

# **Women Entrepreneurship Development In Bangladesh: Problems And Prospects**

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**Abstract:**

*This study, by considering the importance of women entrepreneurship, has the aim to identify and explore barriers and scope of the development of women's entrepreneurship in Bangladesh. Women entrepreneurs are getting involved in economic activities of the country especially in the small scale of business and more or less they are playing a significant role to boost up our economy. Insufficient fund is one of the major problems along with lack of knowledge, lack of information, gender inequality are other significant problems. Institutional support from different government and non-government organizations is required for development of women entrepreneurs. Institutional supports are also highly required to make a trade-off between challenges and future prospects of women entrepreneur so that they can feel motivated to create new venture with new hope. To accomplish the objective of the study primary and secondary data were used. The study also suggests that both government and non-government institution have to come forward together for the development of women entrepreneurship in Bangladesh.*

**Keywords:** *Women, Entrepreneurship Development, Small Scale of Business, Gender Inequality, Non-Government Organization (NGO)*

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## **I. Introduction**

Women Entrepreneurship is defined as a woman who has alone or with one or more partners started or inherited a business, and is eager to take financial, administrative, and social risks and responsibilities, and participate in the day-to-day management activities. Sultana (2006) agrees all developments cannot be achieved without women participation in the development sectors of the country. In present global economy participation of women is essential to reduce poverty. But implementing these has some problems- the problems and challenges faced by women entrepreneurs. Haque and Itohara (2009) and Rahman, (2009) discourses that in the context of Bangladesh, in fact, women entrepreneurship development is a challenging phenomenon as women are lagged behind economically and socially compared to men. Hossain and Rahman, (1999), Chowdhury (2000) Afrin et al (2008) and Tambunan (2009) confers that in Bangladesh women are victimized more because of their illiteracy, deprivation, lack of knowledge unorganized, powerless or less political representation, rigid social customs, and injustice by their counter partners particularly in rural areas. These challenges should be faced for flourish of women entrepreneurship development. Resources may be available but they will be of no use if they are not properly utilized for production process. Hossain and Rahman (1999) agree that despite possessing natural and physical resources, machinery and capital may go underutilized or misused if rural human resources are not properly utilized. It is apparent that women entrepreneurship development is a precondition of all sorts of a nation's development. Bangladesh is a developing country. Per capita national income of Bangladesh is \$2,765 in 2023 (according to world Bank) and which is far below in rural areas. About 50% of the population falls below income poverty line. Women can be involved in business activities of entrepreneurship where they can contribute directly to their family and the economy. Women make nearly half of the population which means huge potential to be utilized for the socio-economic development of the country. In this connection Chowdhury(2001) discusses that in recent years developing countries of the world including Bangladesh has focused awareness on the most disadvantaged group in the society- the women. All concerned gradually has realized that a society cannot afford to waste nearly half of its human resources discriminating on gender issue. This rising awareness on the part of the government has led to implementation of national policies to facilitate a development process involving women in all spheres particularly on economic activities focusing especially on entrepreneurship development.

