



A STUDY ON IMPACT OF WOMEN ENTREPRENEURS IN SMALL SCALE INDUSTRIES

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Abstract

Women entrepreneurs play a significant role in the growth and development of small scale industries, contributing to economic progress, employment generation, and social empowerment. This study examines the impact of women entrepreneurs in small scale industries, focusing on their role in income generation, innovation, job creation, and regional development. The research highlights how women-led enterprises promote inclusive growth by utilizing local resources, encouraging self-employment, and improving the standard of living of families and communities. Despite facing challenges such as limited access to finance, lack of training, societal barriers, and market constraints, women entrepreneurs have shown resilience and adaptability in sustaining their businesses. The study analyzes the economic and social contributions of women entrepreneurs and evaluates the support provided through government policies, financial institutions, and skill development programs. The findings reveal that women entrepreneurship in small scale industries positively impacts economic stability, women empowerment, and sustainable development. The study concludes that strengthening policy support, improving access to credit, and enhancing entrepreneurial training can further increase the participation and success of women entrepreneurs in small scale industries.

Keywords: Women Entrepreneurs, Small Scale Industries, Women Empowerment, Economic Development, Employment Generation, Entrepreneurship, Sustainable Growth, MSMEs.

Introduction

Entrepreneurship plays a crucial role in the economic development of any nation, and the participation of women in entrepreneurial activities has gained increasing importance in recent years. Women entrepreneurs have emerged as key contributors to economic growth, particularly in the development of small scale industries. Small scale industries form the backbone of many developing economies as they generate employment opportunities, promote regional development, and encourage the effective utilization of local resources. The growing involvement of women entrepreneurs in this sector has brought significant economic and social transformation.

Women entrepreneurs in small scale industries contribute not only to income generation but also to innovation, productivity, and sustainability. These enterprises help in reducing unemployment by creating self-employment opportunities for women and wage employment for others. By establishing and managing small scale units, women entrepreneurs play an essential role in poverty alleviation, balanced regional growth, and industrial decentralization. Their enterprises often focus on areas such as food processing, textiles, handicrafts, retail, services, and agro-based industries, which support local economies and preserve traditional skills.

The participation of women in entrepreneurship also leads to women empowerment and social development. Economic independence enables women to improve their standard of living, participate in household and business decision-making, and gain recognition in society. Women entrepreneurs act as role models, inspiring other women to take up entrepreneurial activities and contribute to national



development. Their involvement enhances gender equality and strengthens the socio-economic structure of communities. However, despite their growing presence, women entrepreneurship small scale industries face numerous challenges. These include limited access to finance and credit facilities, lack of entrepreneurial training and technical knowledge, inadequate marketing skills, and socio-cultural constraints. In many cases, women struggle with balancing family responsibilities and business operations. Additionally, limited exposure to technology and market networks restricts the growth and sustainability of women-led enterprises.

In this context, the present study focuses on analyzing the impact of women entrepreneurs in small-scale industries. The study seeks to examine their economic and social contributions, assess the challenges they face, and evaluate the role of institutional and policy support. Understanding the impact of women entrepreneurship in small scale industries is essential for formulating effective strategies to promote inclusive growth, sustainable development, and women empowerment in the economy.

Statement of problem

Women entrepreneurs play a crucial role in the growth and development of small scale industries by contributing to employment generation, income creation, innovation, and regional development. Despite their increasing participation, women entrepreneurship small scale industries continue to face numerous challenges such as limited access to finance, inadequate managerial and technical skills, lack of market exposure, socio-cultural constraints, and insufficient institutional support. These challenges restrict their business growth and reduce their overall impact on economic development.

In the Indian context, small scale industries serve as a backbone of the economy, particularly in promoting inclusive and sustainable growth. However, the potential contribution of women entrepreneurs within this sector remains underutilized due to structural and policy-related barriers. There is a need to systematically examine the actual impact of women entrepreneurs on the performance, productivity, and sustainability of small scale industries, as well as their role in improving socio-economic conditions.

Therefore, this study seeks to analyze the impact of women entrepreneurs in small scale industries by assessing their economic contributions, identifying the challenges they face, and evaluating the effectiveness of existing support mechanisms. The findings of this research aim to provide insights for policymakers, financial institutions, and development agencies to design effective strategies that promote women entrepreneurship and strengthen the small scale industrial sector.

