

Socio-Economic Impact of Entrepreneurship Activities for the Empowerment of Women in Bangladesh

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Abstract

Women empowerment can have a positive effect on a country's economic development. Entrepreneurship can be a key factor in contributing to the empowerment of women. However, social and cultural norms impact on the extent that women in developing countries engage with and benefit from entrepreneurial activities. This research explored how entrepreneurship increases women empowerment and to understand the socio-economic impact of women entrepreneurship in Bangladesh. The study was conducted with the women of Sylhet district in Bangladesh. Data was collected from a sample of 100 randomly selected women from a population of 280. Empowerment was assessed based on nine factors by using a 5-point rating scale. The overall empowerment score of women was obtained by summing up the scores of the dependent variable. Pearson's correlation coefficient (r) was computed to explore the relationship between the extents of empowerment of the respondents with their selected characteristics. The findings revealed that the majority (60%) of the rural women had a medium level of empowerment while 31% had low, 6% had very low, and only 3% had a high level of empowerment. Age, education, occupation, communication exposure, access to credit and training received by the respondents were positively correlated with their empowerment. And there is a significant relationship between participation in entrepreneurial activities and women's empowerment. Also the findings showed that involving entrepreneurship activities have a positive impact on women empowerment.

Keywords: Women's Empowerment, Entrepreneurial Social Approach, Bangladesh

Introduction

Bangladesh is a male-dominated society Sanawar (2019), therefore empowering women is difficult, however not impossible. The development and involvement of women in the social and business arena is gradually increasing, with many development organisations and non-government organisations (NGO's) assisting in this area (Jitu, 2019). In South Asia, the development of women empowerment is remarkable. Women are now playing many major roles in different sectors successfully (Whyte, 2020). Bangladesh is also showing positive change with women represented in all sectors of society, from entrepreneurs to leaders (Nawaz, 2019). Contribution of women in the economy is vital for the growth of the socio-economic environment in Bangladesh. Women account for half of the total population in Bangladesh (World Bank, 2018), and without their meaningful and active participation in regular economic activities, a dynamic and sustainable economy may not be possible (Whyte, 2020). Bangladesh has undertaken systematic reforms across all sectors in the last decade with an emphasis on initiatives through laws, international conventions, and affirmative actions to meet quotas aimed at increasing women's participation (Rahman, 2019).

Thus, the participation of women in different socio-economic activities appears to have a positive social and economic change within the country and has opened up a new dimension in the business sector. Further, as part of the country's economic development plan, there was a need to promote and develop entrepreneurship among women in rural Bangladesh (Meena, 2019). As such, both the Government, NGOs and other related agencies have provided many opportunities, such as income-generating activities, credit facilities, skills training, and market opportunities to promote entrepreneurial skills among women (Choudhry, 2019). Women's participation in the workplace, their role in leadership within the political and social arenas, and their access to credit facilities can contribute to the empowerment of women (Galiè *et al.*, 2019). Empowerment is a process that enables women to gain access and control over physical resources as well as entry to positions of power (Atake & Ali, 2019). It is a mechanism of awareness and capacity building that leads to greater participation in the decision making process. Globally, women's empowerment has recently gained considerable importance as an area for policy and policy interventions in most organisations (Kapoor, 2019). They have recognised the benefits of women empowerment that can be achieved through the effective participation of women, and in particular through the promotion of women entrepreneurship (Galiè *et al.*, 2019).

Women "entrepreneurship development" is one of the crucial areas in the contemporary development agenda within many developing countries (Crittenden *et al.*, 2019). Entrepreneurship development and empowerment are complementary to each other (Nayak, 2020). A woman entrepreneur can be defined as a person who has, either on her own or with one or more partners, started or inherited a business and controls or participates in the financial, administrative, social risks and responsibilities, and day-to-day management activities of the business (Banerjee & George, 2020). The involvement of women in various entrepreneurial activities has empowered them in social, economic and cultural fields. This has also enhanced their power to make decisions, both within and outside their family (Alexander & Jalalzai, 2020).

This study emphasized on women entrepreneurs and related issues for achieving economic independence and women's empowerment and also the potentiality of the women in national economy in Bangladesh. This article focuses major challenges that obstruct smooth development of women entrepreneurs and socio-demographic profile of women entrepreneurs. Entrepreneurship promotes economic growth, provides access to goods and

services, and improves the overall standard of living. Many entrepreneurs also make a positive impact on their communities and improve their well-being by catering to underserved areas and developing environment-friendly products.

The impact of entrepreneurship can be seen in areas such as job creation and economic growth, innovation and technology advancement, competition and market dynamics, social and cultural changes, and economic disparities and wealth distribution. In developing countries, Entrepreneurship plays a great role to economic growth. Entrepreneurship creates new fields for the job seeker and it will ultimately reduce the unemployment problem of the country. Bangladesh is a developing country and here unemployment problem is a big issue in recent period.