## **II. Literature Review**

Entrepreneurship has become an important profession among the women of Bangladesh. The rationale behind this interest varies according to different class of the society. According to the UNDP: Human Development Report (2004), A woman entrepreneur is defined as a woman who has alone or with one or more partners started or inherited a business, and is eager to take financial, administrative, and social risk and responsibilities, and participate in the day-to-day management activities. Sultana (2006) agrees all developments cannot be achieved without women's participations in the development sectors of the country. In present global economy participation of women is essential to reduce poverty, play their active role in the economy and contribution in the GDP. But implementing these has some problems- the problems and challenges faced by women entrepreneurs. Haque and Itohara (2009) and Rahman, (2009) opines that in the context of Bangladesh, in fact, women entrepreneurship development is a challenging phenomenon as women are lagged behind economically and socially compared to men. Hossain and Rahman, (1999), Chowdhury (2000) Afrin et al(2008) and Tambunan (2009) confers that in Bangladesh women are victimized more because of their illiteracy, deprivation, lack of knowledge, unorganized, powerless or less political representation, rigid social customs, and injustice by their counter partners particularly in rural areas. These challenges should be faced for flourish of women entrepreneurship development. Resource may be available but they will be of no use if they are not properly utilized for production process. Hossain and Rahman (1999) agrees that despite possessing natural and physical resources, machinery and capital may go underutilized or misused if rural human resources are not properly utilized. It is apparent that women entrepreneurship development is a precondition of all sorts of nation's development. Woman entrepreneurship development is the key variable which connects socio-cultural environment with economic development rate. Braun (2011) explains women entrepreneurs have improved their living conditions and earned more respect in the family and the society. The progress has reached due to participation of governmental and non-governmental financial institutions along with other support services institutions and government policy supports. Bangladesh Bank issues policy guideline for listed banks to give priority to women while disbursing Small and Medium Enterprise (SME) credit. In the meantime, good number of NGO-MFIs offers microfinance services to the women involving actively in micro, small and medium (SME) enterprises. According to BBS report (2009), women access to land, credits and other property (beside land) has improved increasingly with the point of 0.80, 0.30 and 0.50, respectively which means that women are getting more access to loans than other assets. (Rahman et al., 2011) discusses that these resource mobilizing institutions in fact motivated and encouraged rural women, and made them entrepreneurs, that is agricultural entrepreneurs (crops, livestock and fisheries), small business owners, tailors, handicraftsmen and so on.

Gender equity and equality are imperative to strengthening communities, economies, the environment, and countries; yet, women are routinely overlooked and undervalued economically despite the wealth of benefits that are derived from their formal and informal contributions. The COVID-19 pandemic has further resulted in greater economic insecurity for women globally (USAID, 2021c). Women are more likely to experience poverty, hunger, and housing instability. In addition, economic insecurity often increases women's vulnerability to abuse, compromising their safety (White House, 2021). In 2021, the Biden Administration released the first-ever U.S. Government National Strategy on Gender Equity and Equality, which highlights improving women's economic security and accelerating women's economic growth worldwide as a strategic priority. As Sima Bahous, Executive Director of UN Women, stated in a speech at the Global Land Forum in 2022, "Women's land rights are intrinsically and vitally linked to gender equality" (Bahous, 2022). Strengthening these rights can have a striking and positive impact on women's economic security, job creation, and entrepreneurship, but less than one-fifth of landowners globally are women. Nearly 40 percent of all countries limit women's property rights in some way, often through local laws and customs (FAO, 2010, 2011; World Bank, 2020). Even when women do have access to land, it is frequently less productive or desirable, by size, location, or soil health (USAID, 2016). As a result, millions of women miss out on the many social and economic benefits that can result from these critical and foundational rights and are less able to achieve their goals

Women face unique cultural, economic and social barriers when trying to engage in entrepreneurial activities and economic ventures. Such barriers are more evident in rural communities as a result of specific cultural and social conditions. In fact, rural women face greater obstacles than do urban women in the path towards entrepreneurship (Shahhosseini, 2008). According to Shahhosseini (2008), there are three general categories of barriers to female entrepreneurs (FE) in different countries. The first category includes barriers that are common for all female and male entrepreneurs. The second category includes barriers that are more significant for FE due to family, social and legal conditions. The third category includes obstacles unique to FE. Golrad (2009) introduces the family barriers such as having multiple tasks, travel restrictions, economic activities bias, and lack of possession of their assets as problems facing women's entrepreneurship. FE encounter challenges in the development of their business. FE, particularly those coming from self-employed

parental households, are good at acquiring education and training in their line of business and work much harder at it. However, they struggle to balance family and work life, a job that is made difficult owing to lack of recognition from spouse and business groups they deal with, gender discrimination and sexual harassment (Singh et al., 2010). As González et al. (2011) noted the social, economic, labour, and legal characteristics of any region differ, this do not allow to make a perfect fit of women's entrepreneurship in any circumstances such as rural and urban. Numerous studies indicate a main effect of gender on the propensity of people to become entrepreneurs (e.g., Brush, 1992; Zhang, 2009). Additionally, this gender difference tends to be robust across cultures and national boundaries. Women in more traditional cultures were especially affected; centre directors specifically mentioned Iranian, Hispanic, rural Americans and Taiwanese women. Disproportionate domestic and family obligations were both motivations for and obstacles to women starting businesses (Godwyn, 2009). More feminist perspective adds value in creating a 'female norm' for engaging in entrepreneurship [De Bruin et al., (2007), p.332].

