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Start-Ups And Women Entrepreneurship: Empowering Through Innovation

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Abstract

Entrepreneurship is a key driver of societal wealth creation, benefiting not only individual entrepreneurs but also contributing positively to the economy, government, and broader society. In today's dynamic socio-political and economic landscape, entrepreneurial opportunities are rapidly evolving. While the startup ecosystem has seen significant growth in recent years, it remains predominantly male-driven. However, a rising number of women are now actively engaging with and excelling on digital platforms, showcasing their potential in the entrepreneurial arena.

Women play a vital role in family and societal development, yet their representation in entrepreneurship remains disproportionately low. Despite the global emphasis on women empowerment in the 21st century, including increased governmental and societal support, women entrepreneurs are still underrepresented in policy discourse and decision making. Their active participation is essential for sustainable socio-economic development and national progress.

The advancement of technology, internet accessibility, and simplified communication tools has opened new avenues for women to engage in digital entrepreneurship. This study examines the crucial role that startups play in encouraging female entrepreneurship, focuses on the supportive elements provided by the startup ecosystem, and talks about the main obstacles that women encounter while starting and growing their businesses.

Key-words: Women Entrepreneurs, Startups, Innovation

Introduction

Entrepreneurship has long been recognized as a vital engine for economic development, innovation, and job creation. It is not merely a means of individual wealth creation but also a pathway to transforming societies by harnessing the skills, creativity, and risk-taking capabilities of individuals. In recent decades, startups-newly established businesses with high growth potential have emerged as powerful vehicles of innovation across various sectors. These dynamic enterprises often thrive in rapidly changing environments, driven by technology and the digital economy.

While the global startup ecosystem has witnessed exponential growth, it has remained predominantly male dominated. Despite this, women are increasingly entering the field of entrepreneurial domain, particularly through digital platforms and tech-enabled businesses. These women-led startups are breaking traditional barriers, redefining success, and contributing significantly to economic and social progress. However, the overall participation of women in entrepreneurship still lags behind, especially in developing countries where gender-based barriers continue to limit their access to resources, networks, and capital.

Women are indispensable to the fabric of society, not only as caregivers and contributors to family welfare but also as agents of change and innovation. Their empowerment through entrepreneurship leads to inclusive development, economic diversification, and a reduction in gender disparities. Yet, social norms, lack of institutional support and policy gaps often hinder their entrepreneurial journey. While several initiatives have been launched globally to promote women entrepreneurship, much remains to be done to address structural inequalities and foster an enabling environment.

Startups offer an unique opportunities to bridge this gap. With their flexibility, inclusive culture, and reliance on innovation, startups provide a conducive ecosystem for women to explore and expand their entrepreneurial potential. Technological advancements, particularly the proliferation of internet access and mobile communication, have further lowered entry barriers, making it easier for women to start and scale businesses, especially in digital sectors.

This paper seeks to explore the revolutionary role that startups play in promoting women entrepreneurship. It examines the inclusive potential of startup ecosystems, highlights the obstacles experienced by women entrepreneurs, and discusses the structural and socio-economic changes needed to support their growth. In doing so, it aims to contribute to the broader discourse on gender equity and inclusive development through innovation-led entrepreneurship.

Review of Literature

1.Shruti Agrawal (2024), investigates the ways in which innovation and businesses help women from low-income families. Women experience financial instability since they spend more than half of their money on food and have less access to government programs, healthcare, and education. Article points out that non-food spending increases with wealth, demonstrating the possible influence of

entrepreneurship, but food spending is inelastic. Women can overcome obstacles and become economically independent with the aid of startups, targeted regulations, and societal awareness.

2. (Veni, 2024), Entrepreneurship drives economic growth by fostering innovation, creating employments, and improving quality of life. Through programs like agritech, it fosters rural development, encourages environmentally responsible solutions, and lessens poverty. Startups boost local economies, generate employment, and strengthen the middle class through skilled, well-paying jobs.

3. Munshi, S. et al. (2011), “women entrepreneurship” is the innovative activity of starting and running a firm with the goal of empowering women economically and promoting social improvement for them in society. This definition highlights how women entrepreneurs may benefit their communities on an economic and social level. It emphasizes the idea that women who pursue entrepreneurship not only improve their own financial security but also significantly strengthen the social and economic fabric of society as a whole.

