

Original Article

Uncovering Financial Realities: Challenges and Opportunities for Women Entrepreneurs in Lucknow, India

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Abstract - Women entrepreneurs in India face significant challenges in accessing financial resources despite their demonstrated success. This research focuses on female entrepreneurs in Lucknow, aiming to identify the sources of financing utilized, their awareness, challenges, and perceptions regarding access to financial resources. Using a qualitative approach, personal interviews were conducted with 11 respondents from various industries. The findings reveal that women entrepreneurs are hesitant to seek external investments due to perceived financial constraints imposed by investors. Self-funding and funding obtained from spouses are the predominant methods of financing. Despite government initiatives, a lack of awareness, accessibility, or trust results in minimal utilization. Additionally, there is a notable lack of knowledge about procedures for accessing funds. Many participants expressed a desire for the establishment of an entrepreneurship cell to provide guidance and facilitate connections with suitable investors. These findings underscore the need for targeted interventions to address the barriers faced by female entrepreneurs, emphasizing the importance of increasing awareness about funding opportunities and establishing support structures. Such initiatives could encourage greater participation, innovation, and success, promoting gender equality and inclusivity in Lucknow's entrepreneurial ecosystem.

Keywords - Empowerment, Financial inclusion, Gender equity, Women entrepreneurship.

1. Introduction

Entrepreneurship is a driving force for innovation, creativity, and economic growth, playing a crucial role in job creation, technological advancement, and overall economic development. Globally, Small and Medium Enterprises (SMEs) are significant contributors to new job opportunities, highlighting the dynamic and ever-evolving entrepreneurial landscape. Notably, the participation of women in entrepreneurship has seen a significant rise, with women entrepreneurs now comprising more than one-third of the entrepreneurial workforce in several countries [1]. Their growing importance is evident in their contributions to economic development, as their success stories inspire future generations. For example, Sara Blakely, the founder of Spanx, built a billion-dollar shapewear company from humble beginnings [2], while Kiran Mazumdar-Shaw, the founder of Biocon, has made a substantial impact on the biotechnology industry, reshaping the pharmaceutical landscape [3]. These examples illustrate not only financial success but also the resilience, creativity, and determination of women entrepreneurs in scaling their businesses to global prominence. Despite these achievements, women entrepreneurs continue to face significant challenges that

hinder their business endeavors. Gender biases and societal norms persist, creating barriers that limit women's progress in the entrepreneurial sphere. Research shows that women often encounter difficulties in accessing networks that are essential for business growth. For instance, a study reports that women-owned businesses are significantly less likely to seek equity financing compared to men, with only about 5% of high-growth women-owned firms pursuing venture capital, largely due to limited access to networks and mentorship [4]. While the number of women starting their businesses has increased significantly worldwide, disparities between men and women in accessing financial resources remain a critical issue. Women-led enterprises typically receive far less investment than those led by men, which poses a substantial challenge to the growth and sustainability of women-owned businesses [5]. This disparity is evident across various financial avenues, including loans, venture capital, and investments. Data from the International Finance Corporation (IFC) highlights a \$1.4 to \$1.7 trillion credit gap for women-owned SMEs, underscoring the significant lack of access to formal financial resources [6]. Interestingly, despite receiving less funding, women-led businesses often outperform their male counterparts, generating 10% higher



cumulative revenue over five years. Financially, they are more efficient, with every dollar of financing generating 78 cents in revenue, compared to 31 cents for male-founded firms [7]. Empirical studies globally reveal that women entrepreneurs face substantial challenges in securing financial resources. For example, research shows that women-led firms are often less likely to obtain bank loans compared to male-led businesses. When they do, they tend to receive less favorable terms, including higher interest rates [8]. Another study found that women-owned enterprises are underrepresented in public procurement, largely due to the complexity of contracting processes and challenges in finding opportunities [9]. These systemic issues continue to hinder the growth and sustainability of women-led businesses worldwide, reinforcing existing economic inequalities.

