

# **Empowering Tribal Women through Entrepreneurship: Socio-Economic Challenges, Opportunities, and Pathways Forward**

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## **Abstract**

Entrepreneurship plays a crucial role in driving economic empowerment, social progress, and development within marginalized tribal communities. Tribal women, integral to indigenous economies, demonstrate significant potential particularly in agriculture, handicrafts, and forest-based enterprises. However, despite supportive institutional frameworks like Self-Help Groups and government initiatives, their entrepreneurial activities often remain confined to micro-enterprise levels due to persistent barriers. These include limited access to financial resources, inadequate education and skill development opportunities, lack of market connectivity, and poor infrastructure (Frontiers in Sociology, 2023; Ministry of Tribal Affairs, 2025). Research shows that entrepreneurship positively influences tribal women's socio-economic status, increasing their income and decision-making power within families (Frontiers in Sociology, 2023). This paper offers a detailed literature review, illustrates successful empowerment models, analyzes socio-economic impacts, and proposes strategies to dismantle systemic constraints, thereby promoting sustainable tribal women entrepreneurship.

**Keywords:** tribal women, entrepreneurship, economic empowerment, barriers, policy

## **I. Introduction**

Entrepreneurship has emerged as a key driver of inclusive economic growth and social transformation globally (Nexford University, 2025). It facilitates opportunities for marginalized communities to improve livelihoods, foster innovation, and achieve socio-economic mobility. In indigenous contexts, especially among tribal populations, women's entrepreneurial initiatives are gaining recognition for their potential to shift subsistence-based economies toward sustainable community development (Frontiers in Sociology, 2023). Women in tribal regions often possess traditional knowledge and skills in agriculture, handicrafts, and forest-based products, which can be harnessed for entrepreneurial ventures that generate income and preserve cultural heritage.

India's Scheduled Tribes constitute approximately 8.6% of the total population, with a significant proportion of women actively participating in rural labour markets (Census of India, 2011). Despite this, their full entrepreneurial participation remains limited due to entrenched socio-economic barriers, such as restricted access to credit, education, and technology, alongside societal gender biases and discriminatory norms (Pahle India, 2024). These structural inequalities hinder the scaling of micro-enterprises beyond household-level activities, preventing broader socio-economic uplift.

## **II. Literature Review**

### **Socio-Economic Context of Tribal Women Entrepreneurs**

Tribal women have long been recognized for their artisanal expertise in fields such as traditional crafts, weaving, food processing, and the creation of eco-friendly products, reflecting a rich cultural heritage and substantial economic potential. Despite demonstrating these valuable skills, tribal women remain disproportionately marginalized within socio-economic structures, primarily due to systemic factors that inhibit their entrepreneurial growth and formal business participation (Goswami, 2023; Ministry of Tribal Affairs, 2025). One marked challenge facing tribal women entrepreneurs is the significant literacy gap, with tribal literacy rates averaging 59% compared to the national average of 73%, creating barriers to the acquisition of essential business and financial literacy skills necessary for scaling enterprises (Periodic Labour Force Survey [PLFS], 2019).

Additionally, entrenched patriarchal cultural norms within many tribal societies restrict women's agency, mobility, and involvement in decision-making processes, thus limiting their access to vital resources such as credit facilities, training programs, and market linkages (Frontiers in Sociology, 2023). Geographical isolation further compounds these issues, as many tribal regions lack infrastructural connectivity, which hinders exposure to institutional support networks and broader commercial opportunities.

A holistic approach addressing these multifaceted barriers through enhanced educational outreach, improved infrastructure, inclusive financial services, and empowerment-oriented social reforms could unlock the considerable potential inherent in tribal women entrepreneurs. This would not only facilitate socio-economic upliftment but also support the preservation and promotion of indigenous cultural identities through sustainable economic development pathways (Goswami, 2023; Frontiers in Sociology, 2023).

### **Research Question**

How do financial inclusion, education, and skill development influence the entrepreneurial success of tribal women?

### **Objectives of the Research**

1. To analyse the socio-economic challenges faced by tribal women entrepreneurs, including financial, educational, and infrastructural barriers.
2. To examine the impact of entrepreneurship on tribal women's income levels, decision-making power, and social empowerment.
3. To evaluate the role of institutional frameworks such as SHGs, DAY-NRLM, and TRIFED's Van Dhan initiatives in supporting tribal women entrepreneurship.
4. To assess the effectiveness of existing government and NGO-led skill development, market linkage, and financial inclusion programs.

**H1:** Education level has a significant positive relationship with entrepreneurial capacity and socio-economic development among tribal women.

**H2:** Access to income and financial resources significantly influences the entrepreneurial performance and business sustainability of tribal women.

**H3:** Participation in Self-Help Groups (SHGs) and related institutional programs has a significant positive impact on the psychological, social, and economic empowerment of tribal women.

