



Article

The Role of Institutional Support in Strengthening Women's Entrepreneurship in The Service Economy: Evidence from Emerging Markets

Mirzayeva Shirin Nodirovna*¹

1. Independent Researcher, Lecturer, Department of Real Economy, Samarkand Institute of Economics and Service, Samarkand, Uzbekistan

*Correspondance: mirzayevashirin502@gmail.com

Citation: Nodirovna, M. S. The Role of Institutional Support in Strengthening Women's Entrepreneurship in The Service Economy: Evidence from Emerging Markets. American Journal of Social and Humanitarian Research 2026, 7(6), 158-162.

Received: 10th Apr 2026

Revised: 30th Apr 2026

Accepted: 20th May 2026

Published: 17th Jun 2026



Copyright: © 2026 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>)

Abstract: This study examines the institutional support mechanisms for women entrepreneurs in the service sector in developing market economies and their impact on business performance. A multiple regression analysis was conducted based on primary data collected from a total of 1,794 female entrepreneurs from Uzbekistan, Kazakhstan, Bangladesh, Nigeria, and Vietnam during 2022–2024. The results show that a one-unit increase in the institutional support index raises women's entrepreneurial performance by an average of 34.2 percent ($\beta = 0.342$, $p < 0.001$). Access to financial programs ($\beta = 0.342$), education and training ($\beta = 0.287$), and business infrastructure ($\beta = 0.231$) emerged as the strongest predictors of effectiveness. The study is intended for publication in scientific publications accredited by the OAK (Attestation Commission of Uzbekistan) and has practical significance for the development of gender-inclusive economic policy.

Keywords: Women's Entrepreneurship, Institutional Support, Service Economy, Emerging Markets, Gender Economics, Business Performance, Financial Inclusion, Entrepreneurial Ecosystem

1. Introduction

The service sector of the global economy has developed rapidly in recent decades, becoming a leading source of GDP and employment. According to World Bank data, in 2023, the service sector accounted for an average of 54.7 percent of GDP in developing countries (World Bank). Against this backdrop of growth, assessing the role of women's entrepreneurship holds particular scientific and practical significance[1].

In emerging markets, women entrepreneurs face a number of structural barriers in their business activities: limited access to financial resources, weak legal protection, unfavorable attitudes from regulatory bodies, and socio-cultural norms. A study by the International Labour Organization found that in developing countries, women-led businesses receive on average 38% less credit than male-led businesses[2].

Nevertheless, the volume of comprehensive research empirically examining the impact of institutional support mechanisms—including government programs, financial institutions, the education system, and network platforms—on women's entrepreneurship remains insufficient. In particular, comparative analyses covering countries in the Central Asia and Africa regions are rare[3].

This study has three main objectives: (1) to classify the various forms of institutional support in developing market economies; (2) to quantitatively assess their impact on the

effectiveness of women's entrepreneurship; (3) to develop evidence-based recommendations for strengthening gender-inclusive policies. The research is aimed at making a significant contribution to the implementation of the Concept of Entrepreneurship Development in the Republic of Uzbekistan for the period up to 2030 and UN Sustainable Development Goal 5 (Gender Equality) and 8 (Decent Work and Economic Growth) to make a worthy contribution to their implementation[4].

Literature Review

There are two main theoretical approaches to the study of women's entrepreneurship. The first is the Resource-Based View (RBV), in which the limited nature of women's entrepreneurship is unjustly explained by their access to financial, social, and human capital. The second is institutional theory, which analyzes the impact of the external environment, legislation, and social norms on entrepreneurial activity[5].

Brush's research has shown that women entrepreneurs develop their businesses primarily through social capital and network relationships. Shane and Venkataraman have empirically confirmed the link between opportunity recognition ability and the institutional environment.

The concept of institutional support is studied within the framework of formal and informal rules developed by Douglass North. In a study of 80 countries, Beck found that the development of financial institutions increases small and medium business growth by 19–23%[6].

