CHAPTER II

REVIEW OF LITERATURE

This chapter presents the review of literature of the past research studies and the concepts used in the present study. Though a large volume of literature is available on the subject of the development of women entrepreneurs in small scale industries, only a few important studies have been reviewed here. Such a review would facilitate the researcher to have a comprehensive knowledge of the concepts used in the earlier studies and would enable the researcher to adopt, modify and formulate an improved conceptual framework for the use of the present study with a view to drawing meaningful conclusions.

2.1 Review of Literature

Abdul Moyeen and Afreen Haq (1994)\textsuperscript{26} have analyzed the various problems faced by the urban female entrepreneurs of the Dhaka Metropolitan area in their article. They studied 51 female entrepreneurs in respect of the nature of their business management skills, level of education, occupational influences, and demographic information. Their study revealed that the mean age of women entrepreneurs lies between 25 and 40 years. Seventy per cent of the samples were married with children. Sixty per cent attended college or University of whom 27 per cent had Masters’ Degree. Their parents were more educated than the general people and 73 per cent of the women entrepreneurs belonged to the upper or upper middle class. The majority of

women entrepreneurs’ husbands had business background and 20 per cent of the female entrepreneurs were actively assisted by their husbands. Over 90 per cent of the samples were engaged in the service sector. Only 3 per cent were engaged in manufacturing, 55 per cent of the enterprises were partnership type while 45 per cent were sole ownership type, 60 per cent of the enterprises had been in operation for only five years or less. 60 per cent of these female-managed enterprises had only one to three employees, most of whom were women. The organizational structures were informal. Most of them had no formal training and so they lacked managerial skill needed to run business enterprises. They also faced financial problems during the startup stage. Many of them talked about their personal problems.

Abu Saleh (1995)\textsuperscript{27} in his article “A Profile of the Women Entrepreneurship in Bangladesh” tried to discern the motivation of women entrepreneurs for entering into business and assessed the entrepreneurial skills of the women entrepreneurs. He also tried to evaluate the performance of women entrepreneurs in their business. The study showed that the training the women entrepreneurs received was theoretical and 80 per cent of the sample had no business background or experience. Only 15 per cent had business experience varying from 5 to 15 years. Only 5 per cent had experience in the same type of business and 90 per cent of women entrepreneurs came to business on their own initiative. Only 10 per cent of the women had acquired business through inheritance. The study also showed that the majority of women entrepreneurs (60 per cent) were engaged in production i.e. manufacturing and 25 per cent were engaged in the service sector and 15 per cent in trading. About 45 per cent women employed

workers on fulltime basis and 10 per cent did manage their business without outside workers. The average number of persons employed was 14.

Aida Idris (2008)\textsuperscript{28} attempted to generate a profile of innovative women entrepreneurs based on their personal and business characteristics. Data were compiled from a sample of 138 women entrepreneurs in Peninsular Malaysia, and analyzed using ANOVA to determine any correlation between the independent and dependent variables. He found out that women’s entrepreneurial innovativeness was very much affected by their age and education, as well as the type, location and size of business.

Andrea E. Smith-Hunter and Swithina Mboko (2009)\textsuperscript{29} analyzed the strategy processes employed by Zimbabwean female small business owners, and established the link between the strategy processes and firm outcome. They used interviews to collect data, using a case study method approach, which directed the interview process. Based on their macro analysis, they concluded that Zimbabwean female business owners have strong entrepreneurial competence but lack the ability and support to develop their firms to their full potential.

Asha Das (1998)\textsuperscript{30} in “Women in Business” elucidated that the Government has launched training programmes exclusively for self employment of women through schemes such as support for training and Employment Programme of Women (STEP), setting up of training cum employment cum production units (NORAD), and Development of Women and Children in Rural areas (DWCRA). It has also ensured that in other general schemes 30-40 per cent of the benefits are embarked for women as

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in the case of training of rural youth for self employment and integrated rural development programme. Government programmes and initiatives are meant to act as catalysts and establish the capacity, potential and suitability of women as entrepreneurs and encourage private and public sectors to open greater avenues for them.

B. Subrahmanyeswari, K. Veeraraghava Reddy and B. Sudhakar Rao (2007) investigated on Entrepreneurial behaviour of rural women farmers in dairying. A multidimensional analysis was conducted by following ex-post facto research design and random sampling technique in Chittoor district of Andhra Pradesh. A total of 120 respondents comprising of 61 small, 35 medium and 24 large rural women farmers in dairying were selected by proportionate random sampling technique. The results revealed that majority of the dairywomen farmers possessed medium entrepreneurial behaviour and variation among the three categories of the respondents was found to be significant. Entrepreneurial behaviour was positively and significantly related with land holding, material possession, management orientation, value orientation, income from dairy farming, education and innovativeness.

Bandana Saha (2007) dealt with the general problems faced by women entrepreneurs in their business development. Finance was identified as the main problem of the women entrepreneurs. The author found that the women entrepreneurs of Dhaka City were all educated and 43 per cent of them had post-graduate degrees. Most of them belonged to families with business background. They had easy access to technology, finance, market and packaging facilities. The women entrepreneurs were


engaged in readymade garments, embroidery, herbal medicine and food products like dry fish, pickles etc.

Bharti Kollan and Indira J. Parikh (2005)\textsuperscript{33} analyzed the development and status of the women entrepreneurs in their study. They concluded that women have become aware of their existence their rights and their work situation. However, women of the middle class were not too eager to alter their role in fear of social backlash. The progress was more visible among upper class families in urban cities. The study enthused from the era of fifties to the 21st centuries and how transformation has occurred in the women roles. Also the study explained the status of women entrepreneurs and the problems faced by them when they ventured out to carve their own niche in the competitive world of business environment.

Bhatia, Saini and Dhameja (1999)\textsuperscript{34} in “Women Entrepreneurs – their perception, about business opportunities and attitudes towards entrepreneurial support agencies (A study of Haryana state)” revealed that women are entering the field of entrepreneurship in increasing numbers and they do so in the face of many obstacles. Despite numerous barriers, they demonstrate a strong determination to succeed. They contribute to bring prosperity to themselves, their families and to the economy in general. Business ownership provides women with the independence they crave for. The society also needs to undergo an attitudinal change with regard to the role of woman as entrepreneur.