In standing on their own feet women entrepreneurs not only made themselves independent but also uplifted other women and helped them. As they are no longer dependent on their husbands being financially independent enabled millions of rural women to come out of their vicious marriages. Empowering women in entrepreneurship not only benefits individuals but also contributes to economic growth and spurs innovation. Studies have shown that gender diversity within the business sector leads to enhanced creativity, problem-solving abilities, and broader perspectives. Entrepreneurship is a form of empowerment as it provides a way for individuals to pursue their dreams. The generation of ideas is at the heart of entrepreneurship and involves assessing new opportunities. An extensive body of research shows that when women earn an income and control their earnings, their children are more likely to attend school, their families are healthier, their self-worth improves; and their household incomes grow along with the global economy.

Increasing the participation of women in industrial activities can substantially contribute towards their empowerment and the economic growth of a country (Inagaki & Hara, 2020). This requires innovative and specialised support services that can assist women in using their creativity and realising their potential as entrepreneurs (Gibbs *et al.*, 2020). Although some specialised funds and programs have been set up to provide more relaxed conditions for small businesses to obtain credit facilities, in most cases, businesses/entrepreneurs are required to offer collateral to guarantee the loan repayment (Sinharoy, 2018). The majority of women do not possess any assets and cannot formally offer the necessary securities against loans (Malapit *et al.*, 2019). Due to the complexities in the social environment and administrative structure in Bangladesh, women's entrepreneurship is more challenging (Upadhyay, 2014; Prata, 2017). Many social and operational constraints continue to restrict women from starting and running economic enterprises. However, women's entrepreneurship can offer excellent opportunities to develop a large sector of Bangladesh's population which will have a positive effect on the overall socio-economic progress of the country (Kumar, 2020). The need for a comparative study to explore how entrepreneurship and non-entrepreneurship activities affect the extent of empowerment of women becomes relevant.

Entrepreneurial Socio- Economic Approach

Social economic entrepreneurship is an approach by individuals, groups, start-up companies or entrepreneurs, in which they develop, fund and implement solutions to social, cultural, or environmental issues. This concept may be applied to a wide range of organizations, which vary in size, aims, and beliefs. Women entrepreneurship development is viewed as having a close connection with entrepreneurial personal attributes, family affairs and the external environment. Women Entrepreneurship are important to market economies because they can act as the wheels of the economic growth of the country. By creating new products and

services, they stimulate new employment, which ultimately results in the acceleration of economic development. Women Unemployment is one of the biggest problems that in present times in developing countries i.e; Bangladesh are facing, but socio-economic entrepreneurship creates job opportunities and provides employment to people.

Objectives

Following a review of previous literature, the present paper aims to determine the factors, which influence women entrepreneurship development in rural Bangladesh. Therefore, this study empirically investigates the catalyst of women entrepreneurship development in selected villages of Bangladesh. The study also identifies several hindering factors that create obstacles at the beginning of women entrepreneurship. Finally, it identifies some of the challenges that hinder the smooth development of women entrepreneurship.

Review of literature

The concept of empowerment has been the subject of much intellectual discourse and analysis. Empowerment has been defined as the processes by which a person takes control and ownership of their lives through the expansion of their choices (Malapit *et al.*, 2019). It has also been described as a process that gives a person the ability to make strategic life choices in a context where this ability has previously been denied (Hossain & Kambhampati, 2019). At the individual level the concept of empowerment is subjective because each person has a unique understanding of what it means to be empowered based on their life experience, personality and aspirations (Atake, 2019; Malapit *et al.*, 2019; Gibbs, 2020). In Bangladesh, people have a communal rather than an individual understanding of empowerment, one that is focused on the family unit rather than the individual woman or man, and it encompasses the ability to work well together (Hossain & Kambhampati, 2019). Therefore, undertaking income-generating activities can empower not just the individual but also the entire family (Richardson & Nandi, 2019). Two factors have been identified as vital for empowerment: social mobilisation and collective agency (Sharma & Varma, 2016). Women from low socio-economic backgrounds often lack the basic capabilities and self-confidence to deal with and challenge existing disparities and barriers against them (Addai, 2017). Hence, change agents are needed to catalyse a conscious desire to achieve social mobilisation (Gibbs *et al.*, 2020). However, for social mobilisation to take place, a second and complementary factor must be present, that of economic security, because as long as the disadvantaged suffer from economic deprivation and livelihood insecurity, they will not be in a position to mobilise (Sharaunga & Bogale, 2016; Richardson & Nandi, 2019).

Empowerment in the context of women's development is a way of defining, challenging and overcoming the barriers in their life, thereby increasing women's ability to shape their life and environment (Galiè & Yount, 2019). The empowerment of women and the promotion of gender equality have been recognised worldwide as key to achieving progress in all areas of human development (Tandon, 2016). Together they constitute one of the eight millennium development goals that the world's leaders agreed upon at the Millennium Summit held in New York in 2000 (Dash & Koshy, 2016). According to the Food and Agriculture Organization of the United Nations (UN), women represent the most disadvantaged section of society, they are the 'silent majority' representing 70% of the world's poor/underprivileged population (Sultana & Najaf, 2017). They face a range of social, cultural, educational, political and allied problems (Gibbs *et al.*, 2020). While women account for almost half of the world's population, they also constitute two-thirds of the global illiterate adult population (Phan, 2016). Thus,