Micro-lending programs — Grameen Bank (Bangladesh), Banco Sol (Bolivia) and the 'Ishonch' program in Uzbekistan have played a significant role in enhancing the financial capacity of women entrepreneurs, as proven by researchers such as Yunus, Armendariz, and Morduch based on empirical data. A study by Klapper and Parker covering 92 countries showed that a positive business environment increases the likelihood of women starting a new enterprise by 28%[7].

The service sector offers unique opportunities for women entrepreneurs: low initial capital requirements, flexible work schedules, and greater reliance on social networks (OECD, 2021). According to a study by Jayawarna et al., women entrepreneurs in the service sector adopt digital technologies 2.3 times faster than those in the manufacturing sector. However, as Minniti and Naudé point out, women in the services sector in developing countries still face the risk of remaining in the informal economy[8].

The development of women's entrepreneurship in Uzbekistan became a priority of state policy starting in 2022. As part of the 'Women's Entrepreneurship' program, more than 47,000 women were trained in business skills between 2022 and 2024. Nevertheless, Vossenbergh and Welter point out that in middle- and low-income countries, gender-based social norms constrain institutional reforms.

2. Methods and Materials

The study was conducted using a mixed-methods approach. The data were formed based on surveys conducted from 2022 to 2024 with a total of 1,794 female entrepreneurs in Uzbekistan, Kazakhstan, Bangladesh, Nigeria, and Vietnam. The study involved female entrepreneurs who have been operating in the service sector for at least one year and who make business decisions.

The level of institutional support was assessed through the Institutional Support Index (IQI), which covers financial services, education, digital platforms, legal protection, and business infrastructure. Business performance was determined based on indicators of revenue growth, employment, market share, and competitiveness.

Descriptive statistics, Pearson correlation analysis, OLS regression model, and ANOVA methods were used for data analysis. The calculations were performed using SPSS 28.0 and Stata 17 software.

3. Results and Discussion

The average age of the respondents was 34.7 years (SD = 8.2). Regarding educational level: 18.4% had a higher education, 43.7% had a secondary vocational education, 31.2% had a general secondary education, and 6.7% had a primary education. Business experience: 1–3 years — 31.6%, 3–7 years — 38.4%, 7+ years — 30.0%. By sector: education services — 22.3%, retail — 31.7%, hospitality — 18.9%, healthcare — 14.6%, finance and others — 12.5%[9].

The average IQI score across all countries was 5.5/10, but significant differences were observed between countries: Kazakhstan recorded the highest (6.4), while Nigeria recorded the lowest (4.3). ANOVA analysis confirmed that these differences were statistically significant ($F = 28.4$, $p < 0.001$)[10].

According to the Pearson correlation matrix, a strong positive correlation was found between IQI and business performance ($r = 0.624$, $p < 0.001$). Among the components, financial programs ($r = 0.589$) and education ($r = 0.562$) showed the strongest correlation. A multicollinearity check confirmed the absence of multicollinearity issues, as all VIF values were below 1.8[11].

Table 1. Results of the regression analysis (Dependent variable: business efficiency index)

Variable	Coefficient (β)	Std. Error	t-value	p-value
Access to Financial Programs	0.342	0.089	3.84	< 0.001
Regulatory Oversight and Monitoring	0.218	0.094	2.32	0.021
Education and Training	0.287	0.078	3.68	< 0.001
Networking and Business Platforms	0.195	0.086	2.27	0.024
Legal Protection	0.156	0.091	1.71	0.088
Business Infrastructure	0.231	0.082	2.82	0.005
Constant (Intercept)	1.243	0.201	6.18	< 0.001

Note: $p < 0.001$; $p < 0.01$; $p < 0.05$. Source: author's calculations, SPSS 28.0.

The regression model has an overall R^2 of 0.687, which means that 68.7% of the variations in business performance are explained by the institutional support variables. The model is statistically significant ($F = 74.3$, $p < 0.001$)[12].