### **Sampling Technique**

The study employed a **multistage stratified random sampling technique to ensure comprehensive representation of tribal entrepreneurs across diverse administrative and operational contexts. The stages of selection were strategically designed to minimize bias and enhance the generalizability of the findings:**

1. **Selection of Districts:** Districts in Odisha were initially stratified and shortlisted based on a high density of Scheduled Tribe (ST) population and documented involvement in community-based entrepreneurial activities, as reported by the Scheduled Castes and Scheduled Tribes Development Department and supporting Tribal Development Cooperatives.
2. **Selection of Blocks within Districts (Stratification):** Within the selected districts, blocks were chosen to reflect a diversity of tribal enterprise types (e.g., forest produce processing, traditional crafts, eco-tourism, small-scale manufacturing) and varying levels of market linkage. This ensured that both mature and emerging enterprises were included.
3. **Random Selection of Tribal Enterprises/Groups (Units):** From the selected blocks, a comprehensive list of registered and active tribal entrepreneur groups (e.g., Producer Groups, tribal SHGs, or individual enterprises operating within a community cluster) was obtained. A random sample of these groups/enterprises was then drawn using computer-generated random numbers.
4. **Random Selection of Key Informants/Entrepreneurs (Respondents):** Within each selected enterprise or group, key individuals—the primary entrepreneur, group leader, or core decision-making member—were randomly selected to participate in the survey. This step ensured that each eligible entrepreneur had an equal chance of participation, thereby reducing selection bias.

This meticulous approach helps in minimizing selection bias and enhances the statistical validity of the findings regarding the dynamics of tribal entrepreneurship within the selected regions.

### **Sample Size**

The study surveyed a total of 600 tribal entrepreneur's/key informants, selected based on the stringent sampling framework detailed above. The sample size was determined after a pilot study and confirmed using the Cochran formula for sample size determination to ensure statistical representativeness at a 95% confidence level with a 5% margin of error.

The respondents were proportionally distributed among the selected tribal regions to accurately reflect their respective populations of active tribal enterprises. This proportional allocation is crucial for enhancing the precision of region-wise comparisons and supporting robust inferential analysis across various socio-demographic segments of tribal entrepreneurs.

### **Data Collection Methods**

The study employed a triangulation strategy using both primary and secondary data collection techniques to ensure a comprehensive and multi-layered analysis of tribal entrepreneurship.

### **Primary Data:**

Structured Questionnaires, Personal Interviews (Qualitative Insights, Field Observations

**Secondary Data:** Secondary information was sourced from relevant academic journals focused on tribal economy and entrepreneurship, official publications of the ST & SC Development Department, reports from the Tribal Development Co-operative Corporation (TDCC), research studies from developmental NGOs, and databases maintained by NABARD and microfinance institutions.

### Data Analysis

The collected data on women tribal entrepreneurship were analysed using both descriptive and inferential statistical techniques with the help of SPSS software (version 25.0). The analytical framework comprised the following procedures:

- Descriptive Statistics: Mean, standard deviation, and frequency distribution were computed to present demographic characteristics and levels of entrepreneurial empowerment among tribal women.
- Analysis of Variance (ANOVA) Exploratory Factor Analysis (EFA)

**Table 1: Block-wise and Overall Social Status Development of Tribal Women Entrepreneurs in Odisha**

Village	N	Range	Min	Max	Mean	SD	Mean %	ANOVA F	p-value
Kutabeda Village	187	72–175	72	175	124.20 <sup>a</sup>	19.27	70.97		
Lanjiput Village	238	97–173	97	173	138.03 <sup>b</sup>	15.76	78.88	41.16	<0.001 <sup>u</sup>
Pattamada Village	175	74–170	74	170	136.59 <sup>a</sup>	14.55	78.05		
Total	600	72–175	72	175	133.30	17.69	76.17		

**Source: Prepared by Author**

*Means with superscripts <sup>a</sup>, <sup>b</sup> show significant differences (post hoc test). ANOVA F = 41.16, p < 0.001 indicates a highly significant difference among villages.*

**Inference:** The overall social status development of tribal women entrepreneurs differs significantly across Odisha's tribal villages. Women in Lanjiput display the highest mean development score (Mean=138.03, 78.88%), suggesting better socio-economic conditions and greater empowerment opportunities, followed closely by Pattamada. Kutabeda reports the lowest mean score (70.97%), highlighting geographical disparities in social and entrepreneurial development among tribal women.