women empowerment which is a driver of mobility and equality both at the individual level and societal level, can serve as a powerful tool for women to achieve upward social and economic mobility, as well as power and status in society (Jitu, J. A., 2019). The empowerment of women has now become an accepted concept within the discourse on development (Cislighi & Clark, 2019). It is an area of interest to various agencies such as the World Bank and the UN, as well as grassroots organizations (Sinha & Sengupta, 2019), as it has been argued that the empowerment of women is an essential precondition for the elimination of world poverty and the upholding of human rights (Kumar, 2020; Sultana & Najaf, 2017; Galiè & Yount, 2019) and in particular at the individual level it helps in building a base for social change (Tandon, 2016).

In Bangladesh, women constitute about half of the total population of which 80% live in rural areas (BBS, 2019). Their status has been ranked as the lowest in the world on the basis of 20 indicators related to health, marriage, children, education, employment and social equality (Hasan *et al.*, 2015; Najaf, 2017). It is a well-established fact that in a patriarchal society such as Bangladesh, women are ascribed a lower status than men; the latter have the sovereign power to control the household and society as a whole, while women are often secluded in their homes (Hasan *et al.*, 2015; Najaf, 2017). In Bangladesh, women have less power than men, less control over resources and receive lower wages for their work (Sinharoy & Thilsted, 2019). They are essentially an 'invisible' workforce (Rahman, 2019). Inevitably, a society that is characterised by such constraints has an effect on women's capacity to grow, develop, exceed and excel. In light of the above overview on the conceptualisation of empowerment and its benefits, a number of strategies have been developed in an attempt to empower women. In many developing countries (especially in South Asia), one strategy that has been found to be promising is participatory institution building through SHGs, often coupled with savings schemes and micro-credit loans (Rao & Ibrahim, 2019). However, a closer look at the impact of these schemes on the empowerment of women reveals a mixed picture of positive outcomes and a number of limitations (Pradhan & Theis, 2019).

Research Methodology

Location, Population and Sample

Two villages; namely Kunarchor and Noikhai of Muglabajar union of South Surma Upazila under Sylhet district of Bangladesh constituted the population for the study. The main purpose of selecting two villages was, in this villages most of the household women had an involved in different entrepreneurial activities as well as their interest in involvement is more than the other villages of the Upazila, Source (Upazila Agriculture officer). The total population of the study area was 137. About 135 questionnaires were distributed to the women in two villages. Among them 102 questionnaires were received in complete form and 28 questionnaires were received in incomplete form and the rest of 5 questionnaire has no responses from the villages women. At last, A representative sample of 100 housewives (According to sample size determination Using Krejcie and Morgan table) was the sample size of the present study. South Surma upazila is not very far from Sylhet headquarters but the upazila has all the features of rural Bangladesh. The livelihood of the rural women of this upazila mainly depends on agriculture-based activities but most of the women involve in entrepreneurial activities as well as the women have easy access to the market for their product. This is the reason for selecting this upazila as the study area.

Study Instrument

A questionnaire was prepared for collecting necessary information from the selected women. For giving the final shape, the questionnaire had pre-tested with 25 women. Based on the pre-test results, required corrections, modifications, alternation, and adjustments were made and then finalized the questionnaire accordingly.

Study Variables

The independent variables of interest to the study were age, education, family size, homestead area, annual income, communication exposure, credit availability, aspirations, fatalism, problems encountered in participating in entrepreneurial activities and problems encountered during loan taking. The dependent variables were adoption of different entrepreneurial activities regarding changes in socio-economic livelihood to the women.

Measurement of Dependent Variable

A five-point Likert scale was used for computing the extent of participation in different entrepreneurial activities. Weight of responses against the applicable ones of the 16 entrepreneurial activities was assigned in the following way. A score of 4, 3, 2, 1 and 0 was assigned for very high involvement in entrepreneurial activities of income, high involvement, medium involvement, low involvement and no involvement respectively. The weight of responses of all activities practices were added together to obtain the extent involvement of participation and the score of the respondents could range from 0 to 92 where 0 indicating no use and 92 indicating high involvement in income. Opinion regarding changes in livelihood is another dependent variable which was measured by the changes in socio-economic aspects of the women. It referred to the improvement of social as well as economic status of the respondent women. The women were asked to give their opinion regarding the improvement in socio-economic aspects of their livelihood. It was measured on the bases of opinion obtained from the women in 10 statements containing information on the improvement of socio-economic aspects of their livelihood.

Data Collection Period

Initially, a rapport was established with the respondents through informal discussions regarding the objectives of the study. Then data was collected from October, 2022 to March, 2023.

Statistical Analysis

The collected data were coded into numerical, compiled, tabulated and analysed reckon the objectives of the study in mind. In order to categorize and elucidate the data, various statistical measures such as range, mean, percentage, standard deviation and rank were used in describing the selected variables, wherever relevant. To find out the relationships, Pearson's Product moment correlation co-efficient was used in order to explore the relationship between the relevant variables.

