

## Women Entrepreneurship And The Covid-19 Crisis: Difficulties Or Opportunities? A Literature Review

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### Abstract:

*This article discusses the impact of the COVID-19 pandemic on women entrepreneurs globally, with a specific emphasis on the MENA region. Our main aim is to present the literature on women's experiences during the pandemic and assess its implications for their future. Moreover, we seek to emphasize the unique impact of the pandemic on women's entrepreneurship, with a focus on the vulnerability faced by those who have transitioned from borrowing to micro-enterprise ventures.*

*The findings indicate that female entrepreneurs suffered the most from COVID-19 containment measures, primarily due to their limited access to crucial resources, especially financial and managerial support. Poverty levels have been intensified by the pandemic, highlighting the pressing requirement to bolster microfinance institutions and empower women's entrepreneurship in MENA countries. Despite the challenges brought about by the pandemic, female entrepreneurs have made a notable impact on the national economy by establishing start-ups and fostering the growth of small and medium-sized businesses.*

**Keywords:** Women Entrepreneurship, Covid-19, Economic Activities, Mena, Social Situation.

### INTRODUCTION:

The COVID-19 pandemic has brought about significant changes in people's lives, but what is the role of women entrepreneurs in underdeveloped nations in navigating the unprecedented obstacles caused by the virus and its impact on their way of life?

From a practical and relatively general standpoint, the COVID-19 epidemic is having a detrimental influence on the global economy. Several businesses suffered huge losses because of the crisis (Bartik et al., 2020). Micro-enterprises faced several hurdles, including a drop in demand, sales, a lack of raw materials, and transportation problems (Seetharaman, 2020). Despite the widespread effects of the pandemic on businesses, this article hones in on the specific impact it had on women's entrepreneurship.

Research indicates that women who transitioned from being borrowers to entrepreneurs in micro-enterprises were the most affected by the COVID-19 lockdown. This vulnerability

can be attributed to the limited access women have to essential resources, particularly in terms of managerial and financial support (Bartik et al., 2020). Recognized as a potent strategy for poverty reduction in developing countries, microfinance institutions (MFIs) and women's entrepreneurship, particularly for women, have gained widespread acclaim (Palali et al., 2020).

Unfortunately, the COVID-19 pandemic has exacerbated poverty levels, underscoring the urgent need for these approaches. The collective effort to combat COVID-19 and revive the national economy required increased contributions from all individuals, irrespective of gender, through family, societal, and individual strategies. Through their participation in start-ups and development in small and medium companies, women entrepreneurs contributed significantly to national economies, and they still are (Beriso, 2021).

Women are one of the most important aspects of a civilization from a socioeconomic standpoint, and societies cannot exist without them (Aytakin, 2019). As a result, an increase in their earnings will help not only their family but will also have a big beneficial influence on the economy (Peprah, 2012). Moreover, amid the COVID-19 crisis, countries require greater economic resources to stabilize their healthcare systems and popularize COVID-19 protective measures, and women entrepreneurship is one of the means to stabilize the nation's economy.

## **OBJECTIVES**

This paper attempts to illustrate various women's entrepreneurial experiences throughout the world during the pandemic and how it has affected their future (both in positive and negative ways). It will look at all the opportunities and obstacles that the pandemic presented for women entrepreneurs, as well as give an empirical argument for which side outweighs the other, to determine whether it was a good or bad thing for women entrepreneurs.

However, first, it is vital to identify the sociological perspective of researching women's entrepreneurship and why it is important to discuss this issue. To begin with, the topic of women entrepreneurship is a wave of good social mindset, which the world desperately required during the pandemic, thus understanding the dynamics between COVID-19's implications and the scenario of WE is new, current, instructive, and crucial.

## **SOCIOLOGY OF WOMEN ENTREPRENEURSHIP**

In recent years, social and women's entrepreneurship has been two rapidly emerging disciplines of entrepreneurship studies. Women's entrepreneurship is all about doing business related to RSE (Social responsibilities of entrepreneurs) or a field of social business where the impact is sociocultural, societal, and environmental rather than economic.

However, because the majority of an empirical study on women entrepreneurship done in the context of social entrepreneurship, it may be stated that women are more qualified to operate social enterprises in the setting of social entrepreneurship, which makes it a topic for sociological discussion.

A new comparative investigation conducted by Rosca et al. (2020) reveals that female entrepreneurs play a significant role in social innovation processes within unpredictable "Base of the Pyramid" contexts. Using the effectuation lens, the study explored how entrepreneurs approach decision-making and progress through the different stages of creating a venture.

