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Dominated Economy of Bhutan*

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## Abstract

Bhutan is one of the most isolated countries in the world till date which has gone through tremendous transformation in terms of Development. Despite the rapid socio- economic changes, Bhutan has managed to preserve its pristine environment and rich cultural heritage. This has set an example to the rest of the world. One such aspect of change includes the roles of Bhutanese Women to which it may seem to be a patriarchal to the outsiders. They have always been an integral part of one's family and the society where they inherit the family's duties and responsibilities. Unfortunately, this is hardly recognized in the small society like Bhutan where men still dominates the formal sectors. With social and cultural barriers faced by women in the society, the contributions they make towards social and economic development is hardly rewarded. The fact that Bhutanese population is represented by more females makes it even more vulnerable in many ways. This contributes to high female illiteracy rate, increase in the number of early marriage and unemployment problems. Therefore, the private sector development especially where women can be more engaged must be set a priority by the government and other stakeholders. Such as culture of Female Entrepreneurship which has been gaining momentum among many Bhutanese women. But then many entrepreneurial activities are still male dominated in the Bhutanese market. Only certain kind of businesses such as the textile industry, hotels, garment shops and tailoring are run by women. Despite the interest and motivations they take in such entrepreneurial activities, there are still many challenges the female owned businesses face which becomes major obstacles to their businesses. The obstacles are both environmental and individual related which comes from the society and the family, which includes gender inequality as well. Despites the many challenges, they still manage to succeed in doing the business because of their strong determination and motivations. Therefore, I intend to explore more on this topic with the core objective to understand more on the situation of the females conducting business in the Textile Sector Industry in Bhutan. This study has

been carried out using the qualitative method with the help of structured interviews and also analyzing based on the secondary data as well.

**Keywords:** Bhutan, Female Entrepreneurs, gender inequality, key success factors, obstacles, female entrepreneur characteristics, motivations.

## **1. Introduction**

In the past, Bhutanese women can be hardly be seen doing business as it is a domain for men and women lacked social freedom to do even if they aspire to. But things have changed now as society has become more acceptance to women's participation in the public and economic activities. Today women who were once considered as care takers of the homes and family are now able to take up multiple responsibilities. They not only become a responsible figure to manage the household and family but also holds key positions as business owners and independent individuals. With the formation of the Entrepreneurship Promotion Centre (EPC) in 1991, significant number of women has ventured into the micro and small enterprises. This has narrowed down the perception between what roles as women should play in the society which is a breakthrough for many aspiring women entrepreneurs. Some women have started businesses to take up the opportunity as they could finally do something of their own and others took it out of necessity. However, according to the report from the Department of Cottage and Small Industries (DCSI) in 2016, the percentage of women owned SMEs are only 35.53 percent compared to men owned and operated SMEs which is 63 percent. With 35.53 percent of the total SMEs owned and operated by women in Bhutan is a considerable number for a small market size but what is more concerning is that those enterprises are mostly at micro level. studies on female entrepreneurship is an important part to be explored as it has been neglected in the most academic fields (Archer). It is important that we learn to recognize their contributions and impact they have on the overall growth of our economy. It is equally important to explore the female entrepreneurs conducting business in the textile sector. The sector which has gain momentum among female owned – enterprises in Bhutan.

## **2. Methodology**

The Research design used for the study is explorative and descriptive method with combination of both primary and secondary data. This adoption of multi-sourced data helps the author to enhance and produce significant results on the objectives as well as for the recommendations. It is done by obtaining firsthand information through face to face interviews with the targeted female participants from the textile sector business in Bhutan. Their opinions have been gathered to identify the key obstacles as well as the motivations of conducting business in the Bhutanese market. It also aimed at finding out the opportunities to conduct business and the kind of environment they perceive while they take this journey. The other session of the interview was conducted with the representatives of Female Entrepreneurship in the Non-Governmental Organizations as they represent as a third party for the entrepreneurs and the Government who works towards promoting entrepreneurial activities. They represent especially the struggling youths and female population both in rural and urban areas who has less job opportunities to sustain themselves and their families. The third group of interviews is carried out with Ministry of Economic Affairs which is a main body of the Government in terms of promotion of private sectors and other economic activities in the country. It is found necessary to gather the opinions on the policies regarding the promotion of women – based enterprises in the country.

