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## **WOMEN EMPOWERMENT AFTER COVID -19: AN ANALYSIS**

**Veena C, Asst. Prof**  
**Department of Economics**  
**Sree Narayana College**  
**Chempazhanthy, Kerala State**

### **Introduction**

As COVID-19 continues to impact every sphere of our lives, to point out that the pandemic has had a profound impact on women entrepreneurs worldwide is to state the obvious. The quality of women entrepreneurs' voice is shaped by a broad range of underlying interconnected political, social, economic and cultural factors. A holistic, contextual approach is necessary to capture these factors and interconnections. The degree to which women's voice is captured dictates how much inclusive and gender-responsive are the laws, policies, and services offered to women entrepreneurs.

The mainstream of women's empowerment studies, especially those focused on the political economy dynamics of the empowerment process, draw attention to women's voice and decision-making as the most pivotal element in women's entrepreneurship introduced the concept of "quality of women's voice", arguing that women's voice and participation should not be viewed in binary terms but as a matter of degree. Published literature discussed the challenges on women entrepreneurs' adaptive and self-organizing capability and solutions for recovery and business continuity. However, the voice of women entrepreneurs in reflecting on the nature of these challenges and charting recovery paths has been missing. Further, and as documented in the literature review section, most recovery proposals for women entrepreneurs tend to be unidimensional, focusing only on the financial aspect of business recovery but ignoring other equally important dimensions needed to reinforce women entrepreneurs in their recovery.

### **KEYWORDS**

Women entrepreneurship, Women empowerment ,

#### **Covid-19 consequences on women Entrepreneurs**

A rapid assessment of the results, focusing mainly on authoritative reports and peer review literature, revealed three recurring themes. The first theme concentrates on assessing the impacts of COVID-19 on women entrepreneurs, mostly on the financial aspects and their effects on business and livelihood. At the time of writing this manuscript (September 2020), a Google search on COVID-19 impact and women entrepreneurs yielded over 240,000 results from diverse resources. The second theme focuses on theorizing about why the pandemic's impact has been more severe on women entrepreneurs than on men counterparts. Though not as prevailing as the first two, the third theme focuses on analyzing governmental and policy response, and in fewer cases, offers recommendations for specific measures to alleviate the adversity faced by women-owned businesses.



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### **The place for women's voices**

To fill this gap, this study adopts an innovative co-creation approach to capture women's experiences and facilitate a collective representation of women entrepreneurs' recovery needs. Our assessment reveals that women entrepreneurs' voices are missing in the abundance of studies and reports published on the pandemic impacts. Based on Participatory Research (PR) methodology, in-depth qualitative knowledge on the consequences of COVID-19 on women entrepreneurs is first generated and then framed into a prioritized action plan for recovery by using a robust mathematical tool for collective ranking. PR is an umbrella term that indicates inclusivity and direct participation of the stakeholders in the research process to achieve actionable change, rather than respondents like in conventional research. Such action-based research approaches value participants' outlook, offering "the right and ability to speak up, participate, express oneself, and have that expression valued by others". As PR is often criticized for not being robust enough, the authors opted to reinforce the methodology with quantification of qualitative data, which is explained further in the methodology section.

Without women's voices, one cannot help but question the extent to which these vast volumes of published statistics on the COVID-19 impact have helped produce practical solutions and intervention measures that directly address women entrepreneurs' challenges. We attribute the "evidence" and "action" disconnect between to the pressure to publish in haste, even at the expense of understanding women entrepreneurs' actual needs. For example, many published reports have relied on either quantitative or qualitative surveys performed online or via telephonic interviews based on what the surveyors wanted to know and the data they assumed was essential to collect. Few studies, if any, attempted to capture women entrepreneurs' views on the path for their speedy recovery.

As a result, the collected data tends to be unidimensional and focuses only on one or a few aspects of the pandemic consequences, often those related to financial distress. Therefore, this study adopts a holistic approach through the systems-thinking paradigm, which the authors found inherent in the entrepreneurial ecosystem concept. We are yet to find a single survey that provides a holistic look at the entire experience, even though women entrepreneurs are known to embrace a culture of agility in dealing with crises. Even the few publications that suggest measures and interventions tend to reflect the author's or expert's view on how COVID-19 affects business but do not account for what women entrepreneurs actually want.

