



## BARRIERS TO WOMEN ENTREPRENEURS - REVIEW

Gnei Shihara Lani Mausudeen<sup>1</sup>, Ahamed Lebbe Abdul Rauf<sup>2</sup>

<sup>1,2</sup> Faculty of Management and Commerce, South Eastern University of Sri Lanka

[alarauf@seu.ac.lk](mailto:alarauf@seu.ac.lk)

### Abstract

Women entrepreneurs contribute significantly to the global economy and society. In other words, women entrepreneurs represent about one in three growth-oriented entrepreneurs active in the world today. Women are not only approaching parity with men in terms of start-up activity, but they are also heavily involved in high-growth entrepreneurship and clearly making a significant impact in their markets, communities, and national economies. Women entrepreneurs, on the other hand, face various obstacles to financing, owning, and growing a business, including a lack of finance and technology, a lack of networks and knowledge resources, and legal and governmental barriers to business ownership and development. Women-led businesses are concentrated in the retail and service sectors, which have smaller earnings and growth potential, and are infrequently seen in more profitable industries like construction, electronics, or software. Female business is also hampered by a lack of networks and knowledge. This study aims to identify the barriers towards Women entrepreneurs and is to be conducted in order to provide a better understanding of the barriers faced by Women entrepreneurs.

**Keywords:** *Women, Barrier, Entrepreneur, Small and Medium Enterprises*

### Introduction

Women entrepreneurs contribute significantly to the global economy and society. According to the countries included in the GEM 2020 survey, an estimated 274 million women worldwide are involved in business startups, in addition to 139 million women who own/manage established businesses and 144 million women who are informal investors. New business creation is the source of much of the world's economic impact, innovation, and job creation. In the global survey, 30.2 percent of female entrepreneurs expected to hire six or more employees in the next five years, compared to 48 percent of male entrepreneurs. In other words, women entrepreneurs represent about one in three growth-oriented entrepreneurs active in the world today. Women are not only approaching parity with men in terms of start-up activity, but they are also heavily involved in high-growth entrepreneurship and clearly making a significant impact in their markets, communities, and national economies. Over the years, much of the discussion has centred on increasing the number of female entrepreneurs. This conversation must evolve to focus on high-growth activities. Despite systemic barriers that limit growth opportunities, so many women around the world are making a significant impact.

Entrepreneurs has traditionally been associated with men in society since men were the primary participants in entrepreneurial activity. In contrast, over the last decade, there have been an increasing number of articles and books written and published on female entrepreneurs who have managed to establish their place among the male population despite the fact that there are still many gender inequities. Women's entrepreneurs have



enormous economic potential, which should be utilized more in the future. Women's entrepreneurial endeavours are crucial not only for gender equality, but also for increasing women's potential to start an entrepreneurial venture that results in the creation of new jobs, according to research from around the world. The entrepreneurial process is considered equal in Asian emerging countries, as it is in any other area of the world. In practice, however, there are various dimensions and magnitudes of hurdles to the growth and survival of women-owned enterprises.

Without access to finance, it is practically impossible to run a firm. According to estimates, women-owned enterprises account for little over a third of all formal, registered businesses globally. Despite this, seventy percent of formal women-owned Small and Medium Enterprises (SMEs) in developing nations are either turned down by banks or unable to obtain enough financial services to meet their demands. As a result, official women-owned SMEs face an approximately \$300 billion loan shortage each year. Female entrepreneurship is further hampered by a lack of networks, knowledge, and connections to high-value markets. Women entrepreneurs are crucial to economic development because they increase growth and provide jobs, especially for the poorest 40% of the population. Women entrepreneurs, on the other hand, face various obstacles to financing, owning, and growing a business, including a lack of finance and technology, a lack of networks and knowledge resources, and legal and governmental barriers to business ownership and development. Women led businesses are concentrated in the retail and service sectors, which have smaller earnings and growth potential, and are infrequently seen in more profitable industries like construction, electronics, or software. Female business is also hampered by a lack of networks and knowledge. Men, according to studies, have more social connections than women, allowing them to access more economic prospects, knowledge, and contacts. (World bank Report). This study aims to identify the barriers towards Women entrepreneurs and is to be conducted in order to provide a better understanding of the barriers faced by Women entrepreneurs.

### **Research Method**

This literature is being developed to assist with the Barriers to Women Entrepreneurs and Women Entrepreneurship. In this regard, we used publications published between 2009 and 2022. The search phrases used included the words "entrepreneur" and "women."