### **2.1. Data Collection**

#### **2.1.1 Primary Data**

To get the first-hand information from the participants for the study, it was the best option for the researcher to opt for the qualitative method through interviews. This method is suitable to capture the voice of the female entrepreneurs themselves without putting someone in the middle. Keeping in mind that the previous studies conducted on women entrepreneurship in the

textile sectors have used quantitative method, it sometimes creates bias to get raw and first-hand information from the participants themselves. Whereas from the qualitative interview method it has less bias and helps the researcher to get the individual's opinion which they experience in their business environment. The questions for the interview have been set for three different groups based on the set objectives for the study. The first set of questions was designed for the female entrepreneurs, followed by the Non- Government Organizations and lastly for the Government stallholders. The questions for the interview were semi – structured which will be followed up based on responds of the participants.

The focus of the Interview Question are as follows:

For the Female Enterprise Owners:

- Nature of the Enterprises owned by female entrepreneurs
- Personal Motivational factors behind conducting the business.
- Key success factors that helped them to overcome the obstacles both socially and culturally.
- Challenges and constraints, they face in the starting phase and while in the actual business.
- Situation of Gender Inequality that they face while conducting business in the Bhutanese Economy.

For the Non- Government Organizations and Government Organization

- Opinions on the growth and development of female entrepreneurs in Bhutan
- Situation of gender inequality in the Bhutanese society.
- Recommendations on the key policies towards promoting female – owned enterprises in the textile sector.

### **2.1.2 Secondary Data**

The study also requires additional desktop research on the data and information which are relevant to the female entrepreneurship in Bhutan. The secondary data has been collected from various sources both from online data base publications, journal articles of the local and national newspapers (Kuensel and the Bhutanese) mainly about the Bhutan Associations of Women Entrepreneurs and SABAH Bhutan which are the two most prominent Non – Governmental Organizations that works towards similar visions for women and girls especially for promoting and assisting the culture of entrepreneurship. Other International sources were extensively useful to analyze this paper since there is very limited data available from the domestic sources. The secondary data has been to collect from various sources including the United Nations Development Fund’s country report on the rise of Women Entrepreneurship in the South Asian Region, the Global Entrepreneurship Monitor report of the OECD countries on small and medium enterprises and Japan International Corporation and also the “Gender Study” conducted by the Japan International Corporation Agency in Bhutan (JICA, 2007).

## **2.2 Data Analysis**

The data collected from the interview will be transcribed and organized for the ease of interpretation. After that, the data collected from the participants will be grouped under the same themes according to the objectives framed in the research. The key findings will be interpreted and analyzed accordingly. The analysis will present the findings from the interviews about the characteristics of the female entrepreneurs, the motivations behind their businesses and the key challenges they face which becomes an obstacle for female entrepreneurs amongst the male entrepreneur in the market. The general situation will be explained by following the propositions by (Shane, 2003) and Structuration Theory by (Giddens, 1984) to examine both the environmental – level and individual - level obstacles to get the general picture of the female entrepreneurship challenges in Bhutanese society. This section will also include an analysis on

the gender in equality among Bhutanese females conducting business in the male dominated society. With reference to Institutional and Structuration Theory by (Scott, 2004) and (Giddens A. , 1984), it aims to explain the concept of women's place in the Bhutanese and how certain expectations with the societal and cultural norms that holds back women's ability in the society to participate in roles that is being entitled only to men.

### **3 Literature Review**

**3.1 The Growth of Female Entrepreneurship** is perceived as a measure of success and the key towards creation of more jobs, wealth and development in terms of social and economic aspects in every country (Bosma, 2000). Women entrepreneurship like any other economic activities plays a substantial role and can contribute to the growth of national economy if they can actively participate in the entrepreneurial activities and gets the opportunity do so. Meanwhile exploring the topic of Female Entrepreneurs in case of Bhutan, there is a lack of data from the local sources. Therefore, the author must rely mostly on the secondary sources to explore more on this study. As Shane (2003) has pointed out that researchers and academia often face the lack coherence thus cannot make the systematic effort to bring the fragmented pieces of this area together as there is no theory that focuses centrally on female entrepreneurship. In the studies conducted on Entrepreneurship, most researchers have managed to look at only one aspect of the entrepreneurial activity which includes either the external factors or the individual characteristics of the female entrepreneurs which is often very hard to proof the objective of the study (Gartner, 1990). This is mainly proved unsuccessful because of the nature of entrepreneurial activities that takes place within a specific situation and not just by itself (Shane, 2003). It is often difficult to identify and understand the challenges faced by the female entrepreneurs which is purely based on the external factors, (external factors meaning the situations within individual enterprises functions). In line with this (Carroll, 1987) have the same view that it is impossible to understand the concept just by exploring only one aspect,

