

# SOCIO-ECONOMIC AND STATISTICAL PERSPECTIVES ON WOMEN ENTREPRENEURS: CHALLENGES AND OPPORTUNITIES IN PUNJAB, INDIA

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## ABSTRACT

Women entrepreneurs in India face numerous challenges that hinder their ability to establish and grow successful businesses. Key obstacles include financial constraints, socio-cultural barriers, limited access to markets, skill and educational gaps, and inadequate policy and institutional support. Restricted access to capital, often due to gender biases and lack of collateral, severely limits their entrepreneurial opportunities. Societal expectations and traditional gender roles further exacerbate these challenges by imposing additional domestic responsibilities and reducing community support. Furthermore, inadequate marketing networks and a lack of business skills, coupled with ineffective implementation of supportive policies, restrict the growth and sustainability of women-led enterprises. Addressing these issues requires a comprehensive approach, including policy reforms, targeted financial initiatives, skill development programs, and fostering societal changes to promote gender equality. Empowering women entrepreneurs is essential for fostering inclusive economic growth and unlocking India's entrepreneurial potential.

**Keywords:** Women Entrepreneurs, Challenges, Opportunities

## 1. INTRODUCTION

Women entrepreneurs face a multitude of challenges that hinder their participation in the workforce and entrepreneurial ventures. One of the most pressing issues is time poverty, which arises from balancing domestic responsibilities and external work, often leading to heightened stress and difficulties [Brush et al. \(2004\)](#). This dual burden is compounded by socio-cultural, financial, and market-related barriers, creating a significant obstacle to women's economic empowerment and entrepreneurial growth. In India, unpaid household responsibilities disproportionately fall on women, restricting their ability to pursue

paid employment opportunities. Out of 432 million working-age women, 324 million are not part of the workforce, and 19 million are unemployed despite seeking work [Bain and Company. \(2019\)](#). The situation in Punjab is particularly dire, with only 13% of women engaged in paid work, compared to nearly 60% of men [Singh \(2019\)](#).

Market-related issues, including fierce competition, inadequate infrastructure, and lack of managerial expertise, also hinder the progress of women-led enterprises [Cheeroli and Kumar \(2018\)](#), [Mukherjee \(2009\)](#). These challenges collectively increase production costs and restrict innovation, ultimately stifling the growth of women's microbusinesses. Addressing these multifaceted challenges requires targeted interventions that promote gender equity, enhance access to resources, and create an enabling environment for women entrepreneurs to thrive.

## 2. REVIEW OF LITERATURE

Research conducted on female company owners who transitioned from paid work to small- and medium-sized business ownership revealed three main areas: first, the reasons women abandon paid job in favor of company ownership; second, their entrepreneurial and personal traits; and third, the difficulties they encountered while switching from salary employment to business ownership. Women were more motivated to start their own businesses for a variety of reasons, including the need for personal development, independence, and financial gain. The most prevalent personal qualities were business passion, listening and communication abilities, and self-discipline. Confidence, leadership, problem-solving creativity, efficiency and effectiveness in the execution of plans, knowledge of the entrepreneurial and business worlds, analytical thinking, the ability to balance one's personal and professional lives, and flexibility were among the top entrepreneurial skills mentioned. The respondents identified a lack of professional employees, a lack of general staff, difficulty with development and expansion, budgetary limits brought on by high overhead, and a lack of expert assistance as their top challenges. A modern competitive economy's concern for entrepreneurship is fast growing, and its economic impact is widely acknowledged. But the thing to consider is that in Pakistan it is typically seen as a male-gendered idea. And the women who launch their enterprises must deal with some growing pains. Research revealed a number of concerns and problems faced by female entrepreneurs. In addition, the study produced a ranking of the elements that impact them based on the opinions of respondents. A modern competitive economy's concern for entrepreneurship is fast growing, and its economic impact is widely acknowledged. But the thing to consider is that it's typically seen as a swindle that targets men. aspects like financial and economic, political and environmental, and marketing and mobility are placed as second, third, and fourth, respectively, while family, self, and societal aspects are listed top. By engaging in a variety of professions and services, women have been effective in escaping the confines of their homes. In terms of business savvy, women entrepreneurs have demonstrated parity with their male colleagues, and they are emerging as intelligent and innovative businesspeople. The economy of practically all nations are seeing significant growth in the number of women-owned companies. With increased awareness of women's roles and economic standing in society, the latent entrepreneurial potentials of women have steadily changed. Women are increasingly entering the corporate world for a variety of reasons, chief among them being skill, expertise, and flexibility. A "women entrepreneur" is a person who takes on difficult tasks in order to fulfill her own wants and achieve financial