C. Rani (1992)\textsuperscript{35} mentioned that there is a significant association among economic status and the time spent towards managing the enterprise as well as on training. The high and middle income groups received a better training compared to low-income group since the low-income groups are not aware of the importance of training.

C. Rani (1997)\textsuperscript{36} opined that the participation of women in economic activity is a must for the development of the country. At present, the rate of participation of women is very low; only 28 per cent of them are working women and the percentage of self employed women is only 5.7 per cent. The percentage of women entrepreneurs is found to be only 6.7 out of the 16 million SSI entrepreneurs in India.

C.H. Aravinda and S. Renuka (2002)\textsuperscript{37} identified the important factors which motivated women towards entrepreneurship in their study. The facilitating factors that had an impact on maintaining the enterprises successfully were self-experience, interest, family’s help and support. Women entrepreneurs, in general, face conflicts in their roles in work place and home. The main conflict in work role pertains to inability to expand the enterprise by optimum utilization of available skills.

Carter and Rosa (2002)\textsuperscript{38} identified in their study that the female entrepreneurs tended to write more and respond in ways that suggest that they tend to reflect more upon the future and new possibilities. Differences in style of operations were evident. Others have reported in the study that written responses from female entrepreneurs

described in greater detail and more clearly the urging need for governmental support of networking activities and other programmes that promote co-operation and resource pooling.

Colette Dumas (2001)\textsuperscript{39} studied on the Centre for Women and Enterprise Community Entrepreneurs Programme (CEP). This case analysis was an attempt to determine the initial outcomes of the community entrepreneurship programme. He indicated that training provided to low-income women has indeed accomplished its goals—to help participants launch their own businesses, to empower them to achieve self-sufficiency through entrepreneurship and to advance the economic health of Boston's inner city neighborhoods through micro enterprise and job creation.

D. P. Moore and E. H. Buttner (1997)\textsuperscript{40} suggested that women started their own businesses from a desire for self-determination and for career challenge, and that they expected the corresponding respect, recognition, and self esteem that both self-determination and challenge provide. Primarily, entrepreneurship is a survival instinct that motivates women to start a business. Around the world, dismal economic conditions, high unemployment rates, and divorce catapult women into entrepreneurial activities. Desperate to put food on the table for their children, women are defying societal norms in order to survive.

Dafna Kariv (2008)\textsuperscript{41} investigated the relationship between entrepreneurs’ stress-appraised as positive or negative and their business’s financial performance, i.e.,


turnover of men owned businesses (MOB) and women owned businesses (WOB). The results, culled from the responses of 190 Israeli entrepreneurs, indicated that men and women appraise stress differently—predominant stressors for women were negligible for men and vice versa. A hierarchical regression emerged that positive stress triggers the business’s turnover and negative stress impedes it; interactions of gender with social support and role conflict augmented the simple effects of each stressor alone on business turnover.

Dill Bagh Kaun, M. Annadurai and V.K.Sharma, (2003)\(^{42}\) concluded that besides providing technical and financial assistance, it is essential to educate rural women and extend entrepreneurial management and marketing skills so as to enhance their confidence and competence so that they would become self reliant.

Gounaris, Stathakopoulos and Athanassopoulos (2003)\(^{43}\) in their study dealt with the measurement of service quality of banks in India. It investigates the discrepancy between customers’ expectations and perceptions towards the quality of services. The study was conducted using the SERVQUAL instrument. The results indicate that the sample population has perpetual problems with their banking service experiences. Findings from this study provide initial direction in determining the optimum service quality attributes to focus on in promoting banking services.


Hala Wasef Hattab (2010) investigated the relationship between the external environmental factors and the growth of female entrepreneurial projects, through evaluating the factors of growth: annual increase in the number of projects, development of projects’ activities, and the increase in project size (capital, number of employees and expansion). He concluded that there was a significant impact of the dimensions of technological environment on the growth of entrepreneurial projects.

J.B. Bilesanmi-Awoderu and O.O. Kalesanwo (2009) discussed how Universal Basic Education (UBE) programme could be used to promote women entrepreneurship in science and technology with the resultant effect of enhancing female scientists’ participation in national development in Nigeria. They have established the militating factors against women scientists’ entrepreneurship in Nigeria. They pointed out the factors, suggestions for encouraging and promoting women scientists’ entrepreneurship such as encouragement of female education in science and technology, socio-cultural perspectives, proper networking of successful women in science and technology in order to serve as mentor to others.

James Kimo Williams (2010) analyzed the gender-based attributes and challenges in the music industries in his study. His emphasis was women continue to struggle in this male-dominated industry and must develop a different set of entrepreneurial tools to take advantage of industry opportunities. He asserted that the

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music industry has moved to a more interactive environment in which women can better manage their art or business and not have to compromise their artistic aesthetic or cater to gender-driven attitudes to find success.

Jill R. Kickul, et. al., (2007)\textsuperscript{47} examined the influence of formal and informal social capital and training needs of 421 women entrepreneurs that the acquisition of financial resources needed for growth. They pointed out that women entrepreneurs with high growth resources tended to use more formal social networks and needed training in strategic planning and production/operations.

Jitendra Ahirrao and Sadavarte (2010)\textsuperscript{48} found in their study that dual role of women is the major constraint of women entrepreneurs followed by prejudice against women, male domination, lack of economic freedom, absence of family encouragement, problems of public relation, lack of exposure, no risk bearing capacity, lack of self-confidence and fear of social security. Out of the total respondents, the highest number of entrepreneurs did not have any knowledge of finance or the procedure of loan taking from the banks. They hesitated to go to the banks for inquiry about the loan for their businesses.

Johnson and Storey (1993)\textsuperscript{49} made a comparison between men and women entrepreneur in their study and concluded that women entrepreneurs were older than


men, less competent in their occupation, less successful in obtaining capital from banks and they had higher ratio of partnership.