### **Systems-thinking and WEE**

The entrepreneurial system concept has emerged to integrate the interactions between the individual entrepreneurship process and the economic, social, and political contexts. Prominent authors define the entrepreneurial ecosystem as a set of interdependent actors and factors coordinated to enable productive entrepreneurship. Despite the extensive body of research to contextualize entrepreneurship, only a few studies adopt an interdisciplinary and systems-thinking approach to comprehend the complexity of such relationships. Pioneering



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efforts by researchers such as Isenberg offered a top-down process by which diverse communities (labor, financial, government and scientific sectors) and culture impact entrepreneurs, suggesting a systems-thinking approach beyond Schumpeterian's classical economic development model. Welter (2011) complemented this top-down approach with the bottom-up process in which entrepreneurs also influence their environment, claiming that diverse communities are dependent on entrepreneurs for their organic growth.

Adopting the lenses of systems-thinking, especially complex adaptive systems, provides significant insights to conduct the study. Lai and Huili Lin (2017) explain that the "complexity" arises from the dynamic network of interactions between stakeholders and factors, characterized by the number of identifiable domains and the density of interactions, intertwined with the agentic entrepreneurial behavior. The agentic factors concern the self-determined decisions made by actors to reach their goals, in our case, the entrepreneurs who are considered as "adaptive" since they are continuously adjusting to their environment and/or other conditions. This evolutionary aspect or embedded agency refers to the emergence or creation of a new order (i.e. adaptation), according to Roundy (2018). The agency concept, central to empowerment literature, has become a subject of debate between authors regarding its conceptualization and appropriate measurement tools. Unfortunately, the theory of change models developed for women's empowerment are often pre-defined, based on theorists' expectations and intentions to build evidence-based practices and miss such "adaptation" processes, thus failing to represent the richness of empirical reality. This study aims at bridging this gap by capturing women's voices and mapping them to the theoretical components forming the entrepreneurial system under study.

The literature identifies specific multi-dimensional and multi-level forces that influence the complex adaptation of entrepreneurs. Overall, they cover the human, psychological, social, and financial capitals influenced by the institutional setup at the micro and macro levels. As this paper's paradigm advocates for action-based research, we select four components (categories of factors) in which interventions are possible by merging the human and psychological capitals, which we consider related, under the leadership component. The social capital is associated with informal institutions codes of conduct, gender roles, family, social norms, religion, and ideology as defined by Giménez and Calabrò. Formal institutions (apart from financial capital) constitute an exclusive component. Each of these components covers specific enabling factors, disempowering constraints and stakeholders that influence women entrepreneurs. The interactions within and among these components shape up the current status of WEE in India. As such, any attempt to optimize WEE would propose interventions that target these components. This is precisely the case of the PARWEE agenda presented here. Below, we briefly elaborate on these components and associated factors. The anatomy of women's entrepreneurial ecosystem in India.

#### Overview of Indian entrepreneurial context

This stigmatization of loss prevents family and social support, causing fear of social isolation in budding entrepreneurs. The sociological and cultural layer contributes to the degree of



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complexity in studying India's entrepreneurial ecosystem, a process that intricate further when adopting a gender lens.

India is ideal for testing the systems-thinking approach to WEE because of the Indian context's specificities and the diverse sociological influences on economic empowerment. Though WEE traditionally applies to a local setting, this study is conducted at the national level to create a shared representation between women entrepreneurs, supporting the webinar interaction with stakeholders from the Government of India speculates that the Indian entrepreneurial ecosystem is characterized by traditional collectivist culture and an educational system that encourages conformism and hinders the required creativity and innovation of potential entrepreneurs. The same culture that celebrates conformity also stigmatizes failure and extends the shame of personal loss to the entire family or community.

### **Leadership**

One of the main challenges facing many Indian women entrepreneurs is that they lack the confidence to be successful business leaders (Indira and Bharti , 2005; Kollan and Parikh, 2005).The leadership component of WEE encompasses the following qualities related to human and psychological capital: capacities, competencies, knowledge, experience, perceived control, self-worth, self-awareness, self-efficacy and self-determination. Their presence on the levels of “development of self” is thus generally contained within low self-concept that affects their movement towards the self-actualization of their goals and strengthening their image. The lack of self-confidence directly affects social networking and risk aversion. Combined with educational background disparities, this contributes to disabled entrepreneurial cognition, a critical factor for leadership and entrepreneurship.

### **Formal institutional support.**

The second component of WEE refers to formal institutional support (i.e. the business, economic, and political environment). Specific policies and schemes have been implemented in India to support women entrepreneurs. Almost all the offered benefits focus only on monetary assistance, specifically micro-finance, but neglect other types of support that women entrepreneurs need. Despite a ground-breaking step taken by the Government of India in setting aside 3% of public procurement for women entrepreneurs, our research finds that policies aimed exclusively at assisting women entrepreneurs are lacking. Researchers call for building evidence-based practice in women's entrepreneurship to improve policy effectiveness. This component is associated closely with financial capital.



