

# Psychological Empowerment and Entrepreneurial Orientation for Women-Owned SMEs: Evidence from Indonesia

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## ABSTRACT

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Micro, small, and medium enterprises (MSMEs) are the backbone of advancing the Indonesian economy, which slumped during the COVID-19 pandemic. Based on the mapping of MSME players in Indonesia from the data of the Indonesian Central Statistics Agency (BPS), it is known that 64.5% of MSME players are women. This figure shows that women/mothers are empowered and play a significant role in their economy, families, and even the country. In the end, a gender perspective is essential so that the interventions that can be provided do not exclude women from being recipients or subjects only but view women as agents or crucial actors to advance the economy, society, and culture. Some strategies must be considered to help women become more successful business owners. These include turning informal businesses into formal ones, moving into the supply chain, making digital technology more up-to-date, and getting more women to start businesses that make money. Of course, this requires increasing human resource capacity, training, mentoring, access to financing facilities, legal aid facilities, information, and others, to develop together. The high growth of women's businesses will positively impact economic recovery. However, with the development of economic conditions, the number of MSMEs will increase, and the competition will be higher. In the process, women who can take advantage of the situation and have consistency and confidence in their abilities will be able to move forward more quickly than those who do not have these abilities. This capacity is called psychological Empowerment. Women's psychological Empowerment is the ability of women to have life choices, one of which is making a practical decision about the business or entrepreneurship that is being undertaken to reduce social and economic barriers (Digan et al., 2019). Psychological Empowerment has three dimensions: competence, self-determination, and meaningful impact perceptions.

**Keywords:** Psychological Empowerment; Entrepreneurial Orientation; Women-Owned SMEs; Gender.