K. Thangamani and V. Uma Priya (2001)\textsuperscript{50} identified that 56 per cent women obtained a profit of ₹ 500/- and below 34 per cent of women gained ₹ 501 - ₹ 1000. Only 10 per cent of women had a profit of ₹ 1,001 - ₹ 1,500. In total, 88 per cent of the women expressed that they had gained profit from their enterprises. Out of this, fifty six per cent women obtained a profit of ₹ 500/- and below. It was found that sixty two per cent utilized the profit, for the expansion of business by investing more on the purchase of raw materials whereas 24 per cent women utilized the profit for the family expenditure followed by 14 per cent utilizing the profit for the education of their children.

K.Sivalognathan (2002)\textsuperscript{51} pointed out that the problems faced by women entrepreneurs in India are inequality, family background, low wages, inadequate training, government policies, exploitation by middlemen, problem of finance, scarcity of raw-materials, stiff-competition, high cost of production, low mobility, social attitudes, low ability to bear risk, lack of education, low need for achievement, project related problems, family ties, shortage of power, inadequate infrastructure facilities and socio economic constraints.

K.V. Irniraya (1999)\textsuperscript{52} in “Development of SSI Sector and Women Entrepreneurs: Role of Central Government” revealed that with the help of policy

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initiatives, incentives and facilities by the Government of India, the small scale sector will continue to grow at a faster rate facing the challenges posed by liberalization and globalization and contribute substantially to the Indian economy. Since women entrepreneurs also constituted an inseparable segment of SSI sector, promotion and empowerment of women entrepreneurs was implicit in the expectation.

K.V. Nagarajan and Elaine G. Porter (2005)\textsuperscript{53} studied women entrepreneurs’ experiences in terms of their motives and the obstacles they faced in establishing and growing their businesses. They covered nine women entrepreneurs in a small southern Indian town with entrepreneurial training and who had been running in their business for at least five years were part of a focus group. They found out that work-family conflicts were among them. Women used gender-based strategies to manage interactions with governmental and bank officials and a professional demeanor to deal with male clients. Children sometimes participated in their businesses after school.

Kalyani and Chandralekha (2002)\textsuperscript{54} observed that the socio-economic and demographic characteristics have a significant impact on the involvement of women entrepreneurs, particularly when it comes to enterprise management. Many of them received help from their family members, particularly the male members, in carrying out various kinds of work.


Kamar Jahan and Veerasekaran (2000)\textsuperscript{55} found out that the women entrepreneurs in Tamilnadu engaged in three important activities namely manufacturing, trade and commerce and services. Manufacturing includes food-based and cloth-based products. The trade and commerce activity include retail trade in food items, fruits, vegetables, flowers, etc. Services include community, social and personal repair services like beauty parlour, tailoring, money lending and pawn broking, etc.

Katar Singh and Raji Gain (2002)\textsuperscript{56} pointed out that the women distributed their work in three shifts. In the mornings, a team of four women prepared cows for milking and undertook distribution of milk, recording of milk yield and clearing the shed. The second team of three in the afternoon prepared feed, washed the utensils and made dung cakes. In the evenings the third team of three women milked the cows, distributed the milk and recorded the yield. The shifts were taken up by rotation. The total expenses and total income were equally shared by the women.

Katerina Sarri and Anna Trihopoulou (2005)\textsuperscript{57} investigated the issue of women entrepreneurs in Greece by looking into personal characteristics and motivation of female Greek entrepreneurs. They covered the period of 1990-2000. They emphasized those women entrepreneurs are not treated as a monolithic category: rather, policies and programs to support them should begin with a diagnosis of their personal characteristics and motives aimed at strengthening pull motives that comprise a base for more viable and innovative entrepreneurial activity.

Kaza P. Geetha (1997) investigated why banks were not able to meet their targets for women enterprises in Baroda. He also found the over-riding importance of family for women and instances such as marriage, childbirth or even a crisis in the family led to closure of enterprises of women. He pointed out that financial institutions were therefore hesitant to give loans to women entrepreneurs as they might quit even a well-running business for the sake of their families. This factor also led women to locate their enterprise near their homes even if it meant compromising on business interests.

Kyaruzi Imani Silver and Hales Chantal Ahoefa (2009) examined the processes of incubating African female entrepreneurs in their study. They focused on current understanding of the nature of the complex processes of providing business support services to female entrepreneurs in Africa, an analysis of how incubation might address those challenges, and some tentative lessons drawn from their empirical research and entrepreneurs’ own experiences. They collected data from 160 in Dares Salaam, Tanzania firms and 40 female-owned businesses in Dakar, Senegal. They pointed out that the specific circumstances of female-owned businesses failed or succeeded in the competitive business environment, which was often dominated by men. They concluded that African female entrepreneurs were constrained by structural, cultural and institutional barriers; the solutions to overcoming such barriers remained problematic. Also, their roles in the incubation processes were rarely mentioned in most policies on entrepreneurship in Africa.

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Lalitha Rani (2000)\textsuperscript{60} identified the two major problems faced by the women entrepreneurs to be dual career and wrong evaluation of the product by the customers. Securing financial aid and marketing had also been listed as other issues which posed a problem for the women entrepreneurs. Derogatory comments by their husbands and relatives and negative criticism by the immediate society were the societal barriers for women entrepreneurs.

Laquita C. Blockson, Jeffrey Robinson and Sammie Robinson, (2007)\textsuperscript{61} in his study “Alleviating Poverty through Business Ownership: Personal and Professional Success Experienced by African American Women Entrepreneurs” found out that these women defined entrepreneurial success for themselves in a multitude of ways, using both economic/financial indicators and non-economic/non-financial indicators. They believed their rich experiences – particularly given their status as minority entrepreneurs, women entrepreneurs, and entrepreneurs of growth firms – might provide evidence that could help shape an augmented definition for entrepreneurial success.

Lucy Sendi and Alistair R. Anderson, (2007)\textsuperscript{62} investigated the nature of micro finance, or micro credit, in rural Tanzania. They began by examining the types of finance available to the poor who operated micro enterprises. Based on their macro analysis, they concluded that most institutes which offered loan facilities operated mainly in urban centre, thus restricting accessibility for the rural poor. Moreover, the


modest lending conditions also created an obstacle for the poorest women. They also
concluded that self loans have had some benefits in improving the profitability of micro
enterprises run by rural poor women, but there seemed to be little long–term effect as
measured by increases in household assets.