In India, gender-specific impediments to financial resources procurement still exist. One study demonstrates that female-headed households are notably less likely to access formal financial services and are more dependent on informal sources of finance than male-headed households, largely due to factors such as lower education levels and wages [9]. Additionally, another study highlights that despite efforts to improve gender diversity on corporate boards in India, women still struggle to access high-level financial decision-making roles, limiting their influence on financial transparency and overall economic inclusion [10]. These findings underscore the persistent systemic barriers that continue to impede financial access for women entrepreneurs in India. The lack of equal access not only constrains the growth potential of women-led businesses but also perpetuates economic disparities [11]. However, empirical research on gender-specific impediments to financial resource procurement is still lacking in this country. Research points out that while cross-country studies on gender and financial inclusion exist, there are very few comprehensive studies within India that directly address the gender dimension of financial inclusion [9]. This points to a significant research gap in understanding the specific barriers women face in India when accessing financial services.

In India, women entrepreneurs face considerable challenges in accessing financial resources despite their increasing presence in the entrepreneurial landscape. Government initiatives like the Pradhan Mantri Mudra Yojana and the Stand-Up India scheme are designed to support women entrepreneurs, but their effectiveness is limited. Research highlights that while women constitute 73.6% of the PMMY's beneficiaries, they only receive 43.5% of the disbursed loan amount. The average loan size of Rs. 26,747 is often insufficient to start a viable micro-enterprise, thus limiting the scheme's effectiveness in empowering women [12]. Furthermore, there are issues such as a lack of awareness, reluctance from banks to provide loans, and insufficient support for entrepreneurs in the Stand-up India

scheme that contribute to the low utilization of the scheme, which diminishes its impact on promoting entrepreneurship among women [13]. In Uttar Pradesh, India's most populous state, these challenges are particularly pronounced. The state government has launched initiatives such as the One District One Product (ODOP) scheme to promote entrepreneurship, yet women still struggle to access these resources. A study found that women entrepreneurs in Uttar Pradesh face significant barriers, including limited access to credit, mentorship, and networking opportunities [14]. Despite having the largest female population in India, Uttar Pradesh lags behind other states, especially those in the south, in fostering a supportive environment for female entrepreneurship [15].

The patriarchal societal structure in Uttar Pradesh exacerbates these challenges, as women often lack familial support, limiting their ability to seek external funding. Furthermore, the absence of robust entrepreneurial networks makes it difficult for women to connect with potential investors and mentors, which are crucial for business growth and sustainability. Lucknow, the capital of Uttar Pradesh, mirrors these broader state challenges but also offers unique insights into the local entrepreneurial ecosystem. A study found that women entrepreneurs in small cities like Lucknow primarily rely on self-funding due to limited access to institutional finance.

This finding is consistent with broader research across tier 2 and 3 cities in India, where only 3% of women entrepreneurs have access to external funding, leading the majority to depend on personal savings and informal sources for business capital [16]. This reliance on self-funding is due to several factors, including a lack of awareness about government schemes and the perception that application procedures are overly complex. The local banking infrastructure in Lucknow is often seen as unsupportive of women-led businesses, favoring established, male-dominated enterprises. This perception further discourages women from seeking external funding. Additionally, many women entrepreneurs are unaware of the various financial products available to support their ventures, exacerbating the funding challenges they face. Given the significant financial barriers faced by women entrepreneurs in Lucknow, there is an urgent need for targeted research to better understand and address these challenges. Existing studies underscore the potential of women-led businesses to drive economic growth and innovation. Yet, persistent financial disparities and socio-cultural obstacles highlight the need for a deeper exploration of the local context.

This research aims to fill that gap by providing a comprehensive analysis of the financial landscape for women entrepreneurs in Lucknow. Using qualitative methodologies, particularly semi-structured interviews, the study will uncover the specific challenges, perceptions, and strategies

women entrepreneurs encounter in securing funding. Additionally, it will explore potential recommendations to improve the funding landscape, with the goal of informing policymakers, support organizations, and financial institutions. Ultimately, the insights gained from this research aim to contribute to the development of more effective support mechanisms, fostering a more equitable and prosperous entrepreneurial ecosystem in Lucknow.

