

“Women Entrepreneurs and Inclusivity: Pathways, Barriers, and Strategies for an Inclusive Entrepreneurial Ecosystem”

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Abstract

Women’s entrepreneurship is increasingly recognized as a powerful driver of innovation, employment generation, poverty reduction, and inclusive economic growth. Yet, women entrepreneurs continue to face structural barriers that limit entry, survival, and scaling of enterprises. These barriers are multidimensional, including unequal access to finance, constrained mobility and time due to unpaid care responsibilities, limited market linkages, gender-biased social norms, digital exclusion, and underrepresentation in high-growth sectors. Inclusivity in entrepreneurship refers to building systems that enable participation and success across gender, class, caste/race, disability status, geography, age, migration status, and other intersecting identities. This paper reviews key concepts, evidence, and policy approaches linking women’s entrepreneurship and inclusivity. It analyses how intersectionality shapes entrepreneurial outcomes, discusses the role of institutions (finance, law, education, labor markets, and digital infrastructure), and highlights promising interventions such as gender-responsive finance, inclusive incubation, procurement opportunities, childcare and social protection, and supportive legal reforms. The paper concludes with a framework for strengthening inclusive entrepreneurial ecosystems and suggests indicators for monitoring progress.

Keywords: women entrepreneurship, inclusivity, intersectionality, entrepreneurial ecosystem, gender-responsive finance, social norms, digital inclusion, MSMEs, policy

Introduction

Entrepreneurship is often promoted as a pathway to economic growth and social mobility. However, entrepreneurial opportunities are not evenly distributed. Women entrepreneurs—especially those from marginalized groups—often enter entrepreneurship out of necessity, operate in low-productivity sectors, and face restricted pathways to scale. The inclusion agenda in entrepreneurship aims to shift from “adding women” to transforming the ecosystem so that women can participate as innovators, owners, employers, and leaders across sectors and value chains.

Women-owned enterprises contribute to household well-being, community development, and national productivity. Yet, women's businesses remain smaller, less formal, and more financially constrained than men's, reflecting structural disadvantages rather than individual capability deficits. Therefore, promoting women's entrepreneurship requires inclusive policies and institutions that recognize diverse constraints and enable equitable outcomes.

2. Conceptual Framework: Women Entrepreneurs and Inclusivity

2.1 Women's Entrepreneurship

Women's entrepreneurship refers to women's participation in business ownership and self-employment, spanning microenterprises, small and medium enterprises, and high-growth startups. Women entrepreneurs are not a homogeneous group; their motivations, opportunities, and constraints differ significantly across contexts.

2.2 Inclusivity and Inclusive Entrepreneurship

Inclusivity in entrepreneurship means reducing systemic barriers and enabling fair access to resources, networks, markets, and decision-making. Inclusive entrepreneurship emphasizes:

1. Access (credit, training, technology, infrastructure)
2. Participation (entry and retention in markets)
3. Agency (decision-making power and control over resources)
4. Outcomes (income, growth, resilience, dignity, and wellbeing)

2.3 Intersectionality

Intersectionality highlights how overlapping identities—such as gender with class, caste/race, ethnicity, disability, rural location, or migration status—create distinct and compounded disadvantages. Inclusion strategies must therefore be designed with differentiated needs rather than “one-size-fits-all” interventions.

3. Literature Review: Evidence on Gender Gaps and Inclusion

3.1 Finance and Asset Ownership

One of the most documented barriers is constrained access to finance due to:

limited collateral (linked to unequal asset/property ownership),

lack of credit histories,

discriminatory lending practices, smaller networks and limited financial literacy opportunities.

Even when women access loans, the amounts may be smaller and interest rates higher in informal markets. Gender-responsive financial products, alternative collateral mechanisms, and digital financial services can reduce these gaps when designed inclusively.

3.2 Skills, Education, and Networks

Women frequently have less access to:

- technical and managerial training,
- mentorship and professional networks,

- incubators and accelerators that provide investor access.

Networks matter because they link entrepreneurs to information, suppliers, and markets. Women's constrained mobility and norms restricting public engagement can reduce network formation, especially in conservative contexts.

3.3 Social Norms, Safety, and Time Poverty

Unpaid care work disproportionately borne by women reduces time available for business operations, learning, or market visits. Safety concerns and restrictions on mobility may limit travel, late working hours, and participation in mixed-gender marketplaces. Care infrastructure—childcare, eldercare, safe transport—thus becomes a business-enabling intervention.

3.4 Sectoral Segregation and Informality

Women-owned businesses are often concentrated in low-margin sectors (retail, tailoring, food services) and operate informally. Informality can reduce access to formal credit, government schemes, and institutional markets. Simplified registration, tax support, and formalization incentives can help, provided they do not increase burdens.