Research Findings

Demographic Characteristics of Women

As shown in Table 1, 33% of the rural women who responded to the survey were in the young age group, compared to 14% in the old and 53% in the middle-aged age group. With regards to the level of education of the respondents, 35% could only sign their name and 5% were

illiterate. However, 38% had a secondary level of education and 22% had primary education. The highest proportion (45%) of respondents had a medium family size, while 33% had a small and 22% had a large family size.

Table 1

Description of women characteristics treated as independent variables

Variables	Method of measurement	Categories according to their characteristics	Selected	(Number Or percentage) N=100	Mean	Standard deviation
Age	Assigning a score of 1 for each year	Young (18 – 35)		33	36.15	8.62
		Middle (36 – 50)		53		
		Old (Above 50)		14		
Education	Score	Illiterate (0)		5	4.62	3.56
		Can sign only (0.5)		35		
		Primary level (1 – 5)		22		
		Secondary level (6 – 10)		38		
Family size	Assigning a score of 1 for each member of the family	Small (up to 4)		33	5.32	1.66
		Medium (5 – 6)		45		
		Large (7 and above)		22		
Homestead area	Hectare	Marginal (< 0.02)		14	1.82	0.53
		Small (> 0.02 – 0.99)		30		
		Medium (1 – 2.99)		40		
		Large (3.0 and above)		16		
Annual income	'000 Taka	Low (up to 30)		42	35.75	11.5
		Medium (30–40)		32		
		High (41–80)		26		
Communication exposure	Score	Low (up to 25)		16	37.13	13.53
		Medium (26 – 50)		73		
		High (above 50)		11		
Credit availability	Rated Score	No credit receiver (0)		5	18.36	7.31
		Low credit receiver (up to 15)		68		
		Medium credit receiver (16 – 20)		15		
		High credit receiver (above 20)		12		
Fatalism	Score	Low (up to 12)		4	25.64	2.56
		Medium (13 – 25)		88		
		High (above 25)		8		
Problem confrontation In participating in entrepreneurial activities	Score	Low (up to 15 score)		22	21.12	6.221
		Medium (16 – 30 score)		62		
		High (above 30)		16		

Problem	Score	Low (up to 12)	20		
confrontation		Medium (13 – 30)	60	18.17	5.56
during loan taking		High (above 30)	22		

The highest proportion (40%) of respondents had a medium farm size, while 30% had a small and 16% had a large farm size. The remainder (14%) had a marginal farm size. As for income, the majority (74%) of the respondents had a low to medium annual income compared to 26% with a high income. Most of the respondents had medium (73%) communication exposure, while 16% had low and 11% had high communication exposure. Most of the respondents (68%) in the study area had low access to credit due to their payment risk and the unfavourable terms and conditions of the credit-providing organisations.

The level of aspiration was medium for most of the respondents (80%), compared to 13% with high and 7% with low aspirations. However, a similar proportion of the women had a medium level of fatalism (88%), compared to 8% with high and 4% with low fatalism. The scores of all the respondents for problems encountered in participating in entrepreneurial activities ranged from 9 to 41. This means that most of the respondents had a medium (62%) level of problems followed by a low (22%) and high (16%) level of problems participating in these activities. The scores of all the respondents for problems encountered during loan taking ranged from 8 to 42. Thus, most of the respondents had a medium (60%) level of problems followed by a low (20%) and high (22%) level of problems when applying for or taking out a loan.