The research shows that women social entrepreneurs are highly motivated to tackle social issues. During the venture formation processes, women entrepreneurs also demonstrate a slight movement between the two methods of causality and effectuation. This research found that women have far more inclusive methods for enhancing socio-economic growth (Rosca et al., 2020), and as a result, they are the agents of genuine change in the socio-economic realm, making the current paper sociological, or at least one from a socio-economic perspective.

Simply put, studying women's entrepreneurship is all about comprehending the institution (women-run businesses), intersectionality (as women face a plethora of stimuli, making decisions based on multiple personal, professional, and social characteristics, and, on top of that, having a self-image derived from a combination of various characteristics- like gender, age, color, nationality, and religion), and social implications of this process.

The other sociological concepts associated with WE, are “the social capital approach”, “social networks”, “informal investment”, “social and cultural opportunities”, “gender expectation”, “social norms” and “entrepreneurial environment”. WE are becoming increasingly significant in terms of producing new employment and contributing to their nations' social and economic prosperity, but the interaction and intricacies of women's entrepreneurship and culture are currently understudied.

There is modest research on how women's business engagement influences cultural attitudes and behaviors. Until now, it has been demonstrated that what we might call cumulative knowledge is primarily about gender-based expectations that culture has of women compared to males, and how WE can be a tool to close the gender gap in the workplace (Bullough et al., 2021). However, empirical evidence clearly shows that the relationship between WE and socio-cultural elements is inextricably linked.

The WE's ability to change society for the better and advance women-focused agendas (inspiring other women, generating gender capital, making advances to combat discrimination, and promoting gender equality in the entrepreneurial environment) is another factor that makes it a topic of sociological discussion (Belcourt, 1987).

Lastly diverse meso and micro components of the environment that account for WE business-development actions have also been discovered through research. It demonstrates the importance of money (access and use), market (client intelligence), and management (non formal education and experience) in the growth of women's businesses. Researchers know that motherhood (home obligations), meso- and macro-environments (socioeconomic and cultural elements) have a reciprocal link with society, culture, and the nation's economic circumstances (Ogundana et al., 2021).

## **COVID-19, AND WOMEN ENTREPRENEURSHIP IN MENA REGION.**

In the MENA region, female entrepreneurs encounter a comparable predicament, albeit with a slightly different potential for success. The coronavirus pandemic caused significant setbacks for women's economic empowerment in the Middle East and North Africa (MENA) region following the economic devastation, exposing governmental inefficiencies and inadequate institutional capabilities.

After the pandemic, the gender gap in the business sector has been as obvious as day, evoking great political, economic, and social concern about how authorities should address it

if they wish to stay up with the corporate sector's globalization efforts (Niazi, 2021; Bastian, 2019). Now that the problem (gender-based discrimination) has been highlighted by both communities and governments, there is optimism that things will improve, which has been provided to WE in MENA by COVID-19.

Moving forward, the organizations that survived are now stronger, have learned a lesson about how to deal with similar economic crises, have invented new ways to market and sell their products/services (people in COVID were not attracted to non-essential products and services), and their teams have more faith in one another (Fibig, 2020).

### **COVID-19 Unleashed Various Opportunities for Women Entrepreneurs : the Experiential Entrepreneurial Learning**

To begin with, COVID-19 provided an opportunity for the entire economic management market to experience and live through a disaster that no one could have predicted, which counts as experiential learning (EL), which is defined as "experience-based learning in the entrepreneurial process" and is derived from the business development process (Ettl & Welter, 2010).

Entrepreneurial students are continually extending their knowledge to increase their abilities to run and manage their businesses in a variety of conditions (Politis, 2005). The basic assumption of EL is "what entrepreneurs should or do learn during the process of exploring and exploiting an entrepreneurial opportunity in the creation of new ventures or management of existing firms" (Wang & Chugh, 2014, p. 24).

Individuals' understanding is improved as a result of EL. It provides useful information and leads people in the right direction when it comes to starting a business. Female entrepreneurs benefit from learning in a broad atmosphere since it helps them develop and flourish in their firms (Khurana & Dutta, 2021). It also assists them in efficiently managing complicated and dangerous challenges (Lattacher & Wdowiak, 2020).

