

# A Prospective Study of Emerging Women Micro-Entrepreneur COVID-19 With Reference to Northwest Delhi

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## ABSTRACT

The COVID-19 pandemic crisis in 2020 had a significant influence on women entrepreneurs' commercial activity. Changes in the scope, style, and structure of business in most small or medium firms, including those owned or managed by women, have been impacted by pandemic protection measures implemented to limit health hazards or the adoption of new restrictions. The goal of the study was to obtain insight into the impacts of the pandemic on women's companies as well as balancing business or family duties of women entrepreneurs in the altered conditions since prior research had shown that women bore the brunt of the crisis. The study was carried out using an online survey with a total of 93 participants (women entrepreneurs in Delhi). The findings revealed that the COVID-19 pandemic harmed 78 percent of women-owned businesses and that women compensated for the loss of hours spent at work by working at home and caring for family members. Owning a company may provide women with the independence they want as well as the economic and social success they need. On a national level, business ownership is crucial for future economic progress.

## KEYWORDS

COVID-19 Pandemic, COVID-19, Companies, Entrepreneur, Women.

## 1. INTRODUCTION

Female Entrepreneur is a term used to describe a woman who takes up a difficult task to fulfill her requirements and become financially self-sufficient. Women who are capable of giving value in both their personal and professional lives have a strong desire to do good rooted in their Deoxyribonucleic acids (DNA) [1]. However, some women in various sections of the nation are still unaware of their power. They have no idea that they can overcome men's dominance and go on, walk on, and battle for their independence [2]. Women make major contributions to the success of family companies, mostly via unpaid labor and talents. Both in academic research and by a family that takes it for granted, the worth of this work is undervalued. On the other hand, several of the businesses classified as controlled by women (i.e., businesses in which women own a majority stake) are run in their names by males in charge of operations and decision-making. Women's entrepreneurship programs can only flourish if they recognize this contradiction, as well as the family and societal conditioning that limits women's confidence, mobility, and independence [3].

The COVID-19 pandemic has had a significant influence on people's health, economics, or public services, including welfare workers, work patterns, and daily living practices all across the globe. The issue that decision-makers faced in such a transformed socio-economic situation may be summed up by

the question [4]. From the beginnings of the pandemic till now, several studies on the influence of COVID-19 on the company's operations have been done. The data from the beginning and the ones humans produced today reveal minor changes in expectations and results. However, not enough time has elapsed for accurate estimates of the pandemic's harm to be made. The ramifications for businesses and the economy as a whole are determined by how well they functioned and how strong their economies were before the crisis. The COVID-19 pandemic has had a devastating influence on society as a whole, with those who were already vulnerable before the epidemic being especially hard to hit [5]. The COVID-19 epidemic has highlighted the region's deep gender inequities as well as the fragility of progress accomplished so far. While female entrepreneurs now have to deal with both the virus's economic and family effects, employed women who aren't business owners have expected to face a different set of challenges at work, such as work-family conflict and stress caused by an inability to perform work properly under the compression of family requirement, as well as vice versa. The pandemic has not impacted all companies in the same way, as seen by the findings given in this study as well as other studies looking into the effect of COVID 19 on company operations [6].

Women entrepreneurs encounter several obstacles in their growth, many of which are a result of gender preconceptions, as experience has demonstrated. In Delhi, the percentage of women-owned and operated enterprises has steadily increased from 25 to 30 percent during the previous seven years. However, in the fields of health, educational, tourism, social, as well as other services, 99 percent of these enterprises are single-employment as well as family-run businesses with fewer than 10 workers [7]. These enterprises are especially sensitive to interruptions because if they don't keep operating, whole families may slip into poverty. Various hurdles put on women in the business world, whether naturally or intentionally, make it difficult for women's businesses to flourish at the same rate as men's [8]. This leads to the conclusion that, even amid the COVID-19 virus outbreak, women's entrepreneurship might be severely harmed, owing to the gender-sensitive restrictions they confront daily, making them particularly susceptible. The goal of this study is to learn more about how the pandemic has affected women's businesses and how to reconcile business or family duties for women entrepreneurs in these new conditions [9].