Research Objectives and Hypotheses

The present study aims to analyze the impact of women entrepreneurs in small scale industries with special reference to their contribution to economic growth, employment generation, and business development. The study seeks to understand the socio-economic background of women entrepreneurs and examine their role in the growth and performance of small scale enterprises. It also focuses on identifying the major problems faced by women entrepreneurs, such as financial constraints, lack of managerial skills, limited market access, and socio-cultural barriers. Further, the study evaluates the effectiveness of government support schemes and institutional assistance available to women entrepreneurs and suggests suitable measures to promote women entrepreneurship in small scale industries.



Based on these objectives, the study is guided by the hypotheses that women entrepreneurs have a significant impact on the growth and development of small scale industries and that their participation positively influences employment generation. It is also hypothesized that access to finance, government support schemes, and socio-cultural factors significantly affect the performance and success of Women-owned small scale entrepreneurs.

Literature Review

The role of women entrepreneurs in small scale industries has been widely examined in academic literature, highlighting their contribution to economic development and social empowerment. Several studies indicate that women entrepreneurs play a significant role in employment generation, poverty alleviation, and regional development by establishing and managing small scale enterprises effectively. Researchers have found that women's participation in business not only increases house hold income but also leads to improved living standards and decision-making power within families.

Empirical evidence suggests that women face distinct challenges in entrepreneurship, including limited access to finance, in adequate business networks, and socio-cultural restrictions. Studies by Singh (2019) and Sharma (2020) reveal that lack of capital and limited managerial training is major barriers restricting the growth of women-led small scale industries. Further, Ahmad & Wasim (2018) highlight that government support schemes and skill development programs positively influence women entrepreneurs' performance, although awareness and accessibility remain low among many participants.

Concept of women Entrepreneurs

Women entrepreneurs refer to women who initiate, organize, manage and operate business enterprises by taking financial risks with the objective of earning profits and achieving economic independence. In the context of small scale industries, women entrepreneurs play a vital role in establishing and managing enterprises such as manufacturing units, handicrafts, food processing, tailoring, retail trade, and service-based activities. They contribute significantly to employment generation, income creation, and balanced regional development.

The concept of women entrepreneurship is closely associated with women empowerment, as it enables women to utilize their skills, education, and creativity in productive economic activities. Women entrepreneurs not only contribute to economic growth but also bring innovation, ethical business practices and social responsibility into small scale industries. Their participation helps introducing gender disparities and promotes inclusive growth.

Role of women Entrepreneurship in small-scale industries

Women entrepreneurs play a significant role in the growth and development of small scale industries by contributing to economic progress, employment generation, and social development. By establishing and managing small scale enterprises, women entrepreneurs create self-employment opportunities and provide jobs to others, particularly women and local youth, thereby reducing unemployment and poverty. Their involvement helps in the effective utilization of local resources and promotes balanced regional development, especially in rural and semi-urban areas.

Women entrepreneurs also contribute to innovation and diversification in small scale industries by introducing new products, services, and production methods. They are actively involved in sectors such as food processing, handicrafts, textiles, retail trade, and service industries, which strengthens the



industrial base of the economy. Additionally, women entrepreneurs promote inclusive and sustainable growth by encouraging ethical business practices and community-oriented development.

Furthermore, the role of women entrepreneurs extends beyond economic contributions, as they enhance social empowerment by improving family income, education, and health standards. Their participation in small scale industries helps in reducing gender inequality and fosters women's leadership and decision-making capabilities in society.

Overview of Small-scale Industries in India

Small Scale Industries (SSIs) play a vital role in the Indian economy by contributing significantly to industrial production, employment generation, exports, and balanced regional development. These industries are characterized by low capital investment, simple technology, and labor-intensive operations, making them ideal for promoting entrepreneurship, especially among women. In India, small scale industries are now largely covered under the Micro, Small and Medium Enterprises (MSME) sector, which support millions of enterprises across manufacturing, services, and trade.

SSIs provide immense opportunities for women entrepreneurs due to their flexible nature, lower risk, and ease of entry. Women entrepreneurs actively participate in small scale industries such as food processing, handicrafts, textiles, garments, dairy, beauty and wellness services, and small retail businesses. These industries enable women to utilize local resources, traditional skills, and creativity while balancing economic and social responsibilities.

