

AN EMPIRICAL STUDY ON ECONOMIC AND SOCIO-CULTURAL FACTORS INFLUENCING THE PERFORMANCE OF WOMEN ENTREPRENEURS IN SOUTH-EAST RAJASTHAN

Garima Piplani*
Dr. L.C. Panjabi**

ABSTRACT

Women-led enterprises form a vital part of India's MSME sector, constituting 20.37% of the total and employing 23.3% of the workforce. In Rajasthan alone, over 4.8 lakh MSMEs are reported, with South-East districts like Kota, Bundi, Baran, and Jhalawar offering a unique lens to study women entrepreneurship. This research explores the key economic and socio-cultural factors influencing the performance of women entrepreneurs in this region. Economically, limited access to credit, low capital investment, poor infrastructure, and inadequate awareness of government schemes hinder growth. Socio-cultural challenges, including traditional gender roles, restricted mobility, and limited family or social support, further constrain their potential. Despite these barriers, many women pursue entrepreneurship driven by ambition and the need for financial independence. The study highlights the need for integrated policy support, financial inclusion, and cultural change to create a more enabling environment for women entrepreneurs in South-East Rajasthan.

KEYWORDS: Women Entrepreneurship, Economic, Socio-Cultural, Performance, MSMEs.

Introduction

Women entrepreneurship has emerged as a powerful driver of economic development and social transformation in India. Over the past decade, women have increasingly moved from the sidelines of economic participation to the forefront of business innovation and leadership. Currently, women entrepreneurs own approximately 20.37% of the Micro, Small, and Medium Enterprises (MSME) sector in India, contributing to nearly 23.3% of employment generation in the country. These figures underscore their growing influence and the significant role they play in fostering inclusive growth, reducing poverty, and empowering communities, particularly in rural and semi-urban areas.

The economic landscape of India is witnessing a demographic shift, with over 13.5 to 15.7 million women-owned businesses employing more than 22 million people. In Rajasthan alone, the number of women-owned MSMEs surged from 29,500 in 2021-22 to over 75,900 in 2022-23. This rise reflects a broader trend of women shifting from job seekers to job creators. Such developments not only empower women economically but also serve as a catalyst for broader social changes by challenging patriarchal norms and promoting gender equity.

Despite these advances, women entrepreneurs continue to face a complex interplay of economic and socio-cultural challenges. Access to formal credit, collateral requirements, bureaucratic red tape, limited asset ownership, and low financial literacy remain persistent barriers. The absence of

* Research Scholar, Department of Commerce & Management, Career Point University, Kota, Rajasthan, India.

** Research Guide, Department of Commerce & Management, Career Point University, Kota, Rajasthan, India.

targeted mentorship programs and limited market linkages further hampers their business growth. Additionally, deeply entrenched gender norms, mobility restrictions, and dual burdens of family and work continue to restrict women's full participation in entrepreneurship.

To address these challenges, the Indian government and several private stakeholders have launched a range of initiatives aimed at encouraging and supporting women entrepreneurs. Programs such as **Startup India, Mudra Yojana, Stand-Up India, Mission Shakti, Annapurna Yojana**, and **Udyogini Scheme** offer financial assistance, skill development, and market support. Initiatives like the **Women Entrepreneurship Platform (WEP)** by NITI Aayog have created an ecosystem for collaboration, mentorship, and access to resources.

Moreover, digital technologies, social media, and increasing internet penetration have provided women with new platforms to launch, market, and expand their businesses. These tools have leveled the playing field by enabling wider visibility, customer engagement, and innovation. The emergence of several successful women-led ventures across diverse sectors—from health and education to technology and tourism—stands testament to their capability and resilience. Entrepreneurs like Kalpana Saroj, Aditi Gupta, Hemalatha Annamalai, and Roshni Nadar Malhotra have not only broken glass ceilings but have also become role models inspiring the next generation of women leaders.

However, the road ahead demands sustained efforts in improving access to finance, promoting gender-sensitive policies, and ensuring institutional support through public-private partnerships. Blended financing models, customized incubation programs, and recognition through awards and campaigns can further boost women's participation in entrepreneurship. It is also crucial to foster a cultural shift that celebrates women's achievements and challenges gender stereotypes.

In this context, the present study focuses on the economic and socio-cultural factors influencing the performance of women entrepreneurs in South-East Rajasthan, covering districts such as Kota, Bundi, Baran, and Jhalawar. This region, characterized by a mix of traditional socio-cultural practices and emerging economic opportunities, provides a unique case for examining how systemic barriers and personal motivations intersect in shaping women's entrepreneurial journeys.