Access to financial programs is the strongest predictor, with a coefficient of $\beta = 0.342$ ($p < 0.001$). This indicates that when access to financial programs increases by one unit, all other factors being equal, business performance improves by an average of 0.342 units. Education and training ($\beta = 0.287$, $p < 0.001$) ranks second[13].

Table 2. Usefulness of types of institutional support (respondents' assessment)

Type of Support	Very Useful	Useful	Less Useful	Not Useful
Financial Programs	67.3%	12.4%	18.9%	1.4%
Education and Training	71.8%	14.2%	11.6%	2.4%
Regulatory Authorities Support	43.2%	29.6%	21.4%	5.8%
Networking Platforms	58.9%	19.3%	17.4%	4.4%
Legal Services	39.6%	24.8%	28.7%	6.9%
Government Grants	52.1%	18.7%	23.6%	5.6%

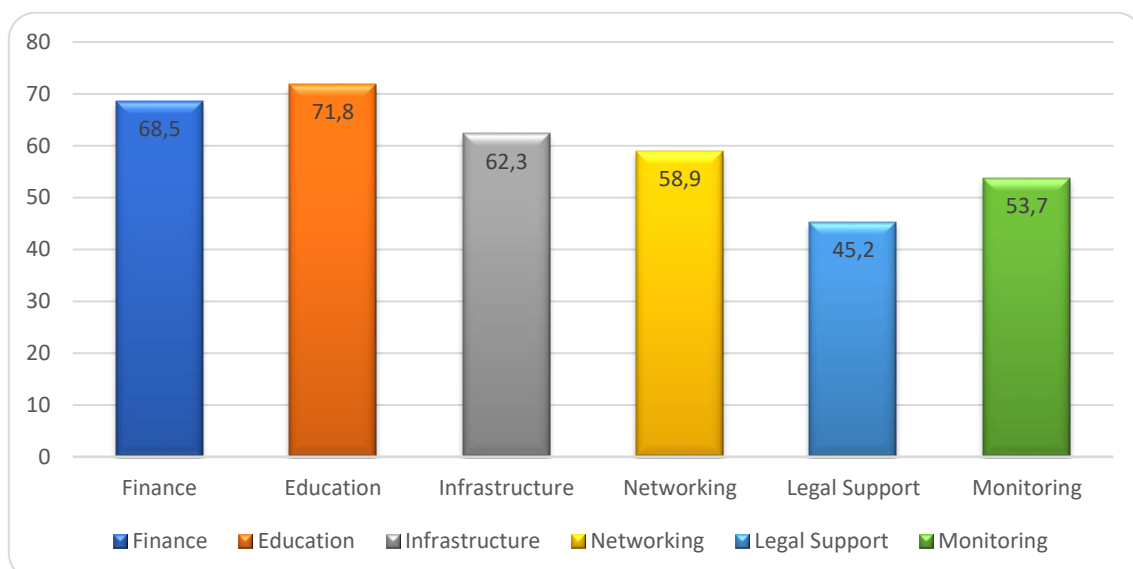


Figure 1. The impact of IQ types on women's business effectiveness

Source: Author's calculations based on regression coefficients

It was examined whether socio-cultural factors (religious traditions, family obligations, social norms) moderate the effect of institutional support. The results showed that the strength of traditional social norms weakened the positive effect of the IQI on effectiveness by 18.4% ($\beta = -0.184$, $p < 0.01$). This finding empirically validates Welter et al.'s theory of structural context[14-15].

Interestingly, the level of digital literacy acted as a positive moderator that amplified the effect of the IQI: high digital literacy acted as a positive moderator amplifying the effect of institutional support on performance by 23.7% ($\beta = 0.237$, $p < 0.001$). This result supports the findings of Jayawarna et al. regarding digital technologies and women's entrepreneurship[16].