The Indian government has introduced various policies, financial schemes, and skill development program stop remote small-scale industries and encourage women's participation. Thus, small-scale industries serve as an important plat form for empowering women entrepreneurs and enhancing their contribution to economic growth and inclusive development.

Challenges Faced by Women Entrepreneurs In small-scale Industries

Women entrepreneurs in small scale industries face several challenges that hinder their growth and sustainability. One of the major problems is limited access to finance, as women often lack collateral security and face difficulties in obtaining loans from financial institutions. Inadequate awareness about government schemes and financial support programs further restricts their ability to utilize available benefits. Lack of managerial, technical, and marketing skills also affects the efficiency and competitiveness of women-owned enterprises.

Socio-cultural barriers such as gender discrimination, family responsibilities, and lack of social support continue to limit women's participation in entrepreneurial activities. Many women entrepreneurs struggle to balance business responsibilities with household duties, reducing the time and energy available for business expansion. Additionally, limited market access, poor networking opportunities, and intense competition from larger firms pose significant challenges.

Other issues include inadequate infrastructure, technological constraints, and lack of mentorship and training facilities. These challenges highlight the need for supportive policies, skill development programs, and improved financial and institutional assistance to strengthen women entrepreneurship in small scale industries.

Socio-Economic Impact of Women Entrepreneurs

Women entrepreneurs have a significant socio-economic impact on small scale industries and overall economic development. Economically, women entrepreneurs contribute to income generation,



employment creation, and increased productivity by establishing and managing small-scale enterprises.

Their businesses provide job opportunities, especially for women and marginalized groups, thereby reducing unemployment and poverty. The growth of women-owned enterprises also supports local economies through the efficient use of local resources and promotion of regional development.

Socially, women entrepreneurship leads to empowerment and improved social status of women. Increased income enhances their decision-making power within households and communities, leading to better education, health, and living standards for families. Women entrepreneurs act as role models, encouraging other women to pursue entrepreneurial activities and self-employment. Moreover, women entrepreneurs promote inclusive and sustainable development by adopting ethical business practices and community-oriented approaches. Their participation helps reduce gender inequality and fosters social equality. Thus, women entrepreneurs play a vital role in achieving balanced socio-economic development through small scale industries.

Contribution of Women Entrepreneurs To Employment Generation

Women entrepreneurs play a crucial role in generating employment through small scale industries. By establishing and managing enterprises in sectors such as manufacturing, handicrafts, textiles, food processing, retail, and services, women entrepreneurs create numerous job opportunities for both skilled and unskilled workers. Their enterprises often employ local community members, particularly women, youth, and marginalized groups, thereby promoting inclusive employment and reducing regional unemployment.

Small scale industries led by women are usually labor-intensive and flexible, allowing for the engagement of part-time workers, home-based employees, and seasonal labor, which further enhances employment opportunities. By creating self-employment opportunities for themselves and others, women entrepreneurs not only contribute to house hold incomes but also strengthen local economies. Their role in employment generation supports broader socio-economic development, reduces dependency on government jobs, and fosters entrepreneurship culture in communities.

Government Polices And Support Schemes For Women Entrepreneurs

The Government of India has implemented several policies and support schemes to promote women entrepreneurship, particularly in small-scale industries, by providing financial assistance, training, and market access. Key initiatives include the Stand-Up India Scheme, which offers bank loans ranging from

₹10lakh to ₹1crore for women setting up new enterprises, and the Pradhan Mantri Mudra Yojana (PMMY), providing collateral-free loans in three categories—Shishu, Kishor, and Tarun—enabling women to start and expand micro and small businesses. The Mahila Udyam Nidhi Scheme and Dena Shakti Scheme provide concessional loans specifically for women entrepreneurs, reducing financial barriers.

Schemes like Annapurna and Mahila Coir Yojana support women in specialized sectors such as food processing and rural handicrafts, while Trade Related Entrepreneurship Assistance and Development (TREAD) combines training with financial support to enhance skills and entrepreneurial capacity.

Additionally, platforms such as Women Entrepreneurship Platform (WEP) by NITI Aayog and MSME digital portals offer mentoring, networking, and market access, helping women entrepreneurs formalize



and scale their small-scale industries. These government initiatives collectively empower women by facilitating access to credit, skill development, and market linkages, there by promoting sustainable growth and socio-economic development in the small-scale sector.