The study aims to provide empirical insights into the challenges and enablers that affect women entrepreneurs in this region, contributing to the larger discourse on gender, entrepreneurship, and regional development. By identifying the gaps and opportunities, the research intends to inform policy frameworks and institutional strategies that can promote a more inclusive and gender-equitable entrepreneurial ecosystem in India.

Research Objective and Methodology

- **Research Type:** Descriptive

Research Objective

- To study the impact of Economic and Socio-cultural factors on the performance of women entrepreneurs.
- To study the overall relationship between Economic and Socio-cultural factors and the performance of women entrepreneurs.

Data Collection and Sampling Method

Sampling Frame: For this research, South-East Rajasthan has been identified for the study. Both registered and unregistered women entrepreneurs of four districts of Kota, Bundi, Jhalawar and Baran will be considered as the sampling frame for the study.

Data Analysis and Hypothesis Testing

Table 1: Family Annual Income

Responses over Family's annual income		
	Response	Percentage
0-2 lakh	45	9.00%
2-5 lakh	98	19.60%
5-10 lakh	92	18.40%
10 lakh & more	265	53.00%
Total	500	100.00%

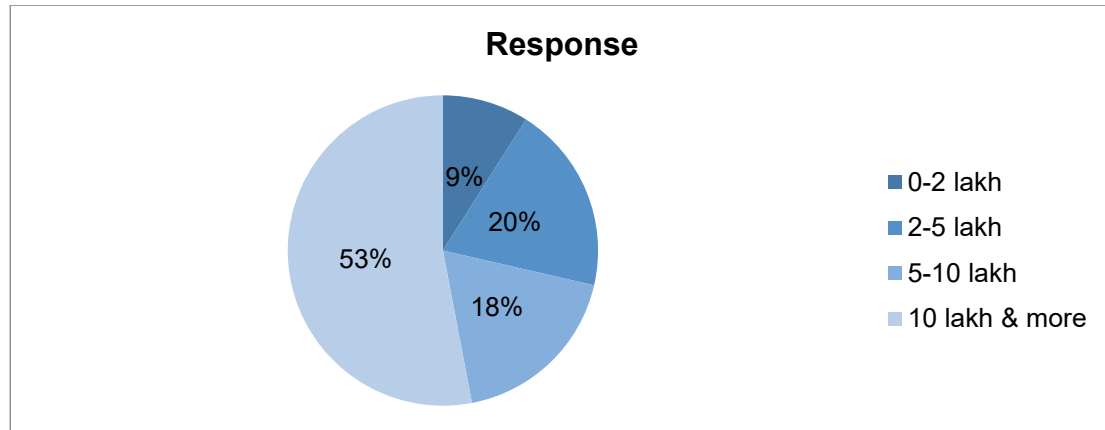


Figure 1: Family Annual Income

Interpretation: The data on family annual income shows that a majority of women entrepreneurs (53%) come from families earning ₹10 lakh or more annually, indicating that over half of the respondents belong to financially stable households. Additionally, 19.6% have an income between ₹2–5 lakh, and 18.4% fall in the ₹5–10 lakh bracket, while only 9% belong to families earning less than ₹2 lakh per year. This suggests that economic stability plays a significant role in enabling women to pursue entrepreneurial ventures, though a notable portion from lower and middle-income groups are also entering the business space, reflecting growing aspirations across income levels.

Table 2: Business is a Family or Start-up Business

Responses over business legacy		
	Response	Percentage
Family business	98	19.60%
Start Up	402	80.40%
Total	500	100.00%

