CHAPTER II

Review of Literature
Chapter II

REVIEW OF LITERATURE

2.1: Introduction

Review of literature is very important and crucial activity in research. It enables to have a clear view of what has been done in the particular field in the past. It helps the researcher to avoid duplication and repetition of work done by others in the same field. Further, it helps the researcher to identify the research gap and also to decide the thrust area for present work. This chapter reviews different research works done by various reputed scholars in the area of women entrepreneurship. It is presented under five major headings, namely I, Studies on Socio-Economic conditions of informal sector women entrepreneurs, II. Studies related to Entrepreneurial development programmes, III. Studies on issues of women entrepreneurs and IV. Studies related to women Entrepreneurs in the informal sector, and V. Studies on welfare of women Entrepreneurs

2.2: Studies on Socio-Economic Conditions of Women Entrepreneurs

Lathia Rani (1996) has conducted a study on the selected enterprises with investment more than Rs 50,000 with minimum two employees. The study results pointed out that 80 per cent of the women entrepreneurs were married, 10 per cent were unmarried, three percent were separated and seven percent were widows. Further analysis indicates that the unmarried women opted for trading and service
sectors. The age-wise information highlighted that a high per cent of women had taken up managing enterprises in the age group of 30 to 39 years, the age which was also very demanding in their domestic functions with young children to be taken care of.

Kalyani and Chandralekha (2002) in their exploratory study on “Association between Socio-economic Demographic Profile and Involvement of Women Entrepreneurs in their Enterprise Management” examined the overall development of women entrepreneurs and their enterprise depends upon the degree to which these women are involved in various aspects related to the managing of enterprises. This study calls for a need to explore how far women entrepreneurs are involved in the management of their enterprises. Furthermore, it made an attempt to learn about women entrepreneurs who take initiatives to start their own enterprises. Further, it dwells upon factors that motivate women to initiate the launching of enterprises and then tries to understand those factors, which constraint or export their effective association in managing the enterprises. The result reveals that various socio-economic and demographic characteristics have significant impact on involvement of women entrepreneurs in their enterprise management. It summarises that entrepreneurial development is a faction of person in interaction with the environment.
Jalbert (2008) studied the role of women entrepreneurs in a global economy. This study found that women entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks to communicate effectively, to organise efficiently, to be fiscally conservative, and to be aware of the needs of their environment and to promote sensitivity to cultural differences.

Muralidhar et al. (2011) have conducted a study focused on various types of enterprises taken up by members of SHGs. The study has further concentrated on the studying of various parameters for the socio-economic development of women. The study consists of 80 per cent of the entrepreneurs involved in their traditional family occupation of weaving silk saris through handlooms. It concluded that the SHGs are playing active and positive role in women empowerment and development of women entrepreneurship. The economic status of women have improved and they have started saving money, taking active participation in decision making. Their contribution is more and more towards family and in some cases they are maintaining the families just like men, at rural levels. Thus, it can be concluded that SHGs are playing active and positive role in women empowerment and development of women entrepreneurship.

Elumalai and Muthumurugan (2011) have examined the role of microfinance and economic empowerment of women in Puducherry region. The study found that most of the rural women had a very low level of education and their annual income ranging around twenty thousands. The study was based on primary data collected from Koodapakkam village in Union Territory of
Puducherry. A total of 60 respondents were selected through stratified random sampling method. Three indicators, such as personal income, savings and assets were considered to measure women’s economic empowerment. Simple percentage and ratio methods are used to measure the impact of microfinance on rural women’s economic empowerment. The study found that 55 per cent of the women had joined SHGs for doing entrepreneurial activities. The study found that most of the rural women had a very low level of education. Their annual income was ranging around twenty thousands. This study provides evidence that economic empowerment of women can be improved by increasing their income, savings and assets. The results also suggest the need to empower women through their participation in the entrepreneurial activities.

Mitchell (2006) study on “Motives of Entrepreneurs: A Case Study of South Africa”, examines the motivation of entrepreneurs in starting a business in the socio-economic milieu of South Africa. More specifically, it aims to identify similarities and differences in the motive profiles of 101 male and female entrepreneurs. A motivation scale and open-ended interviews were used to assess the ‘reasons for starting a business’. Both men and women entrepreneurs were found to be primarily motivated by the need for independence, need for material incentives and the need for achievement. The need to contribute to the community was not an important reason. Male entrepreneurs in comparison to female were more motivated by the need to provide family security and to make a difference in the business. Female entrepreneurs more than males were motivated by the need to keep learning and need for more money to survive.
2.3: Studies Related to Entrepreneurial Development Programmes