An entrepreneur is a person who possesses the entrepreneurial qualities, bears the risk provides capital and uses them in setting up business. They generate innovative business ideas, take new business opportunities, make investment by themselves or borrow, take risk and enjoy profit as a reward of their endeavor and expand the business. Begum (1993) identifies that an entrepreneur can be defined as one who initiates and establishes an economic activity or enterprise. Entrepreneurship thus refers to the general trend of setting up new enterprises in a society. The International Labor Organization (ILO, 1984), cited in Islam and Aktaruzzaman (2001) defines an entrepreneur as a person with a set of characteristics that typically includes self-confidence, result-oriented, risk taking, leadership, originality and future-oriented. Khanka (2002) refers to women entrepreneurs as those who innovate, imitate or adopt a business activity. Given that entrepreneurship is the set of activities performed by an entrepreneur, it could be argued that being an entrepreneur precedes entrepreneurship. Schutte et al. (1995) suggested that the male entrepreneurs have been extensively studied and the focus has now shifted to the study of female entrepreneurs, their background, motivation for starting a business and business problems faced by them are based on studies of male entrepreneurs. Further John (2004) discussed that it is important to differentiate entrepreneurs on the basis of gender if women entrepreneurship is to be promoted. Rinkal et al., (2004) recommended that women of today are different from the women of past years in several ways. In present times, they seek social and economic independence and are prepared to take risk for the same. Mitchell (2004) found that women entrepreneurs tend to be motivated by the need to provide security to their families and by their family circumstances. Women entrepreneurs are motivated by the need to be independent, economically and otherwise. Entrepreneurship allows women to combine caring for their family with bringing in the money needed for day-to-day survival. This trend has also been visible in several Asian countries including Indonesia and Singapore. In the opinion of Watson (2003), there are quite a number of potential systematic differences between male and female owners that might explain why female-owned businesses appear to underperform than male owned businesses. The prominent factors are age of female owned business, family commitments, lesser access to capital, different education levels, prior experience of business and attitude towards risk. According to Jesselyn (2004), developing countries should also tap the potential of women entrepreneurs. Entrepreneurship refers to an individual's ability to turn ideas into action. It comprises creativity, sense of initiative, innovation and risk acceptance, as well as the ability to plan and manage projects in order to achieve objectives. Garga and Bagga (2009) defined women entrepreneurship as the women or a group of women who initiate, organize and operate a business enterprise. According to Kumar (2006) Government of India has defined women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women. In a broad sense, entrepreneurship should be considered as a mindset that can be usefully applied in all working activities and in life. Therefore, entrepreneurship is a key competence for all.

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### **III. Objectives Of The Study**

The main objectives of the study are

- To identify the major barriers and challenges of women entrepreneurship in Bangladesh.

- To have an overview of present state of women entrepreneurship and make some recommendations to overcome the problems.

#### **IV. Methodology**

To complete this research both primary and secondary data are used. Secondary data are collected from different published journals, articles, books related to women entrepreneurship, newspapers and the internet. An interview schedule is formed and used to collect primary data. 50 women entrepreneurs of different age, classes were randomly selected for collecting data.

#### **V. Women Entrepreneurship Scenario In Bangladesh**

Bangladesh is a densely populated country with limited resources and higher social stratification. The urban areas have better prospects for business growth expansion while rural areas lag behind. Nearly half of the populations are women. Since few women participate in the mainstream of economic activities the enormous potentiality of the population is unutilized. For instance, only 40% of women are self-employed (based on entrepreneurship status, January 26, 2023). Encouragingly, there is a rising of a new class in rural Bangladesh, they are the women entrepreneurs who have accepted the challenges of life and have emerged as leaders in the socio-economic development, thus earning for themselves and for their families and contributing towards the socio-political upliftment of women. Consequently, entrepreneurship has become an important profession among women in both rural and urban areas. Women in urban areas are engaged in different small and medium business enterprises e.g. handicrafts, fashion house, parlor, home textile, food, cooperatives, chain shops, ICT even to large business to some extent. Rural areas are being self-employed through the agricultural and nonagricultural sector, as entrepreneurs. These activities are cropping, rearing livestock and poultry, fish farming, nursery and tree planting, tool making, handcrafting, food processing, tailoring, rice processing, etc. But it is not so easy to operate these businesses as they are engulfed with numerous problems that act as barriers to the growth and expansion of women entrepreneurship.