2. Methodology

2.1. Research Aim

The purpose of this study is to investigate the financing avenues opted by women entrepreneurs in Lucknow, India, as well as their awareness related to sources of external funding, resource acquisition tactics and perceptions of the regional funding landscape. The main variables included in this study were:

- **Composition of Funding Sources:** Examines the different sources of financing utilized by women entrepreneurs in Lucknow, including self-funding, bank loans, government schemes, and private investments.
- **Challenges in Obtaining Funding:** Explores the specific obstacles faced by women entrepreneurs in accessing financial resources, such as perceived risks, lack of collateral, awareness, and the complexity of application processes.
- **Awareness of Financial Resources:** Assesses the level of awareness among women entrepreneurs regarding the availability of various financial resources, including government schemes, bank loans, and private investments.
- **Perceptions of the Financial Landscape:** Captures the subjective perceptions of women entrepreneurs regarding the accessibility, fairness, and overall environment of the financial landscape in Lucknow.
- **Strategies for Securing Financial Resources:** Examines the strategies employed by women entrepreneurs to secure financial resources, including leveraging personal networks, formal applications, and alternative methods.
- **Impact of Networking and Mentorship:** Investigates the role and effectiveness of networking and mentorship in aiding women entrepreneurs to secure funding and navigate financial challenges.

2.2. Research Design

The study employed a qualitative research design, utilizing primary data collected through interviews. The interviews were conducted either in person or virtually, ensuring flexibility for participants. The questionnaire covered topics such as business details, funding sources, challenges faced, strategies employed, perceptions, and suggestions for improving the funding landscape. The interviews were recorded with prior consent from the respondents and spanned for about 15-20 minutes. There were a few additional questions that were asked specifically to the entrepreneurs who had sought external funding or were

planning to in the near future. The interviews were conducted in either English or Hindi, as per the convenience of the respondents and later transcribed in the same language. The interviews in Hindi were translated to English through a professional translation service to ensure consistency and accuracy to maintain the integrity of the participants' responses.

2.3. Sample and Sampling Characteristics

Judgment sampling was employed to ensure that the respondents could gather the most accurate information and that the questions asked were relevant to them. The research targets 11 women entrepreneurs operating businesses in Lucknow, spanning various industries and scales. The women-led businesses in this study spanned four sectors: Education & Lifestyle, Food & Beverage, Fashion & Apparel, and Healthcare & Services. The businesses varied in longevity, with the oldest operating for 19 years and the newest just 1 year. About 27% have been active for 1-3 years, 18% for 4-9 years, and 54.5% for over 10 years. Most businesses operate nationally, with 9 spanning India, one local to Lucknow, and one with occasional international activity.

2.4. Ethics and Informed Consent

Participants' privacy and confidentiality were rigorously protected throughout the study. Informed consent was obtained prior to each interview, with clear communication of the research objectives and participant rights. Participants were made aware of their right to withdraw at any stage of the study. Anonymity was maintained through the use of pseudonyms, and all data were securely stored. The study adhered to strict ethical standards, prioritizing the well-being and integrity of participants at every stage of the research process.

2.5. Analysis Technique

This study employed a phenomenological approach to gain an in-depth understanding of the lived experiences of women entrepreneurs in Lucknow. The following steps were undertaken to ensure a rigorous analysis:

- **Data Coding:** Each interview transcript was carefully read multiple times to become familiar with the content. Initial codes were generated for significant statements and phrases that related to the research questions. These codes represented key concepts and ideas expressed by the participants.
- **Theme Development:** The codes were then reviewed and organized into broader themes. Themes were developed by grouping related codes, allowing for the identification of patterns and commonalities across the interviews. This process was iterative, involving constant comparison and refinement to ensure that the themes accurately captured the participants' experiences.
- **Writing the Results:** The findings were then written up, with each theme described in detail. Illustrative quotes

from the interviews were used to support the themes and provide a rich, nuanced understanding of the data. The results section highlighted the major themes and sub-themes, providing insights into the challenges, strategies, and perceptions of women entrepreneurs in accessing financial resources.