Approaches to socio-economic entrepreneurship

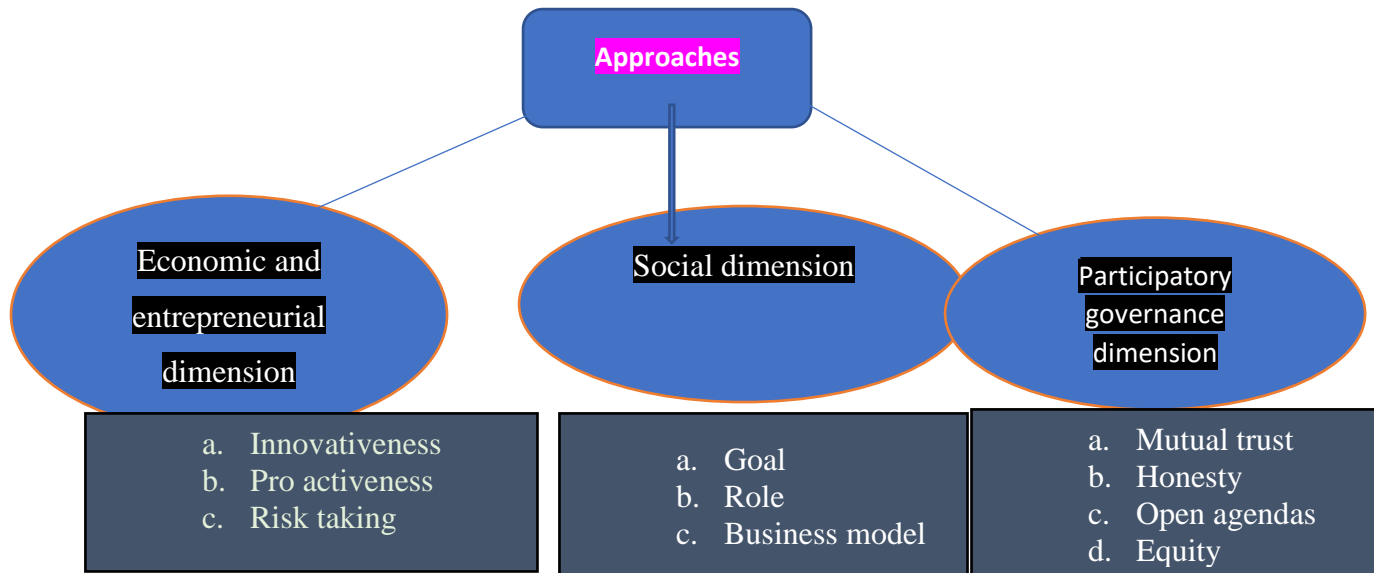


Figure 1. *Approaches to socio-economic entrepreneurship*

Motivating factors for rural women’s participation in entrepreneurial activities

The respondents were asked to identify their main motivating factor for joining in entrepreneurial activities in their area. Recognition and appreciation was the factor cited by the highest (45.2%) proportion of respondents, while 32.3%, 12.4%, and 12.4% of the respondents mentioned social-motivation, self – reliance and feeling of accomplishment,

respectively, as the main motivating factor for taking part in different entrepreneurial activities (table 2).

Table 2

Respondents' perception on motivating factors in joining entrepreneurial activities

Motivating factors for joining	Frequency	Percent
Social-motivation	28	32.3
Feeling of accomplishment	22	12.4
Self-reliance	14	10.1
Recognition and appreciation	36	45.2
Total	100	100.0

Constraints on accessing loan services and the loan repayment process

A limited amount of loan was mentioned by a larger proportion of the respondents (30.7%), while 17.6%, 17.1%, 15.6%, 10.3% and 8.7% of the respondents mentioned no constraints, insufficient collateral, unnecessary bureaucracy, distance from micro-finance institutions, and a lack of awareness when asked to mention the major constraints on accessing a loan service from micro-finance institutions (see Table 3).

Table 3

Respondents' perception on constraints to access a loan service

Constraints to access loan service	Frequency	Percent
Insufficient collateral	10	17.1
Unnecessary bureaucracy	18	15.6
Limited amount of loan	35	30.7
Distance to micro-finance institution	15	10.3
Lack of awareness	12	8.7
No constraint	10	17.6
Total	100	100.0

In terms of the constraints on the loan repayment process, a larger proportion of the respondents (38.6 %) mentioned mistrust between the group members as the major constraint in their area, while 18.9%, 12.6%, 9%, 8.9%, 7%, and 5% of respondents mentioned using loans for other purposes, a lack of training, no constraints, a lack of follow-up, the failure of the business and an unwillingness to pay back the loan, respectively, when asked to mention the main constraints on loan repayment in the study area (see Table 4).

Table 4

Respondents' perception on constraints to the loan repayment process

Constraints on loan repayment	Frequency	Percent
Lack of training	20	12.6
Lack of follow-up	14	8.9
Failure of the business	8	7.0
Unwillingness to pay back the loan	12	5.0
Using the loan for other purpose	16	18.9
Mistrust between the group members	18	38.6
No constraint	12	9.0
Total	100	100.0

Overall empowerment of rural women

The overall empowerment score of each respondent was obtained by summing up the scores for the three dimensions of empowerment. On the basis of their empowerment score the women were classified into four categories, as shown in Table 5. The majority (60%) of the respondents had a medium level of empowerment, while 31% had low empowerment, only 6% had very low empowerment and 3% had a high level of empowerment.

Table 5

Categorization of women according to their overall empowerment

Category of empowerment	Number of women	Percentage of women	Range		Mean	Standard deviation
			Maximum	Minimum		
Very low	6	6.0				
Low	31	31.0				
Medium	60	60.0	39	16	31.53	6.78
High	3	3.0				
Total	100	100				

The generally low levels of empowerment reported in previous studies, and the current situation, could be attributed to micro-credit programs that are out of reach to a large proportion of women, or the women might have received minimal training on how to undertake entrepreneurial activities. Or perhaps, they may not have the necessary power within the household to use their loans or to control their own income. Indeed, it is likely that many rural women mostly depend on their husbands or male members of the family for various purposes because micro-credit programs are unable to eliminate the socio-cultural constraints on women's physical access to markets (Akram, 2018). However, given the results indicated by (Jitu, 2019) who found that the economic empowerment of farm women was in the low to medium range. Although the results of the present study are broadly similar, it seems that the situation has started to change. Through the efforts of various governmental and non-governmental organizations, women in Bangladesh are becoming more conscious of their own potential. They are being educated, becoming involved in IGAs and are achieving emotional freedom, which is leading to increased empowerment. Nevertheless, there is still a need to boost rural women's empowerment to a higher level through an integrated approach that takes the identified constraints in this study into account.

