

Role of Women Entrepreneurship in Driving Inclusive Economic Development in Emerging Markets

Nikita Yadav, Harry George, Dr. Monika Payal

Assistant Professor, Department of Hotel Management & Hospitality,
Atal Bihari Vajpayee Vishwavidyalaya, Bilaspur, Chhattisgarh, India

ABSTRACT

In recent years, women's participation in entrepreneurship has gained considerable attention as a key factor in promoting balanced and inclusive economic progress, particularly within developing and emerging economies. This study examines the contribution of women-owned enterprises across multiple dimensions, including economic expansion, employment opportunities, poverty reduction, and the creation of socially impactful innovations.

Using a qualitative research approach, the study integrates insights from scholarly literature, international reports, and relevant case studies to better understand both the influence of women entrepreneurs and the structural and social barriers that limit their growth. It also evaluates the effectiveness of existing policy measures designed to support women-led businesses.

The analysis indicates that women entrepreneurs make meaningful contributions to national income and job creation while also playing a vital role in strengthening local communities and driving social change. Despite these contributions, their progress is often constrained by challenges such as restricted access to financial resources, deeply rooted societal expectations, and insufficient institutional support.

The study concludes by emphasizing the need for more focused and inclusive policy interventions that can address these barriers and create a supportive environment, enabling women entrepreneurs to fully realize their potential in emerging economic contexts.

KEYWORDS: *Women entrepreneurship, inclusive development, emerging markets, economic growth, gender equality, policy, social innovation.*

1. INTRODUCTION

Emerging markets are defined as economies transitioning from low-income or developing status toward more modern, market-oriented structures, characterized by rapid growth and improving institutional frameworks (Khanna & Palepu, 2010).

In contemporary economic discourse, the role of women in driving economic development has assumed significant importance, particularly within the context

of emerging and transitioning economies. As global integration deepens and economic structures become more diversified, the participation of women in entrepreneurial activities is increasingly

How to cite this paper: Nikita Yadav | Harry George | Dr. Monika Payal "Role of Women Entrepreneurship in Driving Inclusive Economic Development in Emerging Markets" Published in International

Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-10 | Issue-2, April 2026, pp.456-462,

URL: www.ijtsrd.com/papers/ijtsrd101344.pdf



IJTSRD101344

Copyright © 2026 by author (s) and International Journal of Trend in Scientific Research and Development Journal. This is an Open Access article distributed under the terms of the Creative Commons Attribution License (CC BY 4.0) (<http://creativecommons.org/licenses/by/4.0>)



Despite these contributions, women in emerging markets face systemic barriers that limit their potential. These include restricted access to finance, entrenched gender norms, limited networks, and policy gaps. Understanding and addressing these challenges is essential for harnessing the transformative power of female entrepreneurship.

This study aims to:

- Analyze the economic and social contributions of female entrepreneurs in emerging markets.
- Identify the primary barriers to their success.
- We propose policy recommendations to foster a more inclusive entrepreneurial ecosystem.

1.1. Background to the Study

Women's entrepreneurship has become an important area of analysis in the context of emerging economies across Asia, Africa, and Latin America, where rapid economic transitions intersect with persistent gender inequalities. These regions-classified as emerging markets by international development agencies-include large and diverse countries such as India, Bangladesh, Vietnam, Indonesia, Kenya, Nigeria, South Africa, Brazil, and Mexico (World Bank, 2022). Each of these economies has experienced sustained growth, expanding urbanization, and increasing integration into global value chains, creating new opportunities for enterprise development while also reinforcing structural constraints that shape women's participation in economic activities.