Makararavy, Anurit, Pacapol, Walsh and John, (2009)\(^{63}\) identified the
challenges and opportunities faced by the women in a high context culture such as
Cambodia. An examination by the researchers revealed that women entrepreneurs faced
distinctive challenges in the early part of SME development in terms of social
problems, marketing problems, lack of government assistance and financial problems.

Mallika Das (2007)\(^{64}\) examined the problems which women faced during the
setting up and continued operation of their businesses, and the work-family conflicts.
The study also looked at their reasons for starting a business and the self-reported
reasons for their success. It covered the two states in southern India- Tamil Nadu and
Kerala. He found that the initial problems faced by these women seemed similar to
those faced by women in western countries. However, Indian women entrepreneurs
faced lower levels of work-family conflicts and seemed to differ in their reasons for
starting and succeeding in business.

Manimekalai (2002)\(^{65}\) mentioned that the entrepreneurship was not confined to
any particular stratum of society, sex or race and that there was There is no difference
between men and women on the basis of personality recognition. However,


entrepreneurial women still constituted only a small percentage of the total self-employed population in the developing countries. Majority of them had low initial investment and 100 per cent of the investment was made out of their own effort. The major problems faced by these women were lack of funds for initial investment, lack of knowledge of procedures for acquiring loans, non-implementation of existing policies, etc.

Manuela Pardo-del-Val (2010)\textsuperscript{66} in his study, “Services Supporting Female Entrepreneurs” pointed out that many public initiatives act as fund services which support women entrepreneurship. The study took a closer look at the characteristics of female entrepreneurs, their motivations, and the difficulties they face in their ventures. The researcher concluded that policies for the support of women entrepreneurs should aim at strengthening pull motivators and concentrate in designing programmes specifically tailored to the type of business, focusing on long-term policies rather than short-term initiatives.

Masuda M. Rashid Chowdhury (2002)\textsuperscript{67} made an attempt in her article to identify some of the factors that led to the adoption of women entrepreneurship. She also discussed the problems faced by the women entrepreneurs in their business enterprises. As small entrepreneurs, women played a significant role in the national economy. In the article, she suggested that the governmental and non-governmental development for women entrepreneurship should be activated in order to increase the contribution of women towards the national economy. She also rightly identified the major problem of women entrepreneurship which included the lack of credit facilities,

\textsuperscript{66} Manuela Pardo-del-Val, “Services Supporting Female Entrepreneurs”, \textit{The Service Industries Journal}, August 2010, 30(9), pp. 1479-1498.

\textsuperscript{67} Masuda M. Rashid Chowdhury, “The Emerging Role of Women as Entrepreneurs in Bangladesh”, \textit{MIDAS}, 2009, Vol 9(1). p.132.
skill training, market opportunities, difficulties in procurement of raw materials and transportation. She also pointed out that some middlemen created problems by offering low prices.

Mathur and Anamika (1987)\(^{68}\) found that men and women did not differ significantly with regard to innovative trait and internal focus of control. They also found that women were in no way inferior to men in terms of intelligence, foresight, curiosity and healthy.

Muhammad Azam Roomi and Guy Parrott (2008)\(^{69}\) investigated a study on Barriers to Development and Progression of Women Entrepreneurs in Pakistan. They pointed out that the economic potential of female entrepreneurs was not being realized as they suffered from lack of access to capital, land, business premises, information technology, training and agency assistance. They also observed the inherent attitudes of a patriarchal society that held the view that men were superior to women and that women were best suited to be homemakers, and were not created to face challenges. In progression side, women received little encouragement from some male family members, resulting in limited spatial mobility and a dearth of social capital.

Munira Sestic (2009)\(^{70}\) did a comparative study on the increased willingness of starting their own business of Bosnia women and that of Herzegovina women and also their turnover from the 20th the 21st century. He pointed out the current state of

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unemployment of women, as well as their educational structure depended mainly on their choice of starting their own business. Alongside he listed the reasons why a number of women were not ready to start their own.

N. Rajani (2008)\textsuperscript{71} examined the quality of micro-enterprise management by women in socio-cultural milieu and projected the management training needs of women entrepreneurs. She concluded that confidence building, competence, connections and capital were projected as essential management training needs for women entrepreneurs.

Neelaveni, Rambabu, and Venkata Ramaiah, (2000)\textsuperscript{72} found that age factor, mass media consumption, and extension contact were significantly influencing the variation in developmental priorities of farm women in agri-business management. Age was found to be significantly and negatively associated with developmental priorities. As age increased, their energy declined and hence their attention in management of activities in agri-business declined. As mass media consumption and extension contact increased, their exposure to new technologies in agri-business management increased thereby increasing their attention in management of agri-business activities.

Pijush Kanti Chowdhury and Begum Nurun Nahar (2005)\textsuperscript{73} in their article “Women Entrepreneurs of Rural Industries in Some Selected Areas” made an attempt


\textsuperscript{73} Pijush Kanti Chowdhury and Begum Nurun Nahar “The entrepreneurs operating in the industrial units within the radius of 35 kms around Dhaka City”, \textit{Journal of Entrepreneurship}, 2005, 17(3). pp.86-95.
to (i) identify the factors responsible for emergence of rural women as entrepreneurs, (ii) assess the socio-economic impact of entrepreneurship on their lives and living and (iii) assess the problems faced by the women entrepreneurs in their business. The authors observed that illiterate and less educated women preferred bamboo and cane-work and other crafts like sewing, garments making and embroidery. Seventy-Nine per cent of the sample became entrepreneurs due to circumstances that compelled them to find out some source of income for their living. It was also found that the majority of women entrepreneurs (76.47 per cent) acquired initial experience about the craft either from families or from neighbours.

Pillai and Anna (1990) made an attempt to study women entrepreneurship in Kerala. Their objective was to find the social, political, and economic factors that prevented entrepreneurship development. A randomly selected sample of 102 women entrepreneurs in the Ernakulam-Kochi area was surveyed. The study showed that entrepreneurs depended on financial support from the State and that familial assistance was used only as a secondary source of help. Yet, women had cited family support and encouragement as the highest facilitating factors for them to do business.