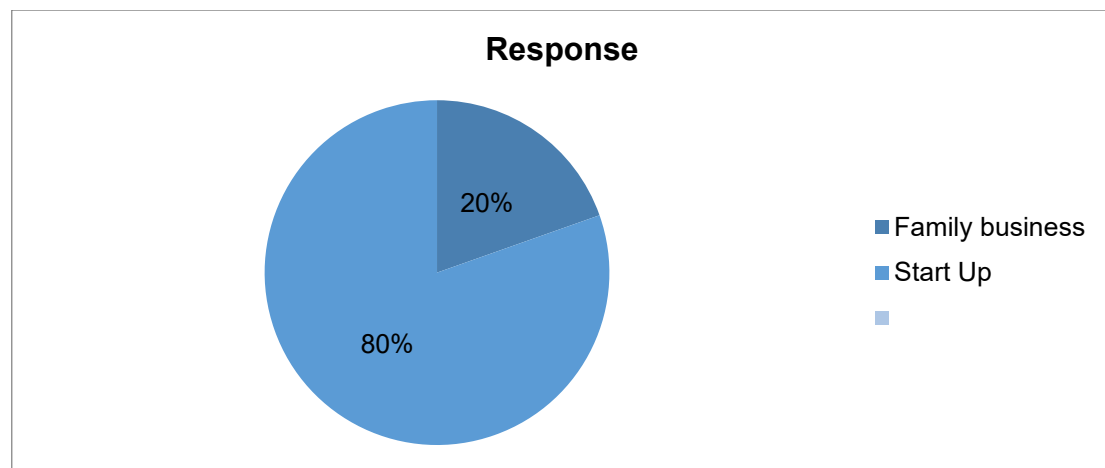
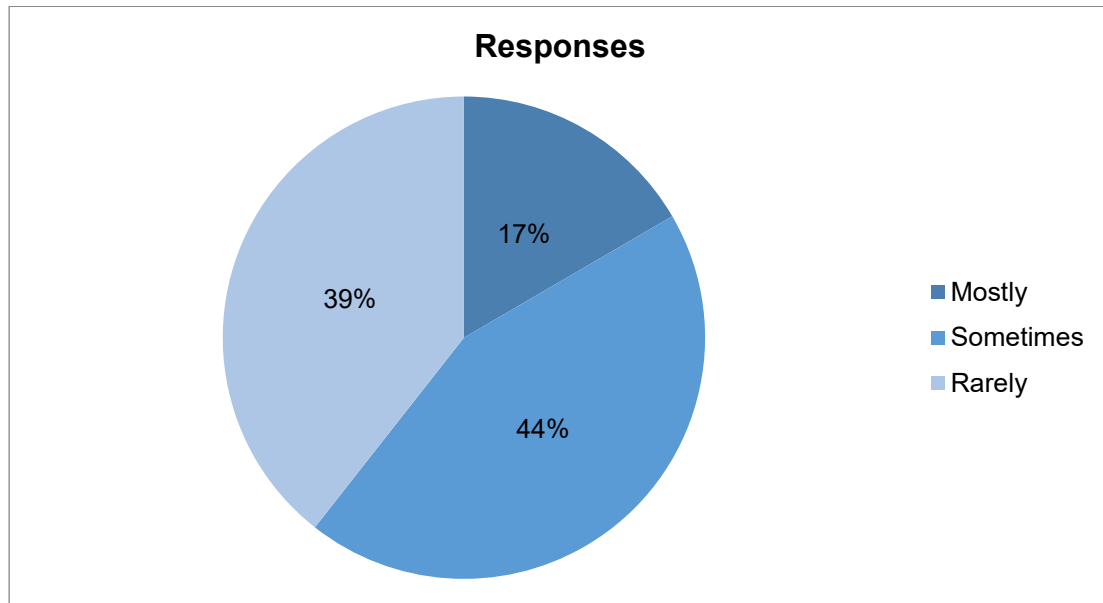


Figure 2: Family or Start-up Business

Interpretation: The data on business legacy reveals that a vast majority of women entrepreneurs (80.4%) have started their own ventures independently as startups, while only 19.6% are continuing a family business. This indicates a strong trend of first-generation women entrepreneurs who are stepping into the business world on their own initiative, showcasing innovation, self-reliance, and a break from traditional dependency on family-run enterprises. It reflects the growing confidence and entrepreneurial spirit among women to build their own identity in the business sector.

Table 3: Social/Family Restrictions/Lack of family support

Responses over family restrictions and lack of support		
	Responses	Percentage
Mostly	83	16.60%
Sometimes	220	44.00%
Rarely	197	39.40%
Total	500	100.00%

**Figure 3: Social/Family Restrictions/Lack of family support**

Interpretation: The data on family restrictions and lack of support shows that 44% of women entrepreneurs sometimes face such challenges, while 16.6% report experiencing them frequently. On the other hand, 39.4% rarely encounter these issues. This suggests that while a considerable number of women still struggle with limited family support or restrictions, a growing proportion are receiving encouragement or at least not facing significant opposition. The findings highlight the evolving social dynamics around women's entrepreneurship but also emphasize the need for continued efforts to promote family and community support as a crucial enabler for women's business success.

First hypothesis

H₀: There is no significant relationship between economic factors performance of women entrepreneurs.

H₁: There is a significant relationship between economic factors performance of women entrepreneurs.