Relationship between the characteristics of women and their empowerment

Pearson's product moment co-efficient of correlation (r) was computed in order to explore the relationship between the demographic characteristics of the respondents and the extent of their empowerment through income-generating activities. The relationship between the dependent and independent variables is presented in Table 6.

Table 6

Relationships between the selected characteristics of women and their empowerment

Dependent variable	Independent variable	R-values with 98 df	Tabulated value of 'R'	
			0.05 level	0.01 level
Empowerment of women	Age	0.385**	0.187	0.256
	Education	0.289**		
	Family size	0.110		
	Homestead area	0.185		
	Annual income	0.156		
	Communication exposure	0.362**		
	Credit availability	0.656**		
	Aspiration	-0.071		
	Fatalism	-0.062		
	Problems encountered in participating entrepreneurial activities	0.166		
	Problem confrontation during loan taking	0.133		

* Significant at 0.05 level of probability, and ** Significant at 0.01 level of probability

The relationship between age and empowerment through entrepreneurial activities was significant and followed a positive trend. In the Bangladesh society, young women live with their family members or with their husband and in-laws. They experience various pressures and are unable to venture out to many places or participate in activities they enjoy. In comparison, middle-aged women have more freedom. Thus, it could be said that, at least in the context of this present study, the age of women plays a significant role in their empowerment.

The relationship between the education of women and their empowerment was also significant and followed a positive trend. The results of the data analysis indicate that highly educated (higher degrees such as Masters/MBA/PhD) women in family were more empowered compared to their counterparts in the sample who had comparatively lower levels of education. Education enhances empowerment because it enables and increases access to new knowledge and information, which helps women to realise their self-worth and to challenge unfairness, discrimination, and change their outlook on life. Education enables an individual to become more socialised, to gain a wider perspective, to fight against injustice and also to gain a better understanding about every sphere of life, including the cultural and economic aspects of their own and other societies. Indeed, a positive relationship between

family education and the empowerment of women has been identified by many previous studies (Rafay & Ali, 2016; Kumar *et al.*, 2015).

Moreover, a positive significant relationship was found to exist between exposure to communication and empowerment. Through exposure to various forms of media, women are able to receive the necessary knowledge about agriculture, health, sanitation and rural areas that strengthens, among other things, their earning ability, position in family and society and their decision-making ability. Through exposure to communication media, women can get a better understanding and capacity in solving their problems, thus enhancing their empowerment, as highlighted in a number of previous studies (Phan 2016; Rao & Ibrahim, 2019).

The findings of the present study indicates that the empowerment of women increased with greater credit availability. This seems logical because a high amount of credit leads to a higher amount of investment and subsequently a high profit. The receipt of a loan or credit can empower by giving greater economic power to women and their families. Credit availability would also allow women to participate in entrepreneurial activities, such as starting a business. Thus, it could be concluded that the easier it is to obtain a loan, the more empowered women will become and be more successful entrepreneurs in their businesses. This finding supports earlier studies which also found that the receipt of loans/credit is empowering for women in Bangladesh (Jitu, J. A., 2019).

Obstacles Faced by Women Entrepreneurs in Bangladesh

General obstacles

The lack of role models in entrepreneurship

Role models display the attitudes, behaviours and actions that can influence an individual's desire and choice in becoming an entrepreneur. This influence tends to be gender related, that is an individual's aspirations and choices are more likely to be influenced by role models of the same gender.

Lack of experience

All stages of entrepreneurship, from the identification of opportunities to the execution of running a business, are dependent on relevant experience. Human capital in this context refers to the knowledge and skills that assist people in successfully discovering and exploiting opportunities.

Lack of wealth

A prerequisite for starting an enterprise/ a business is to have capital in terms of financial assets and the relevant knowledge of assets. Women's position in society has meant that they have lacked access to both of these aspects. The constraints of family obligations make it harder for women to take on work on a full time basis and to engage in a career. This in turn decreases the range of possible work opportunities for women, leading them to jobs in lower paid sectors. Being a part-time worker with low pay is not a good basis for creating personal wealth.

Competing demands on time

Another recurring obstacle that affects women from engaging in entrepreneurship is the perceived lack of time or competing demands on time. Because women are responsible for

so many different domestic chores and the raising of children, they do not have the time available to develop either their skills to become entrepreneurs or to develop an existing business.

Economic and Social Obstacles

There are limitations that exist in the form of economic problems and social hazards which pose further constraints for women entrepreneurs. Since women are new in certain aspects of entrepreneurship, they face a number of issues that affect their regular activities. Male middlemen suppliers, contractors and exporters dominate the industry and take advantage of women's isolation in the home and lack of access to credit, supplies and knowledge about the economy are handicapped in the current centralised wholesale market set-up which is controlled by men (Jitu, 2019). Further, due to their physical stature, women often encounter "mastan" (hoodlums) rowdy males, who, not only are difficult to deal with but also pressure the women to pay money on demand (Cislaghi, 2019). Women entrepreneurs are often cheated by their male partners in trade through unscrupulous means which may turn hazardous (Sinha, 2019). Home-based workers lack access to inputs and services like credit, supplies, markets and new technology that could increase their productivity. Women observing "pardha" (seclusion) often find it hard to visit banks, purchase their supplies or raw materials, or market their products in settings where they would have to deal with men (Cislaghi, 2019).