Across emerging economies in Asia, including countries such as India, Bangladesh, and Vietnam, the expansion of micro, small, and medium enterprises (MSMEs) has opened significant avenues for women's entrepreneurial participation. In the Indian context, women account for a notable share of enterprise ownership, with estimates indicating that more than one-fifth of businesses are led by women. These enterprises are predominantly concentrated in micro-scale activities, particularly within sectors such as small-scale manufacturing, service provision, and informal retail markets (Ministry of MSME, 2022). Bangladesh has witnessed similar trends, especially in sectors linked to agriculture, handicrafts, and small-scale manufacturing, supported by microfinance networks and NGO-led livelihood programs (Kabeer, 2016). Vietnam and Indonesia demonstrate comparatively higher levels of women's enterprise participation due to growing export-oriented industries and supportive SME policies (OECD, 2018). Prior literature on these countries has focused on financial access, household-work balance, and institutional support systems.

In Sub-Saharan Africa, emerging economies such as Nigeria, Kenya, Ethiopia, and South Africa have some of the highest rates of women's entrepreneurial activity globally (GEM, 2023). However, many of these enterprises operate in the informal sector, where women face constraints related to credit, technology access, market linkages, and regulatory compliance (ILO, 2021). Research in the African context often highlights the resilience and coping strategies of women entrepreneurs and the role of community-based networks in sustaining enterprise activity despite limited state support (Amine & Staub, 2009). South Africa stands out for its more developed entrepreneurial ecosystem, yet gender differences in enterprise performance continue to persist due to social norms and unequal distribution of assets.

Latin American emerging economies-including Brazil, Mexico, Colombia, and Peru-offer a distinct pattern where women's entrepreneurship is strongly influenced by urban labour markets and social policies. Brazil's large consumer market and Mexico's extensive informal sector have facilitated the entry of women entrepreneurs into commerce, services, food processing, and household-based enterprises (World Bank, 2020). Prior studies in the Latin American region examine issues such as the gendered impacts of social protection systems, the relationship between informality and women's business outcomes, and the barriers posed by limited access to digital infrastructure (Terjesen & Amorós, 2010).

Across these emerging economies, secondary literature consistently highlights the themes of sectoral concentration, informality, financial exclusion, and institutional gaps, but the focus varies across regions. Asian literature frequently emphasises microfinance and industrial growth; African literature prioritises informal-sector dynamics and survival entrepreneurship; Latin American research highlights urban markets and social protection structures. Thus, while the contexts differ, a shared characteristic is that women's enterprises contribute significantly to household livelihoods, community well-being, and economic diversification, even when operating at small scales (UN Women, 2020).

This background situates the present study within a broad comparative understanding of emerging-market contexts. By synthesizing literature from Asia, Africa, and Latin America, the study provides a clearer picture of where women's entrepreneurship develops, which economic environments shape their opportunities, and how previous research has approached these regional variations.

2. Literature Review

The review of literature is organized into four key themes to provide a structured understanding of women's entrepreneurship in emerging markets. It begins with theoretical perspectives, followed by empirical evidence on women's entrepreneurial contributions. The third theme examines the social and community impact, while the final section discusses the major barriers faced by women entrepreneurs. This thematic approach helps highlight both the progress made and the challenges that persist.

2.1. Theoretical Perspectives

Inclusive economic growth emphasizes that the benefits of development must be accessible to all societal groups, including women entrepreneurs (Ranieri & Ramos, 2013). This concept aligns with gender-sensitive development models that stress equitable access to economic opportunities as a foundation for sustained growth.

Within this framework, the Gender and Development (GAD) approach highlights the structural inequalities women face in economic systems and calls for integrating gender considerations into development planning (Moser, 1993). GAD emphasizes that empowering women economically has both direct and spillover benefits for communities.

The Resource-Based View (RBV) further informs understanding of women's entrepreneurship, suggesting that resource access—financial, human, and social—directly influences entrepreneurial success. Because women often face resource constraints, RBV provides useful insight into gender gaps in entrepreneurial outcomes (Barney, 1991).

Institutional Theory explains how formal laws, policies, and informal norms shape entrepreneurial behavior. In many emerging markets, restrictive cultural practices and weak institutional support constrain women's entrepreneurial activities (Scott, 2001; Welter & Smallbone, 2011).