either the individual entrepreneur's characteristics and their actions on one side and the external factors on the other side. Therefore, merging the two factors can give a much more comprehensive and clear idea in understanding the key concept of the study of female entrepreneurship (Shane, 2003). Beside Shane's proposition of studying both aspects of the areas that is very important to understand the key areas of the study, Antony Giddens's (1984), has come up with a theory called the "Structuration Theory" which serves the purpose to understand the obstacles and motivating factors of the female entrepreneurs in many developing economies. This theory which is like that of Shane's also focus on the obstacles in two different aspects. But in case of Giddens he mainly focuses on Structure and Agency and the duality between the two. The meaning of "structure" in this case maybe be referred to the environment where women live and run their businesses. These includes Socio- Cultural and religious environment, business infrastructure, policies and regulations and the environmental variables which can influence the entrepreneurial activities. There are other potential external factors such as access to finance, transportation facilities, access to business premise, access to quality raw materials, access to technology and latest innovation, research and training for product development and many more. It also includes legislative factors, regulations which are concerned with custom and trade in the respective country, finance and housing, labor and market to boost and expand the business. The other aspect of the Structuration Theory is the Agency – Level obstacles according to Antony Giddens. This is more concerned with the characteristics that comes from the individuals such as family, education level, personal goals and interests, sense of achievement, and their actions in decision making which includes level of hard work, business skills, motivations and sense of achieving business goals. These factors can influence the way they make the business decisions in varying way depending up on the style of operation and the business outcomes (Giddens, 1984). So, the best approach to understand the concept in this particular area is to explore both the "structure" and "agency" or "environment – individual obstacles. Based on the propositions by Shane's conceptual framework and Giddens's structuration theory, this research will look at both the Environment - level obstacles and individual women entrepreneurs and the associated business obstacles.

3.1.1 Studies conducted in other developing countries has found that some of the specific that hinders the female entrepreneurs includes access to key resources and regulatory frameworks, socio – cultural environment and limited mobility which is common in the case of females in most of the developing countries. This constraint becomes the most common hinderance to develop entrepreneurial activities among females (environment or situational factors). The study also shows that women compared to men has low level of required business skills, educational background and trainings including in business and technical fields (individual factors) (Stevenson, 2005). Robb and Coleman (2009, has used the data from the Kauffman Firm Survey which explores based on gender which has revealed that the startup capital of the new start up business performances in terms of assets, revenue, income, employment and business survival. Their key findings show that women in the startup enterprises has lower level of financial capital and return than men. Women in most cases tend to take up micro and small size business with low capital investment because they can run the business from home and has low – risk compared to setting up formal and high capital enterprises like men entrepreneurs. This case is mostly found in the low and middle- income countries where few women can run bigger size enterprises. Another reason cited for female entrepreneurs to opt for modest type of business is also due to the shortage of financial with very low access to credits. The studies have shown that women – owned businesses have an estimated annual financing gap of \$290 billion to \$360 billion. Similarly, women in many developing countries have lower formal bank account penetration compared to men which are most common in poor economies (Global Financial Inclusion Index WB, 2017). The International Finance Corporation (IFC) has also conducted studies to identify challenges faced by female entrepreneurs. The obstacles includes lack of innovation, lack of managerial training and experience, inadequate education and skills, problems in adapting to changing technology, poor infrastructure, lack of access to credit. (Shapero, 1982), has also added that due to low social mobility and social integration for females as hinderances to growth of their businesses. The combination of both Shane and Gidden’s theory of Structure and Agency becomes more relatable of hindering females conducting business in the developing countries where gender gap is visible in the business environment. In most Economies, where women are

more likely to take less risk whereas men are high risk taker with less social roles more acceptance in the society (Goffee, 1985).