The SME foundation is taking special care of women entrepreneurs. So far, the foundation has provided various services to about 50,000 women entrepreneurs. Among them, 15,000 women entrepreneurs were trained in trade through 500 specialized trainings, free-lance training was given to 3,000 women and buyer-seller meetings were organized for 500 women entrepreneurs.

Despite all hurdles, women entrepreneurs are trying to claim a space for themselves within the business sector and more broadly as contributors to Bangladesh's economy. But that space is still woefully small. According to a 2016 study by the International Finance Corporation, women owned business constitute just 7.2% of the eight million business in Bangladesh.

The figure 1 indicates after the liberation women entrepreneurship started to increase from 1996 and was highest in between 2000 to 2005. After 2005 it declined due to various problems relating to women entrepreneurship. A survey conducted on 50 women entrepreneurs discloses that majority of them 72 percent are engaged in handicrafts, next 9 percent on garment and 8 percent on parlor business. Remaining 3 percent on food, 3 on agro-based, 1 percent on printing, 2 percent on information technology (ICT) and remaining 2 percent involved in other sectors.

#### **VI. Problems Faced By Women Entrepreneurs**

##### *Access To Finance & Financial Institutions*

In Bangladesh women entrepreneurs face various hindrances to access to finance. Insufficient initial capital is one of the main problems for the women entrepreneurs in Bangladesh. Particularly, when a new venture is established, extensive difficulties are faced by them in accessing credit. According to Haq (cited in Sinha, 2005, p.14), women in South Asia are virtually invisible to formal financial institutions- they get paid less than 10% of commercial credits. Similarly, gender-based obstructions, for example, conventional thinking, culture and social values, lack of collateral – all exacerbate the intricacies encountered by women. High transaction costs, the rigidity of collateral requirements and heavy paper work are further hindrance to women entrepreneurs (Charumathi et al. 1998). In other words, lack of capital, higher interest rates (Sinha, 2005, p.15), lack of experience and information, lower investment and unavailability of facilities like business premises or other apparatus, often hamper the progress and existence of enterprises handled by women entrepreneurs. Among 50 the respondents were approached with a questionnaire about the various problems of women entrepreneurship. 90 percent of them strongly agreed and 10 percent agreed that access to finance is the major barrier to women entrepreneurship. In another question 88 percent of the respondents strongly agreed, 12 agreed that high rate of interest is another barrier to women entrepreneurship. Excessive formalities in loan arrangement is another obstacle. 86 percent of the respondents strongly agreed and 16 percent agreed that excessive formalities in loan arrangement is one of their major problems. None of them were strongly disagreed or disagreed in these regards.

#### *Lack of Knowledge*

Lack of knowledge among the women entrepreneurs is another barrier. Many of them have no education over class eight or SSC level. Knowledge about business enterprise, business management, environment, entrepreneurship, economics and policy are important in today's business. Lack of knowledge in these disciplines acts as a major obstacle to women entrepreneurship. In this connection Islam and Aktaruzzaman (2001) in another survey revealed that 76.3 percent of the rural entrepreneurs had no education at all, of which nearly 17 percent could neither read nor write and the other 59.3 percent were only able to put on their signature. 72 percent of the respondents strongly agree, 20 percent agree that lack of knowledge is a major problem while 4 percent remained indifferent.

#### *Lack of Training*

In Bangladesh most of the rural women are uneducated, poor and lack sufficient arrangement to protect them from insecurity and illiteracy. According to (Rahman, 2010, p.13) different barriers are also created by the surrounding society to the development of their potentiality (like knowledge and skills) through training both vocationally and technically. Another study (USAID, 2011) has revealed that female entrepreneurs are repeatedly mistreated and given fewer opportunities by the male community to build up their entrepreneurial skills to run their enterprises smoothly in rural areas in Bangladesh. Further study MIDAS(2009,p.106) reveals that female entrepreneurs cannot make transition to enterprise business without providing the essential blend of education, training and social security and social awareness, Studies prove that less than 13% of the enterprise development program trainees are women in Bangladesh (Finnegan, Human Development in South Asia, cited in Sinha (2005, p.05). Another research (Haq,cited in Sinha (2005, p.17) confirm that among the seven countries in South Asia, the percentage of females enrolled in secondary vocational education in Bangladesh is the second lowest position.. Among the respondents 80 percent of them strongly agreed that lack of proper training facility is another hurdle in the development of women entrepreneurship.80 percent strongly agreed, 18 percent agreed, 2 percent disagreed in this regard. Women entrepreneurs of Bangladesh are a backward position because of lack of training

