

An Analysis of the Obstructive Factors that Impact the Empowerment of Women Entrepreneurs in Sri Lanka

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The sector of small and medium enterprises is considered an encouraging platform for the economic empowerment of women through participating in economic development as entrepreneurs. The lower productivity exhibited by these SMEs in Sri Lanka was identified because of the high participation rate of female entrepreneurs in the informal economy. An unfavorable environment has been created obstructing the transition of women entrepreneurs towards the upper echelon of the business world through diverse impediments. Thus, the research focused on exploring the barriers that hinder the business growth of women entrepreneurs in small and medium-scale enterprises. Accordingly, the research was conducted as secondary research. Since this research encompasses the areas of gender, entrepreneurship and international trade, feminist theories, entrepreneurship theories and internationalization theories were applied in developing the analysis. Based on these theories, the factors which directly and indirectly influence the growth of women-owned small and medium-scale enterprises were explored and discussed. In Sri Lanka, a minor percentage of female participation in small and medium enterprises occurs due to limited access to financial resources, lack of financial literacy, social prejudices, social and cultural restrictions, and limited opportunities for networking and communicating with external resources. Thus, closing the gender gap in education, giving access to capital through a concerted policy action and providing women entrepreneurs with opportunities to improve their financial literacy and educational level were highlighted as the major recommendations in the study to empower women entrepreneurs to climb the value chain. Women entrepreneurs in small and medium-scale enterprises need to be facilitated with greater access to the domestic, regional, and international markets to enable them to expand their businesses with productivity and innovation. Thus, vital policy measures should be taken to mitigate the barriers involved in formalizing the business mechanisms while focusing on increasing the benefits that women entrepreneurs can gain through that standardizing process.

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