### **3.2. Women's Economic participation in Bhutan**

3.2.1. The percentage of female labor force was about 59 percent in 2013, thirteen times lower than the male labor force. It was also indicated in the survey by the UNDP country report 2016 that it has gone down by more than 5 percent from 2009 to 2013 while there is not much changed in the number of male labor force. It was also found that the rate of unemployment is relatively lower in women, but women faced higher percent of unemployment than men (United Nations Development Programme, 2016). A similar pattern has been drawn in the ownership of female owned enterprises, out of the 519 enterprises only 24 percent with slightly higher in micro enterprise with 32 percent followed by 24 percent in the small and 17 percent in the medium enterprise ownership (Ministry of Economic Affairs , 2011). In terms of employee's number in these three enterprises, there is a higher gap existence between male and female where females accounted only 28 percent of the total. It is slightly higher in the micro enterprise with 33 percent while medium enterprise has 19 percent which is the lowest among the three (Ministry of Economic Affairs , 2011). The distribution of labor force in different sector has a huge variation as men accounted almost 98 percent in construction sector and 85 percent in manufacturing sectors. On the other hand, females work force were mostly seen in indigenous crafts with 61 percent and 48 percent in services and 44 percent in Agro processing industries (United Nations Development Programme, 2016). Another gender aspect to employment is the regional differences of employing women employees. There are more women employee in the central parts of the country where as in the southern part, it is dominated by male employs in different sectors (World Bank , 2010). This kind of socio- cultural norms exist in Bhutan where men is still considered the one earning for the family and contributing for the main labor force in the economy. It has been found that gender disparity in wage is about 10 percent although both men and women were treated to equal rights for benefits such paid leave, trainings, compensation for

premature termination of contracts of services and so on (MoEA, 2010). The evidence whether women – owned firms were less productive has not been found and both men and women experience the same constraints in the business. Some of these includes access to finance, regulations regarding hiring foreign employees and transport services (Ministry of Economic Affairs , 2011).

### **3.3. Women’s Situation in the Bhutanese Society**

3.3.1. Bhutanese women are slowly moving forward outside of their homes and domestic environment to be able to work and earn for their families. Bhutan has seen many successful women who are making their ways into governance and politics in recent years. Few of the examples are seen among the female civil servants who became the first female minister since the first democratic elections in the country. There are also women doctors, engineers, pilots, army officers, and lawyers and in administrative posts as well. In 2016 alone, the percentage of female civil servants was 35.5 percent out of 26,954 which is an increase of 77 percent compared to the past years. However, this does not indicate the reduce in gender gap in the country. The female unemployment rate remains higher which is 4.5 compared to male unemployment rate of 1.8 percent. Those employed female population are mostly in poor career advancement prospects (Dema, 2016). The labour force survey in 2015 has indicated that the total number of women in labour was about 159,919 compared to the number of men which was about 184,574. Although women accounts for almost 35.3 percent in the civil service, only 10 percent which is 25 women to 228 men) were in executive and specialists’ positions. The survey has also stated that the type of jobs held by women are found to be more inferior than those held by men. This can be drawn from the fact that women are mostly working in low paid jobs such as agriculture and forestry which turns out to be 30.5 percent. The gender disparity was found in the overall employment as the labour survey participants turns out to be 71.2 percent of male and 55.9 percent of females (Labour Force Suvey , 2015). Despite the gender gaps in the formal sectors, there has been policies of inclusion of women in development which dates to

the Fifth Plan (1981 – 1987) with the establishment of National Women’s Association of Bhutan in 1981. This aimed at empowering women by encouraging them to get engaged in entrepreneurship, cooperatives and other economic activities in their communities. But the challenges remain at the community and household levels according to the NCWC’s Bhutan Gender Policy Note 2013. The factors at the community level girl’s participation in formal education and employment due to the household responsibilities and early marriage. This is due to the lack of strategies for improvement of education, awareness, and poor environment for girls especially in the rural areas. The policy note stated that “The curricula and the teaching practice in schools need to promote positive views on the capabilities of women and girls and their role in the society”. Bhutan has achieved its Millennium Developmental Goals which targeted for gender equality in schools in the tertiary enrollment, however the gender gap remains in education and its outcome. The survey has found that the percent of boys is 5.8 to 6.5 enrolled in high schools to 2.2 percent to 3.9 percent girls. This figure concludes that the number of girl’s enrollment in high schools and colleges remains comparatively lower than those in boys. According to the figures mentioned above, the international statics has indicated that Bhutan has to achieve more in order to narrow the gender gap, the country’s ranking in terms of gender inequality at the international level has been dropping. Bhutan was ranked at 121 out of the 144 countries in the Global Gender Gap Index 2016. This drop has included 29 countries in 2013 when Bhutan was ranked 93 out of 136. The report has found that Bhutanese women face significant disparity in terms of Health, Education, Economy and Politics.