What impact might the COVID-19 pandemic have on women's entrepreneurship? Women's entrepreneurship has grown significantly in recent years all around the globe. Women-owned and operated businesses contribute significantly to socio-economic growth. Women's engagement in business is still lower than that of their male counterparts. Even though the ratio of female entrepreneurs is increasing, there are still several statistics that place this economic group in a

disadvantageous position when compared to males [10]. Women, on average, have greater difficulty operating their enterprises than males. As a result, their status is projected to be more sensitive to difficulties and crises. Female-owned firms in the service sector were disproportionately impacted by the recent COVID-19 issue since they dominated this sector. The fact that 99 percent of women operate micro-businesses and just 1% own small businesses suggests that their susceptibility may be heightened during the COVID-19 epidemic. Although precise statistics on the number of shuttered Small medium enterprises (SMEs) including those (co)owned and controlled by women, is still not available, it is known that the COVID-19 crisis forced almost 6% of self-employed people to close their firms, while the crisis had a beneficial influence on 2.4 percent of them [11].

According to statistics on the number of businesses that closed as a result of the global financial crisis in 2008, women's entrepreneurship may be more vulnerable to the crisis-induced by COVID-19 than men's. Women's businesses closed 47 percent of the time, whereas men's firms closed 38 percent of the time [12]. Gender equality and women's entrepreneurship suffered greatly during the 2008 financial crisis as a consequence of the economic recession. Because the sectors personally impacted by lockdowns and similar actions are those in which females own the majority of their small or medium-sized businesses: tourism, education, affordable childcare, restaurants, as well as other traditional "woman professions", such as hair or beauty salons, this effect is very likely to be repeated in 2020 and beyond [13].

The fact that female entrepreneurs in Delhi are centering their company operations on the local market (76 percent) while 30 percent have spread their activities all across Delhi raises the possibility that they will be more impacted by the COVID 19 situation than males. The steep decline in demand witnessed in the first half of 2020, as well as purchases of only the most needed products/services, have surely impacted the position of women entrepreneurs, who are largely in the service business [14].

## **2. LITERATURE REVIEW**

The influence of the covid-19 pandemic outbreak on micro-entrepreneurs in Malaysia was investigated by Nur Azhariah Binti Hamdan et al. The effect of the outbreak on micro-entrepreneurs under the Amanah Ikhtiar Malaysia (AIM) program during movement control orders (MCOs) and the current technique adopted to reduce the impact of Covid-19 on their company. This research used a qualitative technique, conducting an in-depth interview with six women micro-entrepreneurs utilizing a semi-structured interview style as part of the Amanah Ikhtiar Malaysia (AIM) program. In terms of generalizations of the results and research emphasis, this study has certain limitations. Despite the restrictions, the researchers think the study's findings might serve as a springboard for future research in this field. As a result, the future study may look into employing survey analysis to determine the effect and survival mechanisms used by a broader group of respondents in reaction to the crisis. This research, like other previous investigations, has a problem. The study's shortcomings include generalizations of the results and the study's emphasis. Despite the restrictions, the researchers think the study's findings might serve as a springboard for future research in this field [15].

Victoria L. Crittenden and her colleagues investigated the impact of women aiding women. Women make up a major number of direct selling entrepreneurs, who were formed on the principle of advising individuals on how to effectively develop a company from the bottom up. The advantages of direct selling are highlighted in this chapter. First, they target female micro-

entrepreneurs who wish to start modest enterprises on a small scale while retaining flexible schedules and work-life balance. In aspects of capitalization, formal frameworks, mentorship, income, personality, social capital, as well as life skills, these women may profit from direct selling. Second, they showcase female entrepreneurs who are launching their own production companies or have chosen personal marketing as their go-to-market method. Authenticity, emotional commitment, as well as passion are three characteristics that these women share [3]. Before, during, and after Covid-19, M. G et al. colleagues researched women-led small or medium-sized businesses. The COVID-19 pandemic's socioeconomic effects have worsened gender differences among SMEs, potentially jeopardizing decades of sluggish progress toward gender equality in SME performance. Women-led SMEs have a history of having lower average profitability, smaller sizes, fewer workers, and probably greater costs of acquiring company social capital including participating in important business networks. Female's mobility, patterns of inequalities in access to or allocation of financial resources (including time), skills, as well as behaviors, and social drivers of these outcomes, such as gender-specific social norms, sector-specific segregation, allocation of care work, as well as women's mobility, might even limit the responsiveness of female SMEs to new gender-neutral programs and policies implemented to mitigate the worldwide financial downturn caused by the pandemic. In this work, they evaluate the relevant evidence to explain how COVID-19 has worsened gender differences in SME participation, growth, performance, and profitability. They provide a unified conceptual framework for assessing the main characteristics that underpin gender differences in SME involvement and performance [16].