4. Deshpande and Sethi. (2009), conducted a thorough investigation into Indian women entrepreneurs, highlighting the varied backgrounds and attributes of women entrepreneurs across the country. Their analysis emphasizes how urgently certain legislative changes and focused interventions are needed to establish an environment that is conducive to the expansion and prosperity of women-led businesses.

5. Audretsch and Lehmann. (2004), another important element affecting the competitiveness of technology based startups, especially in the pre-growth stages is the availability of funding and venture capital.

6. Dhameja, S. K. (2002), women entrepreneurs encounter numerous obstacles in a variety of fields, such as social, personal, marketing, mobility, lack of government backing, financial constraints, labor and production-related issues, and insufficient technical know-how. The strain of preserving a work-life balance is also frequently mentioned as a major obstacle. To overcome these obstacles, all encompassing measures are needed, including the adoption of supportive legislation, targeted financial aid, skill development initiatives, and the creation of an atmosphere that promotes a positive work-life balance. The success and sustainability of women-led enterprises may be improved by acknowledging and resolving these issues.

Objectives of the Study

1. To investigate the role of startups in relation to women entrepreneurs.
2. To analyze the impact of women-led startups on community development.
3. To assess the government schemes that support women to start and grow their businesses.
4. To study the challenges or barriers faced by women entrepreneurs.

Research Methodology

This study is primarily qualitative and analytical in nature, based on secondary data sources gathered from a various published sources. Government reports, policy documents, research articles, journals, newspapers, and magazines.

Limitations of the Study

1. Only secondary data from published sources is used in the study. The lack of primary data (such as surveys and interviews) may have limited the breadth of the results.
2. The survey can overlook individual experiences and actual difficulties encountered on the ground because it excludes direct feedback from female entrepreneurs.

Role of Startups in Women Entrepreneurship

Startups are emerging as a trans-formative force in the domain of women entrepreneurship. Unlike traditional businesses, startups are characterized by innovation, scalability, flexibility, and rapid adaption to market needs. These attributes provide women especially those from underrepresented or marginalized communities an opportunities to participate actively in economic development and social change.

i) Inspiring Role Models: Aspiring people can find inspiration from successful female entrepreneurs who have emerged from startups. These role models encourage other women to follow their entrepreneurial dreams by sharing their own tales of success and tenacity. Startups play a major role in the development of these motivational stories because of their emphasis on novel concepts and unorthodox thinking.

ii) Access to Funding Opportunities: For any business venture to be successful, having access to capital is essential. Women entrepreneurs can obtain the necessary financial support through startups, which are frequently supported by venture capital and angle investors. In order to close the gender gap in funding availability, several companies target women-led projects exclusively.

iii) Encouraging Tech-Driven Solutions: A large number of startups are leading the way in technology innovation. Women entrepreneurs can establish and grow companies that cut across borders by utilizing technology. Technology-driven businesses frequently demand skills rather than gender specific traits, leveling the playing field for women to succeed in traditionally male dominated fields.

iv) Adaptable Workplaces: Startups are renowned for their adaptability and agility. For women who may have a variety of responsibilities, such as childcare or family obligations, their trait is very beneficial. Women are encouraged to actively participate in entrepreneurship because startups provide the freedom they need to better combine their personal and professional life.

v) Networking and Mentoring: Startups foster a culture of networking and mentoring, matching aspiring business owners with experienced people who can help them navigate the complexities of the industry. This mentor-ship is crucial for female entrepreneurs because it gives them a road map for success and insights into navigating fields that have historically been dominated by men.

vi) Facilitating Creativity and Innovation: Startups frequently function in adaptable and dynamic settings, enabling female entrepreneurs to test out novel concepts, goods, and services. This stimulates innovation and pushes women into specialized markets, particularly in fields like technology, agribusiness, fashion, health care, and education.