Pooja Nayyar, et.al., (2007) concluded in their study that women entrepreneurs faced constraints in aspects of financial, marketing, production, work place facility and health problems. The financial problems faced were non-availability of long-term finance, regular and frequent need of working capital. Poor location of shop and lack of transport facility were major marketing problems. Production

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problems included the problem of non-availability of raw material. Entrepreneurs of zone-IV mainly faced health problems such as fatigue, tension, and headache. Women entrepreneurs also faced problem of improper water and space facility. Guidelines framed as a solution to these problems can help women entrepreneurs to deal with these problems effectively.

Prabakaran and Satya (2003)\textsuperscript{76} examined the various service attributes in the banking sector and the study pointed out that the borrowers were not only satisfied with the money they got as loan; they were also keen about how they got it. Quality Service alone would act as winning edge in the highly competitive environment where there was not much of product differential. Quality service was exhibited in the study through the dimensions namely reliability, tangibility, responsiveness, assurance and empathy.

R. Ganesan, Dilbagh Kaur and R.C. Maheshwari, (2002)\textsuperscript{77} studied the problems, confronted by the self-motivated women entrepreneurs, and then highlighted the prospects and the future challenges. They identified the concern areas of these women who were in business and also proposed what kind of entrepreneurial training would be ideal.

R. Hisrich and C.G. Brush (1982)\textsuperscript{78} found that female entrepreneurs proved to be visionaries and catalysts, whereas male entrepreneurs were more traditionalists. Female entrepreneurs tended to place more of an emphasis on the balance of important life factors in measuring success.

\footnote{Prabakaran and Satya, “An Insight in to Service Attributes in Banking Sector”, Journal of services Researches, April 2003, 4(2). pp.24-29.}
R. Magesh, (2010)\textsuperscript{79} studied the service quality and its model of gaps were studied by taking the service offered by the banks into account. Gap analysis was used as an analytical approach for evaluating the difference between customers' expectations and the experience of quality. He conclude that, though the satisfaction level of service being offered was at an acceptable level, the organization had to keep abreast in an ever changing environment to be competent and bridging the gap between the customers’ experience and expectations. By identifying strengths and weaknesses pertaining to the dimensions of service quality, organizations could allocate better resources to provide better service.

Rani D. Lalitha (1996)\textsuperscript{80} examined the socio-economic background of women entrepreneurs, analyzing their motivational factors, major strengths and weaknesses against their environmental threats and opportunities. She also investigated the degree of work-home conflict and its effects on enterprise performance. The sample of 100 entrepreneurs showed that women entrepreneurs belonged mostly to nuclear families. Irrespective of the fact that they had supportive families and husbands which made home management easy, the women seemed to give priority to their families rather than to their enterprises. They tended to prefer micro-enterprises as they could be managed together with discharge of their domestic responsibilities. Such factors forced women to make compromises even when the environment offered opportunities for growth and diversification. Irrespective of family structure, number of children, and economic status of the family, the work-home conflict was found to be present.


\textsuperscript{80} Rani, D. Lalitha, Women Entrepreneurs, (Delhi: APH Publishing House, 1996 Ed), p. 236
Rolanda P. Farringtone Pollard (2006)\textsuperscript{81} determined the relationship between women entrepreneurs' support and success from both actual and perceptual perspectives. He found out that women's motivations toward entrepreneurship were strongly correlated with perceptions of success and that women's perceptions of success were highly correlated with their perceptions of support.

S. Mythili (2003)\textsuperscript{82} concluded that the successful women entrepreneurs became inspiration to others. They could become big industrialists and participate in global economy. They could help raw charity trusts and patronize them. The social inequalities were mitigated by keeping a good relationship with the surroundings.

Sadrul Huda, Sayeed Alam and Yunus Khan (2009)\textsuperscript{83} conducted a comparative study on women entrepreneurs. They found out that woman in informal and formal sector started business for independence. In both sectors the size of the business was small and operated from their residence. With successful business performance most of the women in formal and informal sectors wanted to extend the business. There was no significant difference between women owned business in formal and informal sector. The size of the business, ease of entry and cost of doing business were same in both the sectors. Women in formal sector did not receive enough support from the authority.

Sandberg (2003)\textsuperscript{84} revealed that doing business in rural sectors seemed to diminish gender–related barriers. He obtained that it was advantageous for women to start business in rural areas, where inhabitants seemed to be more concerned with

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economic opportunity than gender distinctions. Quality gender difference was that female owners and operators were more articulate than their male counterparts. As a result, they were better in describing the problems common to both males and females.

Sanjukta Mishra (2009) investigated the status of women entrepreneurs and the problems faced by them when they ventured out to carve their own niche in the competitive world of business environment. He found that women in India faced many problems to go ahead in business. The greatest deterrent to women entrepreneurs was that they are women. The financial institutions were skeptical about the entrepreneurial abilities of women. The male-female competition was another factor, which developed hurdles to women entrepreneurs in the business management process.

Sayeed and Nusrat (2008) found that the most frequent barriers faced by women entrepreneurs were lack of difficult to get help from the financial institution, obtaining trade license, tax certificate etc. Other barriers are absence of proper women business community to raise the issue to the policy makers of the country, absence of business training institution to teach them how to start the business.

Selvamalar and Ayadurai (2005) examined the constraints faced by women entrepreneurs, the challenges they faced, and the entrepreneurial ventures they had established over the past three decades in a war-torn area - the northeast of Sri Lanka. They collected the data only from the Tamil women of Sri Lanka, even though the greater majority was the “Singhala” women. They concluded that the constraints that

85 http://www.indianmba.com/Faculty_Column/FC1073/fc1073.html.
had been found to be similar in the northeast and the other Asian and African countries were: i) lack of financing and funding; ii) balancing time between the entrepreneurial venture and family; iii) poor access to education and training programmes to help women improve their entrepreneurship, managerial and technical skills; and iv) inefficient production systems and weak infrastructure. They also concluded that the biggest constraint was lack of international aid which was however not seen as a major problem in many of the other Asian and African countries.