P. Sravan Kumar et al. investigated the opportunities for women entrepreneurs in India. Entrepreneurship is commonly described as the act of creating, developing, and operating a new business, which often starts as a small firm, such as a start-up company, selling or hiring a product, procedure, or service. Whereas definitions of leadership condition characterized on the launching as well as the running of business owners, due to the high risks involved in attempting to launch a beginning, a large percentage of businesses must close leading to a shortage of funding, poor business decisions, a financial recession or a combination of each of these. Entrepreneurship is a fast-growing issue in today's competitive economy, or its economic value is widely acknowledged. Women's entrepreneurship is seen to be an effective tool for women's economic emancipation. For decades, female entrepreneurs were economically underdeveloped. Only recently has the notion of women entrepreneurship gained traction [17].

Research Questions:

- What impact does COVID-19 have on female entrepreneurs?
- How to grow a women's company in the twenty-first century?

## **3. METHODOLOGY**

### **3.1. Design**

A woman or several women entrepreneurs might well be described as someone who starts, organizes, and runs a company. An online questionnaire was used to gather data for this study's aims. The internet Women entrepreneurs with a higher degree make up the majority of the educational system.

### **3.2. Sample**

A questionnaire was emailed to 450 women entrepreneurs whose e-mail addresses were found in the Association of Business Women of Delhi's database. The study ran from June

5, 2020, through July 5, 2020. A total of 93 questionnaires were received throughout that period, resulting in a response rate of 21%. The majority of female entrepreneurs are between the ages of 25 to 45. 67 percent of female entrepreneurs are married, while the remaining percentage is single.

### 3.3. Instruments

Online surveys are conducted using Google forms and e-mails, as well as the Wilcoxon test. The Wilcoxon test, also known as the ranking sum test or the signed-rank test version, is a nonparametric statistical test that combines comparable matched groupings.

### 3.4. Data Collection

A questionnaire was sent to 450 female entrepreneurs whose e-mail addresses were located in the database of the Delhi Association of Business Women. The research was place from June 5, 2020, to July 5, 2020. Furthermore, the non-parametric technique Connected Wilcoxon signed-rank was used to test the significance of variables such as time expended on business-related, house-related, but also children as well as family-related actions, as well as variation in the number of employees throughout women-owned businesses before or after the COVID-19 pandemic, as shown in Table 1.

**Table 1: Illustrate the composition of samples. An email survey was issued to 450 female entrepreneurs**

Entrepreneurs age	Number	Percentage
Between 20 to 30	70	24
Between 30 to 40	221	49
Between 40 to 50	105	15
Between 50 to 55	55	12
Total	450	100

The majority of businesses have been in operation for 10 to 20 years, with a smaller percentage operating for 5 to 10 years. The majority of businesses (75%) employ less than ten people. Industry, manufacturing, including construction (35 percent), professional, scientific, or technological activities (16 percent), commerce and repair services (15 percent), including education, healthcare, as well as social care (all 15 percent) are the most common sectors wherein the women entrepreneurs engage (10 percent).

### 3.5. Data Analysis

Women-owned businesses' challenges as during COVID-19 outbreak. The data were analyzed using descriptive statistics. The COVID-19 epidemic has had a detrimental influence on the company's operations, according to the majority of female entrepreneurship (76 percent). In particular, 24 percent of them said the pandemic had only slightly harmed the status of the firms, while 33 percent thought it had greatly worsened the condition of the enterprises. 19 percent of a total of women's companies have been impacted by the epidemic as shown in Table 2. In terms of the total number of women-owned businesses affected by the COVID-19 pandemic, 34 percent are in the industry, industrial production, and construction sectors, 18 percent are in the expert, scientific, and ability to manufacture sector, 17 percent are in the trade as well as repair services sector, 10 percent of the total are already in education, health, as well as social care, as well as 7 percent, are in the accommodations, hospitality business, and so on.