#### *Lack of Entrepreneurial Training*

For processing, manufacturing, livestock and fisheries activities entrepreneurial training is essential. But such training facility is available in urban areas. Lack of necessary training, lack of experience severely affects the efficiency of the rural women entrepreneurs. It negatively affects the opening of a new business segment. Opportunity for entrepreneurial training has increased significantly. But such opportunities are extended mainly to urban areas. Supporting this, Rahman, Hossain and Miah (2000) argues it is evident that unless the women entrepreneurs can also be offered sufficient training facilities so as to utilize the available resource at the optimum level enjoying a certain volume of credit is not enough. Islam and Aktaruzzaman (2001) conducted a research on the problems of rural women entrepreneurs in Bangladesh. They discovered from his research that only 8 percent rural women entrepreneurs have necessary training relating to their business. On the hand 92 percent entrepreneurs have no training related to their job at all. In consistent with lack of education and training, most of the rural women entrepreneurs have lack of experience in their business. The surveyed data reveals that nearly 78 percent women have experience less than three years. This is the existing culture in our society that the poor women of our society are the victims of deprivation. Owing to our social and cultural norms women do not get adequate training opportunities.

#### *Family Responsibilities*

Family responsibilities such as household work, caring for elders and rearing children prevent them from gaining skills, knowledge properly since they cannot usually find the suitable time to be more proficient. Male entrepreneurs do not have to be anxious because much about their household duties are done by the female entrepreneurs. Such added mental and physical stresses lessen the women entrepreneur's time and ability to learn constructively. Accordingly, they are not motivated to use and to mobilize their wealth and resources to expand their expertise. Deficiencies in managerial skill, strategic planning, organization perception etc. are result of such distraction which is the key responsibilities for entrepreneurship development to ensure sustainability. 70 percent of the respondents strongly agreed, 30 agreed that responsibility towards family in another reason. None of them were indifferent, disagreed and strongly disagreed.

#### *Government's Taxing Policy*

Government taxing policy, tax rate, tax holiday facility also affects development of women entrepreneurship, Tax policy and taxation can have profound influence on the women entrepreneurship development. In Bangladesh tax policy and measures are too complex by an average income earner to understand. Requirement of TIN Certificate, Tax credit for tax deducted at sources, Trade license fees creates

difficulties. If tax rate is increased or new tax, VAT is imposed or tax holiday facility, tax exemption are not given they negatively affect the growth of women entrepreneurship. 40 percent of the respondents strongly agreed that governments taxing policy also acts as a barrier in women entrepreneurship development. 34 percent also agreed, 10 percent were indifferent while 12 disagreed 4 percent strongly disagreed in this regard.

#### *Lack of Skilled/Trained Manpower*

Lack of skilled and trained manpower is a further barrier to women entrepreneurship growth. Profitable business requires skilled and trained manpower that have greater output, less wastages, superior quality of products so cost of production is reduced (Abdin, 2010). Adds hardly there are few agencies, in Bangladesh to produce qualified graduates or trained manpower that can serve as entrepreneurs. Mainly to create entrepreneurs no hard and fast facility is necessary; but for a successful entrepreneurship generation, entrepreneurship education is necessary. Bangladeshi labors are low productive, do not have sufficient training, skills for greater quality output. Among the respondents 78 percent strongly agreed that lack of skilled and trained workers are not available which a major barrier for women entrepreneurship development is. 28 percent of the respondents also agreed at this point. 2 percent of them were indifferent, 2 percent disagreed while none of the strongly disagreed.