independence. Some entrepreneurs succeed in small scale industries in the industrially growing state of Tamilnadu. Despite the fact that the government has organized women into several groups, they are not yet prepared to start their own business. Women are less inclined to create businesses than males are because of unwarranted fears, a lack of drive, and certain types of activities. As a result, the study focuses on the motivational reasons that drive women entrepreneurs and the connections between these forces, their socioeconomic backgrounds, and their current entrepreneurial attributes. In the future, more women will enter fields that have historically been dominated by males. The main issues facing women company owners in Erode are related to their socioeconomic background, including variables, their type and manner of operation, and their training programs [Xavier et al. \(2012\)](#), [Muhammad et al. \(2012\)](#), [Palaniappan et al. \(2012\)](#).

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### 3. DATA SOURCES AND METHODOLOGY

The population for the study consisted of all the women entrepreneurs of Punjab. For the purpose of the study, four districts of Punjab with the maximum women population were selected. Further, a list of women entrepreneurs was procured from District Industrial Centre (DIC) of each district. From the list, 40 rural women entrepreneurs were selected on the basis of random sampling and willingness to respond, from each district. Thus, a total sample of 160 rural women entrepreneurs of Punjab were selected.

The primary data for this study were collected using a structured, non-disguised questionnaire. This method allowed for a systematic and organized approach to gather information from the selected sample of women entrepreneurs in Punjab. The questionnaire was designed to capture relevant data on various demographic variables and the area of enterprise

A structured questionnaire was developed to gather information on key variables, including demographics (age, gender, educational qualification, occupation, family income, and family size) and the area of enterprise. Further factor analysis and regression was used. Factor analysis is a statistical method employed in data analysis to identify underlying patterns, structures, or latent factors within a set of observed variables. This method is particularly useful for simplifying complex data sets, reducing dimensionality, and extracting meaningful insights.

factor analysis is a powerful method for uncovering hidden patterns in complex data.

#### 4. RESULTS AND DISCUSSION

Socio-economic profile of the respondents

The respondents were asked related to their socio-economic profile and results are discussed below:

**Table 1**

<b>Table 1 Distribution of Respondents According to their Socio-Economic Profile</b>						
<b>Socio-Economic Variables</b>	<b>Rural (N=160)</b>		<b>Urban (N=160)</b>		<b>Total(N=320)</b>	
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>
<b>Age</b>						
Below 20	20	12.5	18	11.25	38	11.875
20-30	37	23.13	33	20.63	70	21.875
31-40	42	26.25	51	31.88	93	29.063
41-50	14	8.75	12	7.5	26	8.125
50 and above	47	29.38	46	28.75	93	29.062
<b>Age of becoming entrepreneur</b>						
Below 20	34	21.25	33	20.63	67	20.94
20-30	68	42.5	80	50	148	46.25
31-40	40	25	32	20	72	22.5
41-50	17	10.63	14	8.75	31	9.69
50 and above	1	0.63	1	0.63	2	0.63
<b>Educational qualification</b>						
Diploma	3	1.88	1	0.63	4	1.25
Graduate	64	40	53	33.13	117	36.56
Higher secondary school	36	22.5	29	18.13	65	20.31
Illiterate	6	3.75	3	1.88	9	2.81
Matric	3	1.88	0	0	3	0.94
Postgraduate	42	26.25	68	42.5	110	34.38
Primary education	6	3.75	6	3.75	12	3.75
<b>Marital status</b>						
Married	104	65	99	61.88	203	63.44
Unmarried	52	32.5	55	34.38	107	33.44
Widow	4	2.5	5	3.13	9	2.81
Separated	0	0	1	0.63	1	0.31
<b>Family structure</b>						
Joint	86	53.75	68	42.5	154	48.13
Nuclear	74	46.25	92	57.5	166	51.88
<b>Family occupation</b>						
Agriculture	112	70	8	5	120	37.5
Business	10	6.25	106	66.25	116	36.25
Service	38	23.75	46	28.75	84	26.25
<b>Annual family income</b>						
Below 60000	3	1.88	0	0	3	0.94

