

ENTREPRENEURSHIP AS A PATH TO FINANCIAL FREEDOM: WOMEN BUILDING BUSINESS AND BREAKING BARRIERS

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Abstract

For women who want socioeconomic empowerment and financial independence, entrepreneurship is quickly becoming a revolutionary force. In addition to using business ownership as a source of income, this chapter examines how women from a variety of socioeconomic backgrounds are using it as a tool for independence, influence, and creativity. It explores how entrepreneurship and financial independence are closely related, pointing out the obstacles women encounter—from a lack of cash to ingrained social norms—as well as the networks of support that make them possible. Through an analysis of the obstacles, legislative measures, and the extensive influence that female entrepreneurs have on households, communities, and economies, the chapter emphasises the significance of inclusive approaches to enhance their influence on contemporary economic paradigms. It is now imperative that women be empowered through entrepreneurship- It is a driving force behind sustainable development and fair progress.

Keywords: *Women Entrepreneurs, Financial Empowerment, Financial Freedom, Inclusive Growth, Gender Equality, Economic Independence.*

Introduction

In recent decades, the emergence of female entrepreneurs has become a distinguishing characteristic of global socio-economic development. Since they are no longer restricted to traditional roles, women are actively pursuing business as a strategic route to financial independence and self-determination, rather than merely as a means of subsistence. . In both urban and rural settings, women are establishing enterprises—ranging from micro-businesses to high-impact startups—that contribute significantly to household income, community development, and national economies.

Entrepreneurship offers women the opportunity to break free from systemic financial dependence and unlock their potential as creators, innovators, and leaders. For many, it offers the first practical path to asset ownership, decision-making independence, and influencing their families' and communities' financial future. Because it touches on more general themes of gender equality, social mobility, and economic resilience, the connection between entrepreneurship and financial freedom is especially empowering for women.

This voyage is not without its difficulties, though. Women's entrepreneurial potential is still not fully realised due to societal expectations, restricted training possibilities, lack of access to financing, and structural disadvantages. Notwithstanding these challenges, an increasing proportion of women are surmounting them and employing entrepreneurship as a revolutionary instrument to establish enduring enterprises and assert their legitimate position in the economy.

This chapter explores the role of entrepreneurship in promoting financial freedom among women. It looks at the motivations, difficulties, networks of support, and long-term effects of women-led enterprises. Through a conceptual perspective, it seeks to demonstrate how empowering women via entrepreneurship is essential to inclusive economic development and equitable growth, in addition to being a matter of personal improvement.

Understanding Financial Freedom in the Context of Women

The ability to make decisions in life without being restricted by financial constraints is the essence of financial freedom. Because it frequently touches on problems of empowerment, autonomy, and dignity, this idea takes on a deeper and more transformative meaning for women. Women who are financially independent can access resources, make their own decisions, and actively engage in the social and economic realms. It includes asset ownership, savings, investment potential, and long-term financial stability in addition to income generating.

Women have historically experienced economic marginalisation and had little control over money resources, particularly in patriarchal settings. Their responsibilities were mostly limited to low-wage, informal sector work or unpaid domestic labour. The concept of financial freedom was practically unattainable in such circumstances. But more women are aiming for and attaining economic independence as awareness grows, education levels rise, and gender roles change.

Crucially, having financial independence empowers women both personally and collectively. Economically independent women are more likely to make investments in the health, education, and well-being of their kids, which benefits future generations. They can challenge long-standing gender conventions, leave abusive or dependent relationships, and make a significant contribution to household decision-making.

However, there are still large gaps. Barriers still include cultural limitations, limited access to formal banking institutions, wage inequities, and a lack of financial awareness. Especially in rural areas and marginalised populations, a large number of women continue to be excluded from the financial mainstream. Therefore, even while the idea of financial freedom is potent, attaining it calls for focused interventions and supportive settings that acknowledge the unique needs and situations of women.

In this situation, entrepreneurship becomes a vital instrument. It gives women a practical way to take charge of their finances, accumulate money, and exercise economic agency. How entrepreneurship acts as a catalyst for this path towards financial empowerment will be discussed in the next section.

Entrepreneurship as an Enabler of Financial Freedom

Being an entrepreneur is a great way to become financially independent, especially for women who want to break through societal and structural constraints. It gives women the ability to earn money, build wealth, and exercise financial decision-making authority—three characteristics that together constitute economic empowerment. Women can take control of their own financial futures by starting and running their own enterprises, which frees them from traditional employment and male-dominated income arrangements.

Entrepreneurship offers many women, particularly in developing nations, a flexible and accessible way to enter the labour. Through digital platforms, self-help groups (SHGs), or home-based businesses, entrepreneurship helps women strike a balance between earning a living and

taking care of their families. It encourages self-reliance, self-assurance, and a feeling of identity and purpose that goes beyond traditional roles.

