entrepreneurs	52	0	1	.50	.505
How you rate the overall success of your Business on a 5 point scale?	52	2	3	2.35	.480
Does entrepreneurship reduce unemployment in the society	52	1	4	2.15	.607
Do you agree entrepreneurship creates room for innovation in the society?	52	1	5	1.85	.777
Do you agree women entrepreneurs facilitate more employment opportunities for women	52	1	4	2.04	.713
Does entrepreneurship serve as the key to self-reliance?	52	1	4	1.62	.745
Do you agree entrepreneurship facilitates inclusive growth?	52	1	4	2.12	.855
Can entrepreneurship reduce gender inequality in Indian workforce?	52	1	5	2.58	.801
Does entrepreneurship creates room for a substantial number of opportunities?	52	1	4	2.35	.738
Does entrepreneurship reduces pay inequalities in the society?	52	1	4	2.77	.645
Which social causes does your firm take up and contribute to?	52	1	10	4.15	2.838
Valid N (listwise)	52				

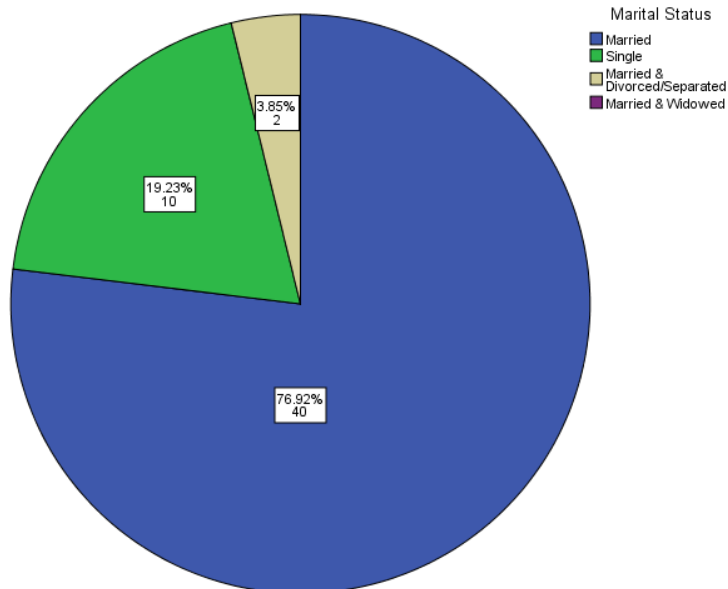
The data on demographic and business attributes is analysed with the help of pie charts. Pie charts on these attributes shown percentage and count.

**Figure 1: Age Group**



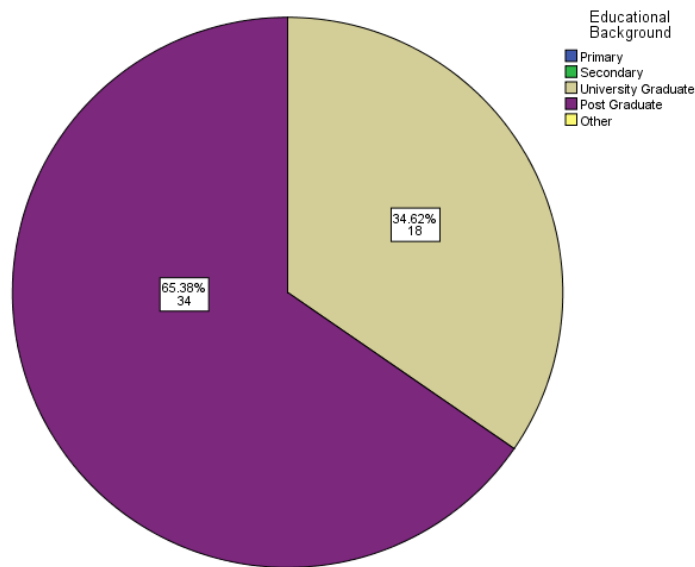
The above figure 1 shows the percentage of age group of women entrepreneurs. Based on the above figure, it can be concluded that the large percentage of women entrepreneurs are in between the age of 30 to 50 year, which is 76 percent (approximately).