- Phenomenological Reflection: Reflective commentary was added to interpret the significance of the findings in the context of existing literature and the unique socio-cultural environment of Lucknow. This reflection helped in understanding the broader implications of the study and in making recommendations for policy and practice.

Table 1. Demographic and professional profile of participants (N=11)

Participant	Business Type	Business Age (in years)	Business Region	Sought External Funding	Business Ownership	Initial Funding Sources
A	Training students for entrance	12	Lucknow	No	Sole owner	Self
B	Organic food products	3	UP	No	Sole owner	Husband
C	Agro-based organic products	3	India	Yes	Co-owned with husband	Self
D	Interior designing	14	Lucknow	No	Sole owner	Self
E	Online natural tea business	5	India	No	Sole owner	Son
F	Boutique (Chikankari)	10	Lucknow	No	Sole owner	Self
G	DIY activities	1	India	Yes	Co-owned with husband	Self and Husband
H	Dental clinics	19	Lucknow	No	Co-owned with husband	Self
I	Women's garments (Chikankari)	12	India	No	Sole owner	Self
J	Salon chain	13	Lucknow	No	Sole owner	Husband
K	Handmade jewellery (tattooing)	9	India and abroad	No	Sole owner	Husband

3. Results and Discussion

3.1. Entrepreneurial Autonomy and Spousal Role

This theme examines the dynamics between women entrepreneurs and their spouses, particularly in the context of business ownership, initial funding, and managerial roles. Among the 11 entrepreneurs interviewed, seven (A, C, D, F, G, H, and I) utilized personal resources such as savings or income from previous employment to initiate their businesses. This underscores the prevalence of self-funding, highlighting a significant degree of financial independence among these women. The trend toward self-funding aligns with existing literature, which indicates that approximately 80% of women entrepreneurs prefer to finance their ventures independently [17].

In terms of ownership structures, there is a pronounced preference for sole proprietorships among the participants. Eight out of the eleven businesses (A, D, E, F, I, J, and K) are solely owned by the women themselves. This inclination toward sole ownership appears to be closely tied to the managerial structure rather than the capital structure of the businesses. The same eight women, who identify as sole proprietors, do not involve their spouses in the management of their business operations, suggesting a strong link between ownership and management autonomy. In contrast, the

remaining three businesses (C, G, and H) involve both co-ownership and co-management with their husbands, further reinforcing the connection between ownership and management roles. Contrary to traditional assumptions, the data does not support a direct relationship between spousal financial contributions and ownership stakes. Three participants (B, J, and K) reported receiving initial funding from their husbands. However, this financial support was not framed as a loan or equity stake, and all three women continue to identify as sole proprietors. This suggests that spousal financial support does not necessarily compromise ownership autonomy, reflecting cultural norms in India, where family income is often viewed as a collective asset [18]. Consequently, a spouse's financial investment does not automatically translate into an ownership stake unless there is active involvement in business management. This distinction may have significant implications for business performance, as ownership structures can subtly influence the overall effectiveness and success of the enterprise [19].

The analysis reveals varying degrees of independence among the women entrepreneurs in this study. While there is a strong inclination towards sole proprietorship, indicating a preference for autonomy, the sources of funding introduce a more complex picture. The strongest correlation is observed

between ownership and management, with all eight sole proprietors managing their businesses independently. The data suggests a potential connection between financial independence and control over day-to-day operations, as self-funded ventures often coincide with personal management. However, the presence of spousal support does not necessarily impact the ownership structure.