60001-120000	5	3.13	6	3.75	11	3.44
120001-240000	13	8.13	8	5	21	6.56
240001-360000	42	26.25	51	31.88	93	29.06
360001-600000	22	13.75	17	10.63	39	12.19
Above 6 lacs	75	46.88	78	48.75	153	47.82
<b>First Generation Entrepreneur</b>						
Yes	101	63.13	105	65.63	206	64.38
No	59	36.88	55	34.38	114	35.63

In terms of age, a notable proportion falls within the 31-40 age group, constituting 26.25% in rural and 31.88% in urban areas. Interestingly, women aged 50 and above also contribute significantly to entrepreneurship, representing 29.38% in rural and 28.75% in urban settings. Examining the age of becoming an entrepreneur reveals that a substantial number of women initiate their businesses between the ages of 20-30, with 42.5% in rural and 50% in urban areas, reflecting a trend of early entrepreneurship among women. Educational qualifications vary among women entrepreneurs, with a higher percentage of post-graduates in urban areas (42.5%) compared to rural areas (26.25%). Graduates constitute a substantial portion in both rural (40%) and urban (33.13%) settings, indicating a diverse educational background among women entrepreneurs. Marital status analysis shows that a considerable proportion of women entrepreneurs are married, comprising 65% in rural and 61.88% in urban areas. The percentage of unmarried women entrepreneurs is higher in urban areas (34.38%) compared to rural areas (32.5%). Family structures demonstrate variations, with joint family structures being more prevalent in rural areas (53.75%) compared to urban areas (42.5%). In contrast, nuclear family structures are more common in urban areas (57.5%) than in rural areas (46.25%). Family occupation patterns highlight the dominance of agriculture as a family occupation in rural areas (70%), while business takes precedence in urban areas (66.25%). Annual family income analysis indicates that the majority of respondents in both rural and urban areas fall within the income bracket "Above 6 lac," representing 46.88% in rural and 48.75% in urban settings. Additionally, a substantial number of women entrepreneurs in rural areas (26.25%) report an annual family income in the range of "240001-360000." Considering the entrepreneurial landscape, a significant majority of women entrepreneurs in both rural and urban settings identify as first-generation entrepreneurs. In rural areas, 63.13% classify themselves as first-generation entrepreneurs, while in urban areas, a slightly higher percentage, 65.63%, take pride in being first-generation entrepreneurs. This table highlights the prevalent trend of women entrepreneurs initiating businesses without a family background in entrepreneurship, showcasing their independent and innovative approach to business ventures.

**Table 2**

<b>Table 2 Factor Summary for Challenges Faced by Women Entrepreneurs</b>						
<b>Statements</b>	<b>Labels</b>	<b>Factor loading</b>	<b>Factor name</b>	<b>Variance explained by the factor</b>	<b>Eigen values</b>	
Packaging and branding of product	X 27	.868	<b>Marketing challenges</b>			
Distribution of product/service	X29	.834				
Market expansion	X24	.689				
Pricing of product/service	X28	.572				

Tough competition	X14	.561		
Finding new customer	X26	.559	15.08	7.923
Marketing of product	X25	.545		
Contractual agreements	X18	.828	<b>Legal challenges</b>	
No proper knowledge of labour laws	X23	.774		
Legal challenge to get ipr	X17	.688		
Not having proper business licences	X20	.629		
Ignorance of taxation issues/laws	X19	.54		
Dealing with government agencies	X21	-.413	14.712	4.199
Fund raising	X22	.839	<b>Financial challenges</b>	
Shortage of funds	X5	.765		
High rate of interest	X6	.701	14.193	3.517
Procurement of loans from banks	X7	.663		
Male domination	X3	.864	<b>Personal challenges</b>	
Social and cultural barriers	X4	.826		
Mobility	X13	.735	12.05	3.031
Family ties /responsibilities	X1	.539		
Lack of education	X2	.479		
Absenteeism of employees	X16	.915	<b>Human resource challenges</b>	
Recruitment and hiring new employees	X15	.88		
Labour shortage	X12	.783	10.547	1.724
Non availability of raw material	X11	.743	<b>Production challenges</b>	
Technological advancement	X10	.651		
High cost of production	X8	.624	8.115	1.268
Non availability of machinery	X9	.465		

