

## CHALLENGES AND OPPORTUNITIES FOR WOMEN ENTREPRENEURS IN ODISHA: A CRITICAL REVIEW

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### ABSTRACT

*In the elapsed decade periods, the participation of female business owners in the state of Odisha has been increasing and they are involved in the fields like agriculture, handicrafts, handlooms, food processing, and eco-tourism. You will come across the term entrepreneur and business in many instances. An entrepreneur is a person who thinks about and looks for business opportunities, takes the risk and accountability of putting in some money and thinks of starting and operating a business. Women entrepreneurs, particularly in the state of Odisha, encounter the juxtaposition of being a businesswoman and the socio-cultural challenges of modern-day society, which at times fully embraces traditional practices and at other times demands modern practices. Such skills were inherited by a number of women from the region in textiles and cottage industries, and they have been able to use such skills through the internet to reach out to a wider market both in the country and outside it. Use of sanitation facilities has been promoted by many Government programs training the operations, providing start-up finance, and making goods available. In spite of the above improvements, women entrepreneurs still encounter hurdles in rural areas such as credit constraints, gender lens in lending, poor infrastructure and lack of business skills and training. Though there are various schemes in place to encourage women's entrepreneurship in India, women in rural and tribal parts of the country still face severe challenges, such as archaic practices, lack of mobility, and no contacts. However, with efforts to increase the provision of financial services and education, and digital access, the status of women entrepreneurs in the state of Odisha is likely to improve even more. Wages on the farm can reduce the need for off-farm work, making it more plausible for women to work within their family businesses and at the same time allow making better use of women's time and increasing income buying power.*

**Keywords:** Constraints, Finance, Empower, Poor, Market.

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### Introduction

Historically, the term "entrepreneur" comes from the French word "entreprendre", meaning 'to attempt,' popularized by Jean-Baptiste Say (Rath, Satpathy, & Patnaik, 2020). Mahanta (2016) Entrepreneurship is a creative activity that makes smart use of resources to accomplish particular objectives through methodical and well-coordinated preparation. It is closely linked to industrial and economic advancement and promotes growth through increased employment, productivity, and innovation. In Odisha, women-led micro businesses have raised family incomes over the last five years while simultaneously enhancing women's social status and decision-making authority. This change in rural women's economic activity has had a major impact on local economies and changed rural social structures, underscoring the transformative power of women's entrepreneurship in fostering community development. Examining the development of women's roles in India shows a notable change, especially

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in Odisha, where women are becoming more acknowledged as essential to their families' financial security. Since it is associated with increased safety, dignity, and living conditions, women's empowerment has emerged as a fundamental tenet of social and economic progress. Due to education, rights awareness, and the fight for gender equality, Odisha has seen notable advances in female literacy and participation in a variety of occupations (Pareek and Satapathy 2020). Another field where entrepreneurship has significantly changed things is tourism and hospitality, especially in rural areas. This sector gives local residents a steady source of income while reducing reliance on agriculture. Local producers can participate in the worldwide market thanks to tourism-driven entrepreneurship, which opens up possibilities for diverse economic growth. This change in emphasis from agriculture to tourism promotes resilience through economic diversification and stabilizes local economies (Priya and Khamesra 2019)

As per Startup Odisha, women are at the helm of 42% of all registered firms in the state, making Odisha a 'top performer' in India's 2022 national startup ecosystem. The state's strong Self-Help Group (SHG) structure has contributed to an increase in the number of women entrepreneurs in Odisha. More than 6 million women are organized over 6 lakh Self-Help Groups (SHGs) thanks to programs like Mission Shakti, which makes a substantial contribution to the local economy. These SHGs have produced textiles, food, and pickles, among other government-sponsored revenue-generating ventures. Through interest-free loans and procurement possibilities, the state government has committed Rs 5,000 crore over five years to improve SHGs and expand their commercial scope (Odisha Government, 2021; Sambad English, 2023). To further promote diversity in the startup sector, 33% of government-funded startup grants are given to women-led companies in the entrepreneurial ecosystem. More than 100 of the 310 companies that were established in Odisha in the course of 18 months were started by women. These initiatives, which are sponsored by grants, subsidies, and incubator programs backed by policy, cover sectors like healthcare, technology, and traditional crafts (New Indian Express, 2018).