Additionally, entrepreneurship promotes creativity and problem-solving. Unmet needs in their communities are frequently noticed by female entrepreneurs, who then create business solutions that have an impact on society and the economy, such as environmentally friendly goods, health services, or educational resources. By doing this, they not only improve themselves but also support inclusive growth and the welfare of the community.

Furthermore, entrepreneurship multiplies empowerment. When women business owners become financially secure, they frequently reinvest in their communities and families while helping other women by finding work, offering mentorship, or pooling resources. As a result, social norms progressively change and greater gender equality is promoted.

Yet, the entrepreneurial journey is not without hurdles. Limited access to startup capital, skill gaps, restricted mobility, and societal biases often inhibit the growth of women-led enterprises. Despite these obstacles, success stories keep coming to light, demonstrating the fortitude, ingenuity, and leadership of women who have transformed business chances into long-term sources of financial independence. Essentially, entrepreneurship is a route to long-term economic freedom and self-empowerment rather than just a method to survive. The main obstacles that female entrepreneurs must overcome and the structural problems that must be fixed in order to guarantee their long-term success will be covered in detail in the section that follows.

Challenges Faced by Women Entrepreneurs

While entrepreneurship holds great promise for enhancing women's financial freedom, the path is often fraught with numerous challenges—structural, social, and psychological. These barriers can impede the establishment, growth, and sustainability of women-led enterprises, limiting their potential to generate income and influence broader economic systems.

1. Financial Access

One of the biggest obstacles facing female entrepreneurs is obtaining loans and funding. Women are frequently viewed as high-risk borrowers by financial institutions, especially when they have no collateral or credit history. A lot of women also have trouble satisfying documentation criteria or navigating complicated lending processes. Their capacity to scale operations, attract qualified staff, and invest in business infrastructure is hampered by this lack of funding.

2. Skill and Knowledge Gaps

A wide range of abilities are necessary for entrepreneurship, including supply chain management, marketing, digital competence, and financial literacy. Many women lack access to formal training or mentorship, particularly those from marginalised or rural backgrounds. In competitive settings, they are at a disadvantage due to their limited exposure to corporate strategies and market dynamics.

3. Socio-Cultural Norms

Cultural expectations and gender roles continue to place limitations on women's mobility, decision-making power, and time. In many societies, entrepreneurship is still viewed as a male domain, and women venturing into business may face resistance from family or community

members. Balancing work and caregiving responsibilities further strains their capacity to devote time and energy to business activities.

4. Legal and Regulatory Constraints

Women's time, decision-making authority, and mobility are nevertheless constrained by cultural norms and gender roles. Entrepreneurship is still perceived as a male realm in many communities, and women who want to start their own businesses may encounter opposition from family or neighbours. Their ability to dedicate time and energy to business activities is further strained by juggling employment and caring obligations.

5. Limited Possibilities for Networking

Mentorship and professional networks are essential for successful entrepreneurship. Women, however, frequently have less opportunity to interact with investor groups, business associations, and peers in the field. Lack of robust support systems limits access to markets, collaborations, and expertise.

6. The Digital Divide

The gendered digital divide is still an issue, despite the fact that digital platforms present new opportunities. Particularly in rural and semi-urban areas, women are less likely to have access to mobile phones, internet connectivity, or digital skills. This limits their capacity to use digital payments, online branding, and e-commerce to expand their companies.

Many women nonetheless exhibit resiliency, resourcefulness, and inventiveness in spite of these obstacles. But in order to foster an atmosphere that supports the success of female entrepreneurs, these structural issues must be addressed. The policy interventions and support networks that can close these gaps and encourage inclusive entrepreneurship will be discussed in the following section.

Support Systems and Policy Interventions

Recognizing several stakeholders, including governments, financial institutions, non-governmental organisations (NGOs), and the private sector, have implemented support mechanisms to encourage inclusive entrepreneurship because of the transformative potential of women entrepreneurs.

These interventions aim to remove structural barriers, build capacity, and create a more enabling environment for women to launch, sustain, and scale their enterprises.

1. Government Schemes and Financial Initiatives

In India and around the world, a number of national and state-level laws have been introduced to increase women's access to capital and business prospects. Prominent instances include:

- **Stand-Up India Scheme:** Provides women entrepreneurs from SC/ST communities with bank loans ranging from ₹10 lakhs to ₹1 crore.
- **MUDRA Yojana:** Offers microfinance to small businesses through Shishu, Kishor, and Tarun categories, targeting women in informal sectors.
- **Pradhan Mantri Employment Generation Programme (PMEGP):** Supports micro-enterprises through subsidies and training.