The most vulnerable areas of the economy to the COVID-19 pandemic are other social care, professional, personal or social services, scientific, as well as energy dispersive spectroscopy, trade as well as repair services, accommodation services but instead hospitality sector, healthcare and education, industry, production, and construction, per the percentage of influenced women-owned businesses in each sector. Sixteen percent of female entrepreneurs said that the pandemic did not influence their firm, while eight percent stated that the COVID-19 epidemic had a favorable impact, as shown in Figure 1.

**Table 2: What impact did the COVID-19 outbreak have on your company?**

Impact of COVID-19 on companies	Percentage
The pandemic has improved the company's status.	7%
The pandemic has did not affect the company's condition.	17%
The pandemic has had a minor impact on the company's status.	26%
The pandemic has had a substantial negative impact on the company's status.	33%
The pandemic has rendered the enterprise's functioning untenable.	17%

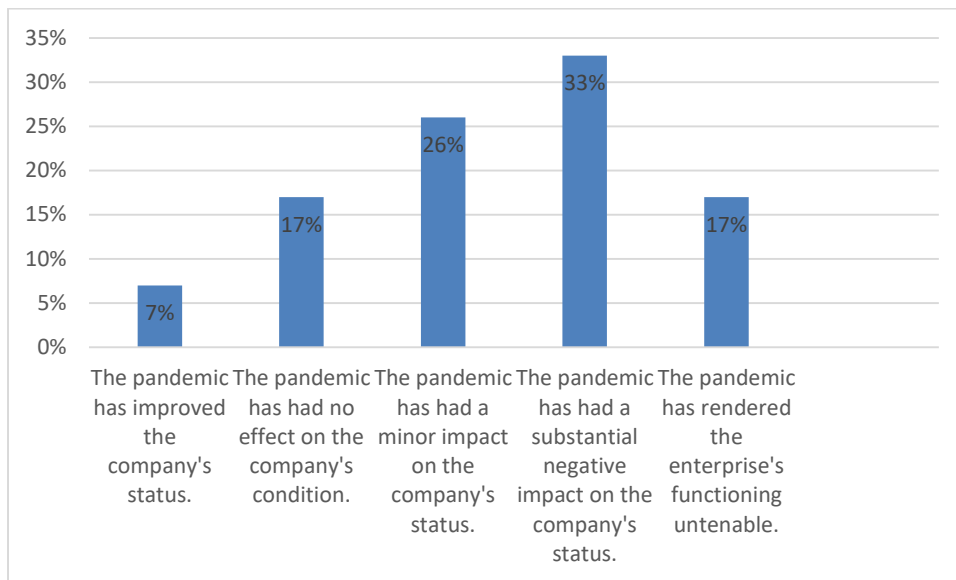


Figure 1: Show how the COVID-19 epidemic has affected your business

#### 4. RESULT AND DISCUSSION

A working woman is a woman who takes on a demanding job to meet her needs and become financially self-sufficient. Men see themselves as the family's financial cornerstone, someone who is supposed to provide a carefree daily life, while women have historically carried the brunt of household chores. "Non-business-related acts" vs. "business-related actions" before too and during the COVID-19 pandemic. In the last two decades, women's businesses have increased. Women have almost matched males in terms of financial contribution to the home. In our sample, women entrepreneurs earn more or the same as their male partners. A lot of women would probably say no to such a question.

The COVID-19 outbreak may aggravate the situation for female entrepreneurs. The government of the republic of Delhi

took the first measures by closing schools and imposing a rigorous quarantine for the elderly and those with damaged health. Preschool children and people in poor health need special, almost constant care, starting with meal preparation, changing clothes, maintaining hygiene, learning aids, emotional support, and so on. These duties put further burden on women-owned enterprises and deflect focus away from the economic turbulence caused by the COVID-19 epidemic. Figure 2 shows that 45 percent of women business owners spent less time doing business-related activities during the pandemic than they did before the pandemic, with 65 percent of those in marital or extramarital relationships, 32 percent of women entrepreneurs paid special attention to business even during the pandemic than they did well before the pandemic.