**Figure 2: Marital Status**



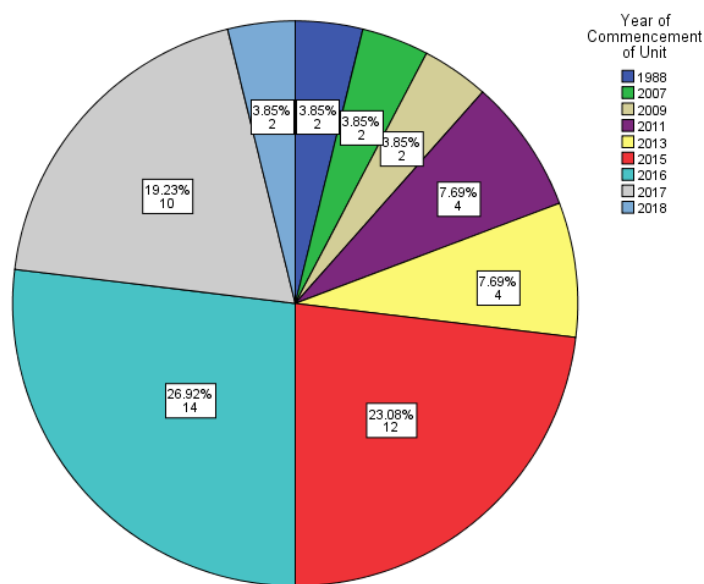
The above figure.2 shows the ratio of marital status of women entrepreneurs. It is revealed from the above figure that most of women entrepreneurs are married and it is more than 76 percent.

**Figure 3: Educational Background**



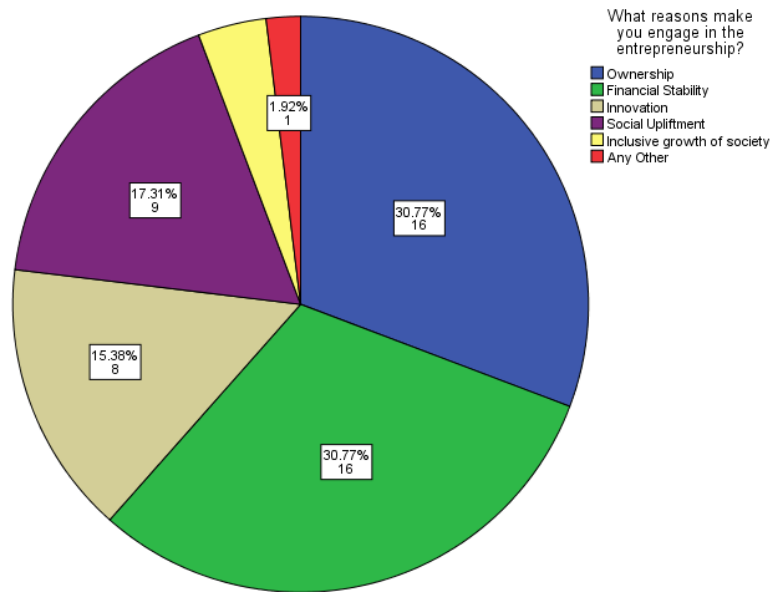
The above figure 3 shows the educational background of women entrepreneurs. It is evident from the above figure that all of women entrepreneurs have accomplished higher education as all are university graduate and postgraduate.

**Figure 4: Year of Commencement of Unit**



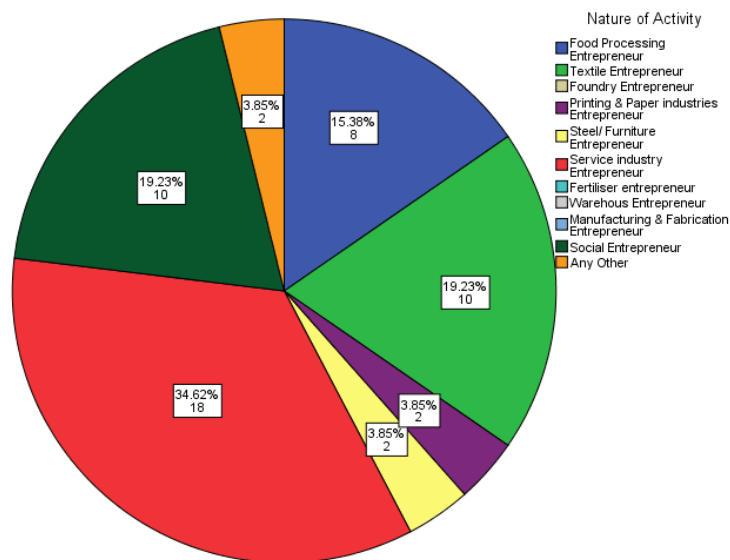
The above figure 4 shows the year of commencement of unit by women entrepreneurs. It is evident from the above figure that more than 50 percent units are commenced in 2016 and 2017.