Nirmala Karima Cruz’s (2003) study tried to identify some of the key familial, social, and psychological factors that promote / inhibit entrepreneurship among women in Kerala. It is hoped that the identification of such factors will assist in the design of EDP programmes and enable planning agencies at the State and local levels to design schemes to overcome these constraints. As the issues are complex and only a few studies exist on this topic, the present exercise constitutes an exploratory investigation. The study aimed to investigate the educational, religious, familial, and social background of the entrepreneurs, to examine the extent and nature of familial influence in the choice of their entrepreneurial career, to discuss their religious composition and to identify the psychological factors (such as attitudes, traits, willingness, and confidence) that govern enterprise development of women entrepreneurs in Kerala. The study was conducted among women enterprises in the Thiruvananthapuram district. The enterprises included those from both urban and rural areas. Information was collected from 200 enterprises out of a total of 1750 registered (in 1994) with the District Industries Centre (DIC). The study was conducted through interview schedule. The size and the nature of activities of women’s enterprises show their low risk-taking tendency; the bulk of the units were in the tiny sector. Absence of any worthwhile planning and lack of any entrepreneurship training before launching a business was the bane of the vast majority of entrepreneurs in the sample. They have inquired some skills through learning-by-doing, but the adequacy of such skill
acquisition varied from one entrepreneur to another depending on a variety of factors including education, family background, type of business, and personal traits. The procedures for disbursement of subsidies and grants, allotment of industrial plots and exhibition stalls, and other benefits intended for women entrepreneurs should be made visible, transparent, and easily accessible. The study indicates that women entrepreneurs have to be treated, for purposes of training as a group entirely different from men entrepreneurs, in several respects including socio-cultural, familial and psychological factors.

Poonam Sinlia (2003) studied motivation, social support and constraints among women entrepreneurship in the North East India. This study found that the main motivating factor to start an enterprise was to earn money by both men and women entrepreneurs. The units set up by them were mostly micro enterprises. Traditional activities such as handicrafts and handloom still predominated the type of activities undertaken by the women entrepreneurs. The units of both men and women entrepreneurs were suffering from inadequate income generation. Majority of women entrepreneurs managed finance through their own sources. The study concludes that women of the region have enough potential to take up entrepreneurship as a career. Determined efforts from women entrepreneurs supported by congenial climate can bring about substantial results.

Jaiswal (2004) made an attempt to identify the motives responsible for their entrepreneurial initiation and choice of their line of trade. The study highlighted that the motive of ‘economic independence’ ranked first among the
respondents for their entry in to entrepreneurship, followed by “utilization of skill” and “to exercise creativity” subsequently. The “achievement in life”, “independence”, and “earning profit” were the strongest motives stated by them in the priority order.

Kanani (2004) studied empowerment of rural women by entrepreneurship development. It was highlighted that it was worthwhile to inculcate the empowerment of rural women through the agriculture based entrepreneurs. The study found that for the development of entrepreneurship, it was important to identify technically feasible and economically viable agro-based industries. Technological support measures in policy, finance infrastructure may be given by promotional agencies at national and state level.

Duel and Singh (2006) reported case studies of Bikaner in Rajasthan. Women entrepreneurship in the developing world made a large and often unorganised contribution to their countries economic development. To improve the living standard of families, it is very important to know the existing training needs of women. The study was conducted in three backward dwellings in Bikaner city of Rajasthan. Majority of respondents belonged to nuclear, medium size family, were married, educated up to middle level and had pucca house. Most of the respondents expressed need for the training in preparation of pickle, squash, cooking and bakery products. In the area of clothing and textile, need of majority of women were related to tie and dye, stitching, embroidery. Training was also needed in making soft toys and effective child rearing practice for starting creche. It can thus be concluded that intensive training need for women was identified in the area of stitching which could really help them in starting of an enterprise.
Vijayalakshmi and Prajeetha (2008) conducted an empirical study on empowerment of women through entrepreneurship in Madurai city of Tamil Nadu state. This study found that most of the women started their enterprises only after their marriage and their age range between 30 to 40 years. Self interest followed by bank officials played vital role in start up their enterprises. Scarcity of labour, finance and marketing skills are the major barriers in front of the women entrepreneurs. It concludes that the women entrepreneurs have succeeded in generating adequate income and self confidence.

Darrene and Mayer (2008) studied the relationship between elements of human capital and self employment among women and found that self employed women differ on most human capital variable as compared to the salary and wage earning women. The study also revealed the fact that the education attainment level is faster for self employed women than that for other working women. The percentage of occupancy of managerial job is found comparatively higher in case of self employed women as compared to other working women.