Inadequacy of capital remains the main problem and where capital is available, the high interest rates discourage investment (Sinharoy, 2019). Moreover, the unavailability of efficient or skilled labor, lack of marketing facilities for women and the absence of a proper sales center are some of the major obstacles that can affect their business (Pradhan, 2019). Due to the lack of access to markets, women can pay higher prices for their products although they often keep their prices low so that they are competitive to their customers or wholesalers (Santoso, 2019). As their products are sometimes sold on credit, this creates further problems in the collection of money, in particular when the buyer fails to pay the actual price or when a wholesaler takes goods on credit (Pradhan, 2019). Middlemen also create problems with regard to low payment.

Further, due to the lack of storage facilities and space, women entrepreneurs can suffer serious losses through the damage or theft of their products (Cislaghi, 2019). Existing issues for businesses include a lack of machinery, difficulty in the procurement of raw materials, issues in sales collection, existing competition faced due to expansion of production, and constraints in transportation and marketing (Jitu, 2019). A lack of skills in management and production, unhealthy work environments and especially the lack of training facilities can amplify the issues and these should be addressed so that a business can function successfully (Jitu, 2019).

The businesses of Sylheti women entrepreneurs are often home-based. This means they have a dual responsibility of their family and business, a responsibility that is more easily achievable when their businesses are close to their homes. Women entrepreneurs most often spend just as many hours in their businesses as men entrepreneurs, however they endure heavier workloads as they still have to attend to their household responsibilities after a long day of running/working in their business.

Services of Financial and Credit Institutions

Generally, financial institutions and banks extend credit for women under micro-credit programs aimed at reducing poverty. Based on the cost of the fund, the interest rates of this credit can vary. For this purpose, mainly donor supported project funds are used, though some funds are also provided by Bangladesh Bank (Jitu, 2019). The Bangladesh Bank directs the commercial banks to lend at least 1% of their lending capital to the industrial sector. Another 5% is expected to be spent for the SCI sector (Rahman, 2019). These loans are often operated through NGOs or development agencies. Within the industrial sector, investments are mainly accessed by men. Other than project loans that are aimed at poverty reduction, there are no special regulations for credit to be extended to women entrepreneurs (Rahman, 2019). Since the banks do not preserve gender based financial data, it is not possible to provide information in this regard on the need to extend credit to women. There are some banks who have branches specific to women, however, their objective in this is to mobilise savings rather than encourage investments (Sultana, 2017).

Further, the number of women branches are very limited in comparison to the needs (Rahman, 2019). Most of these branches incur losses because they function as deposit collectors rather than lending institutions (Rahman, 2019). Although it is not legally required, the banks and some support programs openly insist on the consent and guarantee of husbands or other male relatives when sanctioning loans to women (Jitu, 2019). The number of women borrowers from banks is limited and is extremely lower than that of men (Rahman, 2019).

Programs Encouraging and Supporting Women Entrepreneurship

The importance of women entrepreneurs in the national development process has been acknowledged by successive governments and steps have been initiated to realise these objectives (Richardson, 2019). Consequently, under the successive Five Year Plans, women's development initiatives have been gradually integrated into the macro framework and multispectral economy to bring women into the mainstream of economic development and encourage potential women entrepreneurs to realise their business plans (Addai, 2017).

In all development plans, i.e. from the First to the Fifth Five Year Plan, the development of women in all spheres of our national life has been given priority (Sultana, 2017). For example, the First Plan (1973–78) emphasised a welfare-oriented approach and focused on rehabilitation of war-affected women and children (Jitu, 2019). The Two Year Plan (1978–80) was characterised by a shift from welfare to development efforts (Rahman, 2019). The Second Plan (1980–85) emphasised the creation of a congenial atmosphere for women's increased participation in development through expanding opportunities for skill development, credit and entrepreneurship development program (Rahman, 2019). The Third Five Year Plan (1985–1990) had specific objectives to reduce disparity between the development of men and women (Raman, 2019). The Fourth Five Year Plan (1990–95) placed women within the context of a macro framework with multi-sectorial thrust and focused more on the development of poor and disadvantaged women (Rahman, 2019). In the Fifth Five Year Plan (1997–2002) there was around 24 goals and objectives set for the development of women and children in the country (Nawaz, 2019). These goals and objectives, if implemented appropriately will positively contribute to the participation of women in every sphere of our national life.

Policy Implication

Based on the findings, a number policy measures to support women's entrepreneurship can be adopted in different areas.