#### **4. Findings and Analysis**

##### **4.1. Key Findings from the Secondary primary and secondary data.**

4.1.1. This part of the chapter includes the Descriptive Analysis of the Data from the World Bank’s Enterprise Survey of Bhutan (ESB – 2015) and the records from the Department of Small and Cottage Industry under the Ministry of Economic Affairs, Royal

Government of Bhutan. Due to the lack of Women specific data on Entrepreneurship in the textile sector, this data has been used to explore the characteristics identified the key challenges faced by the women- owned businesses in Bhutan. By using the Structuration Theory by Giddens, (1984), and adhering to Shane’s proposition, both the environment – level and individual – level obstacles has been examined to get a clear picture of the challenges faced by the female entrepreneurs in Bhutan. Findings from the primary data has been combined with the secondary findings.

#### 4.1.1.2. World Bank’s Key Findings from the ESB – 2015

The Enterprise Analysis Unit which is managed jointly by the World Bank and IFC team of economists and survey experts in the private sector development has reported the following findings after the preliminary analysis of the ESB 2015:

1. The overall business environment has improved in Bhutan both in terms of participation of women in private sector and their export of products but the burden to fulfill the government requirement remains a big challenge and women business owners at the management level spent 30% of their time to work on fulfilling the government regulations.

2. Compared to the similar firms in the low – income and middle – income economies, Bhutan has seen a higher rate of women – owned firms which is about 43% while it is found only 28% in other low – income and middle-income countries.

3. Among the fifteen-business environment – level obstacles identified by the WB’s survey analysis, the most leading operational obstacles are found to be “access to finance, labour regulations, and high tax rates to the government”.

4. In terms of growth in sales and increase in the number of employees, Business firms in Bhutan are growing at higher phase compared to the other low – income and middle-income economies.

5. There was a reduction of collateral required to avail for business loans from 283 percent of the loan to 180 percent within 2009 to 2015. However, the survey has found that nearly 47 percent of the firms didn't avail any loan has no credit lines in 2015. From this finding, it implies that the businesses availing loans has been less despite the financial obstacles being cited as one of the major obstacles for the firm operators. It is mainly due to the unfavorable loan schemes for the business firms.

6. The Enterprise Survey conducted by the Ministry of Economic Affairs found that around 85 percent of the firms were established and owned only from year 2000 onwards. The women enterprise owners faced a lot of constraints to survive in the market (MoEA, 2010). The findings from the survey showed that the total of 76 enterprises were established by women in three categories of Micro, small and medium enterprises. Out of which 41 were producing and selling textile related products, others were wood and bamboo craft while the rest produces and sells chili paste, red rice and incense stick. While women – business owners find it difficult to operate their businesses from home, it adds to more financial burden to rent places elsewhere according to the women entrepreneur survey.

7. The growing number of Female- Owned Enterprises especially in the textile related businesses is becoming a trend in the Bhutanese market but the growths is accompanied by low – value and poor marketing strategies (Kuensel , 2018). The reason is that most of the female entrepreneurs having less attainment or lack of formal education adds to more challenges with growth and new innovations in their products. Due to this challenge, the competition in the market in terms of innovation and product diversification, networking with the external market outside the country and improved business environment has been lacking. It is likely to see that the growth of women- owned enterprises will only lead to overcrowd the small market and has no positive effect on growth in terms of transformation and innovation (Kuensel , 2018).

8. Obstacles with managing the firm: The challenge faced by the female entrepreneurs due to lack of time is further explained here. As mothers and wives in case of women in general, family responsibilities become a primary role that one cannot ignore but to manage along with one's own career and passion. Females have relatively less time to engage themselves to update their knowledge and develop the skills in the business. This prevents them from acquiring essential skills and knowledge to seek better business opportunities and connect with their suppliers and customers (Karam, 2000).

#### **4.2. Motivational Factors among the Female Entrepreneurs.**

**1. Income Generation:** Coughlin and Thomas (2002) has argued that most women who are in the business are due to the need to generate income. They have the opinion that if these women have the equal opportunities to earn by working in certain jobs like men, they do not feel necessary to have the motivation to start the business. They have further done researches based on the level of economy, which are economic motivation in developed countries, economic motivations in developing countries and economic motivations of countries in transition in different parts of the world. On the other hand, some women enter the business to achieve that the government fails to provide to women themselves. For example, in the transition countries the lack of economic options drives more women to enter business and become entrepreneurs. In Hungary, total of 41.1 percent of women accounts for entrepreneurs in different types of businesses which are established after 1990 (Coughlin, 2002). In the case of most developing economies, most women are pushed to pursue entrepreneurship due to high rate of poverty and lack of options for sustaining in the society.