2.2. Empirical Studies on Women's Entrepreneurship

Empirical evidence underscores the substantial economic contributions of women entrepreneurs. According to the Global Entrepreneurship Monitor (GEM, 2023), women's entrepreneurship is expanding rapidly in regions such as Sub-Saharan Africa, Latin America, and South Asia. Many of these ventures emerge in the informal sector, where women play a central role in income generation and microenterprise development.

Research also demonstrates that women's enterprises contribute significantly to job creation. Minniti and

Naudé (2010) highlight that women-owned firms stimulate economic diversification and offer new employment opportunities, especially in developing countries where labor markets are highly gender-segmented. Similarly, Jennings and Brush (2013) argue that women make essential economic contributions despite systemic barriers, and their entrepreneurial motivations and strategies are shaped by social contexts.

Global policy-oriented studies further confirm women's economic impact. The World Bank (2022) indicates that women-owned businesses are critical for economic growth and poverty reduction, but women still face legal and institutional constraints in starting and expanding enterprises. The ILO (2021) reinforces that women entrepreneurs play a major role in informal economies, contributing substantially to employment and household incomes.

2.3. Social and Community Impact

Women entrepreneurs often generate social value that extends beyond traditional economic metrics. They tend to reinvest earnings into family health, children's education, and community welfare initiatives, generating a multiplier effect that supports inclusive development (Kabeer, 2016).

Studies show that women-led businesses frequently adopt social missions aligned with community needs. De Vita et al. (2014) note that women entrepreneurs in developing countries are key actors in addressing social challenges—such as access to healthcare, education, and basic services—particularly in underserved regions.

These contributions support global development agendas such as the UN Sustainable Development Goals, especially those related to gender equality, decent work, and poverty eradication (UN Women, 2020).

2.4. Barriers to Women's Entrepreneurship

Despite growing contributions, women continue to face structural and systemic constraints:

Access to Finance

Women entrepreneurs experience unequal access to credit and financial services due to discriminatory lending norms, lower asset ownership, and limited financial inclusion (Demirgüç-Kunt et al., 2022; World Bank, 2022).

Cultural and Social Norms

Gender norms that assign disproportionate household responsibilities reduce women's time, mobility, and autonomy to pursue entrepreneurial activities (Ahl & Marlow, 2012; Welter & Smallbone, 2011).

Networks and Mentorship

Women have fewer opportunities to access influential business networks and mentorship ecosystems, which are essential for business growth and innovation (Jennings & Brush, 2013).

Policy and Regulatory Challenges

Weak institutional support, complex regulatory procedures, and lack of gender-sensitive policies limit women's ability to formalize and expand their enterprises (OECD, 2020; Scott, 2001).

2.5. Research Gap

Although several studies highlight either women's economic impacts or the barriers they face, fewer integrate both economic and social dimensions specifically within the context of emerging markets. Existing literature tends to analyze economic contributions and structural barriers separately (De Vita et al., 2014; Minniti & Naudé, 2010). This study addresses this gap by synthesizing women's economic, social, and institutional roles in emerging economies.

3. Research Methodology

3.1. Research Design

This study employed a qualitative research design, focusing on secondary data analysis and thematic synthesis. This approach enables an in-depth understanding of the complex interplay between women's entrepreneurship and inclusive economic development.

3.2. Data Collection

Data sources include:

- Global reports (e.g., GEM (2023), World Bank (2022), ILO(2021))
- Academic journals and peer-reviewed articles

4.2. Barriers Faced

- Case studies of women entrepreneurs in Africa, Asia, and Latin America

3.3. Sampling

The analysis covers a diverse range of emerging economies, with particular attention to regions where female entrepreneurship is most dynamic or faces unique challenges.