Impact of Women-led Startups on Community Development

In rural and disadvantaged areas, women-led startups have emerged as potent change makers that promote inclusive development and socio-economic advancement. Their impact is multifaceted and firmly anchored in the improvement of communities.

i) Creation of Local Employment: Women-led startups are significant job creators, especially in local and underserved areas, where they often prioritize hiring individuals from within the community. This helps reduce unemployment and supports economic stability by offering opportunities to those who might otherwise be excluded from traditional employment sectors.

ii) Income Generation: By establishing and running successful businesses, women entrepreneurs contribute directly to household and community income. Their operations generate financial activity that increases purchasing power, improves living standards, and reduces poverty within the region.

iii) Addressing Local Problems: Many women-led startups are born out of a deep understanding of the challenges their communities face. As a result, they often focus on creating solutions for specific local issues such as inadequate healthcare, poor sanitation, lack of educational resources, or limited access to finance and technology.

iv) Inspiring the Next Generation: By leading their own ventures, women set a visible example for younger generations, especially girls, showing that it's possible to break barriers and pursue careers in leadership, entrepreneurship, and innovation—areas traditionally dominated by men.

v) Changing Gender Norms: The presence and success of women in leadership roles help challenge stereotypes and shift societal perceptions about gender roles, gradually fostering a culture of equality and empowerment within communities.

vi) Long-term Thinking: Unlike businesses that focus solely on short-term profit, women-led startups often emphasize sustainable growth and community wellbeing, balancing economic success with social impact to create long-term value.

vii) Community Building: Women entrepreneurs tend to prioritize relationships and collective progress, often engaging in community activities, mentorship programs, or collaborative ventures that strengthen social ties and foster a sense of shared responsibility.

viii) Diverse Value Chains: Female founders frequently build diverse and locally integrated value chains by working with neighborhood vendors, artisans, farmers, or service providers. This approach not only strengthens local economies but also ensures that the benefits of business growth are shared more equitably across the community.

Government Schemes for Women Entrepreneurs

Sl. No	Schemes	Purposes
1.	Annapurna Scheme. 	Women in the food service sector who are still starting their small enterprises are given this loan. These female business owners can use the credit to cover capital needs like setting up trucks, purchasing tools and equipment, etc. Under this subsidy for female entrepreneurs in India, women can sell snacks and packaged foods. The scheme has a Rs. 50,000 lending limit.
2.	Bharatiya Mahila Bank Business Loan: 	This government-sponsored banking program's main goal is to empower women economically by assisting them in their business endeavours. It seeks to give women entrepreneurs in a variety of industries significant financial support so they can grow their companies and achieve long term success. The loan limit under this scheme is Rs. 20 crores.
3.	Mudra Yojana Scheme	This Government of India initiative's primary goal is to improve women's socio-economic standing by encouraging entrepreneurship and financial independence. It offers business loans that are customized to meet different business requirements, empowering women to launch or grow their enterprises. The program also offers Mudra cards, which work similarly to credit cards and have a 10% withdrawal cap on the approved loan amount, with a maximum loan limit of Rs. 10,00,000.
4.	Orient Mahila Vikas Yojana Scheme	The goal of this women's loan program is to assist female business owners who, either individually or collectively, own the majority (51% of share capital) of their companies. By providing loans without collateral, interest rate reductions of up to 2%, and

		flexible payback terms of up to seven years, the program seeks to support sectors development and business expansion. This initiative has a maximum loan amount of Rs. 25,00,000.
5.	Dena Shakti Scheme	This government program's main objective is to provide sector specific business loans to women working in manufacturing, retail, micro-credit, small businesses, and agricultural. With loan ceiling established in accordance with RBI norms, it assists women in launching or growing their businesses in certain sectors. This scheme has a maximum lending limit of Rs. 20,00,000.
6.	Pradhan Mantri Rozgar Yojana (PMRY)	Through financial assistance for launching businesses in commerce, service, and industry, the PMRY seeks to encourage women to engage in skill-based self employment. Through entrepreneurial opportunities, the program aims to promote women's social and economic empowerment, particularly in urban and rural communities. it offers loan limits of up to Rs. 2,00,000 for businesses and Rs. 5,00,000 for service and industry sectors, and it includes a subsidy of up to 15% of the project cost (capped at Rs. 12,500 per borrower). The eligibility age is 35 years old.
7.	Udyogini Scheme	The main purpose of this scheme it to promote economic empowerment and self-reliance among women, particularly those from economically disadvantages groups, by giving them accessible and reasonably priced loans to launch or grow their own businesses. By providing low interest, collateral free financial support to women whose household income is less than Rs. 40,000 annually, it seeks to promote entrepreneurship in the trade and service sectors and facilitate their economic involvement and self-development, the cap amount for the same is Rs. 1,00,000.
8.	Cent Kalyani Scheme	The sole purpose of this government financial program is to assist female entrepreneurs in starting new firms or growing current ones. According to the official criteria, it particularly targets company types that are qualified (with the exception of retail trade, education/training, and self-help groups). The program is more accessible to women-led businesses because it provides loans without collateral and with no processing costs.