Cohoon (2010) has presented a detailed exploration of men and women entrepreneur’s motivations, background and experiences. The study was based on the data collected from successful women entrepreneurs. It identifies top five financial and psychological factors motivated women to become entrepreneurs. There are desires to build the wealth, the wish to capitalise own business ideas they had, the appeal of startup culture, a long standing desire to own their enterprise. The challenges are more related with entrepreneurship rather than
gender. However, the study concluded with the requirement of further investigation like why women are so much concerned about protecting intellectual capital than their counterpart.

**Gurendra** et al. (2011) conducted a study to quantify some of the non-parametric factors to give the sense of ranking these factors. The study suggests the way of eliminating and reducing hurdles of the women entrepreneurship development in Indian context. It tried to find out the differences among various set of people of the crucial factors, which are concerned with the women entrepreneurial opportunities at large. Issues have been identified through various review of literatures. It should be cross checked with the real entrepreneurs. These factors may vary from place to place and business to business but women entrepreneurship is necessary for the growth of any economy weather it is large or small.

Leyla (2011) has conducted a study on women's entrepreneurship in Iran based on Global Entrepreneurship Monitor 2008 data. In this regard, the relative position of women entrepreneurs in Iran was identified, compared with those of their Iranian male counterparts as well as other GEM members. The main factors affecting women's entrepreneurs and the reasons behind the low rate of women entrepreneurial prevalence in Iran were also explained. The gender gap exists and is significant in women entrepreneurial activities of Iran at both national and international levels. The Iranian women are faced with visible and invisible structural constraints and gender discrimination in respect of social as well as economic aspects. Finally, some useful recommendations and suggestions on women's entrepreneurship are made to the entrepreneurial policy makers.
A study conducted by Panchanatham et al, (2011) highlighted factors that have motivated women entrepreneurs in starting an entrepreneurial career. Success has been seen mostly among the mid thirty and early forty age group. The Government schemes, incentives and subsidies have stimulated and provided support measures to women entrepreneurs in and around the city. This study found that majority of the women entrepreneurs carried out their family business as a core background and they were mostly married to business families. The business environment seems to have prepared them mentally, thereby facilitating their entry into business. Help and guidance was also available within the family in case of any business problems.

Babak et al, (2012) conducted a study on the female entrepreneur specific to female entrepreneurs in Pakistan. The findings show that women entrepreneurs in Pakistan are embedded in the family and social relations to a greater extent than women entrepreneurship literature has recognised to date. This situation also prevails in some other South Asian and Muslim countries. Most of them have children and dependants on aged parents, husbands, siblings and extended family members who reflect the burden of family and home care responsibilities of the women. The findings indicated that factors like “Lack of finance, restriction on mobility, limited decision making, lack of role models and guiders, men’s hold on markets, family pressure and discrimination are major barriers in the way of entrepreneurialism. In conclusion, the results of this study proved that, the Pakistan women’s entrepreneurial activities are not only a means for economic survival but also have positive social repercussions for the women themselves, their families and their social environment.
Vijay and Natarajan (2012) studied the emerging needs to promote women empowerment and entrepreneurship among the coastal area women. Delivery of micro finance to the micro enterprises plays a significant role especially for women. Coastal women with low income and lack of knowledge of banking facilities were unable to access banking facilities on their own. For this, a concrete effort is needed to be taken up by the society, the government and the bankers themselves to enhance the standard of women with regard to banking habits. The government has emerged as a major catalyst by way of providing training incentives entrepreneurship programs me and other facilities to succeed particularly in coastal areas to empower women.

Prem Rose Thayammal and Murugan Chettiar (2012) conducted a study on the personality development of women entrepreneurs in Tirunelveli district of Tamil Nadu. The result of the study shows that planning, information seeking, problem solving, confidence, honesty, faithfulness and persuasiveness are the important determinants of the personality of women entrepreneurs in their business.

Rachana and Anj all (2002) in their study on “Predicting Entrepreneurial Success: A Socio - Psychological Study”, predict entrepreneurial success using psychological variables like individualism-collectivism value, locus of control and the socio- cultural variable. These variables could identify the traits that differentiated a new entrepreneur from a traditional one. This article makes an attempt to expand the measurement of entrepreneurial success from two other
angles. Using two regression equations, one can predict the future success of an entrepreneur. It has also been observed that the psychological variables have a fairly high correlation with entrepreneurial success, and all of them can also separately predict the success of an entrepreneur efficiently. However, the study establishes that the achievement values, along with entrepreneurial status, are the most efficient predictor variables in predicting entrepreneurial success.