3.4. Data Analysis

A thematic analysis approach was used to identify recurring patterns, challenges, and success factors. Analytical frameworks from gender studies and development economics guided the synthesis.

4. RESULTS / FINDINGS

4.1. Economic Contributions

GDP Growth and Job Creation

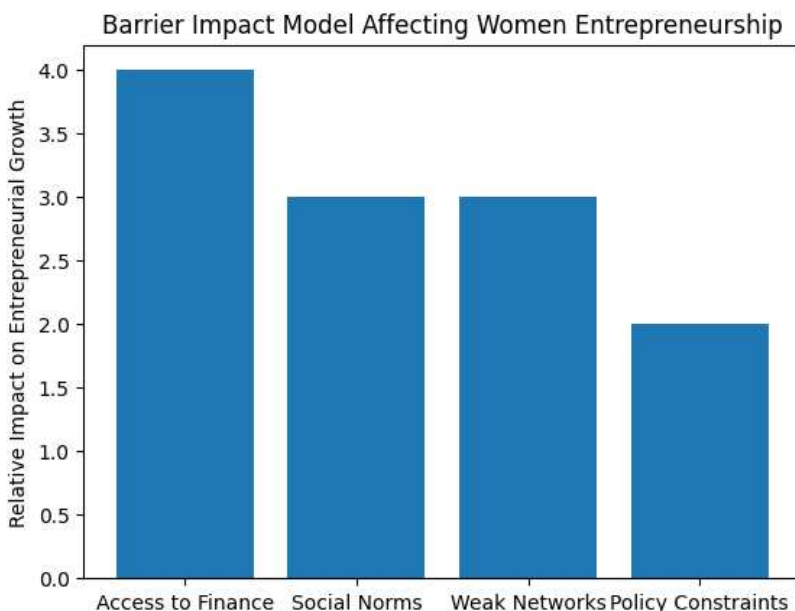
Women-owned businesses are significant contributors to GDP and employment in emerging markets such as India. In countries such as Nigeria, India, and the Philippines, women entrepreneurs have created millions of jobs, particularly in the informal sector. Studies estimate that equal participation of women in entrepreneurship could boost the global economy by \$2.5 trillion to \$5 trillion.

Sectoral Distribution

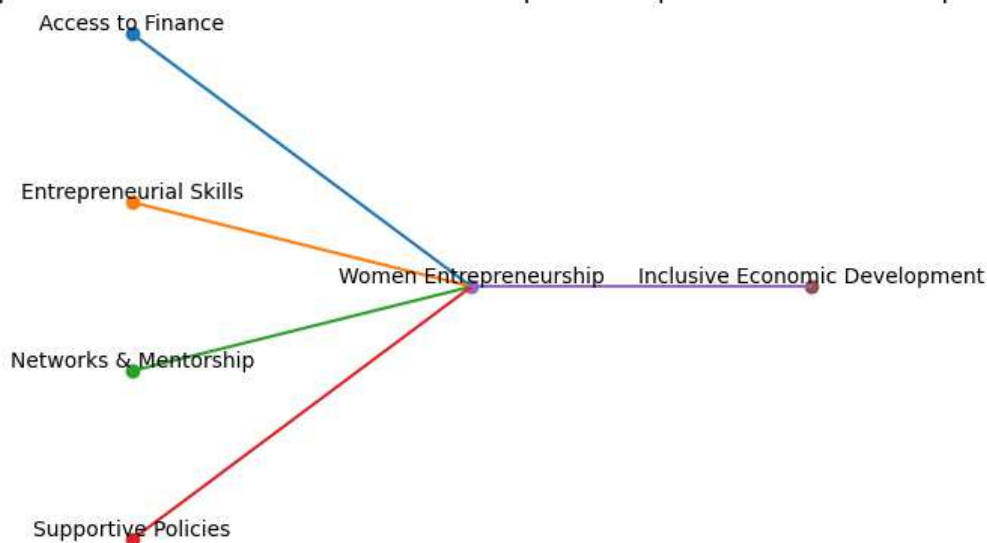
Women entrepreneurs are heavily concentrated in sectors such as retail, service, and agriculture. These sectors are crucial to local economies and offer significant opportunities for innovation and growth.