### **Literature review**

(Raghuvanshi et al., 2017) conducted research Identifying impediments to women's entrepreneurship from previous studies and investigating possible causality among them. A framework based on cause and effect relationships is proposed for barriers. (Raghuvanshi et al., 2017) outlines 14 barriers to women's entrepreneurship based on existing studies. Using the DEMATEL technique, these barriers were rated and causal linkages between were identified. Less interest in entrepreneurial activities, slow growth, lower monetary benefits, high shut down rates, and a lack of proclivity to take risk are considered as major causative barriers that lead to several other barriers. Other important causal factors influencing High shut down rates and Lack of propensity to take risk were spatial mobility and lack of family support (SLF) and lack of institutional support (LIS). The remaining causal barriers are as follows (with respective barrier



outcomes in parentheses) Inadequate entrepreneurial management and difficulties in obtaining financial resources (Less interested in entrepreneurial activities, Slow growth, less monetary benefits, High shut down rates and Lack of propensity to take risk). It is worth noting that the causal barriers were ranked based on R-C values rather than the number of things they influence. Lack of technological know-how, lack of social connectivity, and lack of marketable abilities were also identified as cause barriers, but their impact on barrier outcomes was minimal. According to the authors' conclusions, the major barriers for women's entrepreneurship include a lack of education, experience, and training possibilities, spatial mobility, and a lack of institutional support.

(Tripathi & Singh,) investigated the barriers and problems that impede Indian women from becoming entrepreneurs in 2018. A poll of 15 specialists was used to collect data. Ten relevant barriers in the context of Indian micro, small, and medium enterprises (MSMEs) were chosen based on expert feedback. Data was gathered using a structured questionnaire. These ten impediments block Indian women entrepreneurs. These obstacles were ranked, and causal links between them were constructed using interpretive structural modelling and the Matrice impacts croises-multiplication appliquéan classment (ISM-MICMAC) method. It has been discovered that women face many difficulties in starting their own businesses, such as a lack of motivation, a lack of access to infrastructure and technology, balancing work and family life, a lack of market experience, employment-related difficulties, financial problems, a lack of regulation/law and directives, a lack of societal awareness toward entrepreneurship, a lack of knowledge, skill, and experience, and a fear of failure. The authors believe that by decreasing barriers to women's entrepreneurship, women's engagement in entrepreneurship will increase, and women will be more willing to enter the area of entrepreneurship.

(Akehurst et al., 2012) conducted an exploratory study on the characteristics of female entrepreneurs and the firms they manage in the Valencia region. Following a detailed examination of the growth of the literature on women entrepreneurs, the study demonstrates how various internal and external factors influence the motivation, barriers, and performance of enterprises founded by women. A tailored questionnaire was utilized to collect information for the study, which was carried out with the assistance of the female entrepreneur or the firm's founder. For each of the aspects – motivation, impediments, and success factors – a confirmatory factor analysis was initially performed. The factor analysis performed on the motivation dimension yielded four elements: Born entrepreneurs, recognition and inheritance, economic and professional desire, and managerial abilities are among the reasons. The barrier component was subjected to a factor analysis, which yielded five factors: difficulties with infrastructure and training, difficulties due to gender, bureaucratic and financial difficulties, competitive challenges, and conciliatory difficulties. The factor analysis for success factors yields a single element that the author mentioned was managerial skills among female entrepreneurs.

(Tambunan, 2009) investigates women entrepreneurs in Asian developing countries, their growth and major limitations. The document contains a number of intriguing information. women entrepreneurs are mostly found in MIEs, which are traditional and low-income enterprises and the majority of women entrepreneurs



in the region were drawn to entrepreneurship by "push" factors such as poverty, unemployment, the need to have more cash income to support the family's daily expenditures, a desire to be independent, to show others that they are capable of doing well in business, to be recognized by society (self-esteem), hobby, or to use spare time, rather than "pull" factors such as the need for a challenge, the desire to try something on their own and to be independent, to show (anticipation if husband is laid-off or unemployed, and other emergency needs). Author mentioned that this could imply that as women in the region become more educated and have more well-paying job possibilities, their participation in SMEs may decrease. And the low representation of women entrepreneurs can be linked to a variety of issues, the most prominent of which are: low levels of education and a lack of training possibilities, which place women at a significant disadvantage in both the economy and society. Heavy domestic responsibilities, Legal, cultural, or religious limits on the extent to which women can create their own enterprises Access to formal financing and other services is limited.