In coastal Odisha, Bhubaneswar, Cuttack, and Puri have become startup hotspots. Bhubaneswar has taken the lead thanks to its top-tier universities, including IIT, IIIT, and NISER, as well as the presence of IT behemoths like Infosys and TCS. From 2015 to 2019, the Odisha government promoted MSMEs with the goal of creating 0.4 million employments, and an entrepreneurship development policy is currently in place. Notable Bhubaneswar startups include Tatwa Technologies, which started off as an IT services company before branching out into business technology services, and Mindfire Solutions, an offshore software company. SakRobotix, AMOKart, and HelloDoctor24x7 are other startups. Bhubaneswar, which the World Bank ranked as the finest city to do business in India, provides a low cash burn and a supportive environment that makes it perfect for venture testing and growing.

2010 Gender Disparity Report, there are about 200,000 female entrepreneurs in Odisha. More than 4,000 entrepreneurs have lately received training from government programs that offer Entrepreneurship Development Programs (EDPs), particularly through the MSME department. But only 15% of MSMEs are owned by women; in order to further empower women and encourage self-reliance, this number should rise to 50%.

Odisha, with its rich cultural heritage in crafts like Ikat handloom, sand art, and Odissi dance, presents vast potential for cultural industry growth. The Cultural entrepreneurs such as Padma Shri Dr. Chaturbhuj Meher (Handloom) and Padma Vibhushan Sri Sudarshan Sahoo (Stone Art) have not only fostered local employment and economic growth but have also played a vital role in preserving Odisha's cultural legacy (Dr. Goutam Saha and Lipsa Mohapatra).

### **Socio-Economic Factors Influencing Women Entrepreneurs in Odisha**

Women's entrepreneurship is viewed as an answer in solving the problems of poverty. Through economic integration and the implementation of sustainable development policies, women entrepreneurs have a big potential to address rural poverty (Behera, 2017). Factors like autonomy, self-assurance, commercial acumen, involvement in public forums like the Palli Sabha, and home decision-making authority all affect the empowerment of women entrepreneurs in Odisha. However, despite these contributions, women's labour force participation rates are lower due to the gendered division of work, especially in metropolitan areas (Senapati and Parida's). Women successfully use social capital to enhance their economic results and quality of life. Social capital and the improvement of the living conditions of indigenous women are directly and favourably correlated. Additionally, the relationship between livelihood promotion and social capital is strengthened by entrepreneurship, which is recognized as a mediating factor. the value of networks and connections within the community in encouraging entrepreneurship and enhancing indigenous women's socioeconomic well-being (Mahato and Jha 2024).

The advantages and disadvantages of ICT availability and use for female MSMEs' owners in the Ganjam and Gajapati districts of Odisha. The participants' experiences with various ICTs, their applicability to business, and the limitations in digital transactions were examined using Amartya Sen's Capability Approach. Issues that restrict the efficient use of digital technology, such as lack of institutional support, language hurdles, and digital exclusion. For improved adoption of digital payments, there should be more business-relevant ICT content, ICT training integrated into current programs, and ways to get around language obstacles. The significance of facilitating digital inclusion to improve women entrepreneurs' business performance (Mishra and Mohanty 2022).

Entrepreneurship may stimulate rural development and raise living standards by supporting women-led businesses, especially in impoverished rural areas. The important role that female entrepreneurs may play in combating rural poverty is highlighted by the alignment of women's economic empowerment with more comprehensive plans for sustainable development (Behera 2017). In addition to supporting business endeavours, social connections and community networks play a critical role in fostering livelihoods. The value of group community involvement in supporting indigenous women's socioeconomic advancement and entrepreneurship (Mahato and Jha, 2024). The development of women entrepreneurs in Odisha depends on their ability to access ICTs, yet obstacles such as language difficulties, digital exclusion, and a lack of assistance in digital business. Tailored ICT training and resources to bridge this gap and enable women entrepreneurs to thrive in a digital economy (Mishra and Mohanty 2022).