**Figure 5: Reason of Engagement in Entrepreneurship**



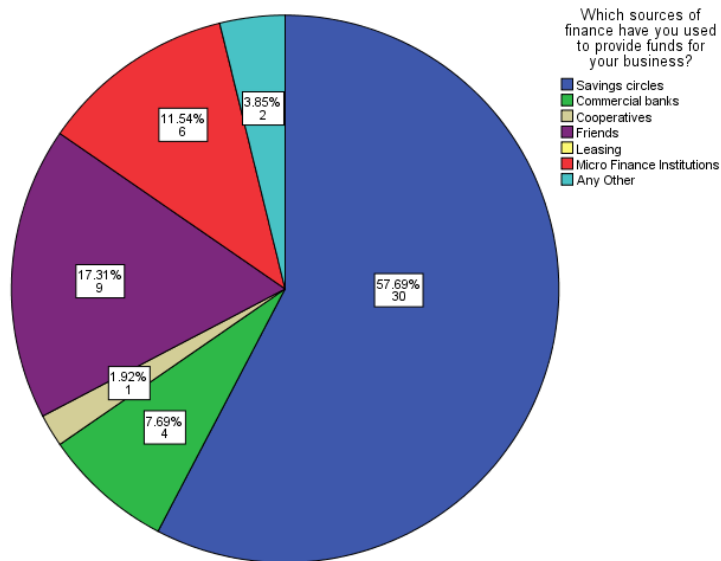
The above figure 5 shows the reasons for the women to engage in business. As shown in above figure there are two major reasons for women entrepreneurship, financial stability (30.77 percent) and ownership (30.77 percent). Other than these two reason there are two more reasons, innovation (15.38 percent) and social upliftment (17.31 percent).

**Figure 6: Nature of Activity**



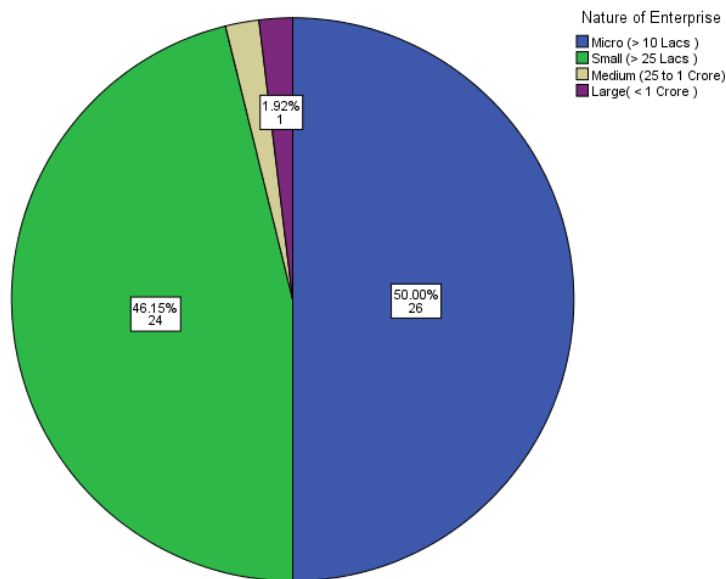
The above figure 6 shows nature of activity by women entrepreneurs in their business. The service industry women entrepreneurs are highest with 34.62 percent. Then textile and social women entrepreneurs are second highest with 19.23 percent each. Food processing women entrepreneurs are at third place with 15.38 percent.

**Figure 7: Source of Finance**



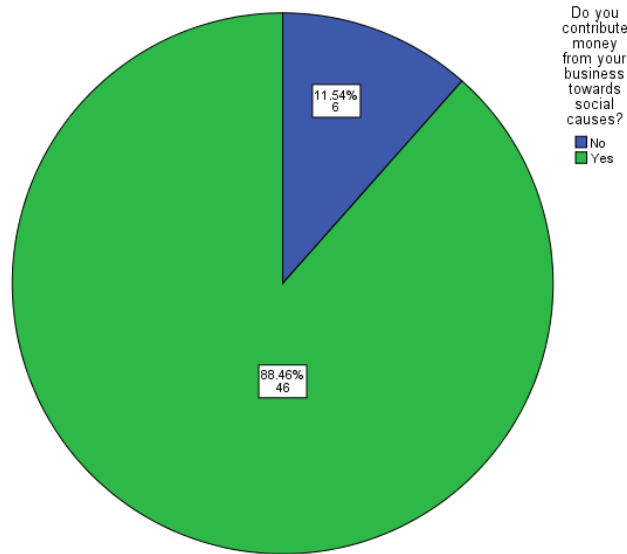
The above figure 7 shows the source of finances for women entrepreneurs. It is revealed from above figure that most of finance are arranged from saving circles, which has ratio of 57.69 percent. Second source of finance are from friends with 17.31 percent.