These schemes aim to reduce entry barriers and promote formalization of women-led businesses.

2. Self-Help Groups (SHGs) and Microfinance Institutions

Particularly in rural India, SHGs have become powerful grassroots organisations that facilitate access to credit, collective savings, and training for entrepreneurs. This is further enhanced by microfinance organisations, which provide small loans and business advice frequently without requiring official collateral.

3. Skill Development and Training Programs

Capacity building is essential to equip women with the necessary business, financial, and technical skills. Programs such as:

- **Entrepreneurship Development Programmes (EDPs)** by MSME Ministry
- **Skill India Mission** and
- **National Rural Livelihoods Mission (NRLM)** provide targeted training in financial literacy, digital tools, marketing, inventory management, and leadership.

4. Incubators and Startup Ecosystems

Incubators and accelerator programs geared towards women support business owners by providing co-working facilities, market connections, mentorship, and access to investors. Among the examples are:

- **WE Hub (Women Entrepreneurs Hub)** in Telangana
- **NITI Aayog's Women Entrepreneurship Platform (WEP)** These platforms help scale women-led ventures in both traditional and technology-driven sectors.

5. Legal and Regulatory Reforms

To guarantee that women can own and leverage assets, efforts are being undertaken to streamline business registration procedures, provide tax breaks to businesses owned by women, and update regulations pertaining to inheritance and property rights.

6. Empowerment through Technology and Digital

To close the digital divide, a number of mobile banking projects and digital literacy efforts are being supported. E-commerce sites such as Flipkart Samarth and Amazon Saheli are helping small business owners and female craftspeople reach a bigger audience.

7. The Function of NGOs and the Private Sector

NGOs are essential to raising awareness, providing training, and empowering the grassroots. Private companies are also funding women-led businesses and sustainable livelihood initiatives as part of their Corporate Social Responsibility (CSR) activities. Even while these initiatives represent a substantial advancement, the effects are still not uniform. To make sure that support systems genuinely uplift all segments of aspiring women entrepreneurs, a multi-stakeholder, intersectional approach is essential, taking into account caste, class, education levels, and rural-urban divides.

Transformational Impact of Women Entrepreneurs

Women entrepreneurs are key drivers of inclusive growth and social change. Their contribution extends beyond business success to broader economic and community development.

- **Economic Growth:** Women-owned businesses boost GDP and create jobs, particularly for other women, which helps close the income gap and advance economic inclusion
- **Household Empowerment:** Women who earn money invest in their children's education, healthcare, and everyday necessities, promoting upward mobility and improving household well-being.
- **Social Change:** Women who are entrepreneurs have more self-assurance, mobility, and decision-making authority. It gives kids the opportunity to question established positions and become leaders and role models.
- **Community Development:** Many women entrepreneurs work in socially impactful areas like education, health, and environment, promoting sustainable and locally-driven development.
- **Gender Equality:** Their presence in business and leadership helps break stereotypes and advances gender norms in professional and public spaces.
- **Long-term Impact:** Empowered women often influence future generations, encouraging financial literacy, independence, and aspiration among children—especially daughters.

In short, empowering women through entrepreneurship has a multiplier effect, benefitting individuals, families, and society at large.

Future Prospects and Strategies

To strengthen women's entrepreneurship and financial freedom, future efforts must focus on creating a supportive and inclusive ecosystem. Key strategies include:

- **Improving Financial Access:** Use digital platforms and microfinance to promote collateral-free lending, streamline loan applications, and extend credit programs.
- **Digital Inclusion:** Enhance digital infrastructure and literacy to enable women to take advantage of financial tools, e-commerce, and online marketplaces
- **Capacity Building:** Provide focused instruction in financial management, leadership, creativity, and business skills, particularly in underprivileged and rural communities.
- **Policy Support:** Put in place gender-responsive laws that safeguard property rights, expedite company registration, and guarantee equitable chances.
- **Networking and Mentoring:** Create robust support systems, business hubs, and venues for women-focused learning and information sharing.
- **Education and Awareness:** Promote entrepreneurship at a young age by means of campaigns, education, and the visibility of role models.

Conclusion

Women's entrepreneurship is a significant force behind inclusive and sustainable development, not only a means of achieving financial independence. Women defy social norms, improve communities, and achieve economic independence by launching and expanding enterprises. Women continue to demonstrate perseverance and inventiveness in the face of obstacles such restricted access to resources, expertise, and support networks. They require

ongoing policy assistance, financial inclusion, digital empowerment, and capacity-building in order to reach their full potential. There are numerous advantages to empowering women through entrepreneurship, not just for the women themselves but also for families, communities, and national economies. Supporting women-owned enterprises is not only a gender issue; it is also a necessary economic strategy and a step in the direction of greater equity.

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