Innovation and Social Impact

Women entrepreneurs often address unmet social and community needs such as healthcare, education, and sustainable agriculture. Their businesses are more likely to prioritize social objectives alongside profit, contributing to broader development goals.



Conceptual Framework: Drivers of Women Entrepreneurship and Inclusive Development



Barrier	Description
Access to Finance	Women receive disproportionately lower funding than men.
Cultural and Social Norms	Gender biases and traditional roles limit opportunities and discourage participation in business.
Lack of Networks and Mentorship	The absence of robust mentorship programs and professional networks hinders skill development.
Policy and Regulatory Hurdles	Inadequate policy support and legal barriers restrict the growth of women-owned enterprises in developing countries.

4.3. Patterns and Observations

- High rates of female startup activity are observed in African and Asian economies, especially in the informal sector.
- Business closure rates for women are higher in low-income countries, often due to economic shocks and a lack of institutional support.
- Women entrepreneurs are more likely to operate micro and small enterprises with limited access to growth capital.

5. DISCUSSION

5.1. Interpretation of Results

The findings confirm that female entrepreneurship is integral to inclusive economic development in emerging markets. Women entrepreneurs drive economic growth, create jobs, and foster social innovations. Their businesses often serve as vehicles for community development, addressing pressing social issues, and promoting gender equality.

5.2. Comparison with Existing Literature

These results align with the broader literature, which emphasizes the multiplier effect of women’s economic participation. Studies by the World Bank and GEM highlight the transformative potential of female entrepreneurs, particularly in sectors critical to local economies.

5.3. Implications

- Economic Policy: Policymakers should recognize female entrepreneurs as key drivers of inclusive growth and design targeted interventions to support their businesses.
- Financial Inclusion: Expanding access to finance is essential for enabling women to scale their enterprises.
- Social Change: Addressing cultural and social norms is critical for creating an enabling environment for female entrepreneurs.

6. LIMITATIONS

- This study relied on secondary data, which may not capture the full diversity of experiences across different contexts.
- The lack of primary fieldwork limits the depth of contextual analysis.

7. Conclusion

Women’s entrepreneurship continues to emerge as a central pillar of inclusive economic development in emerging markets. The findings of this study reaffirm that women-led enterprises not only contribute to GDP growth and job creation but also play a transformative role in improving community well-being, strengthening household resilience, and promoting gender-equitable development pathways.

In particular, women entrepreneurs demonstrate strong potential for driving social innovation by addressing unmet needs in education, healthcare, sustainable agriculture, and informal-sector livelihoods-sectors that are vital for economic stability in regions such as South Asia, sub-Saharan Africa, and Latin America.

Despite these contributions, the persistent constraints identified across the literature-such as limited access to credit, structural gender norms, regulatory barriers, and insufficient institutional support-underscore the need for a more enabling entrepreneurial ecosystem. Evidence from global reports and country-level studies suggests that even modest improvements in financial inclusion, legal reforms, and support networks can significantly enhance women's entrepreneurial success. Furthermore, strengthening digital skills, improving access to markets, and expanding mentorship programs can accelerate women's participation in higher-growth sectors.

Overall, women's entrepreneurship represents an untapped reservoir of economic and social value. For emerging markets striving for equitable and sustainable development, investing in women entrepreneurs is not only a moral imperative but also a strategic economic decision. Future research should consider comparative analyses across regions, longitudinal studies on enterprise growth, and the impact of recent digital and policy interventions to deepen our understanding of women's evolving economic roles.