**Figure 8: Nature of Enterprise**



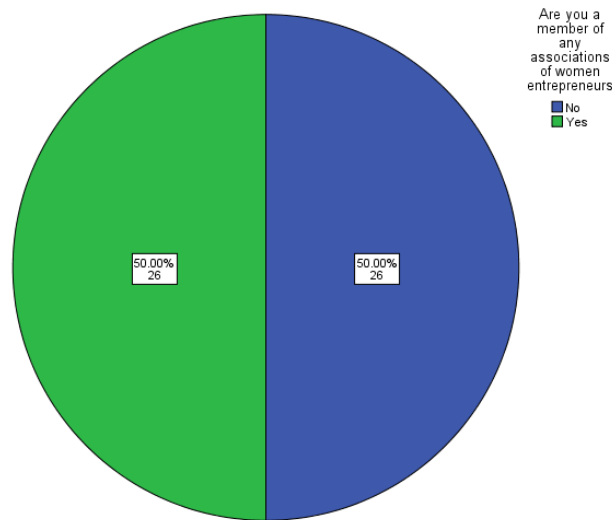
The above figure 8 shows the nature of enterprise, whether it is large, medium, small or micro. As evident from above figure that most of enterprises are micro (50 percent) and small (46.15 percent).

**Figure 9: Social Causes**



The above figure 9 shows the contribution by women entrepreneurs towards social causes. It is evident from the above figure that 88.46 percent women entrepreneurs contribute for social causes.

**Figure 10: Association**



The above figure 10 shows the membership in association of women entrepreneurs. It is clear from the above figure that 50 percent are part of associations of women entrepreneurs and 50 percent are not.

### 5.1 Validity and Reliability

In the present work 9 variables have been taken on five point scale. Each variable has 52 response. Before factor analysis the validity and reliability is checked. According to table 2, there is no invalid case in the data. In the table 1.3, Cronbach's Alpha value is calculated to check the reliability of the data. According to table 3 the value of Cronbach's Alpha is 0.873, which is good.

**Table 2: Validity**  
Case Processing Summary

		N	%
Cases	Valid	52	100.0
	Excluded <sup>a</sup>	0	.0
	Total	52	100.0

a. Listwise deletion based on all variables in the procedure.



**Table 3: Reliability Statistics**

Cronbach's Alpha	N of Items
.875	9

The next step before the factor analysis is KMO and Bartlett's Test. KMO test is used to check the adequacy of the data for factor analysis. The value of KMO test should be between 0.80 to 1. In the present work the value of KMO test is 0.833 as shown in table 4, which indicates that the data is adequate for factor analysis. The Bartlett's Test of Sphericity is required to check that variances are equal in all the samples and there is correlation matrix is identity matrix. In the present work, it is evident that the Chi-Square value is 211.350, which is significant.

**Table 4: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.833
Approx. Chi-Square	211.350
Bartlett's Test of Sphericity	df 36
Sig.	.000

In the table 5 below communalities are shown. Initial communalities are for correlation analysis. In this table variance for each variable shown, accounted for other variables. In extraction communalities show estimates of variance in each variable accounted for by the factor. In the table below, it is clear from the table below that except one variable all have value more than 0.50.

**Table 5: Communalities**

	Initial	Extraction
How you rate the overall success of your Business on a 5-point scale?	1.000	.951
Does entrepreneurship reduce unemployment in the society	1.000	.494
Do you agree entrepreneurship creates room for innovation in the society?	1.000	.684
Do you agree women entrepreneurs facilitate more employment opportunities for women	1.000	.655
Does entrepreneurship serve as the key to self-reliance?	1.000	.633
Do you agree entrepreneurship facilitates inclusive growth?	1.000	.678
Can entrepreneurship reduce gender inequality in Indian workforce?	1.000	.590
Does entrepreneurship create room for a substantial number of opportunities?	1.000	.537
Does entrepreneurship reduce pay inequalities in the society?	1.000	.561

Extraction Method: Principal Component Analysis.