#### **Challenges Faced by Women Entrepreneurs in Odisha**

- **Limited Access to Finance and Financial Literacy:** Women entrepreneurs in Odisha frequently do not possess adequate financial literacy, which hinders their capacity to successfully negotiate intricate financial environments (Sahu & Pradhan, 2016). In addition to financial difficulties, many women continue to be underbanked and rely heavily on unofficial funding from family or small community organizations due to a lack of knowledge about financial products, credit schemes, and lending procedures. They are less resilient to changes in the economy and are unable to make smart investments due to this lack of financial knowledge.
- **Family Responsibilities and Social Expectations:** Many women micro-entrepreneurs, who frequently face low social and economic status and inherent business risks, find their mobility severely restricted by family responsibilities. High credit sales, transportation problems, and middleman exploitation are some of the marketing obstacles they must overcome. Along with inadequate infrastructure, psychological obstacles such as a lack of confidence, communication skills, and self-motivation further restrict their advancement. Conventional family roles limit women's time for business by prioritizing their domestic responsibilities. They find it challenging to strike a balance between their entrepreneurial endeavours and household duties due to cultural expectations. Women find it difficult to grow their enterprises without family support, which reduces their ability to compete with men.
- **Absence of Market Opportunities and Infrastructure:** Travel, training, and market access restrictions exacerbate isolation, and Odisha faces particular difficulties in comparison to other states, necessitating solutions tailored to the region (Sahu & Pradhan, 2016). Significant logistical obstacles that women micro-entrepreneurs in Odisha must overcome include inadequate supply chains, inadequate transportation networks, and restricted internet access. These limitations restrict their capacity to get high-quality raw materials, gain access to effective distribution networks, and expand their market reach, particularly in rural regions. Because of these infrastructural limitations, most businesses still operate at the micro level, and this affects their growth and profitability margins.
- **Gender Gaps:** Economic participation, schooling both at formal institutions and at workplace and number of children born are some of the factors that promote gender disparity in entrepreneurship. Due to societal assumptions that present entrepreneurship as a male-dominated field, women's goals are hampered and psychological barriers are created. These difficulties are further compounded by cultural conventions that make it difficult to strike a balance between job and family, as well as a lack of professional and familial support. Because of this, women frequently experience discrimination from suppliers, investors, and clients, which makes it challenging for them to exercise authority in commercial dealings (Shastri et al., 2022).

- **Legal and Bureaucratic Barriers:** Patriarchal regimes' structural injustices frequently result in hardships and violence against women. Significant social, economic, and political barriers still exist even though Odisha's ICT and e-governance projects are empowering women in male-dominated fields (Dhal, 2020). Many women are discouraged from applying for government programs, loans, or licenses because of the intricate paperwork and lengthy bureaucratic processes in these institutions.