Overall, the findings indicate that most women entrepreneurs in this study maintain a high degree of autonomy across various aspects of their ventures. This autonomy may stem from several factors. Autonomy enables women to exercise full control over business decisions, ensuring alignment with their personal values, vision, and goals without the need for negotiation or compromise with others. Moreover, in many societies, including India, women often encounter societal and familial expectations that restrict their independence. Entrepreneurship provides an avenue for asserting autonomy, allowing women to break free from traditional roles. Additionally, managing a business autonomously offers the flexibility to respond swiftly to changing market conditions and customer needs, which is crucial for the success of small businesses. This autonomy also fosters an environment conducive to innovation and creativity, enabling women entrepreneurs to experiment with new ideas and approaches, potentially leading to unique and impactful products or services [20].

3.2. Present Status and Future Plans in Regard to External Funding

The data indicates a prevalent trend of limited reliance on external funding among the women entrepreneurs interviewed. Out of the eleven participants, nine (A, B, E, F, H, I, J, and K) have not utilized external funding for their current ventures, demonstrating a strong preference for self-reliance during the early stages of their businesses. Only two businesses (C and G) have accessed external funding, both through government subsidies. However, it is important to distinguish between subsidies and traditional investments. While government subsidies can provide financial support by reducing costs, they do not constitute direct financial injections into the capital structure and are not considered true investments. Subsidies function as incentives that promote economic activity or affordability rather than serving as primary sources of revenue.

At present, there is no significant demand for external funding among these entrepreneurs. This aligns with a broader trend where many female entrepreneurs opt for self-reliance, driven by concerns over the potential loss of control and the complexities associated with external funding, such as interest payments and equity dilution [20]. All nine entrepreneurs who have not sought external funding prioritize reinvesting profits and managing their businesses with personal resources. This approach is seemingly preferable as it allows them to maintain full control over

their ventures and avoid the challenges that can accompany external financing. However, while the current reliance on external funding is limited, the data on future plans reveals a more nuanced picture.

Four of the women entrepreneurs expressed a clear opposition to seeking external funding, while five indicated interest in considering it for future expansion, albeit without immediate plans. Two participants, who have already utilized government subsidies, are open to the possibility of pursuing external funding in the future. The openness expressed by some women towards future external funding may warrant further investigation, as it could reflect either a genuine interest or a response influenced by the prevailing entrepreneurial narrative that emphasizes growth and external investment. Some participants exhibited a more conditional interest in external funding, particularly in sectors where support mechanisms are more readily available.

The data also suggests that partnerships offering strategic benefits, such as mentorship or access to networks, are more appealing than funding solely for financial resources. Additionally, there appears to be a degree of uncertainty or lack of exploration regarding external funding options among some entrepreneurs. This may be due to limited knowledge of the diverse funding landscape beyond basic government schemes or a perception of the complexities involved in the application process for external funding. Overall, the findings indicate a cautious approach to external funding among women entrepreneurs in this study, with a strong preference for self-reliance and a selective openness to future funding opportunities, depending on the perceived benefits and alignment with their business goals.

3.3. Attitude Towards External Funding

The data reveals a nuanced attitude towards external funding among women entrepreneurs, characterized by a general openness but also a perception of external funding as a last resort rather than a strategic tool for growth. Many entrepreneurs view self-reliance as essential, preferring to maintain complete control over both funding and operational decisions. A few participants expressed concerns that seeking external funds and relinquishing equity could result in a loss of autonomy, a risk they were unwilling to take as it conflicted with their principles. For these women, external funding is often associated with exit strategies, perceived primarily as a means for investors to recoup their investments rather than as a pathway for business expansion. Conversely, the data also suggests that for some women entrepreneurs, their businesses do not require a significant influx of external capital, either because they are still in the early stages or because the nature of their businesses does not necessitate large investments even at later stages. Several factors could contribute to this, such as a low-investment business model with minimal overhead costs, reliance on

personal skills, or the availability of readily accessible resources. Additionally, some entrepreneurs may have no plans to scale their businesses beyond their current operations, further diminishing the perceived need for external funding.