**Table 2: Village-wise Level of Overall Social Status Development**

Village	Low N (%)	Medium N (%)	High N (%)	Total
Kutabeda	61 (33%)	94 (50%)	32 (17%)	187
Lanjiput	19 (8%)	132 (55%)	87 (37%)	238
Pattamada	10 (6%)	111 (63%)	54 (31%)	175
Total	90 (15%)	337 (56%)	173 (29%)	600

**Source: Prepared by Author**

**Inference:** Pattamada village has the highest proportion of tribal women entrepreneurs (63%) with medium social status development, indicating widespread moderate empowerment. Kutabeda shows the highest percentage (33%) of women with low social status, suggesting socio-cultural or infrastructural barriers. Though the differences are not statistically significant, these patterns reveal village-level diversity in empowerment and social progress.

**Table 3: Education-wise Overall Social Status Development of Tribal Women Entrepreneurs**

Education Level	N	Min	Max	Mean	SD	Mean %	ANOVA F	p-value
Illiterate	149	73	165	127.07 <sup>a</sup>	17.06	72.61		
Primary Education	176	72	175	126.81 <sup>a</sup>	17.40	72.46		
High School	243	74	175	141.29 <sup>b</sup>	15.15	80.74	36.72	<0.001 <sup>u</sup>
Higher Secondary	32	105	168	137.38 <sup>b</sup>	14.65	78.50		
Total	600	72	175	133.30	17.69	76.17		

**Source: Prepared by Author**

Notes:

<sup>a, b</sup> indicate significant mean difference at  $p < 0.05$  (post hoc).

ANOVA  $F = 36.72$ ,  $p < 0.001$  indicates a significant difference in social status development across education levels.

### III. Socio-Economic and Cultural Context of Tribal Women Entrepreneurship in Odisha's Three Villages

The analysis of social status development among tribal women entrepreneurs in Kutabeda, Lanjiput, and Pattamada villages of Odisha reveals significant regional disparities influenced by multifaceted socio-economic and cultural factors.

**Empirical Data Analysis:** The statistical results indicate that Lanjiput village shows the highest social status development (Mean = 138.03; 78.88%), followed closely by Pattamada (Mean = 136.59; 78.05%), whereas Kutabeda lags behind with the lowest mean scores (Mean = 124.20; 70.97%). ANOVA confirms the significance of these differences across villages ( $F = 41.16$ ,  $p < 0.001$ ). Education further emerges as a critical determinant, with tribal women possessing high school or higher secondary education attaining notably higher social development scores than their illiterate or primary-educated counterparts ( $F = 36.72$ ,  $p < 0.001$ ).

### **Village-Specific Context**

Lanjiput and Pattamada villages, with higher social status scores, benefit from active SHG networks, effective government scheme implementation, and diversified entrepreneurial activities rooted in agriculture, artisanal crafts, and allied sectors. Here, women's decision-making power and social autonomy have increased, supported by focused capacity building and market linkage facilitation. Conversely, Kutabeda village, exhibiting lower social status development, faces compounded barriers such as geographic isolation, limited institutional support, lower education levels, and infrastructural gaps impeding entrepreneurial progress.

### **Policy Implications and Recommendations**

Addressing these barriers and sustaining positive outcomes necessitates integrated policy frameworks promoting financial inclusion beyond microcredit, targeted educational and digital literacy programs, and investments in infrastructure—transport, storage, and digital connectivity. Socio-cultural empowerment initiatives must accompany economic support, fostering an enabling environment where tribal women entrepreneurs can fully exercise agency and access cooperative ecosystems. Facilitating market linkages, branding support, and scalable entrepreneurship models adapted to tribal contexts will be crucial for converting micro-level successes into sustainable and scalable enterprises, ensuring inclusive economic dignity for tribal women across Odisha.

## **IV. Analysis of Institutional Interventions**

### **Role of Self-Help Groups and Microfinance**

India's National Rural Livelihoods Mission (DAY-NRLM) has mobilized nearly 90.9 lakh active Self-Help Groups (SHGs) as of January 2025, covering over 10 crore women's households, primarily in rural and tribal regions (Ministry of Rural Development, 2025). These SHGs play a crucial role in empowering women economically through microcredit, savings mobilization, and peer support networks (Pahle India, 2024). Odisha, a state with a significant tribal population, has implemented several impactful initiatives complementing the national efforts. The state's flagship programs, such as Mission Shakti and Subhadra Yojana, focus on transforming SHG members into micro and small-scale entrepreneurs by providing access to finance, skill development, and business training (People Matters, 2025).

### **Tribal Cooperative Marketing Development Federation (TRIFED) Initiatives**

TRIFED's "Van Dhan" scheme focuses on enhancing the value addition and market access of tribal produce through a network of producer federations connected to Tribes India retail outlets and e-commerce platforms, with revenue targets exceeding ₹1000 crore (TRIFED, 2025). This initiative has significantly improved price realization for tribal artisans and food producers by moving beyond raw commodity sales to value-added products offering higher returns (TRIFED, 2025). Since its inception, over 3,000 Van Dhan Vikas Kendra Clusters (VDVKCs), each comprising about 300 tribal forest gatherers, have been established across India, benefiting approximately 16 lakh tribal members (TRIFED, 2021). The scheme emphasizes collective entrepreneurship, skill development, and capacity building, enabling tribal communities to create sustainable livelihoods.