		Under this policy, the maximum loan amount is Rs. 100 lakhs.
9.	Mahila Udyam Nidhi Scheme	The main purpose of this women's loan scheme is to bridge the equity gap, by encouraging investments in MSMEs and small-scale businesses run by women, aiding in the resuscitation of successful but faltering SSI units, and offering financial aid of up to Rs. 10,00,000 with a 10 year repayment period.
10.	Stree Shakti Yojana	This scheme aims to support and encourage aspiring women entrepreneurs, by providing financial incentives, like a 0.05% interest reduction on loans over Rs. 2,00,000 and making sure they have the required entrepreneurial skills through mandatory enrolment in the Entrepreneurship Development Program (EDP).

Challenges Faced by Women Entrepreneurs

i) Insufficient Funds : Funding is the soul of any entrepreneurial venture. The majority of female entrepreneurs struggle to secure capital for their ventures. The main reason behind this is that they have insufficient assets in their name. Lack of collateral poses a barrier in acquiring funds from prospective lenders. Most banks and other financial institutions have stringent eligibility criteria, such as having an established business. Thus, women entrepreneurs are dependent on their savings and monetary help from family and friends to start the business.

ii) Household Responsibilities: Women are viewed as the main caretakers for the household and family. They are under constant pressure to balance their personal and professional lives. Female entrepreneurs have more stress as a result of this juggling act between work and family. When their children and home take up a large portion of their time, women find it difficult to devote too much to their businesses.

iii) Gender-inequality: Although society is changing and men and women are being called equal, but gender inequality still exists. Even after the governmental efforts for women's empowerment, women are still struggling to get recognized. Gender inequality, pay gap, and discrimination are the barriers that prevent women entrepreneurs from reaching greater heights.

iv) Fear to take Risks: Entrepreneurial endeavours are inherently risky and prone to failure. Women are naturally afraid to try new things and take chances. They struggle to become adept at making quick decisions, trying out novel approaches, and making creative adjustments. Women are constantly afraid of failure because society makes fun of them.

v) Lack of Education: Female business owners have no prior experience managing a profitable company. The dearth of basic and higher education among Indian women is the cause of this inexperience. As a result, female entrepreneurs are ill-equipped to manage their businesses.

vii) Competition: There is fierce competition among the businesses in the market. Women face challenges from their competitors in the market and internal competition for leadership. Women need to prove their ability at every step to their colleagues and investors. Thus, women find it difficult to manage the business with limited resources.

Findings

1. Empowerment through Startups: Startups have provided women with new opportunities for financial independence, leadership roles, and creative expression.

2. Social Impact: Women-led startups are not only economically productive but also socially impactful, addressing local problems and creating employment for other women.

3. Government Support: Various schemes like Start-Up India, Mudra Yojana and women specific incubation programs are aiding women entrepreneurs, through rural access needs strengthening.

4. Challenges Persist: Despite progress, women entrepreneurs still face difficulties related to finance, skill training, and societal attitudes.

Recommendations

1. Enhance Access to Finance: Through targeted government programs and private investors interested in women-led businesses, streamline loan applications and expand opportunities for collateral-free loan.

2. Promote Skill Development: By making technical skill workshops and entrepreneurship training programs more widely available, especially in rural regions.

3. Foster Inclusive Startup Ecosystems: Encourage incubators and accelerators to provide tools, networking opportunities, legal assistance, and mentorship specifically for female entrepreneurs.

4. Policy Reforms: To inspire women to launch their own businesses, governments should create gender-sensitive laws and offer tax breaks, financial aid, and safety nets.

Conclusions:

The study reveals that innovation-driven startups play a key role in empowering female entrepreneurs by allowing them to overcome past conventional obstacles and make substantial contributions to social and economic advancement. While technology and innovation provide women with tools to scale their businesses, systemic challenges such as funding gaps, societal norms, and lack of mentorship continue to hinder progress. To fully harness the potential of women-led startups, policy reforms, capacity building

programs, and inclusive ecosystems must be strengthened. Empowering women through innovation is not just about business growth it is a pathway to a more equitable and sustainable society.

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