A key advantage cited by those who opt for self-funding is the ability to maintain full control over their businesses. External investment, whether from venture capitalists, angel investors, or government grants, often comes with stipulations, such as specific growth targets, changes in management structure, or a focus on exit strategies like acquisition. In contrast, self-funding enables these women entrepreneurs to make independent decisions regarding all aspects of their businesses, from product development and marketing strategies to staffing and resource allocation. This autonomy allows them to pursue their vision without external pressure, preserving their creative freedom and ensuring that their long-term goals remain the priority.

3.4. Funding and Non-Funding Related Challenges of Women Entrepreneurs

This section analyses the challenges faced by women entrepreneurs (A-K) in accessing funding and the broader obstacles they encounter in their entrepreneurial journeys. The data underscores the recognition of external funding as a critical factor for business growth and sustainability among the participants. While 36% (4 out of 11) of the women entrepreneurs view external funding as essential for growth, 27% (3 out of 11) acknowledge the availability of funding options but possess limited knowledge about them. Additionally, 9% (1 out of 11) express a desire to acquire funding but are hesitant due to a lack of confidence or the perception that obtaining funding is challenging. Importantly, none of the entrepreneurs explicitly reject the need for external funding, indicating a consensus on its importance despite the barriers to accessing it. However, the combination of limited awareness and perceived difficulties in acquiring funding creates substantial hurdles.

A significant gap in awareness exists regarding the range of external funding sources available. While all participants possess basic knowledge of government schemes or bank loans, a considerable portion (6 out of 11) demonstrate insufficient familiarity with alternative funding options. This includes limited awareness of Venture Capitalists, platforms like TYE, SheAtWork, and FICCI Flo, as well as specific initiatives like the Pradhan Mantri Mudra Yojana and Bhartiya Mahila Bank Business Loan.

This lack of awareness restricts their ability to identify and access suitable funding opportunities. Even among those with some awareness of funding sources, challenges persist. While entrepreneurs are aware of government schemes and angel investors, they often struggle to access detailed and actionable information. This situation points to the need for

more accessible and practical information dissemination beyond basic awareness campaigns. The challenges are compounded by the societal context in Lucknow, where patriarchal norms limit women's access to professional networks and mentorship opportunities, further inhibiting their ability to connect with individuals who possess a deeper knowledge of funding options and the associated application processes.

In addition to funding challenges, the data reveals non-financial barriers faced by women entrepreneurs. Several participants highlighted the constraints imposed by family obligations and societal expectations, which can limit their time, resources, and confidence in pursuing and sustaining entrepreneurial ventures. Despite these challenges, there are exceptions. For example, Entrepreneur D, a relatively young business owner, successfully secured government subsidies, emphasizing that strong business models and effective communication can lead to positive funding outcomes. This suggests that with the right approach and resources, women entrepreneurs can overcome funding barriers when necessary.

3.5. Solutions Highlighted by the Women Entrepreneurs:

The solutions proposed by the women entrepreneurs revolve around the creation of a comprehensive support system that addresses their legal, financial, and educational needs:

3.5.1. Establishment of a Legal and Economic Guidance Cell

The entrepreneurs highlighted the need for a dedicated legal and economic cell that guides various business aspects, including compliance, taxation, and the utilization of available benefits. Many women entrepreneurs struggle with understanding complex regulations and financial benefits, such as changes in GST and tax exemptions. A subsidized or free service offering expert guidance would help them navigate these challenges, thereby reducing losses due to non-compliance and ignorance. The cell should be staffed with experienced legal and financial consultants who can explain regulatory changes, offer tailored advice, and connect entrepreneurs with the right resources. Additionally, workshops and informational sessions on new policies, such as the impact of GST on small businesses, would be beneficial.

"I believe we should have a legal and economic cell where women entrepreneurs can get guidance on the various aspects for a subsidized amount, if not free. Also, they should explain the various benefits available to them because some benefits are curtailed now as well. I have learnt everything the hard way and have incurred losses due to compliance issues and ignorance. But what are you doing about the ignorance? Is there a cell helping you? I think a cell to support and guide both the women and men entrepreneurs is necessary."