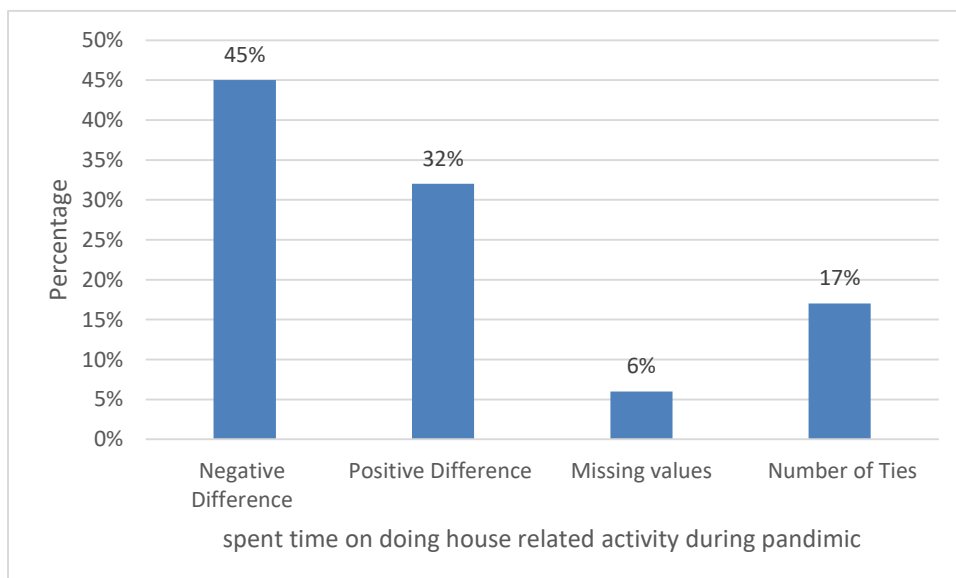


Figure 2: Time spent doing business-related activities, house-related activities

The majority of female entrepreneurship (65 percent) spent more time on different house-related tasks during the pandemic than they did before the outbreak; however, 9 percent of them

spent less time on these activities during the pandemic. During the pandemic, 49 percent of women entrepreneurs spent more time and 14 percent less time on children as well as family-

related activities than they did before the epidemic. The Wilcoxon sign rank test revealed that during the pandemic, a considerably larger number of women businessmen spent more time performing housekeeping and tasks linked to children or families than before the epidemic. On the other hand, compared to the time before the epidemic, an insignificantly

larger number of women spent fewer hours conducting business during the pandemic. When compared to February of the same year, the number of workers in 14 percent of women-owned businesses fell in June 2020. In 3% of organizations, the number of workers rose, while in 78% of enterprises, the number of workers remained steady, as shown in Figure 3.

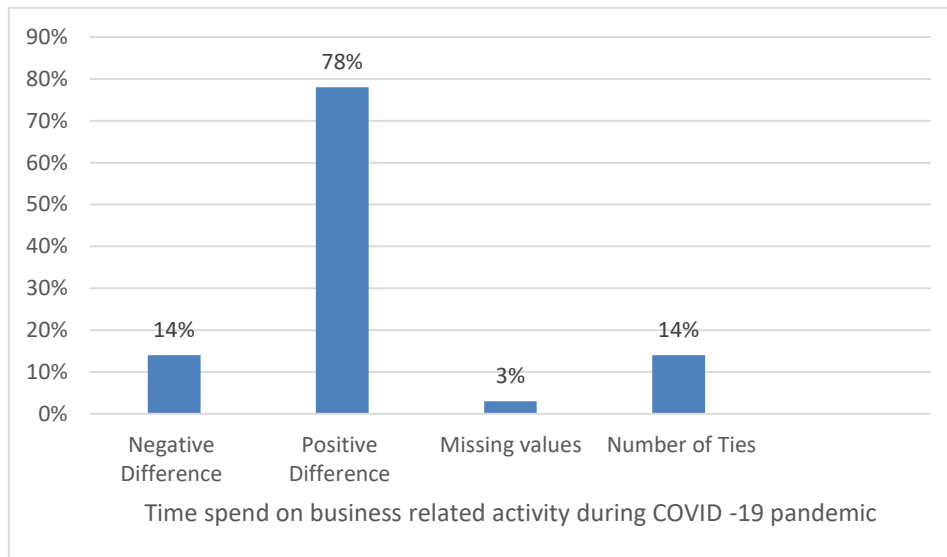


Figure 3: Spending time on business-related activities, the Prior and During Pandemic