Solution: The above hypothesis is tested using chi-square test given as follows:

Table 4: Economic Factor

Family Annual Income	Average Profit (in Lakhs)				Total
	0-5 Lakh	5-10 Lakh	10-20 Lakh	20 Lakh and more	
0-2 lakh	17	12	7	9	45
2-5 lakh	51	36	9	2	98
5-10 lakh	26	42	13	11	92
10 lakh and more	171	69	9	16	265
Total	265	159	38	38	500

Table 5: Chi-Square Test Statistics for First Hypothesis

	0-5 Lakh	5-10 Lakh	10-20 Lakh	20 Lakh and more	Row Totals
0-2 lakh	17 (23.85) [1.97]	12 (14.31) [0.37]	7 (3.42) [3.75]	9 (3.42) [9.10]	45
2-5 lakh	51 (51.94) [0.02]	36 (31.16) [0.75]	9 (7.45) [0.32]	2 (7.45) [3.99]	98
5-10 lakh	26 (48.76) [10.62]	42 (29.26) [5.55]	13 (6.99) [5.16]	11 (6.99) [2.30]	92
10 lakh and more	171 (140.45) [6.65]	69 (84.27) [2.77]	9 (20.14) [6.16]	16 (20.14) [0.85]	265
Column Totals	265	159	38	38	500 (Grand Total)

The chi-square statistic is 60.328. The p -value is < 0.00001 . The result is significant at $p < .05$. Therefore, the null hypothesis is rejected. Therefore, there is a significant relationship between economic factors performance of women entrepreneurs.

Second Hypothesis

H₀: There is no significant impact of economic factors on performance of women entrepreneurs.

H₁: There is significant impact of economic factors on performance of women entrepreneurs.

Solution: Solution: The above hypothesis is tested using one way Anova test given as follows:

Table 6

Summary of Data					
	Treatments (Family Annual Income)				
	0-2 lakh	2-5 lakh	5-10 lakh	More than 10lakh	Total
N	45	98	92	265	500
$\sum X$	73	102	135	539	849
Mean	1.6222	1.0408	1.4674	2.034	1.698
$\sum X^2$	177	110	287	1277	1851
Std.Dev.	1.1538	0.1989	0.9884	0.8273	0.9058
Result Details					
Source	SS	Df	MS		
Between-treatments	77.387	3	25.7957	$F = 38.53681$	
Within-treatments	332.011	496	0.6694		
Total	409.398	499			

F-value = 38.54, $p < .00001$ → The differences in mean performance across different family income income groups are **statistically significant**. Therefore, null hypothesis is rejected.

Third Hypothesis

H₀: There is no significant relationship between social factors performance of women entrepreneurs.

H₁: There is. significant relationship between social factors performance of women entrepreneurs.

Solution: The above hypothesis is tested using chi-square test given as follows:

Table 7: Social Factors

	Average Profit (in Lakhs)				
	0 – 5	5-10	10-20	20 and more	
Family business	34	28	14	22	98
Start Up	231	131	24	16	402
Total	265	159	38	38	500

Table 8: Chi-Square Test Statistics for Third Hypothesis

	0-5	5-10	10-20	20 and more	Row Totals
Family business	34 (51.94) [6.20]	28 (31.16) [0.32]	14 (7.45) [5.76]	22 (7.45) [28.43]	98
Start up	231 (213.06) [1.51]	131 (127.84) [0.08]	24 (30.55) [1.41]	16 (30.55) [6.93]	402
Column Totals	265	159	38	38	500

The chi-square statistic is 50.6385. The p -value is < 0.00001 . The result is significant at $p < .05$. H_0 is rejected. Therefore, there is a significant relationship between social factors performance of women entrepreneurs.

Fourth Hypothesis

H₀: There is no significant impact of Socio-Cultural factors on performance of women entrepreneurs.

H₁: There is significant impact of Socio-Cultural factors on performance of women entrepreneurs.

Solution: The impact of Socio-Cultural factors on performance of women entrepreneurs has been tested as follows:

Table 8: T- Test Statistics for Forth Hypothesis

Group	N	Mean (M)	SS (Sum of Squares)	Variance (s ²)
Family Business (T1)	98	10.81	7347.85	74.98
Start -up (T2)	402	5.77	10823.45	26.99

An independent-samples t-test was conducted to compare average profits between women entrepreneurs from **family businesses** and those from **start-ups**.

The results revealed a significant difference in mean profit:

- Family Business: $M = 10.81$, $SD^2 \approx 74.98$
- Start-Up: $M = 5.77$, $SD^2 \approx 26.99$
- **$t(498) = 7.44$, $p < .0001$**

This indicates that the **type of business origin** has a statistically significant impact on the performance of women entrepreneurs.