The table 6 below shows total variance explained by the initial solution. Only two factors in the initial solution have eigen value more than 1. These two have cumulative 64.252 percent of the variability in the original variable. It is evident from this table that two components contribute to the sustainable growth by women entrepreneurs.

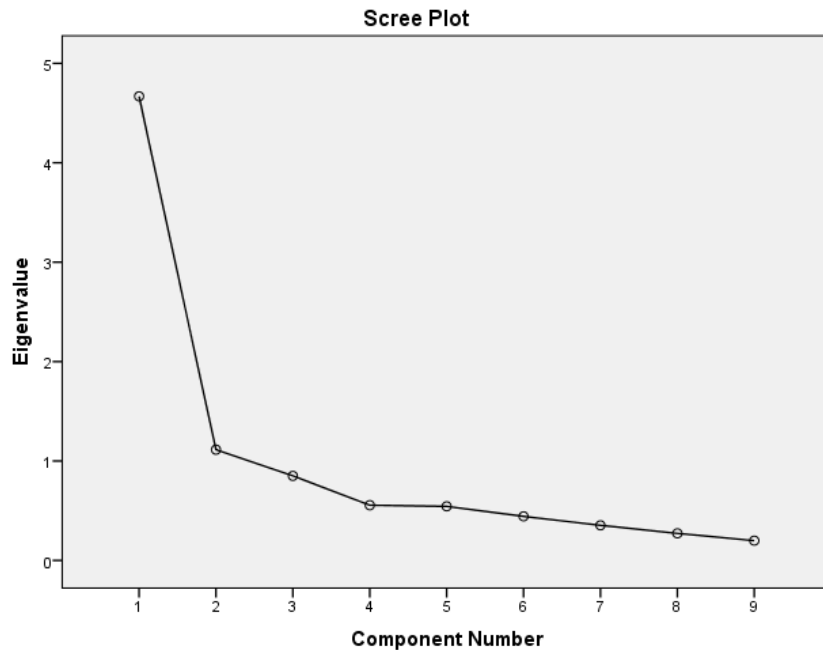
**Table 6: Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.669	51.873	51.873	4.669	51.873	51.873	4.667	51.850	51.850
2	1.114	12.379	64.252	1.114	12.379	64.252	1.116	12.401	64.252
3	.851	9.453	73.704						
4	.556	6.173	79.877						
5	.544	6.043	85.920						
6	.443	4.925	90.845						
7	.353	3.921	94.766						
8	.272	3.023	97.788						
9	.199	2.212	100.000						

Extraction Method: Principal Component Analysis.

The graph 11 below shows the scree plot. It also confirms that there are two components, which have eigenvalue more than 1.

**Figure 11:** Scree Plot



The table 7 below shows components matrix. The component 1 is associated with reduce unemployment, innovation, more employment opportunities for women, self-reliance, inclusive growth, reduce gender inequality in Indian workforce, substantial number of opportunities and reduce pay inequalities in the society. The second component is associated with success in business.

**Table 7:** Component Matrix<sup>a</sup>

	Component	
	1	2
How you rate the overall success of your Business on a 5-point scale?	.062	.973
Does entrepreneurship reduce unemployment in the society	.702	.035
Do you agree entrepreneurship creates room for innovation in the society?	.765	-.315
Do you agree women entrepreneurs facilitate more employment opportunities for women	.804	-.093
Does entrepreneurship serve as the key to self-reliance?	.796	.011
Do you agree entrepreneurship facilitates inclusive growth?	.794	.218
Can entrepreneurship reduce gender inequality in Indian workforce?	.768	.005
Does entrepreneurship create room for a substantial number of opportunities?	.726	.096
Does entrepreneurship reduce pay inequalities in the society?	.748	-.034

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

The table 8 below shows rotated component matrix. There is no impact on components loading after the rotation. Based on the factor analysis, it can be predicted that there is two factors solution.