#### Opportunities for Women Entrepreneurs in Odisha

- **Government Policies and Schemes:** Pradhan Mantri Mudra Yojana and StartUp India programs enhance women's access to the primary need for women's entrepreneurship such as, skill development training and low cost loans (Government of India, 2015; Ministry of Finance, 2017). Although the Odisha MSME Development Policy aims at increasing the financial autonomy of women in rural areas through handicrafts and agribusiness, state specific policies like these provide extra support through subsidies and infrastructure development to women owned MSME's in Odisha (Odisha Government, 2020).
- **NGO and Private Sector Initiatives:** In uplifting women in entrepreneurship initiatives, NGOs and private firms play a great role in promoting employment and skills in Micro, Small and Medium Enterprises (MSMEs) industries in Odisha. It is shown in a study by Mishra, Mishra and Mohapatra (2024) that women are raised in socioeconomic status through MSMEs which are male dominated industries. Business registration and financing obstacles faced by females might be alleviated by making such processes less complex (Mishra et al., 2024).
- **New Opportunities fit for Women Entrepreneurs:** Considering the natural resources and cultural heritage of Odisha, women have opportunities in the tourism, agribusiness, and other sectors.
- **Digital Platforms and E-commerce:** With e-commerce and digital platforms, marketplaces are provided to women entrepreneurs on a scale never experienced before. However, websites belonging to indigenous crafts of the people are rare though such sites based in Odisha such as Boyanika and Odikala do promote indigenous crafts. Digitalization empowers women entrepreneurs to meet the increasing demand of consumers in a market that is looking for women who are authentic and offer sustainable goods (Mishra, 2020).
- **Trainees and Skill Development Programmes:** Many skill development efforts are related to the concept of entrepreneurship. As described by Odia Skill Development Authority (OSDA) (OSDA, 2021) vocational training is being undertaken in various spheres such as agribusiness, hospitality, and handicrafts. In order to remain competitive in today's market, women must engage in training not only within their trades but also in digital marketing and finance, which local NGOs offer. These schemes, particularly in regard to remote areas of the country, can stimulate women's entrepreneurship.
- **Mentorship, Networking opportunities:** Networking and mentorship are important for women entrepreneurs as they provide resources and advice. Women are given the power to navigate the challenges they face when being put in contact with more experienced mentors through programs run by NGOs and Federations like the Federation for Indian Women Entrepreneurs (FIWE) (FIWE, 2019).

#### Impact of Government Policies on Women Entrepreneurs in Odisha

- **Evaluation of Central and State-Level Initiatives:** The Indian government has put in place a series of practices at federal and state levels, designed by various institutions, which offer training, resources, and credits to enhance the capacity of women entrepreneurs. Such crucial initiatives as Start-Up India, Pradhan Mantri Mudra Yojana (PMMY), and the Odisha MSME Development Policy focus on providing targeted aid and resources to bridging the gap in women entrepreneurship (Government of India, 2015; Ministry of Finance, 2017). Employment promotion programs of the Odisha government also include Mamata which provides funding only to women entrepreneurs thereby enhancing their ability to establish and sustain businesses within the framework of government policies (Odisha Government, 2020).
- **Evaluation of Microfinance Programs and Subsidies:** Microfinance programs including MCPs have been very effective in motivating women to start engaging in micro entrepreneurship activities. Jena (2021), MCPs have significantly boosted the economic growth of households

and microenterprises, however there are major variations in loan disbursement, entrepreneurial uptake, and payback rates between districts. These programs are especially helpful for female business owners in rural Odisha, where official lending channels are still scarce. MCPs and comparable initiatives support greater business stability, financial independence, and regional economic upliftment by providing subsidies and loans with reduced interest rates (Jena, 2021).

- **Micro Credit Plans (MCPs) as Economic Growth Drivers:** MCPs are essential in helping women entrepreneurs obtain financial resources, especially in areas with weak banking infrastructure. Jena (2021), MCPs increase income production and financial independence, which empowers women at the home level in addition to fostering micro-entrepreneurial growth. Better living conditions, increased self-sufficiency, and economic mobility for women in Odisha have all been strongly linked to MCP success, illustrating how financial inclusion policies can spur more significant social change.
- **Policy Impact on Skill Development and Education:** Many government policies prioritize skill development and financial literacy for women entrepreneurs, recognizing that education is crucial for sustained business success. For instance, Odisha's Skill Development Authority (OSDA) offers vocational training for women in high-potential sectors, from agribusiness to digital marketing (OSDA, 2021). This focus on skills equips women with the competencies needed to establish and expand businesses, contributing to more resilient and competitive enterprises.
- **Encouragement of Digitalization and Market Access:** By giving women entrepreneurs access to digital banking services, online marketing, and e-commerce platforms, initiatives like Digital India seek to close the digital divide. These initiatives increase the visibility of women entrepreneurs and enable them reach a wider audience by promoting digital literacy, which opens up new revenue streams for their companies (Ministry of Electronics and Information Technology, 2020).
- **Obstacles and Opportunities for Development:** Despite the progress made by government programs to assist women entrepreneurs in Odisha, obstacles still exist. Women are frequently unable to fully benefit from these policies due to complicated application procedures, a lack of knowledge about relevant schemes, and restricted access to digital resources in remote areas (Sahoo, 2021).