Conclusion

The present empirical study highlights the multifaceted influence of economic and socio-cultural factors on the performance of women entrepreneurs in South-East Rajasthan. Drawing from both descriptive data and hypothesis testing, several critical insights emerge.

Firstly, the income distribution of respondents indicates that a majority of women entrepreneurs (53%) belong to economically stable families with annual incomes exceeding ₹10 lakh. This underlines the positive correlation between financial stability and entrepreneurial participation. However, the presence of entrepreneurs from lower- and middle-income households reflects the growing aspirations and determination of women across diverse economic backgrounds to engage in entrepreneurial ventures.

Secondly, the data reveals that a vast majority (80.4%) of women entrepreneurs are first-generation business owners who have independently launched start-ups rather than inheriting family businesses. This trend demonstrates a rising spirit of innovation, self-reliance, and a shift away from traditional dependency on family-run enterprises. It also indicates a significant cultural transformation, wherein women are increasingly claiming economic agency.

Thirdly, while socio-cultural challenges persist—such as mobility restrictions, lack of family support, and entrenched gender norms—many women report only occasional or rare instances of such barriers. Approximately 44% face these constraints sometimes, and 39.4% rarely encounter them, reflecting a gradual yet noticeable change in social attitudes towards women's economic participation.

The hypothesis testing affirms the statistically significant impact of both **economic** and **socio-cultural** factors on the performance of women entrepreneurs. The chi-square test results establish significant relationships between income levels, business types, and profitability outcomes. Hypothesis testing yielded an F-value of 38.54 with a p -value less than .00001, strongly supporting that there are statistically significant differences in mean performance across different family income groups. T-test showed significant difference in mean profits This indicating the **type of business origin** has a statistically significant impact on the performance of women entrepreneurs.

These findings collectively demonstrate that while economic enablers such as access to capital, infrastructure, and credit facilities are vital, socio-cultural support systems—such as family encouragement, gender-equitable norms, and community recognition—are equally critical to fostering entrepreneurial success.

In conclusion, the study underscores the need for holistic policy interventions that address both economic and social dimensions of entrepreneurship. Promoting financial inclusion, improving awareness and access to government schemes, and encouraging societal shifts through education and sensitization can significantly boost the entrepreneurial ecosystem for women in South-East Rajasthan. Tailored support mechanisms and inclusive development frameworks are imperative for harnessing the full potential of women entrepreneurs as agents of economic progress and social change.

References

1. 1.Rubert, E. J., & SahayaShabu, J. (2020). *Rural women entrepreneurship: Key to industrial growth, social and economic development of a country – A study with reference to Tamil Nadu state, India*. International Journal of Management (IJM), 11(3), 325–336.
2. 2.Cardella, G. M., Hernández-Sánchez, B. R., & Sánchez-García, J. C. (2020). Women entrepreneurship: A systematic review to outline the boundaries of scientific literature. *Frontiers in Psychology*, 11.
3. 3.Babli. (2021). Women entrepreneurship in India: Role and challenges. *Ilkogretim Online - Elementary Education Online*, 20(4), 3652–3757. <http://ilkogretim-online.org>
<https://doi.org/10.17051/ilkonline.2021.04.402>
4. 4.Datta, D. (2021). Women entrepreneurship in India: A study on the progress of Indian women entrepreneurs in the global context. *International Journal of Multidisciplinary Educational Research*, 10(11[6]). www.ijmer.in
5. 5.Subathra, C., Rathi, V. P., & Sindhu, P. (2021). Women entrepreneurs: A study on government schemes. *Ilkogretim Online - Elementary Education Online*, 20(5), 924–929. <http://ilkogretim-online.org> <https://doi.org/10.17051/ilkonline.2021.05.99>
6. 6.Babita, K., & Rani, K. (2021). Women entrepreneurship in India: Challenges and suggestions. *International Journal of Creative Research Thoughts*, 9(10). www.ijcrt.org
7. 7.Sen, A., & Malliga, A. L. (2021). Women entrepreneurship. *Palarch's Journal of Archaeology of Egypt/Egyptology*, 18(9). <https://www.archives.palarch.nl/index.php/jae/article/view/9691>
8. 8.SarlinVenotha, A., & Mariadoss, S. (2022). Women entrepreneurship in India: A literature review. *International Research Journal of Modernization in Engineering Technology and Science*, 4(12). <https://www.irjmets.com>
9. 9.Shah, M., Joshi, A. B., Dave, A., & Dave, T. (2022). Women entrepreneurship in India: The lesser favourable road. *Natural Volatiles & Essential Oils*, 9(1), 1759–1765.