3.5.2. Enhanced Access to Professional Consultants

The entrepreneurs suggested that the guidance cell should also facilitate connections with reputable consultants who can assist with specific challenges, such as legal compliance and financial management. Many entrepreneurs face significant setbacks due to a lack of professional advice, which often leads to financial losses. By providing access to

trusted consultants, the cell can help prevent these issues and improve overall business outcomes. The cell could maintain a vetted list of consultants who specialize in different aspects of entrepreneurship, offering their services at discounted rates or through a subsidized model. Regular updates and feedback from entrepreneurs who use these services could help ensure quality and relevance.

Table 2. Broad summarization of findings in various themes

Entrepreneurial Autonomy and Spousal Role	
Business ownership	Most businesses were solely owned and managed by the women themselves, with a few co-owned with their husbands. Autonomy was significant in business operations and decision-making.
Initial funding sources	Most women relied on personal savings or family contributions as initial funding sources. A few received help from their husbands, while others used loans or advances from clients.
Business management	Eight out of eleven women managed their businesses personally, while the remaining three co-managed with their husbands.
Present Status and Future Plans	
Current external funding	Most businesses had not received any external funding. Only two mentioned receiving government subsidies.
Interest in future funding	Responses were mixed: some were open to future funding under certain conditions, while others preferred reinvesting earnings. The primary reasons for not seeking external funding included financial independence and creative freedom.
Attitude Towards External Funding	
Awareness of funding sources	Awareness varied, with many knowing about the existence of venture capitalists and government schemes but lacking detailed knowledge about the application processes.
Opinion on funding requirement	Many women acknowledged the need for external funding but highlighted a lack of awareness and confidence as barriers. Some believed funding should be more accessible to those seeking it.
Challenges of Women Entrepreneurs	
Obtaining funding	Challenges included lack of financial knowledge, difficulty in maintaining paperwork, and bias against women entrepreneurs. Some faced personal and family issues, while others found it hard to explain women-centric ideas.
General challenges	Challenges ranged from financial obligations and compliance issues to societal bias and lack of support. However, some women reported no significant challenges, attributing their success to self-sufficiency and resourcefulness.
Initial funding openness	Mixed responses: some women were open to seeking initial funding, while others preferred starting small with personal funds. Lack of knowledge and confidence were cited as reasons for not seeking initial funding.
Solutions Highlighted by the Women Entrepreneurs	
Legal and Economic Guidance Cell	Establish a cell providing subsidized or free legal and financial guidance, focusing on compliance, taxation, and explaining benefits. Workshops on regulatory changes like GST are needed.
Access to Professional Consultants	Facilitate connections with vetted legal and financial consultants through the guidance cell. Offer subsidized consultant services to prevent losses due to non-compliance and ignorance.
Idea-Based Funding Opportunities	Promote funding mechanisms that support innovative ideas and strategies, not just revenue-driven ventures. Introduce pitch events and educate investors on the value of idea-based funding.
Education and Awareness Programs	Develop educational initiatives focused on teaching women in tier 2 cities how to access funding and manage businesses. Include workshops, online courses, and mentorship programs.

3.5.3. Promotion of Idea-Based Funding Opportunities

Entrepreneurs proposed the need for funding mechanisms that focus on supporting innovative ideas and strategies rather than solely on revenue metrics. The current funding landscape often prioritizes businesses with proven revenue, which can disadvantage startups with strong ideas but a limited financial history. Encouraging investors to consider the potential of innovative concepts would promote greater diversity in funded ventures. The creation of pitch events or incubator programs that emphasize the value of novel ideas and strategies could help bridge this gap. Additionally, educating investors about the long-term benefits of idea-based funding could shift the focus from short-term profits to sustainable innovation.

“It is a very Shark-tank kind of model where they see the revenue but not the idea and strategies. I think that is wrong. An idea needs to be funded as well.”