Rejinder and Slially (1998) conducted a study on “Psychological Correlates of Entrepreneurial Performance among Women”. It has been conducted on a sample of 100 middle-class women entrepreneurs. The results clearly indicate that women take up business ventures for a variety of reasons. The more successful among them were found to score high on ability utilisation, achievement, advancement, economic rewards, personal development and prestige. However, no significant differences in locus of control were observed among women with varying degrees of success. They task of women entrepreneurs in India is highly challenging as they have to encounter public prejudice and criticism. They have to fight family opposition and various social constraints before establishing themselves as independent entrepreneurs. They risk involved in establishing and managing business can financially and emotionally be very high for women as they have to develop adequate business skills and spend their energies on both business and domestic matters. The specific purpose of this study is to gain some insight into the value orientation and motivational forces of women entrepreneurs, which experienced varying degrees of success and achievement.
2.3: Studies on Issues of Women Entrepreneurs

**Soundarapandian** (1999) found that stiff competition from male entrepreneurs, High price of raw materials, financial constraints, Managerial constraints, Technical difficulties, Low ability to bear risks, Low level of favorable family background and Lack of entrepreneurial initiative were the problems faced by women entrepreneurs.

**Das** (2000) performed a study on women entrepreneurs of SMEs in two states of India, namely Tamilnadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women entrepreneurs faced lower level of work-family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for staring and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of business setup and operated by women is much lower than the figures found in western countries.

**Marina Della-Giusta and Christine** Phillips (2006) have examined through a case study on “Women Entrepreneurs in the Gambia: Challenges and Opportunities This study reviews the literature on women entrepreneurs in developing countries and presents evidence from a case study undertaken during 2001 and 2006 in Gambia examining the challenges facing women entrepreneurs in the small enterprise sector. The study discusses the gendered nature of the barriers to survival and growth, particularly the low productivity of sectors in
which women entrepreneurs operate, the difficulty in accessing capital for expansion and the need to reconcile business with domestic activities and the propensity to view business as part of an overall livelihood diversification strategy.

Nam Langowitz and Maria Minniti (2007) in their study on “The Entrepreneurial Propensity of women” found that subjective perceptual variables have a crucial influence on the entrepreneurial propensity of women and account for much of the difference in entrepreneurial activity between the sexes. This study also found that women tend to perceive themselves and the entrepreneurial environment in a less favorable light than men across all countries regardless of entrepreneurial motivation.

The findings of the empirical research carried out in the Peloponnese (2006-2007) indicated that these were small individual businesses utilising local resources (farm production, traditional recipes, and family labour). The women started up their businesses making use of tacit knowledge and know-how, with the small and flexible scale of the production and the family character of the business minimising entrepreneurial risk. These are dynamic and often innovative businesses with a capacity to adapt to the demands of the consumer market.

Lall and Sahai et al. (2008) have conducted a comparative assessment of multi-dimensional issues and challenges of women entrepreneurship and family business. This study found that though there has been considerable growth in number of women opting to work in family owned business, they still have lower status and face more operational challenges in running business.
Singh (2008) has identified the obstacles in the growth of women entrepreneurship and found that lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network and low priority given by bankers to provide loan to women entrepreneurs were the major obstacles in the growth of women entrepreneurs.

Ayala et al. (2010) studied on the gender differences in entrepreneurship, in all 43 countries and found that the percent of women entrepreneurs is higher in countries where the general income per capita is small and where women have no other option for making a living. This surprising finding has been explained as a result of the difference between “necessity” and “opportunity” entrepreneurship, with necessity entrepreneurship found to be more prevalent among women in poor countries, thus pointing to the role played by inequality and exclusion in women’s entrepreneurial inferiority. From the perspective of diversity, equality and inclusion, entrepreneurship can be viewed as a means for inclusion of women and other marginalised groups in countries, especially low-income countries, in which they suffer from lack of equal opportunities and social exclusion.

Rincy et al. (2011) found that role, overload, dependent care issues, quality of health, problems in time management and lack of proper social support are the major factors influencing the work life balance of women entrepreneurs in India. Furthermore, even though the vast majority of the entrepreneurs examined in this study suffer from work life balance issues, there are significant differences in the level of work life balance issues faced by the various categories of women entrepreneurs.
Shabana (2012) has conducted a study, with a sample of 50 women entrepreneurs in Kolhapur city. The study was conducted through a questionnaire. The objective of the study was to highlight major issues of women entrepreneurs, identify potentialities of enterprising women who are successful and thereby provide role models for potential women entrepreneurs particularly for young women entering the into this venture for the first time.