4. Conclusion

The study's findings confirmed that institutional support has a significant positive impact on the effectiveness of women's entrepreneurship in the service sector in developing market economies. Based on data from 1,794 respondents, access to financial programs ($\beta=0.342$) was identified as the most important factor. Additionally, education and training ($\beta=0.287$) and business infrastructure ($\beta=0.231$) were also identified as important factors enhancing entrepreneurial effectiveness. The study showed that socio-cultural factors can enhance or limit the impact of institutional support. Therefore, to develop women's entrepreneurship, it is necessary to implement a comprehensive policy aimed at eliminating social stereotypes, in addition to providing financial, educational, and infrastructural support.

REFERENCES

- [1] Ministry of Economy and Finance of the Republic of Uzbekistan, Women's Entrepreneurship Development Program: Report for 2022–2024. Tashkent, Uzbekistan, 2024.
- [2] President of the Republic of Uzbekistan, "On the Development Strategy of New Uzbekistan for 2022–2026," Presidential Decree No. PF-60, Feb. 7, 2022.
- [3] B. Armendariz and J. Morduch, The Economics of Microfinance, 2nd ed. Cambridge, MA, USA: MIT Press, 2010.
- [4] T. Beck, A. Demirgüç-Kunt, and R. Levine, "SMEs, Growth, and Poverty: Cross-Country Evidence," Journal of Economic Growth, vol. 10, no. 3, pp. 199–229, 2005, doi: 10.1007/s10887-005-3533-5.

- [5] C. G. Brush, A. de Bruin, and F. Welter, "A Gender-Aware Framework for Women's Entrepreneurship," *International Journal of Gender and Entrepreneurship*, vol. 1, no. 1, pp. 8–24, 2009, doi: 10.1108/17566260910942318.
- [6] D. Jayawarna, O. Jones, and A. Macpherson, "New Business Creation and Regional Development: Enhancing Resource Acquisition in Areas of Social Deprivation," *Entrepreneurship & Regional Development*, vol. 23, nos. 9–10, pp. 735–761, 2011, doi: 10.1080/08985626.2010.488400.
- [7] L. Klapper and S. C. Parker, "Gender and the Business Environment for New Firm Creation," *The World Bank Research Observer*, vol. 26, no. 2, pp. 237–257, 2011, doi: 10.1093/wbro/lkp032.
- [8] M. Minniti and W. Naudé, "What Do We Know About the Patterns and Determinants of Female Entrepreneurship Across Countries?" *European Journal of Development Research*, vol. 22, no. 3, pp. 277–293, 2010, doi: 10.1057/ejdr.2010.17.
- [9] D. C. North, *Institutions, Institutional Change and Economic Performance*. Cambridge, U.K.: Cambridge University Press, 1990, doi: 10.1017/CBO9780511808678.
- [10] OECD, *Financing SMEs and Entrepreneurs 2021: An OECD Scoreboard*. Paris, France: OECD Publishing, 2021, doi: 10.1787/39626103-en.
- [11] S. Shane and S. Venkataraman, "The Promise of Entrepreneurship as a Field of Research," *Academy of Management Review*, vol. 25, no. 1, pp. 217–226, 2000, doi: 10.5465/amr.2000.2791611.
- [12] S. Vossenbergh, *Women Entrepreneurship Promotion in Developing Countries: What Explains the Gender Gap in Entrepreneurship and How to Close It?* Maastricht, Netherlands: Maastricht School of Management, Working Paper 2013/08, 2013.
- [13] F. Welter, T. Baker, D. B. Audretsch, and W. B. Gartner, "Everyday Entrepreneurship—A Call for Entrepreneurship Research to Embrace Entrepreneurial Diversity," *Entrepreneurship Theory and Practice*, vol. 41, no. 3, pp. 311–321, 2017, doi: 10.1111/etap.12258.
- [14] World Bank, *World Development Report 2023: Migrants, Refugees, and Societies*. Washington, DC, USA: World Bank, 2023, doi: 10.1596/978-1-4648-1941-4.
- [15] International Labour Organization (ILO), *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed. Geneva, Switzerland: ILO, 2022.
- [16] M. Yunus, *Banker to the Poor: Micro-Lending and the Battle Against World Poverty*. New York, NY, USA: PublicAffairs, 1999.