#### *Access to Marketing Facility*

Access to marketing facility is another barrier to women entrepreneurship development. Among the respondents 88 percent of the respondents strongly agreed, 10 percent agreed that Access to marketing facility is major barrier. 2 percent of them were indifferent while none of the disagreed or strongly disagreed. Products and services produced by women entrepreneurs under micro, small and medium enterprise (SMEs) needs to be marketed. Access to marketing facility and markets is affected by some essential aspects, such as expert experience, conception and acquaintance. Sinha (2005) discusses that due to inability of exchange to the market commodities women entrepreneurs frequently face troublesome difficulties in running their small and medium enterprises (SMEs). Further Rahman (2010, p.12) argues that even though many of them have good skills in marketing and mediator capability occasionally they are not able to make any contract with local and international markets because of some social restrictions and violence. When launching business enterprises, unfamiliarity with the outside world hampers rural women entrepreneurs in entering into contracts with a range of agencies.

#### *Access to Marketing Information and Network*

Activities of women entrepreneurship are not easily included in trade, industry or business involvement. Access to marketing information is a problem of women entrepreneurs. They do not know how to get access to domestic as well as export market. Even they do not have knowledge of using market promotion activities. 74 percent of the respondents strongly agreed, 22 agreed that unavailability of information relating to market is a major problem. 2 percent remained indifferent while 2 percent disagreed and none strongly disagreed in this regard. There are rarely any women-majority or women-only networks where a woman can achieve self-reliance, participate and attempt to make improvement. The majority of these existing networks are controlled by men and sometimes not mostly welcoming to women, whereas men expect lots of things together in one time of observing women's performance. Regarding information (Sinha, 2005) discusses majority of the women entrepreneurs are usually involved in setting up smaller extent of enterprises having difficulty to acknowledge information. It has been estimated that around 50% of SMEs are operated by women, less than twenty women were registered among nearly 250 participants, and mainly were civil servants rather than female business personnel. (Sinha, 2005, p.19). The study also includes that many developing countries recurrently arrange spouse programs to establish the involvement of husbands to bring together their non-working wives. Further, the evidence entails that even though taking some plans on this, the FBCCI (Bangladesh Federation of Chamber of Commerce and Industries) has ineffective in promotion of feminine entrepreneurship.

#### *Lack of Access to Policymakers*

The major part of women entrepreneurs in Bangladesh has very restricted access to policymakers. Lack of access to information restricts women's knowledgeable input into policymaking. In this connection (Sinha, 2005, p. 19) confers male entrepreneurs can more easily influence policy and have access to policymakers in large companies Women have less chance to enter a leadership position or conventional business enterprise. Further, very often lobbying are the cause behind their decreasing ability to apply their own potential to policy making.

#### *Lack of Access to Infrastructure*

Insufficient infrastructure or lack of infrastructure acts as a hurdle. The supply of electricity, power and gas are not available in many rural and even sub-urban areas. Consequently, existing women enterprise both micro, small and medium enterprise (SMEs) are suffering badly due to load shedding of electricity and insufficient supply of gas. So, government should develop the infrastructure and utility services in considering the need of Micro and SME sector. Among the respondents 88 percent strongly agreed that lack of infrastructure is also barrier to women entrepreneurship development. 11 percent also agreed in this ground while none were indifferent and 1 percent disagreed. Infrastructure is essential for development of women entrepreneurship. In this connection (Rahman, 2010).adds poor infrastructure have an effect on village women,,s capacity to develop their enterprises. (Sinha, 2005,) also adds various substandard plans by government or other regulatory authority are the main cause for the lack of proper provision of visible and dependable infrastructure for feminine entrepreneurship. (UNDP, 2007A, p.07) Further unplanned road, air or other physical transportation and communication systems, unorganized supportive government policy, trade and commerce regulation etc. are the main constraints for infrastructure development which would assist rural female entrepreneurs in Bangladesh.