Shailendra Singh and Saxena (2000) revealed that the women entrepreneurs of eastern U.P. struggled against many odds namely traditional culture, low economic opportunity, low special accessibility and the personal characteristics namely shyness, lack of achievement, motivation, low risk-taking, low education level, unsupportive family environment, lack of information and experience, problem of liquidity and finance.

Shiva Malik and Taranjit Kaur Rao (2008) conducted an empirical study among 135 women entrepreneurs in Chandigarh to analyze the reasons for starting business, perception regarding their success in business and quality attributed to their success. The study revealed that women were ready to face the challenges associated with setting up of business. Papad, pickles were the things of the past, now with new and innovative business, women entrepreneurs were fast becoming a force to reckon with in the business world. Women were not into business for survival but to satisfy

their inner urge of creativity and to prove their capabilities. Women education was contributing to a great extent to the social transformation.

Sindhu S. Narayan and P.S. Geethakutty (2003)\textsuperscript{90} pointed out that entrepreneurship had been recognized as an essential ingredient of economic development. Very high literacy rate and lack of employment opportunities paved way for many unemployed youth including women to take up small-scale business units. In their study, entrepreneurial success index (ESI) was developed to measure the level of success of women in agribusiness and the respondents were classified into four groups of very high success, high success, medium success and low success.

Su Fei Lim, Kathryn Smith and Colin Bottomley (2003)\textsuperscript{91} investigated the incidence of and success of those female entrepreneurs who graduated from university and at some point in their careers opted for establishing their own business ventures in Scotland. They reported their initial findings of that work, which was based on a series of intensive and in-depth interviews with a number of Scottish graduate female entrepreneurs. Through these interviews interesting revelations emerged which contributed to the better understanding of the success factors, such as gender-related motivation for business start-ups and the importance of gender networking to the graduate female entrepreneurs. They found out that the female graduate entrepreneurs received no specific entrepreneurship education during their higher education studies. This paper concluded with recommendations that might serve to ensure that graduate female talent should be retained within the Scottish economy and should not “escape”


\textsuperscript{91} Su Fei Lim, Kathryn Smith and Colin Bottomley\textsuperscript{,} Successful Graduate Female Entrepreneurs – The Scottish Experience\textsuperscript{,} \textit{16th Annual Conference of Small Enterprise Association of Australia and New Zealand}, 28 September – 1 October 2003.
from Scotland to pursue careers elsewhere. Policymakers, economic development agencies and universities should see to it that Scotland must retain its graduate talent in order that continuing economic revival could be sustained.

Sunday Samson (2009)\textsuperscript{92} investigated the influence of psychological capital on women entrepreneurs’ innovative behaviour with 405 female entrepreneurs from Ibadan, Nigeria. The result indicated that women with high self-efficacy and internal locus of control scored higher on entrepreneurial innovative behaviour than women with low self-efficacy and external locus of control. There was also a significant relationship between highly educated women and lowly educated women. Women were encouraged to believe in themselves while their acquisition of higher education will provide impetus for growth and achievement in entrepreneurial innovative activities.

Surapa Raju’s (2000)\textsuperscript{93} study revealed that the pull category of women entrepreneurs was younger than the push category entrepreneurs. Most of the pull category women were of upper castes and majority of the push category belonged to backward class and Scheduled class categories. After starting the enterprises, the average monthly income of the pull and push entrepreneurs increased by 4.0 and 1.2 times respectively. The percentage contribution of push entrepreneurs’ income to their family income is nearly 69 per cent whereas in the case of pull category it is only 34 per cent.


T.J. Kamalanathan and V. Vijaya, (1996) in “Perceptions and Environmental Concerns of Potential Women Entrepreneurs” revealed that entrepreneurs were the harbingers of economic growth and were the backboned of many technological and industrial innovations. The policies they adopted, with regard to waste management from their production processes were a crucial determinants of the status of the environment.

Tulus Tambunan (2009) examined recent developments of women entrepreneurship in Asian developing countries in his study. It focused only on women entrepreneurs in small and medium enterprises. The findings of the study showed three main important facts. First, SMEs were of overwhelming importance in the region, as they account, on average per country, for more than 95 per cent of all firms in all sectors. Second, the representation of women entrepreneurs was still relatively low which could be attributed to factors such as low level of education, lack of capital, and cultural or religious constraints. Third, most of the women entrepreneurs in SMEs were from the category of “forced” entrepreneurs seeking for better family incomes.

Uddin Sami and Ziauddin Khairoowala (1989) concluded in their study that in developing countries women entrepreneurs faced considerable repercussions within their families and social relationships because of the role transformation from that of the traditional homemaker to a business person. To cope with these psychological stresses women required great confidence and mental resolve. They believed that

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96 Uddin Sami and Ziauddin Khairoowala, Factors affecting Entrepreneurial growth; Entrepreneurship Development in INDIA, (Delhi: Mittal Publications, 1989 Ed.). p. 142
psychological traits like need for achievement, power, and affiliation were to be developed.

Vibha Sinha (2000)\textsuperscript{97} revealed that the number of women longing to take up entrepreneurship had been growing many folds. Most of the women entered this field as first generation women entrepreneurs primarily to remain busy and fulfill their ambition. Women showed to have high single mindedness of purpose to achieve perfection in the quality of their products and services and established their business well.

Vijay Lakhsmi and Poonam Sharma (1980)\textsuperscript{98} found that the major problems encumbered by the entrepreneurs were lack of knowledge about the procedure for taking loan and non-implementation of existing policies. The entrepreneurs were highly dissatisfied with the procedure of securing finance and the difficulty factor in acquiring loan was influential contacts, followed by the guarantee cover.

Vinze Dubhashi Medha (1987)\textsuperscript{99} studied the socio-economic background and the factors that contributed to entry into business of women entrepreneurs in Delhi. Corroborating with above findings, she highlighted the cultural aspects. It was harder for women to take ‘calculated risks’ that were essential to entrepreneurship, as they were the custodians of society in the maintenance of cherished values, habits, and accepted norms of conduct.