- Increase the ability of women to participate in the labour force by ensuring the availability of affordable childcare and equal treatment in the work place. More generally, improving the position of women in society and promoting entrepreneurship will generally have benefits in terms of women's entrepreneurship.
- Listen to the voice of women entrepreneurs. The creation of government offices of women's business ownership is one way to facilitate this. Such offices could have program responsibilities such as providing women's business centers, organizing information seminars and meetings and/or providing web-based information to those wanting to start and grow a business.
- Incorporate women's entrepreneurial dimension in the formation of all SME-related policies. This can be done by ensuring that the impact on women's entrepreneurship is taken into account at the design stage.
- Promote the development of women entrepreneur networks. These are major sources of knowledge about women's entrepreneurship and valuable tools for its development and promotion. Co-operation and partnerships between national and international networks can facilitate entrepreneurial endeavors by women in a global economy.
- Periodically evaluate the impact of any SME-related policies on the success of women-owned businesses and the extent to which such businesses take advantage of them. The objective should be to identify ways to improve the effectiveness of those that should be retained. Good practices that are identified in this way should be disseminated and shared internationally.

Conclusion

Entrepreneurship is the key to the creation of new enterprises that energise and revitalise the economy. Entrepreneurship serves as the catalyst in the process of industrialisation and economic growth. Women entrepreneurs can play a vital role in combating rural poverty. The emergence and development of women entrepreneurship largely depends on the supporting conditions of different factors such as economic, social, cultural, and psychological. To improve the socio-economic status of women in Bangladesh it is necessary to formulate appropriate policies, take necessary actions and introduce effective measures to integrate women into the mainstream of the development process. Women entrepreneurship or women in business has gained importance and has been a very recent phenomenon in Bangladesh. Although women are taking entrepreneurship in man challenging fields, their activities in Bangladesh are not that extensive. However, despite fewer opportunities, there are women who have had success in business although they are very small in number.

Academic and policy interest in the economic lives of women in developing countries has been stimulated by evidence on the positive impact of entrepreneurial activity on poverty alleviation and the reserve of unused talents of women, especially for those living in rural areas. Centuries of gender inequality has been perpetuated by social and cultural norms that restrict women's access to education, mobility, networks and freedom. In countries with equal opportunity legislation, laws have had some impact on empowering and changing societal attitudes towards women. These advances are not universal, and NGOs have been active in helping women find ways to support themselves and their families. This study has shown how social entrepreneurship can make a contribution to empowering women and

advancing social change. This sentence needs to be expanded in the abstract we mention: “This research has been conducted to explore how entrepreneurship increases the empowerment of women and to understand the socio-economic impact of women entrepreneurship in Bangladesh.”

Women entrepreneurship plays a vital role in economic development. Development of women entrepreneurship largely depends on internal as well as external factors such as personal attributes of the entrepreneurs, family affairs, government and other supportive organisational involvements. The main objective of this study was to determine the factors that influence women entrepreneurship development in rural Bangladesh. Through application of the binary Probit model, this study found that various personal attributes, freedom of work and the desire for a higher social status had a significant influence on women entrepreneurship in rural Bangladesh. Family hardship was another factor involved in entrepreneurship. Amongst various external factors, access to credit, access to skill training, membership with development organisations, access to information and favourable infrastructure were shown as the inspiring factors for women to participate in entrepreneurial activities. On the other hand, the major challenges which women entrepreneurs identified when starting an *enterprise/a business* as a means of self-employment included: lack of entrepreneurial skills, lack of start-up finance, gender discrimination, lack of management skills, lack of information, minimal access to business support, lack of self-confidence, finding the right contacts for a business venture, the dual responsibility for family and business, and concerns relating to societal acceptance.

Noticeably, the Bangladesh government along with NGOs have taken several initiatives to encourage women to become involved in various micro, small and medium enterprises. However, considering the rising importance of women entrepreneurship development towards balancing the country's socio-economic development, there should be policy adjustments, proper implementation and other necessary initiatives to provide additional support. This support will not only contribute significantly to the national economy but will empower women on an economic and socio-cultural scale. It will also create an opportunity for the rural disadvantaged to maintain their livelihood through engaging in various entrepreneurial activities. Therefore, government and development agencies should move forward to facilitate women entrepreneurial development.

Limitations and Recommendation for Future Research

One of the major obstacles of this study that the researcher faced was in relation to the statistical analyses which was inadequate mainly due to the unavailability of precise data from secondary sources. Consequently, the results of the study were limited to the sample population and not fairly generalised to all the women who are involved in entrepreneurial activities in the Sylhet city of Bangladesh. Further, the study time was limited to expanding and proving other factors. It was extremely difficult to identify business entrepreneurs and conduct face to face interviews with business women. The small number of respondents was the testimony of this paper. Future research could be conducted with a larger sample in one district or in a number of districts in Bangladesh to get a better representation/analyses of the overall scenario and to ensure that the findings are robust and can be generalised to the wider population. It is advised that future research studies emphasise the importance of government support for women entrepreneurs in Bangladesh. It is also suggested that the

identified position and barriers should be compared and contrasted with the men entrepreneurs in Bangladesh within this emergent sector.

Credit authorship contribution statement

All authors contributed to manuscript conceptualization, writing, revision, and read and approved the submitted version.

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The authors alone are responsible for the views expressed in this article and they do not necessarily represent the views, decisions or policies of the institutions with which they are affiliated.

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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