(Abdul et al., 2014) also investigated the Challenges and Barriers to Women Entrepreneurship in Oman. This study underlines the difficulties that women entrepreneurs encounter, which must be addressed promptly by directing enough efforts in the right direction. The study is based on primary data obtained from 100 respondents (women entrepreneurs) in the Sultanate of Oman via structured questionnaire. Researchers discovered that practically all of the possible impediments listed affect women entrepreneurs, albeit to varying degrees. Financial support, knowledge to collaborate, access to technology, industrial support, pressure to achieve, interacting with males, training opportunities, information on opportunities, and training time are among the most important. Researchers suggests that women require assistance in raising funds, opening up in their contacts with men, and obtaining training possibilities. Also mentioned the need of networking in the job, which might be problematic for some women who may not be able to converse freely with men. Traditional constraints, societal value systems, gender bias, a lack of professional education, finding the necessary contacts, a bad opinion of oneself, and self-confidence are the hurdles that have a smaller impact on Women Entrepreneurship in Oman.

(Chinta et al., 2016) carried out an Empirical Study on Financing Barriers to Women Entrepreneurship in Alabama. The author listed three variables: "intention to begin," "personal wealth," and "public programs". Chinta et al. investigated the impact of public funding support mechanisms on female entrepreneurship in the state of Alabama. findings indicate that external (public) finance channels can mitigate the disincentive effect of low personal wealth as a barrier to starting a new business. Policymakers should increase resource allocations for mechanisms that increase external funding for women entrepreneurs, such as Small Business Administration grants, Minority Purchase Programs, Guaranteed loans, Government subsidies, Angel investments, and Venture Capital, in order to capture the amount of capital available to start a business. Incubators and university-based entrepreneurship programs, for example, would lessen the barriers to starting a new business. (Chinta et al., 2016) findings confirm Lerner's (2010) contention that public financing schemes that promote new company ventures are vital to economic growth.



(Al-qahtani & Zguir, 2022) investigated the status, difficulties, and needs of female entrepreneurship in Qatar. Following a thorough literature analysis, the authors conducted interviews with twenty-five educated Qatari women to understand their motives, issues, or readiness to pursue entrepreneurship, as well as the challenges they faced the authors proposed the Qatari Women's Entrepreneurship Framework (QWE-FW). The framework was built on four pillars: the government, business-supporting organizations, society/family/education system, and women. After evaluating the data, (Al-qahtani & Zguir, 2022) offers the key conclusions from the interviews. The challenges were classified as internal and external. As an internal case, they have mentioned failure of anxiety and concerns about trusting others. inability to take risks, family responsibilities, Lack of motivation and external challenges such as gender-related concerns Regulations and funding, need of business partner. Inadequate educational programs and training geared toward venture-related expertise, and unhealthy competition.

(Leszczyski, 2014) investigated the motivations, success factors, and barriers faced by women small business owners: An overview of existing literature. Even if the context in which they operate their businesses varies, it has been established in this article that female small business owners all over the world face many common challenges in the process of establishing and successfully operating their respective corporations. The main roadblocks Barriers to self-employment include social-cultural traditions and values, financial considerations, managerial abilities and business experience, participation in professional organization networks, conflicts between home and work responsibilities, the macroeconomic and legal context, and government support variables. According to the author, fostering a favourable business environment and giving adequate government support will encourage female entrepreneurs to start new enterprises and grow current ones.

(Nwachukwu et al., 2021) investigated the Drivers, Barriers, and Coping Strategies of Women Entrepreneurship in Nigeria to investigate how various female entrepreneurs managed to adapt to the Nigerian business environment. In particular, the contribution to gender and entrepreneurship literature by providing evidence on the obstacles, enablers, and survival strategies of women micro-entrepreneurs in the context of emerging markets. The sample was composed of 15 women who are small scale, micro-entrepreneurs using the "Mixed Method Research (MMR)" approach. According to the authors, the main issue was a lack of funds, and many female entrepreneurs believe that having more funds would increase the amount their businesses could grow. Women entrepreneurs face some challenges due to family structure, inadequate infrastructure, and cumbersome loan processes. Women entrepreneurs are more concerned with balancing work and family, so they deliberately keep their businesses small and manageable. Even when funding opportunities are scarce, resilience and the ability to innovate are important enablers for women entrepreneurs.

(Barghouthi, Khalili, & Qassas, 2018) carried out an exploratory study on the motivations, problems, and barriers faced by Palestinian women entrepreneurs. Considering the behavioural factors (such as risk-taking, flexibility, and skill development) and a woman's capacity to adapt to or embrace entrepreneurship, influenced by financial considerations (including financial capital and economic features) as well as the



economic aspects of her country, the environment was the moderating component that influenced their drive and motivation to become entrepreneurs. According to the author, because of their gender, women frequently encounter additional hurdles and roadblocks. Working mothers are subjected to increased time, resource, and energy demands. The growing success rate of female entrepreneurs proves that they are innovative and capable of succeeding despite adversity. Women typically have these talents and intrinsic competencies that are advantageous in business. Women are more likely to be effective networkers due to their inherent ability to barter and multitask. Mothers are frequently skilled at delegating and budgeting, which they use to keep their families under control. Women entrepreneurs can achieve greater success by building a strong business network, finding new ways to balance work and life, and gaining inspiration from other successful female entrepreneurs. Based on the foregoing, (Barghouthi, Khalili, & Qassas) conclude that Palestinian women entrepreneurs' contributions are critical to the growth and development of the community and the country as a whole; women entrepreneurs can aid in the alleviation of unemployment, low income, a lack of employment opportunities, and community needs.