Vishnuprasad Nagadevara (2009)\textsuperscript{100} analyzed the differences between the enterprises owned by women and other enterprises. He used a large database of SSIs and SSSBEs to evaluate the effectiveness and efficiency of the units owned by women and also identified areas where women owned units performed better based on selected performance criteria. Data from more than 1.3 million SSI and SSSBE units were analyzed to identify the differences between women owned enterprises and other enterprises. It was found that the average value of revenue as well as the value of exports was smaller in the enterprises owned by women. In general, these enterprises were smaller in size as compared to other enterprises. On the other hand, the growth of the SSI women enterprises over the past 3 years was significantly higher than that of the other enterprises.

W. Kalyani and K. Chandralekha (2002)\textsuperscript{101} attempted to study about women entrepreneurs who took initiatives to start their own enterprises. They also analyzed the factors that motivated women to initiate the launching of enterprises and the factors which supported their effective association in managing the enterprises. The study was based on an exploratory survey on a sample of 300 women entrepreneurs in two urban centres. The result revealed that various socio-economic and demographic characteristics had significant impact on the women entrepreneurs in their enterprise management.


Wesley Carter and Cannon (1992)\textsuperscript{102} identified four areas of financing problems for women in their study. Firstly, women were disadvantaged in their ability to raise start-up finance. Secondly, guarantees required for external finance were beyond the scope of most women’s personal assets and credit track record. Thirdly, once a business is established, getting finance was more difficult for female entrepreneurs than for their male counterparts, because of the greater difficulties that women faced in penetrating informal financial networks. Finally, the bankers showed discrimination towards women.

Westhead (2003)\textsuperscript{103} provided the empirical evidence relating to the wealth contributions of female and male controlled business. His study focused on the performance of business controlled by male or female single decision makers. The total assets and owners’ equity was significantly higher for the male-controlled business and also the total income and profit were significantly higher in male-controlled business.

William J. Clinton (1992)\textsuperscript{104}, in “Lessons without Borders: USAID Shares Micro Enterprise Experience” revealed, “Micro enterprise is a good social policy. It costs the government little or nothing. The enterprises provide income that sustains families and helps finance investment and business growth. They tell us that we need to do a much better job of harnessing the energies of the poor. Not only are their energies a tremendous and underutilized resource, but an approach based on those energies is socially healthy”. Furthermore, support for the development of micro enterprises, will

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be a double positive. It will not only reduce the need for dependence on safety nets but also strengthen the entitlement and capabilities of women.

Zillur Rahman (2005)\textsuperscript{105} in his study dealt with the measurement of service quality of banks in India. He investigated the discrepancy between customers’ expectations and perceptions towards the quality of services. The study was conducted using the SERVQUAL instrument. The results indicated that the sample population had perpetual problems with their banking service experiences. Findings from this study provided initial direction in determining the optimum service quality attributes to focus on in promoting banking services. The largest discrepancies were found along the reliability dimension. This is alarming, since it was identified as the most important dimension in their overall perceptions.

2.2 Concepts Used

The operational definitions of concepts used in the study are given below:

2.2.1 Entrepreneur

The term ‘entrepreneur’ is derived from the French word, ‘Entreprendre’ which means ‘to undertake’. The term was first used as a technical economic term by the 18\textsuperscript{th} century French economist Richard Cantillion. He portrayed an entrepreneur as one, discharging the function of direction and speculation. By enlarging the scope, he even quoted “anybody engaged in economic activity was an entrepreneur”\textsuperscript{106}.

An entrepreneur is a person who has possession of a new enterprise, venture or idea and assumes significant accountability for the inherent risks and the outcome. Entrepreneur in English is a term applied to the type of personality who is willing to take upon him a new venture or enterprise and accepts full responsibility for the outcome. Jean-Baptiste Say, a French economist is believed to have coined the word "entrepreneur" first in about 1800. He said an entrepreneur is "one who undertakes an enterprise, especially a contractor, acting as intermediately between capital and labour".

An entrepreneurial event can be defined as the fact that one or several persons recognize a commercial opportunity in relation to the surroundings, acquire and organize the necessary resources, and coordinate the activities required for exploiting the opportunity commercially. By extension, entrepreneurs may be perceived as the person or persons who initiate and implement the managerial process behind the entrepreneurial event. From a purely statistical point of view, an entrepreneur is defined as a person who establishes a "genuinely new enterprise". This means that the number of entrepreneurs is expressed by the annual influx of personally owned enterprises.

J.B. Say stated, “The entrepreneur is a person endowed with the qualities of judgment, perseverance and knowledge of the world as well as of business”. Adam Smith treated the entrepreneur as an employer, master, merchant and undertaker but explicitly identified him with a capitalist.

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Brochl G. Wayne\textsuperscript{111} stated, “Entrepreneur is an important change agent in every society. Although it is his purposive activity that bridges the gap between plan and reality, the precise way that this change agent (entrepreneur) acts is often unclear”.

Peter Dancher\textsuperscript{112} defined “… an entrepreneur as one who always searches for change, responds to it and exploits it as an opportunity. Entrepreneurs innovate. Innovation is a specific instrument of entrepreneurship”.

Mc. Crony\textsuperscript{113} opined that “… a successful entrepreneur lives frugally and saves for the development of his enterprise. He is skilled enough, quality-conscious and very quick to learn from others. He is versatile and resourceful”.

According to Mc Clelland,\textsuperscript{114} the successful entrepreneurs are endowed with an unusual creativeness, enriched by high property, and a strong need for achievement.

James J. Berna\textsuperscript{115} stressed that a good entrepreneur is an enterprising individual. He is energetic, hard working, resourceful, very alert to new opportunities, able enough to adapt to changing conditions with ease and always willing to undertake risks involved in change.