Furthermore, experience gained during uncertain and dangerous events (such as the COVID-19 crisis) may aid in effectively re-inventing a firm. Even during regular periods of business activity, research suggests that men and women have different outcomes, let alone during a worldwide epidemic. Aside from that, family and business environment elements have been discovered to affect women entrepreneurs more than males, and we all know that family dynamics have altered dramatically since the COVID-19 epidemic (Welter, 2020).

To date, the literature on EL in the modern scholarly world has concentrated on learning in the pre-pandemic age (Omored, 2020). However, due to the complex and dynamic nature of EL, learning from past occurrences has shown to be ineffective (Muehlfeld et al., 2012). In this context, the innovative COVID-19 pandemic has tested entrepreneurs' (particularly women's) previous business learning beyond a generic understanding of disaster or failure.

The COVID-19's entrepreneurial activities had opened new learning experiences for women entrepreneurs, which were required for their firm's existence and, at the end of the day, acted as an opportunity.

### **COVID-19 Burdened Women Entrepreneurs Comparatively More than Men and Now Everyone Knows that**

Even though microfinance funders play a crucial role in making women entrepreneurship an effective resource for poverty reduction, economic growth stability, and women entrepreneurship from a female perspective (Drori et al., 2018), there is a gender gap and sex-based inequity. MFIs accepted that they needed to undertake more effort and create step-ups to help financially disadvantaged women entrepreneurs begin new companies during a pandemic by declaring a decrease in loan payback limits because of the COVID-19 outbreak.

Female borrowers are sought after by MFIs because they are seen as reliable borrowers (Khan et al., 2018). During the pandemic, research indicated that male borrowers engaged in more unsafe company operations or disclosed hazard concerns by utilizing credit to acquire cigarettes and alcohol (Shepherd, 2020). The process of development, according to the theory, is driven by the actions of self-maximizing individuals given economic rationality. It appears to be a vital contemporary need to perform an adequate investigation of structural discrepancies between crisis reaction and firm profitability focused on female entrepreneurs.

Such knowledge is impossible to obtain without conducting a detailed qualitative analysis of the social and economic factors within which a firm operates (Mustafa et al., 2021). But the main point here is that all of the challenges faced by women entrepreneurs (discussed below), including the gender gap and inequality based on various aspects of their identity, have become the highlight of women entrepreneurship literature, following comparison of men and women who borrowed finance to design new startups during the pandemic, which is a huge milestone if one is talking about paving the path for equality.

### **COVID-19 as a Challenge for Women Entrepreneurship**

Women-owned enterprises are not only more vulnerable to economic ramifications because of their lower average company size and age, but they are also linked to industrial areas that have been affected by economic lockdowns (World Bank, 2020).

Moreover, a dearth of schools, daycare centers, and elderly care facilities would raise the burden of family care on female businesses (Ramos, 2020). The increased demand for housekeeping on women adds to the burden on women (Khan et al., 2018), culminating in a nightmare situation for women. MFIs provide some environmental legislation.

Policy solutions for businesses tend to go beyond the concept of gender discrimination, allowing women to defend themselves in a range of businesses (Mobin et al., 2017). The COVID-19 outbreak has presented many challenges for female entrepreneurs (Yukongdi & Caete, 2020).

### **CONCLUSION**

From a sociological standpoint, the article thoroughly investigates the profound influence of women entrepreneurs as authentic drivers of transformation in the socio-economic domain. It sheds light on their indispensable contribution to promoting social innovation and bridging the gender divide within the professional realm.

Moreover, this emphasizes the criticality of experiential entrepreneurial learning amidst the pandemic, as it empowers women entrepreneurs by providing them with indispensable learning experiences that are vital for the survival and success of their businesses. Furthermore, the study highlights the different difficulties faced by women entrepreneurs. To summarize,

COVID-19 posed significant economic, social, psychological, and mental challenges for them, which were extremely intense.

However, it also brought about numerous opportunities. Contemplating which side emerges as the winner is either futile or obvious because we all recognize that every issue has multiple viewpoints. The pandemic presents both advantages and disadvantages for women entrepreneurs, just as it does for everything else. Nevertheless, it is important to acknowledge that experiential learning, business innovation, and the recognition of gender-based inequalities in entrepreneurship are noteworthy accomplishments when compared to the challenges of balancing personal and professional lives amid the pandemic, particularly considering women's exceptional multitasking abilities.

While there has been significant research conducted on the matter, there is still much unknown about the additional challenges faced by women entrepreneurs. Consequently, no argument can claim to be completely accurate.

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