**Table 8:** Rotated Component Matrix<sup>a</sup>

	Component	
	1	2
How you rate the overall success of your Business on a 5 point scale?	.039	.974
Does entrepreneurship reduce unemployment in the society	.701	.052
Do you agree entrepreneurship creates room for innovation in the society?	.772	-.297
Do you agree women entrepreneurs facilitate more employment opportunities for women	.806	-.073
Does entrepreneurship serve as the key to self-reliance?	.795	.030
Do you agree entrepreneurship facilitates inclusive growth?	.788	.237
Can entrepreneurship reduce gender inequality in Indian workforce?	.768	.023
Does entrepreneurship create room for a substantial number of opportunities?	.724	.114
Does entrepreneurship reduce pay inequalities in the society?	.749	-.016

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

**Table 9:** Component Transformation Matrix

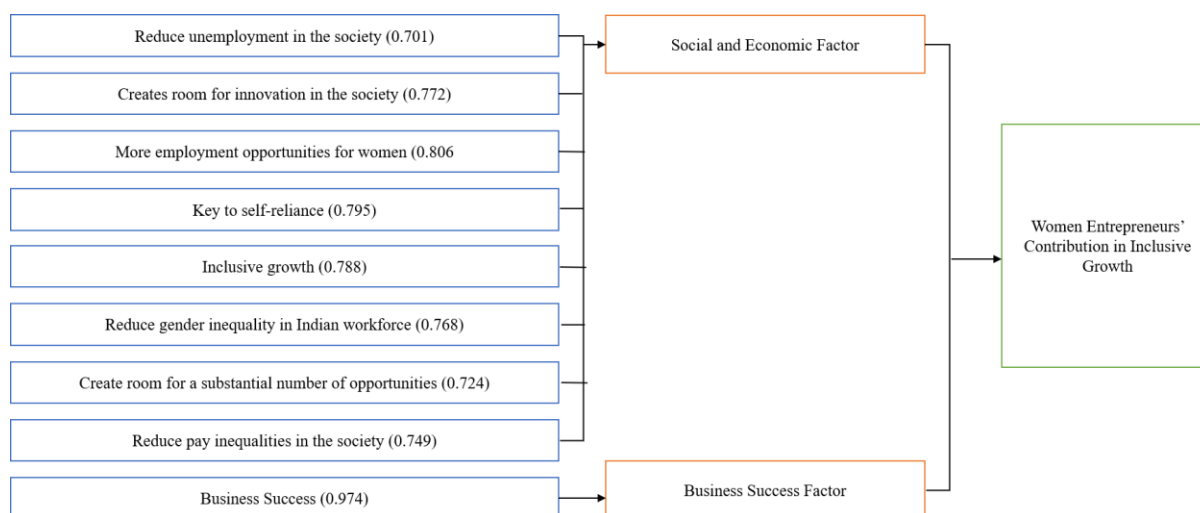
Component	1	2
1	1.000	.024
2	-.024	1.000

Extraction Method: Principal Component Analysis.  
Rotation Method: Varimax with Kaiser Normalization.

The factor solution was derived from component analysis with a VARIMAX rotation of the nine components. The cut-off point for interpretation purpose in this research is all loading +/- 0.70 or above. Factor 1 has eight significant loadings and factor 2 has one significant loading. It is also evident from above analysis that all variables have positive signs. These variables can be considered as the significant components for inclusive growth by women entrepreneurs. These all variables can be named as “Women Entrepreneurs Contribution in Inclusive Growth”

As mentioned earlier, this explains 64.25 percent of the variance. Based on the loadings of the nine variables on each factor and the loadings of the two summarized categories, the model is developed and is shown in figure 12.

**Figure 12:** Model of Women Entrepreneurs’ Contribution in Inclusive Growth



## VI. Findings

These pioneers need to be praised for their innovative ideas, utilization of resources, technology, increased and creating employment opportunities and establishing the trend for other women entrepreneurs in the country. Due to empowerment and motivation, women entrepreneurs create employment for many more women in the community and in a country. Then only a country will be considered inclusive. In spite of facing lot of difficulties in initiating and growing their ventures, in today's time there are document procedures and structures to facilitate women's access to financial procedures, training and business development. These entrepreneurial ventures need specialized solutions to prosper and this should shape by partnership of both public and private sector players. Such prosperous women entrepreneurial enterprises will join hands with community partners, leading a positive change through transformative relationships.

It is also evident from the present work and analysis that primarily women entrepreneurs emphasis on social and economics aspect, which have significant impact on inclusive growth on a country. Secondly, they focus on business success. The initial basic analysis also revealed that women entrepreneurs look for ownership and financial stability in their career. And most of them also contribute in social causes.

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