Methodology

Their search adopts a descriptive and analytical approach to study the impact of women entrepreneurs in small-scale industries. Both primary and secondary data will be used. Primary data will be collected through structured questionnaires and interviews from women entrepreneurs operating in various Small-scale industries, covering sectors such as manufacturing, food processing, handicrafts, and services. Secondary data will be gathered from government reports, MSME portals, research journals, and previous studies related to women entrepreneurship.

Discussion of findings

1. Women entrepreneurs have significantly contributed to the growth of small-scale industries by introducing innovative products and services.
2. Their participation has increased employment opportunities, particularly for women and local communities.
3. Women-led small enterprises offend demonstrate efficient resource utilization and cost-effectiveness.
4. Government schemes like Stand-Up India, MudraYojana, and Mahila Udyam Nidhi have positively impacted their ability to access finance.
5. Many women entrepreneurs face challenges such as limited access to capital, market competition, and lack of technical skills.
6. Women entrepreneurs have a strong role in promoting social development, including improving family income and community welfare.
7. Enterprises run by women contribute to regional economic development and reduce dependency on urban employment.
8. Networking and mentoring programs have enhanced entrepreneurial knowledge and confidence among women.
9. Women entrepreneurs tend to adopt sustainable and ethical business practices, enhancing the social image of small-scale industries.
10. Despite challenges, women entrepreneurs demonstrate resilience and innovation, driving both business growth and socio-economic progress.

Recommendations

1. **Enhanced Financial Support:** The government and financial institutions should provide easier access to credit, lower interest rates, and flexible repayment options to encourage more women to start small-scale enterprises.
2. **Skill Development Programs:** Conduct training and capacity-building workshops on entrepreneurship, management, marketing, and digital skills to strengthen women-led businesses.
3. **Mentorship and Networking:** Establishment or ship programs, women entrepreneur networks, and business forums to provide guidance, share best practices, and enhance confidence.
4. **Market Access Facilitation:** Support women entrepreneurs in accessing local, national, and international markets through exhibitions, e-commerce platforms, and trade fairs.
5. **Awareness of Government Schemes:** Increase awareness about government initiatives like Stand-Up India, PMMY, and Mahila Udyam Nidhi, ensuring women can fully utilize available support.



5. **Encouraging Innovation:** Promote research and innovation incentives for women entrepreneurs to develop competitive products and services in small-scale industries.
6. **Support Infrastructure:** Provide better infrastructure facilities like incubators, co-workings paces, and technology centers specifically for women entrepreneurs.
7. **Social and Family Support:** Encourage programs that balance work-life challenges, including child care facilities, flexible working hours, and community support initiatives.
8. **Recognition and Awards:** Introduce awards and recognition schemes to motivate and inspire more women to take up entrepreneurship.
9. **Policy Reforms:** Regularly review and improve policies to reduce bureaucratic hurdles, simplify registration processes, and ensure women entrepreneurs receive equitable opportunities.

Conclusion

Women entrepreneurs have emerged as a significant force in the growth and development of small-scale industries in India. Their contribution goes beyond business creation to include employment generation, socio-economic empowerment, and community development. The study highlights that while women face challenges such as limited access to finance, technical skills, and market opportunities, government initiatives and support schemes like Stand-Up India, PMMY, and Mahila Udyam Nidhi have played a vital role in facilitating their entrepreneurial journey. Women-led enterprises are often characterized by innovation, efficiency, and ethical business practices, which contribute to sustainable industrial growth. By promoting skill development, mentorship, and infrastructure support, women can further enhance their impact on the small-scale sector, thereby fostering inclusive economic growth and social progress. This research underscores the need for continued policy support and awareness programs to empower more women to participate in entrepreneurship.

References

Women entrepreneurs in small-scale industries, several official government sources provide valuable insights. The Ministry of Micro, Small & Medium Enterprises (MSME) offers detailed information on policies, schemes, and support mechanisms specifically designed for women entrepreneurs. Dedicated government initiatives, such as Stand-Up India, Pradhan Mantri Mudra Yojana, Mahila Udyam Nidhi, and the Trade Related Entrepreneurship Assistance and Development (TREAD) scheme, aim to provide financial assistance, training and mentorship. Platforms like the Women Entrepreneurship Platform (WEP) by NITI Aayog and the Udyam Registration portal further support women-led enterprises by facilitating access to resources, networking, and official registration. These government initiatives play a vital role in empowering women entrepreneurs, promoting small-scale industrial growth and contributing to socio-economic development across the country.