In June 2020, the overall number of employed people was 11 less than in February of the same year, accounting for just 0.92 percent of the total number of people employed by female entrepreneurship. There are statically meaningful variations in the number of workers during the COVID-19 pandemic, according to the Wilcoxon sign rank test. The Wilcoxon sign rank test revealed that during the pandemic, a considerably larger number of women businessmen spent more time performing housekeeping and tasks linked to children or families than before the epidemic. On the other hand, compared to the time before the epidemic, an insignificantly larger number of women spent fewer hours conducting business during pandemics. When compared to February of the same year, the number of workers in 14 percent of women-owned businesses fell in June 2020. In 5% of organizations, the number of workers rose, while in 78% of enterprises, the number of workers remained steady, as shown in Figure 4.

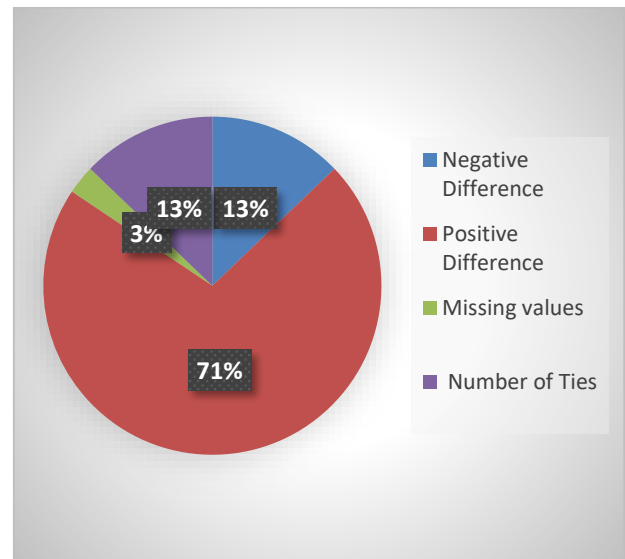


Figure 4: Variations in the Number of Staff during the COVID-19 Pandemic (June) vs. Before the Pandemic (February 2020)

## 5. CONCLUSION

According to our results, the COVID-19 outbreak and lockdowns have had a substantial influence on women's business. Almost 43% of female entrepreneurs reduced the amount of time they spent on business during the epidemic. More than half of female entrepreneurs (65%) increased the number of hours spent on housekeeping during the pandemic. These are just a few instances of how women have assumed more responsibilities than men. Even 78 percent of female entrepreneurs claimed the pandemic harmed their business, and

19 percent of companies were unable to operate normally. During the COVID-19 outbreak, the most important challenges faced by women-owned enterprises were a loss in revenue and a fall in demand. On the other side, the crisis brought new opportunities for many female entrepreneurs, such as expanding into new markets, adding new products to the range, and increasing online sales. Only 14% of firms reduced their personnel as a consequence of the outbreak, which is a respectable number. However, rather than the previously created capacity of women-owned businesses to maintain the same number of employees, such a good result was the result of a larger amount of state aid, which was reflected in the payment of three minimum wage laws for employees in the period April-June 2020, as well as the postponement of taxes and contributions.

One of the most important indicators of the severity of the economic disaster caused by the COVID-19 epidemic is turnover expectations. The majority of female entrepreneurs (65%) forecast a decline in turnover in 2020 compared to 2019, with 49 percent expecting a drop of more than 50 percent and 46 percent expecting a drop of 30-50 percent. Women entrepreneurs have responded to the new crisis in several ways, including decreased economic activity, the use of various types of government assistance, and the launch of new or modified businesses. Women company owners, on the whole, tended to avoid acts that would jeopardize their employees' working circumstances. The study only discusses the current state of women-owned enterprises. It will be critical to repeat the research in a few months to evaluate the effectiveness of the company's reaction as well as the utility of government assistance in decreasing the COVID-19 epidemic's long-term economic consequences. To establish whether males are better at managing a crisis than women, the research should be expanded to include male-owned enterprises. As a consequence, future research may utilize survey analysis to investigate the impact and survival strategies used by a larger group of individuals in response to the crisis.

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