3.5 Digital Divide and Platform Economies

Digital tools can expand access to markets, payments, and networks. Yet women face:

- lower phone ownership and internet access in some regions,
- lower digital skills,
- online harassment and safety issues,
- algorithmic bias in platform visibility.

Inclusive digital policies must address access, affordability, skills, safety, and fair platform governance.

4. Inclusivity Challenges for Different Groups of Women Entrepreneurs

4.1 Rural Women

Rural entrepreneurs may face weaker infrastructure, limited transport, fewer markets, and reduced digital connectivity. Inclusive interventions include rural enterprise hubs, mobile training, and aggregation models like cooperatives or producer companies.

4.2 Women from Marginalized Castes/Ethnicities

Discrimination in markets and networks can reduce supplier trust, credit access, and customer reach. Inclusion requires anti-discrimination enforcement, targeted procurement, and community-based enterprise support.

4.3 Women with Disabilities

Accessibility barriers (physical infrastructure, assistive technologies, inclusive training) reduce entrepreneurial participation. Inclusive entrepreneurship needs universal design, accessible credit processes, and disability-inclusive incubators.

4.4 Migrant and Informal-Sector Women

Migrant women often lack documentation, stable housing, and social networks. Inclusive policies should support portable benefits, simplified ID processes, and local market integration.

5. Policies and Interventions for Inclusive Women's Entrepreneurship

5.1 Gender-Responsive Finance

- Promising approaches include:
- collateral-free or partial-guarantee lending,
- group-based lending models,
- cash-flow based lending,
- tailored products for working capital and seasonal cycles,
- digital payments and savings products for business resilience.

Financial inclusion must be paired with consumer protection to prevent over-indebtedness and predatory lending.

5.2 Inclusive Incubation and Mentorship

Incubators can adopt inclusive design by:

- flexible timing and hybrid training,
- childcare support during programs,
- women mentor networks,
- safe spaces for pitching and networking,
- gender-sensitive investor training to reduce bias.

5.3 Market Access and Procurement

Government and corporate procurement quotas or targets for women-owned businesses can generate stable demand. Business certification systems for women-owned enterprises, supplier diversity programs, and e-commerce onboarding support can strengthen market linkages.

5.4 Legal and Institutional Reforms

Key reforms include:

- equal property and inheritance rights,
- simplified business registration,
- protection from workplace harassment and violence,
- stronger contract enforcement,
- maternity benefits and social protection for self-employed women.

5.5 Care Economy and Social Protection

Care infrastructure (childcare, healthcare, safe transport) is essential for women's economic participation. Social protection—health insurance, maternity benefits, pension schemes—improves resilience and reduces the risk of business discontinuity.

5.6 Building Inclusive Entrepreneurial Ecosystems

An ecosystem approach emphasizes coordination among:

- financial institutions,
- business development services,

- education and training providers,
- digital infrastructure providers,
- legal and regulatory bodies,
- civil society and women's associations.

6. A Proposed Framework and Indicators for Measuring Inclusive Ecosystems

6.1 Framework Components

- Resources: finance, skills, technology, infrastructure
- Institutions: laws, norms, safety, governance
- Connections: networks, mentorship, market linkages
- Outcomes: entry, survival, growth, and quality of work

6.2 Suggested Indicators

- share of women-owned enterprises formally registered
- gender gap in credit approval rates and average loan size
- percentage of women entrepreneurs using digital payments
- women participation in incubators/accelerators and graduation outcomes
- share of public procurement spent on women-owned businesses
- time-use data: reduction in unpaid care workload
- survival rate and employment generation in women-owned firms
- measures of safety/mobility constraints and workplace harassment reporting

7. Discussion

Women entrepreneurs contribute significantly to inclusive growth, but their entrepreneurial trajectories are shaped by systemic barriers rather than individual deficits. Evidence suggests that isolated interventions—training alone or credit alone—often produce limited results unless combined with market access, social support, and ecosystem reforms. Inclusivity requires intersectional design, recognizing that rural women, minority women, and women with disabilities face distinct constraints. In addition, digitalization can be a strong equalizer, but only when access, safety, and fairness are ensured.

8. Conclusion

Women's entrepreneurship is a key lever for inclusive development, yet gendered and intersectional barriers limit enterprise formation and growth. An inclusive entrepreneurial ecosystem must integrate gender-responsive finance, accessible and flexible training, safe and supportive infrastructure, legal equality, childcare and social protection, and market access mechanisms such as procurement. Future research should deepen intersectional evidence, evaluate multi-component programs, and develop comparable metrics for inclusivity across contexts. Strengthening inclusive entrepreneurship is not only an equity objective but also an economic imperative that expands innovation and prosperity for societies as a whole.

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