References

- [1] Ahl, H., & Marlow, S. (2012). Exploring the dynamics of gender, feminism and entrepreneurship: Advancing debate to escape a dead end? *Organization*, 19(5), 543–562. <https://doi.org/10.1177/1350508412448695>
- [2] Amine, L. S., & Staub, K. M. (2009). Women entrepreneurs in sub-Saharan Africa: An institutional theory analysis from a social marketing point of view. *Entrepreneurship & Regional Development*, 21(2), 183–211. <https://doi.org/10.1080/08985620802182144>
- [3] Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- [4] Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2022). *The Global Findex Database 2021: Financial inclusion, digital payments, and resilience in the age of COVID-19*. World Bank. <https://doi.org/10.1596/978-1-4648-1897-4>
- [5] De Vita, L., Mari, M., & Poggesi, S. (2014). Women entrepreneurs in and from developing countries: Evidence from the literature. *European Management Journal*, 32(3), 451–460. <https://doi.org/10.1016/j.emj.2013.07.009>
- [6] Global Entrepreneurship Monitor (GEM). (2023). *Global entrepreneurship monitor 2022/2023 global report*. GEM Consortium.
- [7] International Labour Organization (ILO). (2021). *Women in business and management: The business case for change*. ILO.
- [8] Jennings, J. E., & Brush, C. G. (2013). Research on women entrepreneurs: Challenges to (and from) the broader entrepreneurship literature? *Academy of Management Annals*, 7(1), 663–715. <https://doi.org/10.1080/19416520.2013.782190>
- [9] Kabeer, N. (2016). Gender equality, economic growth, and women's agency: The “endless variety” and “monotonous similarity” of patriarchal constraints. *Feminist Economics*, 22(1), 295–321. <https://doi.org/10.1080/13545701.2015.1090009>
- [10] Khanna, T., & Palepu, K. (2010). *Winning in emerging markets: A roadmap for strategy and execution*. Harvard Business Press.
- [11] Minniti, M., & Naudé, W. (2010). What do we know about the patterns and determinants of female entrepreneurship across countries? *The European Journal of Development Research*, 22(3), 277–293. <https://doi.org/10.1057/ejdr.2010.17>
- [12] Ministry of Micro, Small and Medium Enterprises (MSME). (2022). *Annual report 2021–22*. Government of India.
- [13] Moser, C. O. N. (1993). *Gender planning and development: Theory, practice, and training*. Routledge.
- [14] Organisation for Economic Co-operation and Development (OECD). (2018). *SME policy index: ASEAN 2018*. OECD Publishing. <https://doi.org/10.1787/9789264305328-en>
- [15] Organisation for Economic Co-operation and Development (OECD). (2020). *Women at the core of the fight against COVID-19 crisis*. OECD Publishing.

- [16] Ranieri, R., & Ramos, R. A. (2013). Inclusive growth: Building up a concept. *International Policy Centre for Inclusive Growth (IPC-IG), Working Paper No. 104.*
- [17] Scott, W. R. (2001). *Institutions and organizations* (2nd ed.). Sage Publications.
- Terjesen, S., & Amorós, J. E. (2010). Female entrepreneurship in Latin America and the Caribbean: Characteristics, drivers and relationship to economic development. *European Journal of Development Research*, 22(3), 313–330. <https://doi.org/10.1057/ejdr.2010.13>
- [19] UN Women. (2020). *Women's entrepreneurship and empowerment*. United Nations Entity for Gender Equality and the Empowerment of Women.
- [20] Welter, F., & Smallbone, D. (2011). Institutional perspectives on entrepreneurial behavior in challenging environments. *Journal of Small Business Management*, 49(1), 107–125. <https://doi.org/10.1111/j.1540-627X.2010.00317.x>
- [21] World Bank. (2020). *Women, business and the law 2020*. World Bank. <https://doi.org/10.1596/978-1-4648-1532-4>
- [22] World Bank. (2022). *Women, business and the law 2022*. World Bank. <https://doi.org/10.1596/978-1-4648-1817-2>