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### **Access to finances.**

The third component of WEE relates to access to finances or equity capital for startups. Women entrepreneurs generally rely on internal funding sources such as support from friends, family, and relatives ; however, the Indian socio-cultural context embedded in traditional norms makes this quite challenging, especially in gaining support from men in their families. Equal rights to property and assets are often ignored, impeding women to present credit history or collaterals to formal banking institutions and forcing about 79% of women entrepreneurs to opt for self-funding options . Gender discrimination also extends to venture capital funding. Indian women entrepreneurs received only 2% of startup funding, and the top ten startups owned by women accounted for \$136m, while men's overall top ten reached \$8.5bn.

### **Socio-cultural recognition.**

The fourth component of WEE concerns social recognition and cultural restrictions, including access to information systems and technology (Ilahi, 2018). Panda (2018) identified constraints due to gender discrimination as the most adverse in the business, economic and political environment. Indian women entrepreneurs have evolved from balancing social and occupational roles to pioneering professional entrepreneurs . Despite increased challenges in men-dominated sectors , it is encouraging that the contribution of women entrepreneurs to employment generation, economic growth, and development have found recognition (Ghosh and Cheruvalath, 2007; Masood, 2011). Offering gender-responsive innovation to meet neglected needs (Gayatri and Udhayakumar, 2018), women entrepreneurs affirm their presence in specific sectors (health, hygiene, clean energy, zero waste, education, textiles and fashion, cosmetics, food, and nutrition). There is also evidence of so-called “empowerment spillover”, where women entrepreneurs are more likely to exhibit social responsibility and are inclined to promote, support, and mentor other women entrepreneurs (Coley et al., 2021). They stand as role models against the archetypal male representation of an entrepreneur. These four components (leadership, formal institutional support, access to finance and socio-cultural recognition and restrictions) compose the model used in this paper to review the collected data through a staged methodology presented below.

### **Conclusion**

The paper presents a replicable model of conducting action-oriented research to inform policy agendas. The implication for practice relies on the invaluable contribution of placing women entrepreneurs at the center of evidence-building through co-creation methodologies. The staged approach to creating PARWEE remotely while making it action-oriented to support decision-making and practical policy outcomes presents itself as a model methodology that



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can be replicated in more extensive studies on women's economic empowerment and other similar topics. The ranking process has contributed to the literature by integrating remote PR qualitative methods and a mathematical tool to generating reliable quantitative and objective results to prioritize action items. Likewise, the webinar, which captured the transformation of women entrepreneurs into change agents (by presenting the PARWEE framework before the experts), is more likely to lead to a behavioral change of women entrepreneurs and policymakers alike. The first positive affirmation of this aspect appeared in the officials' commitment at the webinar, who offered to raise the women entrepreneurs' voices and their concerns at the appropriate forums for further action.

The work presented in this paper has implications for the existing body of knowledge on women's entrepreneurship, as discussed in the above section. It empirically shows the value of systems-thinking in diagnosing challenges and proposing interventions, thus connecting theoretical perspective and ground requirements. The COVID-19 situation exacerbates the challenges women face in business venturing and dealing with relationships between multiple constraints, resulting in adverse issues. Considering this complex reality, it can be stated that only a systemic approach to the problem can create practical solutions for women entrepreneurs' advancement.

The PARWEE agenda ranks women entrepreneurs' main requirements to support ecosystem stakeholders and policymakers in designing effective programs and policies. While some resources are already available, PARWEE points out high priorities requiring governmental interventions to support recovery and overall business success. The recovery needs mainly concern access to loans and capacity building. Financial inclusion is essential for women who culturally lack collaterals and credit history and suffer from the gender bias of loan officers. While providing loans to successful entrepreneurship trainees is a beginning of a solution, a massive initiative to support women's financial inclusion beyond micro-finance is required. Moreover, PARWEE also points out the requirement for quality entrepreneurship capacity-building programs enhanced with gender-inclusive soft skill development to support women's entrepreneurial success. Another promising area of intervention is strengthening women-owned business organizations to be more problem-solving and capacity-building oriented as women entrepreneurs stay away from these "too generic forums" against experts' recommendations.

As an expert rightly mentioned, let us keep in mind that "Breaking social ethos and dogmas have a lot to do with the degree of participation of women in the economic domain". Future research may assess suggested action items and monitor their impacts through a formal simulation platform. The presented methodology may also be tested in other contexts, such as women's saving groups in the rural economy to optimize the entrepreneurship ecosystem.



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