The "Personal Challenges" factor, with an eigenvalue of 3.031 and explaining 12.050% of the variance, involves challenges related to male domination, social and cultural barriers, mobility constraints, family ties and responsibilities, lack of education, and absenteeism of employees. The "Human Resource Challenges" factor, with an eigenvalue of 1.724 and explaining 10.547% of the variance, includes challenges in recruitment, labor shortage, and the non-availability of raw materials. The "Production Challenges" factor, with an eigenvalue of 1.268 and explaining 8.115% of the variance, involves challenges related to technological advancement, high production costs, and the non-availability of machinery. These factors collectively provide a comprehensive understanding of the diverse and interconnected challenges faced by entrepreneurs across marketing, legal, financial, personal, human resource, and production dimensions, as indicated by their respective eigenvalues and variance explained.

The extracted reliability analysis, as indicated by Cronbach's Alpha coefficients, demonstrates a high level of internal consistency and reliability across various factors derived from the dataset. The Marketing factor exhibits a robust reliability with a Cronbach's Alpha of .90, signifying that the set of seven items associated with marketing consistently measures the underlying construct. Similarly, the Legal factor, financial factor, Personal factor, Human Resource factor, and Production factor all display substantial internal consistency with Cronbach's Alpha values of



.891, .89, .89, .90, and .89, respectively. These results suggest that the items within each factor are reliably measuring the intended constructs, providing confidence in the stability and consistency of the factors derived from the dataset.

**Table 3****Table 3 Reliability Analysis of Extracted factors for Challenges Faced by Women Entrepreneurs**

	Name of the factor	Cronbach's alpha	No. of items
1	Marketing challenges	.900	7
2	Legal challenges	.891	6
3	Financial challenges	.893	4
4	Personal challenges	.892	5
5	Human resource challenges	.901	3
6	Production challenges	.896	4

The mean scores for challenges faced by women entrepreneurs, as presented in Table 3, reveal significant insights into the perceived difficulties across various dimensions. "Marketing Challenges" emerge as the most substantial factor, attaining the highest overall mean score of 4.266. This indicates that women entrepreneurs face significant hurdles in marketing their products or services. The associated t-value of 15.548 and p-value of 0.001 emphasize the statistical significance, highlighting the widespread acknowledgment of marketing challenges among the participants. "Legal Challenges" also attain a notable overall mean score of 3.092, indicating that women entrepreneurs encounter significant legal obstacles in their business operations. The associated t-value of 3.5305 and p-value of 0.001 signify the statistical significance, highlighting the shared recognition of legal challenges among the participants. "Financial Challenges" and "Personal Challenges" exhibit overall mean scores of 3.523 and 3.552, respectively.

**Table 4****(N=320)****Table 4 Factor Mean Scores for Challenges Faced by Women Entrepreneurs**

Statement	Mean	S. D	t-value	p-value
<b>Marketing challenges</b>				
Packaging and branding of product	4.39	1.02	21.23	0.001*
Distribution of product/service	4.34	1.04	24.378	0.001*
Market expansion	4.09	0.96	1.687	0.001*
Pricing of product/service	4.57	0.83	29.819	0.001*
Tough competition	3.73	1.29	10.14	0.001*
Finding new customer	4.46	0.88	20.28	0.001*
Marketing of product	4.28	1.08	1.305	0.001*
<b>Overall Mean score</b>	<b>4.266</b>	<b>1.014</b>	<b>15.548</b>	<b>0.001*</b>
<b>Legal challenges</b>				
Contractual agreements	3.08	1.42	7.242	0.001*
No proper knowledge of labour laws	3.03	1.46	0.371	0.001*
Legal challenge to get IPR	3.14	1.56	9.043	0.001*
Not having proper business licences	3.03	1.49	0.986	0.001*
Ignorance of taxation issues/laws	3.15	1.39	1.647	0.001*
Dealing with government agencies	3.12	1.59	1.894	0.001*
<b>Overall Mean score</b>	<b>3.092</b>	<b>1.485</b>	<b>3.5305</b>	<b>0.001*</b>
<b>Financial challenges</b>				