#### *Lack of Access to Technology*

Women entrepreneurs in SMEs usually use local technologies to manufacture goods and provide services. But to compete with the international products available in the local market these are not productive enough to fulfill market demand, produce quality products. As a consequence, Women SME entrepreneurs are losing their income due to poor technical know-how. In a study (UNDP 2007A) it is apparently true that women get less access to technological innovation than men due to lack of self-confidence and also lack of utilization of modern technologies. Further (Rahman, 2010, p.22) adds that they have to deal with low quality products and production, inadequate marketing channels to distribute their products, lower investment or capital and low income over and over again. Unavailability of modern technological facilities internet, e-commerce, e-trade, e-banking, mobile, telephone, and so on recurrently hampers the progress of rural women entrepreneurship. Among the respondents, 68 percent strongly agreed that insufficient outdated technologies, lack of availability of modern technology is a major barrier to women entrepreneurship and their evolution. 26 percent of the respondents also agreed in this connection while 4 remained indifferent, 2 percent disagreed and none were strongly disagreed.

#### *Absence of R&D to Improve Product Quality*

Another obstacle for expansion of women entrepreneurship is absence of research and development. Research and development are done to improve quality of existing products, innovating new products. In Bangladesh women entrepreneurs in micro, small and medium (SMEs) cannot afford to introduce research and development because it requires huge investment. Lack of research and development pulls back the women entrepreneurs to compete in local and global market since they cannot improve, innovate new products. 28 percent of the respondents strongly agreed and 50 percent agreed that absence of research and development is a barrier to women entrepreneurship.10 percent of them was indifferent, 8 percent disagreed and 4 percent strongly disagreed at this point.

#### *Insufficient Guideline from Govt. & NGO's*

Another barrier in women entrepreneurship development in our country is that they do not get sufficient guidelines both from the government and from NGOs. Although several NGOs are coming forward lack of proper guideline hampers their expansion in micro, small and medium (SMEs) scale. 53 percent of the espondents strongly agreed, 34 percent agreed that lack of proper guideline form Government and NGOs are another added problem in their growth and expansion.6 percent remained indifferent while 4 percent disagreed and 2 percent strongly disagreed in this regard.

#### *Lack of Support Services*

Women entrepreneurs in Bangladesh in rural areas usually do not have access to appropriate cooperative or support services from the appropriate authority. In another study UNDP (REOPA-CST, 2007, UNDP, p.07) this generates social, cultural and economic hurdles which indisputably have a direct effect upon their product quality and thus income

#### *Lack of Right to Use of Land*

Among the several problems, another important obstacle in women entrepreneurs is that lack of access to use of land (REOPACST, 2007, UNDP, p.07). The method of land occupancy is another essential factor

affecting rural women's entrepreneurship development. Village women have to triumph over extreme difficulties to access land and location for their business enterprises

#### *Problems In Collecting Accounts Receivable*

After selling their products on account, another difficulty arises in collecting those accounts receivables. Most of the women entrepreneurs are not familiar with the terms of credit and collecting accounts receivables. As a result, their profitability is affected decreased. 68 percent of the respondents strongly agreed that problem in collecting accounts receivable is an added obstruction in the growth of women entrepreneurship development. 24 percent of them agreed, 4 percent remained indifferent while 2 percent disagreed and another 2 percent strongly disagreed in this regard.

### **VII. Recommendations For Future Prospect**

After analyzing the findings some recommendations are made to conquer the barriers endured by women entrepreneurship in Bangladesh. Government should come forward at first followed by NGOs; SMEF to meet financing need of women entrepreneurship since financing is their major problem. The government should take steps to provide more financing to them through different state-owned banks at a lower interest rate. Special packages may be introduced for women entrepreneurs both in urban and rural areas. NGOs, MIDAS, SMEF should also strengthen their existing activities in solving the financing needs of women entrepreneurs. They should take more effective steps in disbursing loans and advances to them at a lower rate and flexible terms. Private commercial banks may also come forward to meet the financing needs of women entrepreneurs. They also can provide special packages at lower interest rate only for them. If this can be ensured the financing problem may be solved. Lengthy formalities in securing loans should be reduced and simplified because it sometimes it discourages women entrepreneurs especially new ones. So, financial institutions both under government and private sector, micro-credit, MIDAS, SMEF should make loan disbursement procedure flexible. Most of the women entrepreneurship is in SME sector (Chowdhury, 2007, p.241) recommends that since development is a persuasive tool for stimulating the economic growth of a nation, many developed and developing countries are taking some initiatives to encourage the development of potential for susceptible women entrepreneurs. Feminine entrepreneurial ability has not been fruitfully elevated to the required level despite women being traditionally involved with various SMEs by different government and non-government organizations (NGOs) in Bangladesh. The government and NGOs from time to time issue different policy guidelines relating to women entrepreneurship development. These guidelines will promote the growth of these enterprises whether it is micro, SMEs or large enterprise. Courses should be introduced on Entrepreneurship in both formal and informal educational institutions in Bangladesh. This will induce unprivileged women to picture to potentials of job creator instead of job seekers. It will increase their entrepreneurship skills, enhance their knowledge and encourage them to become entrepreneurs. Arrangement should be made under private sector and NGOs for increasing knowledge about business management, environment. Assessing risk among entrepreneurship theoretically and practically. This will help them to become more educated operating their business efficiently. Educated entrepreneurs can efficiently release the entrepreneurial accountability. Without difficulty they can take more risk and have access to information about entrepreneurial activities. Following steps can create more future scope for women entrepreneurs in Bangladesh:

1. More practical and need oriented training program should be designed for entrepreneurs so that they can learn and use their practical knowledge in their businesses.
2. MIDAS is already playing a role in women entrepreneurship should also arrange for different types of practical oriented training facilities that will help in expanding their business.
3. Since skilled manpower in a barrier, NGOs, SMEF and the government should take necessary steps to build skilled and experienced manpower that will support the expansion of women entrepreneurship development.
4. It should be from the side of the government to ensure the supply of gas, electricity, utility and infrastructural facility to flourish women entrepreneurship development since these create a hurdle in their development
5. Products produced by women entrepreneurs need to marketed which is also a barrier. They should be provided different marketing strategy related knowledge. Private and NGOs can play an important role here by acting as an intermediary.
6. They can purchase their products in large quantities and sell them in large market at different parts of the country. Trade fairs can be organized for display and sales of their products if this can be ensured, women entrepreneurs will be relieved of marketing their products.
7. Sufficient information should be made available to them regarding international markets, marketing opportunities, economic conditions, marketing information that will help them predicting the market for their products. 7. In today's business world use of latest and upgraded technology is also an important factor. Women entrepreneurs must possess sound knowledge about the technological advancements and how they will apply these in their business within their ability. For example they can use computers and internet to search



new markets and buyers in different parts of the world. It is an important tools for expansion their business beyond the boundaries.

8. Government fiscal, industrial and monetary policy affects the business directly. If the government is changing industrial, taxing policy frequently it becomes a problem for the women entrepreneurs. The government should formulate policies keeping in mind that it will not hamper the growth and expansion of women entrepreneurship.
9. The National Board of Revenue (NBR) can extend tax-holiday facility for women entrepreneurs. Special incentives may be offered for them like tax-rebate, initial tax-exemption for newly established business.
10. Product quality is an important factor in todays competitive business. To improve quality of their products and development of new products women entrepreneurs need to conduct more research and development (R&D). The more research and development will be carried on more their product quality will increase. It will also possible to develop new products

### **VIII. Conclusion**

Women entrepreneurship is not only a way of attaining economic freedom but also a source of generating income and employment. Their contribution in the economy is also significant. Despite these they are faced with various barriers in operating their business. Women who are engaged in enterprise are better off compared to those that are not. Bangladesh government recognizing the importance of women entrepreneurship has taken several initiatives to encourage women getting involved in diverse micro, small and medium enterprises (MSMEs). In developing women entrepreneurs in Bangladesh banks, financial institutions, Micro Finance Institutions and NGOs have also given importance for the meantime. These financial institutions in line with Bangladesh Bank guidelines offer credits mainly the women entrepreneurs in MSMEs sector; still, there is a greater lack of incorporation among various supportive organizations and lack of communal efforts to have sustainable benefits. The remaining barriers and challenges are lack of access to collateral free loans, skilled and trained manpower, infrastructure facility and utility services, traditional technology, training and educational institutions, access to markets, information, land and so on. Government policy sometimes becomes a barrier. Hence, there should be rights to policy adjustment, their proper implementation and others necessary initiatives. Both the governments and NGOs support are needed to solve the existing problems of women entrepreneurship development. If it can be ensured, it will pave the way for the emergence and development to women entrepreneurship in Bangladesh. These measures will not only contribute to national economy considerably but will also contribute socio-culturally and economically in development and growth of women entrepreneurs significantly.

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