3.5.4. Education and Awareness Programs on Accessing Funds

Entrepreneurs called for educational initiatives that teach women in tier 2 cities like Lucknow how to access funding and manage their businesses effectively. A significant barrier for women entrepreneurs is the lack of awareness and knowledge about available funding options and how to approach investors. By providing targeted training on these topics, women can be better equipped to secure the financial resources they need. The cell could organize workshops, online courses, and mentorship programs focused on investor relations, business pitching, and financial planning. Partnerships with local universities or business schools could provide additional support and resources for these programs.

“I think women in tier 2 cities like Lucknow, although they require funding, do not have the knowledge and awareness to access funds. We are very ignorant about it. If this can be taught somewhere as to how to get investors and carry business, that would be really nice.”

4. Conclusion

The analysis of 11 women entrepreneurs in Lucknow reveals a strong preference for independence and self-reliance, with many opting for bootstrapping over seeking external funding, especially in the initial stages of their businesses. Despite running successful ventures across various industries, these women face unique challenges, including familial obligations that constrain their business performance.

While they derive pride from overcoming these obstacles, they acknowledge that fewer responsibilities might enhance their entrepreneurial success. The study also highlights varying growth aspirations among entrepreneurs. Some are interested in expanding their businesses, while most prefer to maintain smaller-scale operations.

This preference may reflect a lack of familiarity with external funding options or a strategic choice to focus on unique products and services rather than pursuing aggressive growth. Notably, these funding preferences and perceptions may be influenced more by regional and cultural factors than by gender alone [21]. While self-funding is prevalent, some women share management responsibilities with their spouses, and attitudes towards external funding vary. Most have not pursued external funding, preferring to retain control, though some are open to it for future expansion or mentorship.

The lack of awareness about funding options contributes to their hesitance. Despite acknowledging the potential benefits of external funding, many women entrepreneurs view it as a last resort rather than a strategic tool for growth. Addressing this limited awareness and reframing external funding as a growth opportunity could help unlock its potential for these entrepreneurs. Empowering women entrepreneurs in Lucknow requires a comprehensive strategy that promotes knowledge, connections, and access to funding. Investment in educational programs and information platforms offered by the government (e.g., Pradhan Mantri Mudra Loan, Stree Shakti Yojana, Bhartiya Mahila Bank Business Loan, Mahila Udyam Nidhi Yojana) and industry organizations (e.g., FICCI Ladies Organisation (FLO), SheAtWork India (Lko chapter)) is essential. These resources should clarify various funding options, including angel investors (e.g., Lucknow Angel Network (LAN), Indian Angel Network (IAN) Investing in Women initiative) and venture capitalists (e.g., Venture Catalysts' "She Loves Tech" program), and assist women entrepreneurs in maintaining proper business documentation, both accounting and legal. Creating inclusive networks specifically for women entrepreneurs is also critical. Mentorship programs connecting them with experienced women through organizations like the AKTU Innovation Hub can offer valuable guidance and support.

These networks can foster a sense of community and belonging while opening doors to new opportunities. By adopting a multifaceted approach that addresses both funding awareness and non-financial challenges, a more inclusive and supportive ecosystem for women entrepreneurs can be created. This will enable them to overcome these challenges and reach their full entrepreneurial potential. While some women may choose self-reliance for reasons such as a preference for independence or a business model that does not require significant initial funding, it is essential to ensure that all women entrepreneurs have the knowledge, resources, and support needed to make informed decisions about funding, thereby fostering a thriving and diverse entrepreneurial landscape [22].

However, the study's findings are based on interviews with 11 women entrepreneurs in Lucknow, which may not

fully represent the broader population due to limited diversity in business types, regions, and backgrounds. Future research should involve a larger, more varied sample to validate these findings and offer a comprehensive understanding of women entrepreneurs' experiences. Comparative studies across different regions and cultures could identify universal challenges and solutions, enhancing applicability. Additionally, the reliance on self-reported

experiences introduces potential biases, such as social desirability. Incorporating quantitative surveys and objective measures, such as capital structure and financial records, alongside qualitative interviews could provide a more balanced perspective. This would help differentiate between sociological and economic factors, though access to such data may be challenging due to privacy concerns.

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