(Al-Ghazali et al., 2013) Examine the motivations underlying women's business decisions in Bahrain, as well as the challenges they face. The study is based on a survey of 40 male and 40 female respondents. Descriptive statistics, as well as T and ANOVA tests, were used to evaluate the relative importance of motivational factors, gender differences in perspective, and the impact of age. According to the findings, profit achievement is the most powerful motivator for business women in Bahrain. Barriers include a lack of confidence in their abilities, a lack of government support, a lack of market information, and an economy dominated by a few large corporations. Due to resource constraints and difficulties in contacting women in Bahrain, the sample size was limited to 170 participant organizations.

Table 1. Overview of selected articles on Barriers to women Entrepreneurs

S No.	Author/s	Barriers to women Entrepreneurs
1.	Abdul et al., 2014	<ul style="list-style-type: none"> <li>• Lack of Financial support</li> <li>• Lack of knowledge to collaborate</li> <li>• Lack of access to technology</li> <li>• interacting with males</li> </ul>
2.	Akehurst et al., 2012	<ul style="list-style-type: none"> <li>• Difficulties with infrastructures and training</li> <li>• Difficulties as a result of gender</li> <li>• bureaucratic and financial difficulties</li> <li>• Competitive difficulties and conciliation difficulties</li> </ul>
3.	Al-qahtani & Zguir, 2022	<ul style="list-style-type: none"> <li>• Fear of failure</li> <li>• Gender-related issues</li> <li>• Unwillingness to take risks</li> <li>• Family commitment</li> <li>• Lack of proper educational programs and training</li> <li>• Lack of motivation</li> <li>• Unhealthy competition</li> </ul>



4.	Barghouthi, Khalili, & Qassas, 2018	<ul style="list-style-type: none"> <li>• Lack of confidence</li> <li>• Lack of government support,</li> <li>• Lack of market information</li> </ul>
5.	Chinta et al., 2016	<ul style="list-style-type: none"> <li>• Effect of low personal wealth</li> </ul>
6.	Leszczyński, 2014	<ul style="list-style-type: none"> <li>• Financial factors</li> <li>• Managerial skills and business experience</li> <li>• Conflicts between home and work responsibilities</li> <li>• Macro-economic and legal context</li> <li>• Government support variables</li> </ul>
7.	Nwachukwu et al., 2021	<ul style="list-style-type: none"> <li>• Paucity of funds</li> <li>• Inadequate infrastructure</li> </ul>
8.	Raghuvanshi et al., 2017	<ul style="list-style-type: none"> <li>• Lack of education, experience and training possibilities, spatial mobility.</li> <li>• Lack of institutional support</li> </ul>
9.	Tambunan, 2009	<ul style="list-style-type: none"> <li>• Low level of education and lack of training</li> <li>• Heavy household chores</li> <li>• Legal, traditions, customs, cultural or religious Constraints</li> <li>• Lack of access to formal credit and other facilities</li> </ul>
10.	Tripathi & Singh 2018	<ul style="list-style-type: none"> <li>• Lack of access to infrastructure and technology</li> <li>• Balancing work and family life</li> <li>• Lack of market experience</li> <li>• Financial problem</li> <li>• Lack of awareness of society towards entrepreneurship</li> <li>• Lack of knowledge skill and experience</li> <li>• Fear of failure</li> </ul>

### **Conclusion**

In reality, a variety of hurdles impede women's entrepreneurial efforts. Several factors make it difficult for women to start their own businesses. problems such as a lack of education, experience, and training, as well as social constraints Furthermore, women appear to be overwhelmed by home responsibilities, limited geographical mobility, and limited access to resources. They lack resources, making entrepreneurship all the more challenging for them. To encourage and enable women to initiate and succeed in their own business ventures, the barriers mentioned in this study must be removed by raising awareness, providing vocational training and skill development not only to women, but also to men, so that they respect and understand the importance of women becoming entrepreneurs. According to the literature review, reducing barriers to women's entrepreneurship will require a change in society's mindset one that promotes and helps women freely. Government entities and the general public can work together to develop such an attitude. The educated and liberal-minded should volunteer with local government authorities to run programs and campaigns to educate people about the value of female entrepreneurship and the benefits it brings to the family, community, and nation. Such a strategy would result in long-term societal improvements.



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