**2. Pride in Achievement and need for change:** The motivating factors such as need for achievement of self-independence, personal growth and self-determination were found to be high determinants for women engaged in the business. Although, success in business is often measured by the margin in terms of profit, most women entrepreneurs feel that need for

achievement and pride plays an important part for them. Need for change as a motivating factor among most female entrepreneurs means to make changes by focusing more on the perspective clients or customers, in a more ethical way and to make positive changes in their communities and towards more social aspirations unlike men. So, if their system fails to provide these goals, they tend to go for entrepreneurship to achieve these goals.

**3. Autonomy and Independence:** A study conducted by (Moore, 1997) found that these factors are among the most important ones as to why women decide to start their own business. A study done on a group of women at their managerial level who left their jobs in the firm has decided to start their own business so that they can have Autonomy and Independence in their lives. With the responsibilities to work and take care of their family at the same time, women are likely to start their own business to enjoy flexibility and freedom to fulfill these social responsibilities (Simonin, 2006). According to authors such as (Scott, 2001), it is still very much valid that social roles that female must carry out despite their roles or positions in the society. Other studies also point out that women who must play motherhood roles are more likely to take up entrepreneurship as an alternative to adjust their family and career roles. Noble (1996) argues that for men, they become entrepreneurs to achieve business goals but for females it is more like a balancing tool to adjust their time between family and their career goals.

**4. Frustration and boredom with the present job:** According to the study carried out by Cromie and Hayes (1991), this is one of the most highly motivating factors that drives more women into entrepreneurship. As the types of businesses that they embark gives them ample of spaces to use their creativity and innovation, it also gives them more opportunity to think out of the box which is more exciting than doing a regular job.

**5. Dissatisfaction with the present job and working environment:** More women believe the while they embark on their own business ventures, they can improve and expand their thought processes which can expand new ideas, innovate new dimension towards product

development and services. They are driven by the thought that they can do better than their current job. Another factor that pushes more females into entrepreneurship is due to the unfriendly working environment they often experience in big firms and places where they are previously employed. So, they start their own business to be in a better environment to work and change the situation (Scott, 2001).

## **5. Conclusion and Recommendations**

1) In this study, the author has explored on the concept of female entrepreneurship in the textile sector in Bhutan. Upon the completion of the paper, the author aims to understand the overall scenario of female entrepreneurs conducting businesses in the textile sector. This has been done by analyzing the characteristics of female entrepreneurs, the key challenges, and how they overcome gender inequality in the society. Since the aim of the study is to explore the importance of female entrepreneurship in the Bhutanese Economy, it can be concluded that Bhutan as the developing country has various challenges for female- owned businesses. There is lack of information regarding women- owned businesses in the labour market and women entrepreneurship. The challenges are both related with the status of women and the status of female entrepreneurship in the country. Despite the recent increasing number of female entrepreneurs in the market, there is still lack of studies about the impact of female entrepreneurship on the economy growth and the society at large. This is relatively under represented compared to the men. Therefore, the author has suggested some of the recommendations based on the findings from the study.

2) Increasing the abilities of women to participate in the labour force and improving the position of women in the society and possibility to engage in entrepreneurship is important. Therefore, policies at the national level must focus mainly to support female entrepreneurs rather than being gender neutral. Now, Bhutan lacks in the formulation of policies exclusively for women.

There is no strong institution where it can support women conducting businesses, giving them the platform to explore the opportunities available for them in the market.

3) Creating the capital for women – owned enterprises: Entrepreneurship capital can be created particularly with the focus on creating a society where women centric businesses can thrive in market. It spans broad spectrum of social, political, legal, culture and business values. It is shaped by a diverse set of policy instruments including education, training and taxes. With the lack of strong social position for women in combination with a weak general interest in entrepreneurship have a very negative effect on women’s entrepreneurship as identified by GEM.

4) Promoting Education and Training in schools: The role of education in schools can promote entrepreneurial behavior and they can cultivate in them the capabilities for starting up their own businesses in the future. The tertiary institutions and universities can make curriculum for students focusing on girls to be able to inculcate interest in entrepreneurial behaviors. The lack of training and managerial skills among female entrepreneurs in Bhutan contributes to low growth and expansion of their business. Therefore, the entrepreneurial education system in schools can cater to the need for more skilled women – owned businesses.

5) Promote the development of women entrepreneur’s networks, the networks can provide them to connect and learn new skills and knowledge for the growth and development of their business. This is important especially for promoting women – owned business networks between national and international platforms. In the global economy, co – operation among the two are essential tools to facilitate and promote the nature of growth and expansion of business among the female entrepreneurs.

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