Fund raising	3.15	1.62	0.301	0.001*
Shortage of funds	3.88	1.17	13.464	0.001*
High rate of interest	3.28	1.41	3.534	0.001*
Procurement of loans from banks	3.78	1.22	11.452	0.001*
<b>Overall Mean score</b>	<b>3.523</b>	<b>1.355</b>	<b>7.188</b>	<b>0.001*</b>
<b>Personal challenges</b>				
Male domination	3.16	1.54	1.889	0.001*
Social and cultural barriers	3.43	1.42	5.483	0.001*
Mobility	3.48	1.12	7.758	0.001*
Family ties /responsibilities	4.08	1.11	17.419	0.001*
Lack of education	3.61	1.45	7.481	0.001*
<b>Overall Mean score</b>	<b>3.552</b>	<b>1.328</b>	<b>8.006</b>	<b>0.001*</b>
<b>Human resource challenges</b>				
Absenteeism of employees	3.81	1.29	11.218	0.001*
Recruitment and hiring new employees	4.1	1.07	18.484	0.001*
Labour shortage	3.44	1.34	5.851	0.001*
<b>Overall Mean score</b>	<b>3.783</b>	<b>1.233</b>	<b>11.851</b>	<b>0.001*</b>
<b>Production challenges</b>				
Non availability of raw material	3.49	1.21	7.324	0.001*
Technological advancement	3.91	1.2	13.6	0.001*
High cost of production	3.83	1.1	13.468	0.001*
Non-availabilty of machinery	3.94	1.3	12.998	0.001*
<b>Overall Mean score</b>	<b>3.793</b>	<b>1.203</b>	<b>11.848</b>	<b>0.001*</b>

\*Significant at 5% level of Significance

Both factors demonstrate significant statistical significance, as indicated by their respective t-values of 7.188 and 8.006 and p-values of 0.001. This underscores the widespread acknowledgment of financial and personal challenges faced by women entrepreneurs. "Human Resource Challenges" and "Production Challenges" receive high overall mean scores of 3.783 and 3.793, respectively, emphasizing significant difficulties in managing human resources and production aspects. The associated t-values of 11.851 and 11.848, along with p-values of 0.001, underscore the statistical significance of these challenges.

## 5. CONCLUSION

The findings of this study illuminate the multifaceted challenges faced by women entrepreneurs in rural Punjab, encompassing marketing, legal, financial, personal, human resource, and production dimensions. Marketing challenges emerged as the most significant obstacle, with factors such as packaging, branding, and market expansion presenting considerable hurdles. Financial constraints, including fund shortages and high-interest rates, further impede business sustainability and growth. Personal challenges, shaped by societal norms, family responsibilities, and male-dominated structures, underscore the socio-cultural barriers that persist.

Despite these adversities, the resilience and entrepreneurial spirit of rural women are evident. A significant proportion of respondents are first-generation entrepreneurs, demonstrating their determination to break barriers and contribute to the economic fabric of their communities. However, the lack of adequate support



systems—ranging from financial assistance to legal guidance and skill development—continues to hinder their progress.

To foster an enabling environment for rural women entrepreneurs, it is imperative to implement targeted interventions. These should include comprehensive training programs, access to affordable credit, streamlined legal processes, and policies aimed at reducing gender disparities. Encouraging collaboration among stakeholders, including government bodies, financial institutions, and community organizations, will be instrumental in addressing these challenges and unlocking the full potential of women entrepreneurs.

By empowering women through systemic support and addressing the identified challenges, rural Punjab can witness a transformative shift in entrepreneurship, contributing to inclusive economic growth and the overall upliftment of women in society.

### **CONFLICT OF INTERESTS**

None.

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