2.2.2 Entrepreneurship

Entrepreneurship is commonly seen as a positive, even pivotal, aspect of economic development. The main argument for the positive effect of entrepreneurship

\textsuperscript{113} J. T. Mc Crory, \textit{Small Industry is a North Indian Town – Case studies in latent Industrial potential}, Ministry of Commerce and Industry, Govt. of India, New Delhi, 1956.
\textsuperscript{115} James, J. Berna, \textit{Industrial Entrepreneurship in Madras State}, (Bombay: Asia Publishing House, 1960). P.129
can be found in Schumpeter’s work (Schumpeter, 1912) wherein he discusses that by introducing new ideas, products, production processes and organizational structures, entrepreneurs challenge current economic conditions.\textsuperscript{116}

Entrepreneurship is the attempt to create value recognitions of business opportunity, the management of risk-taking appropriate to the opportunity and through the communicative and management skills to mobilize human, financial and material resource necessary to bring a project to friction.\textsuperscript{117}

Entrepreneurship means the function of seeking investment and production opportunity, organizing an enterprise to undertake a new production process, raising capitals, finding labour, arranging the supply of raw materials, finding site, introducing a new techniques, discovering new sources of raw materials and selecting top managers for day to day operations of the enterprise.\textsuperscript{118}

According to William Diamond\textsuperscript{119}, “Entrepreneurship is equivalent to enterprise which involves the willingness to assume risks in undertaking an economic activity, particularly a new one. It may involve an innovation, it always involves risk taking, decision making, although neither risk nor decision making may be of great significance.

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\item \textsuperscript{117} John kao and Harard Stevenson (eds), Entrepreneurship – What it is and how to teach it, (Boston: Harvard Business School Publication, 1984). p. 7.
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2.2.3 Women Entrepreneurs

Women entrepreneurs are a woman or a group of women who initiate, organize and operate a business enterprise. The government of India considers the enterprise of women entrepreneurs as “an enterprise owned and controlled by women saving a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women”.  

Women entrepreneurs is defined as an enterprise owned and controlled by one or more women having a minimum financial holding of 51 per cent or more, giving 51 per cent or more employment to women.  

Women entrepreneur is any women who organizes and manages any enterprise, especially a business.  

Technically, a "women entrepreneur" is any woman who organizes and manages any enterprise, a business, usually with considerable initiative and risk. However, quite often the term "women-owned business" is used relative to government contracting. In this instance, the entrepreneur (a woman) owns (more than 50 per cent), controls and runs the enterprise.  

The concept of women entrepreneur enterprise is a small scale industrial unit or industry-related service or business enterprise, managed by one or more women entrepreneurs in a concern, in which they will individually or jointly have a share.

capital of not less than 51 per cent as shareholders of the private limited company or members of co-operative society.”

A small scale industrial unit or Industry related service or business enterprises, managed by one or more women entrepreneurs in proprietary concerns, or in which she/they individually or jointly have a share capital of not less than 51 per cent as partners or shareholders or directors of private limits company or members of cooperative society.

Women entrepreneur is a person who accepts challenging role to meet her personal needs and become economically independent. A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life.

2.2.4 Small Scale Industries

The official definition of an SSI unit in India is a manufacturing enterprise that has investments in fixed assets in plant and machinery of less than INR 10 million (US$ 222,000).

Small Scale Industries is an industrial undertaking in which the investment in fixed assets in plant and machinery whether held on ownership terms on lease or on hire purchase does not exceed ₹10 million.

124 http://www.indianmba.com/Faculty_Column/FC1073/fc1073.html (01.08.2010).
The definition for small scale industries has changed over time. Initially they were classified into two categories - those using power with less than 50 employees and those not using power with the employee strength being more than 50 but less than 100. However the capital resources invested on plant and machinery buildings have been the primary criteria to differentiate the small scale industries from the large and medium scale industries. An industrial unit can be categorized as a small scale unit if it fulfils the capital investment limit fixed by the government of India for the small scale sector. As per the latest definition, for any industrial unit to be regarded as small scale industrial unit the following condition is to be satisfied: “Investment in fixed assets like plants and equipments either held on ownership terms on lease or on hire purchase should not be more than ₹10 million. However the unit in no way can be owned or controlled by any other industrial unit.

Small scale industry means an industry that employs capital less than ₹1 crore. Almost all items can be manufactured in a small scale industry, but there are large scale manufacturing activities like rolling mills, extrusion presses, pilger mills etc., that cost much more.129

The European Union definition of a small scale enterprise is one with fewer than 50 employees and less than 10 million euros in annual turnover or balance sheet total.130

A small scale industry is defined as an industrial undertaking in which the investment in fixed assets in plant and machinery, whether held on ownership terms or on lease or on hire purchase, does not exceed ₹One Crore.

130 http://www.ehow.co.uk/about_5368252_small-scale-industries-defined.html#ixzz0vNKrYv2j
Small scale industry is defined as an industrial undertaking which is engaged or is proposed to be engaged in the manufacturing or production of parts, components, sub-assemblies, tooling or intermediates, or the rendering of services, and undertaking supplies or proposes to supply or renders not more than 50 per cent of its production or services, as the case may be, to one or more industrial undertakings and whose investment in fixed assets in plant and machinery, whether held on ownership terms or on lease or on hire purchase, does not exceed ₨ one Crore.

Small scale service and business enterprises are defined as industry related service and business enterprises with investment in fixed assets, excluding land and building up to ₨ 5 lakhs.\textsuperscript{131}

2.3 Summary

A review of the past research studies and literature available relating to the study and the operational definitions of the concepts used are presented in this chapter. The review facilitated the researcher to have a comprehensive knowledge on the subject taken for the study. The operational definitions of the concepts used helped the researcher as steering to perform the study in the correct direction. Online journals in the field of women entrepreneurship, small business management, marketing research, economic development, socio-economic and applied psychology were referred to enrich the knowledge.

The above mentioned studies are related to the socio-economic conditions of women entrepreneurs and their problems like finance, marketing, work-family conflicts, push and pull factors, profitability of the enterprise, comparison of men and

\textsuperscript{131} http://www.dcmsme.gov.in/publications/traderep/sptnadu.pdf
women entrepreneurs and the like. Moreover, all these studies are descriptive in nature. However, there are no comprehensive and analytical studies covering the developmental factors of women entrepreneurs, in different angles in Tirunelveli district in Tamil Nadu. Hence, the researcher has made an attempt to explore the developmental factors of women entrepreneurs, by applying relevant statistical tools, to test the development attributes. The empirical study also covers the constraints of women entrepreneurs and perception of women entrepreneurs on bank services in the study area. Therefore, this study is first of its kind in the field of women entrepreneurs in Tirunelveli district in Tamil Nadu.