### **Skill Development and Digital Inclusion**

Odisha has made significant strides in empowering tribal women through targeted initiatives that leverage digital platforms, skill development, and market linkages. The state's comprehensive programs aim to bridge the digital divide and foster entrepreneurship among tribal women, enhancing their socio-economic status. One notable scheme is the "Green Value Webs" program, which focuses on building sustainable value chains for tribal women farmers and artisans, integrating traditional skills with modern digital tools for better market access (Bharat Rural Livelihoods Foundation, 2024). Additionally, the Odisha government's "Subhadra Shakti Mela" showcases products from tribal women SHGs, promoting their crafts and generating income through local and national markets (Pragativadi, 2025). The "Odisha Women Entrepreneurship and Skill Development Program" also offers specialized training in digital literacy, financial literacy, and enterprise management, crucial for scaling microenterprises into sustainable businesses (Government of Odisha, 2025). Moreover, collaborations with private sector organizations, such as Facebook's GOAL 2.0 initiative, focus on digital upskilling and connecting tribal women to e-commerce platforms, thereby expanding market reach and income opportunities (Facebook, 2022). These initiatives demonstrate Odisha's commitment to fostering an inclusive entrepreneurial ecosystem that integrates indigenous knowledge, digital technology, and market development, ultimately working toward socio-economic uplift and sustainable growth for tribal women.

## **V. Case Examples of Success and Scale**

The Lakhpati Didi Program is a flagship initiative under India's National Rural Livelihoods Mission (DAY-NRLM) aiming to uplift rural women by enabling them to earn an annual income exceeding ₹1 lakh through diverse micro-enterprises and market linkages (The Times of India, 2024). Odisha exemplifies the success of this program, having transformed over 16.6 lakh women into Lakhpati Didis—SHG members earning sustainable incomes above ₹1 lakh per annum—with the state leading the nation in implementation and impact (Odisha MyGov, 2025). The state government facilitates access to interest-free loans, increased revolving funds, and community investment funds, significantly empowering women financially and socially (Odisha TV, 2025). Notable beneficiaries include tribal entrepreneurs excelling in poultry farming, traditional crafts, and diversified livelihoods, showcasing the program's wide-reaching impact.

## VI. Policy and Programmatic Recommendations

- a. Upgrade SHGs to Producer Organizations: Formalizing viable SHGs to access growth capital, bank loans, and institutional contracts can facilitate transition from micro to small enterprises (DAY-NRLM, 2025).
- b. Expand Skill Building and Digital Literacy: Prioritize entrepreneurship training tied to measurable indicators such as market listing and product diversification (Ministry of Tribal Affairs, 2025).
- c. Strengthen Market Infrastructure: Enhance logistics, storage, and digital connectivity through public-private partnerships to support tribal producers (Pahle India, 2024).
- d. Create Risk Capital Pools: Provide blended finance solutions combining grants and credit to mitigate collateral barriers in scaling processing and value-addition units (Pahle India, 2024).
- e. Implement Data-Driven Monitoring: Develop digital dashboards to track enterprise outcomes, revenue growth, and credit access, guiding adaptive policy formulation based on real-time evidence (DAY-NRLM, 2025).

## Conclusion

Tribal women entrepreneurs embody a largely untapped potential that can significantly transform the economic landscape and social fabric of tribal communities. Existing institutional frameworks, particularly Self-Help Groups (SHGs), TRIFED, and the Van Dhan initiatives, provide a solid foundation for mobilizing and empowering this demographic. These platforms facilitate access to finance, skill development, marketing opportunities, and collective bargaining power, enabling tribal women to initiate and sustain entrepreneurial ventures. However, despite these frameworks, several enduring challenges persist, including limited educational attainment, inadequate market access, and financing obstacles that restrict the scaling of enterprises beyond subsistence levels.

Addressing these barriers requires multifaceted, evidence-based policy interventions. First, enhancing education and vocational training tailored to tribal women can improve entrepreneurial skills, financial literacy, and technological adoption. Secondly, improving infrastructural connectivity and market integration through digital platforms can open new sales channels and reduce dependency on intermediaries. Thirdly, flexible financing mechanisms, including collateral-free loans and credit facilitation, must be expanded to accommodate the unique circumstances of tribal entrepreneurs.

Future research should investigate effective models for integrating traditional knowledge with modern business practices to foster sustainable enterprises. In conclusion, while progress has been made, sustained and inclusive growth of tribal women entrepreneurship hinges on strategic reforms and targeted interventions that address systemic constraints, fostering both economic development and social equity within tribal India.

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