#### **Role of Self-Help Groups (SHGs) and Cooperatives in Promoting Women Entrepreneurship**

- **How Self-Help Groups (SHGs) Operate in Rural Odisha:** SHGs offer forums for financial literacy, skill development, and resource sharing with the help of groups like Mission Shakti. Women receive instruction in entrepreneurship and money management through frequent meetings, which promotes sustainable livelihoods in their communities (Das & Sahu, 2023). With income-generating projects that affect over 5,000 families, the Gajapati Women Self Help Cooperative Ltd. is a prime example of how successful cooperatives can be (Patnaik, 2016).
- **SHGs' Effect on Women's Economic Empowerment:** By expanding loan availability, encouraging revenue-generating ventures, and raising household contributions, SHGs considerably increase women's economic empowerment. Das and Dhancholia (2016), structured savings and loans increase financial independence, which raises one's social standing and decision-making authority. Particularly in underserved places like Mayurbhanj, financial inclusion through SHGs turns women from stay-at-home moms into active business owners (Garu & Dash, 2023).
- **Collaborative Business Models for Business Growth:** Women can start microenterprises using shared networks and resources thanks to the collaborative business models that SHGs and cooperatives promote. This strategy encourages social entrepreneurship by giving women access to larger markets, social capital, and knowledge sharing (Roy et al., 2014). Organizations such as DRDA and NABARD offer technical training in fields like textiles and handicrafts, giving women the tools they need to start their own businesses (Mishra, 2015).
- **Fostering Social and Economic Development:** By tackling gender inequality and generating social value, SHGs foster social and economic empowerment. They improve women's economic security while changing gender role standards in society. SHGs enable women to be change agents in traditional settings, promoting inclusive development (Das & Sahu, 2023).

- **Mission Shakti and Financial Inclusion Initiatives:** By providing institutional assistance and easing access to financing, Mission Shakti improves SHG operations. Mission Shakti facilitates women's access to vital financial services, allowing them to expand their business ventures and fostering long-term financial security and independence.
- **Opportunities and Difficulties for Microenterprises Based on SHGs:** Notwithstanding the benefits, women entrepreneurs in Self-Help Groups (SHGs) encounter obstacles such as a lack of initial funding and the requirement for more drive and self-assurance (Mishra, 2015). Expanding microbusinesses and optimizing SHGs' influence on women's economic empowerment in Odisha require improved capacity-building initiatives and easier access to resources.

### Conclusion

In Odisha, women's entrepreneurship greatly promotes economic growth and lowers poverty, thanks to programs like Self-Help Groups (SHGs) and Micro, Small, and Medium Enterprises (MSMEs). These initiatives enable women to start and maintain microbusinesses by giving them access to credit, skill development, and possibilities for collective action. Financial limitations, patriarchal standards, restricted mobility, and societal preconceptions that prevent full economic involvement are some of the obstacles that still exist, though. Scalability of businesses is hampered by marketing challenges and limited access to larger markets. Despite improvements, a lack of funding and market access causes a gap between talent development and a successful company launch. In the agricultural seed value chain, gender inequality also restricts women's productivity and access to high-quality resources. Policies and support networks tailored to a given region are needed to address these problems, with a focus on infrastructural development, gender-sensitive initiatives, and the expansion of technical capabilities. Support from the family, society, and government must be strengthened in order to allow women to manage both enterprise and household duties. Their tenacity is demonstrated by the growth of women-led businesses, especially in rural areas. Even though there has been progress, more work is needed to remove systemic obstacles and offer all-encompassing assistance so that female entrepreneurs can reach their full potential as important forces behind socioeconomic advancement and national expansion.

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