2.5: Studies Related to Women Entrepreneurs in the Informal Sector

Rajagopal (1999) in his study found that SHGs represent a new culture in rural development, breaking with traditional bureaucracy and top-down management. Informal groups empower rural women to manage rural industries and make decisions collectively for their common economic interest, though they have yet to become proficient in handling complex issues like marketing.

Rao (2002) has conducted a study on the basis of a National Sample Survey and found that women shared only 14 per cent of total employment. Only 5.6 per cent of them were employed in government jobs. In rural areas, 56 per cent of males and 33 per cent females were in labour force. 66 per cent of females in rural sector were idle or unutilised. This was due to existing social customs, putting men and women on different footings. It was also reported that women were usually not able to take benefit of employment schemes, especially those of self employment because of huge unemployment in male youth. This study also pointed out that young unmarried girls were normally not allowed to work independently.
Mandleker (2005) conducted a research to study the role of rural women in managing small livestock units at home. It was undertaken keeping in mind the role of rural women in family affairs particularly rearing and maintaining livestock. The study was conducted in fifty villages within the radius of 25 km. around Nagpur city. Families having five milch animals and four hectares of land were considered. 300 families were selected for the interview. The result indicated that 100 percent home makers took decision independently in respect of calf rearing, preparing milk products and preserving them. Activities that could be done at home and required time to be devoted at home were shared by rural women whereas activities that required time, labour and marketing were shared by men.

Jadabananda (2007) found that the role of women is to build and maintain the homely affairs like task of fetching water, cooking and rearing children. Since the turn of the century, the status of women in India has been changing due to growing industrialisation, urbanisation, spatial mobility and social legislation. With the spread of education and awareness, women have shifted from kitchen to higher level of professional activities. They join hands in enhancing the income of the family. In turn it also changes their personality and living standards. In the advanced countries like USA, women won 25 per cent of all business, in Canada 1/3rd of small business are owned by women and in France, it is 1/5. In UK the number of self-employed women has increased three fold as fast as the number of self-employed men. In India the self-employed women account for only 5.2per
cent of the self-employment persons in the countries. Majority of them are engaged in the recognised sector like agriculture, handicrafts, handlooms and cottage based industries.

Sadru Huda et al. (2009) found that women in informal and formal sector start business for independence. In both sector the size of the business is small and operated from their own residence. With successful business performance most of the women in formal and informal sectors wanted to extend the business. There is no significant difference between women owned business in formal and informal sectors. The size of the business, ease of entry and cost of doing business are same in both sectors.

2.6. Studies on Welfare of Women Entrepreneurs

Rebecca Gill and Shiv Ganesh (2007) argued that a conception of an entrepreneurial self underlies much literature on women entrepreneurs and their empowerment and identifies several key assumptions of this entrepreneurial self. They assesses the motivations and experiences of several white women entrepreneurs in a northwestern state in the United States and found that aspects of the entrepreneurial self are most evident in the reasons that women provide about why they became entrepreneurs. However, the experiences the women narrate reveal a more constraints-centered discourse, which features a particular interpretation of the frontier myth of the American West, and bears traces of an emergent, collective notion of empowerment.
Ratnakumari et al. (2008) study on empowerment of women entrepreneurship in Visakhapatnam city discussed about the growth of women entrepreneurs. The major objectives of their study were to identify the factors contribute the income and employment generation through women entrepreneurship. The main aim was to analyse women participation in the informal sector of Visakhapatnam city Andhra Pradesh on the East-Coast of India. The study observed that the working women folk in the urban informal sector were engaged in vegetable vending, fruit vending, fish vending, trading, manufacturing and service sectors and it covers 50 women entrepreneurs engaged in self employed Muslim women entrepreneurs in the city. The study suggests that women should be made more amounts of loans, schemes and programmes launched by government. The schemes should be equipped with entrepreneurial skills and modern management practices for women empowerment and overall development of the nation.

Shruti (2011) found that success among women entrepreneur has been seen mostly among the mid thirty and early forty age group. The government schemes, incentives and subsidies have stimulated and provided support measures to women entrepreneurs in and around the city. The study found that a majority of women came from a family business as a core background and they were mostly married to business families. The business environment seems to have prepared them mentally, thereby facilitating their entry into business. Discourses of entrepreneurship and research on women entrepreneurs have proliferated in the last two decades.
2.7: Conclusion

The review of literature indicates that a number of studies have been carried out in the field of women entrepreneurship at the national and international levels. Most of the studies related to women entrepreneurship have been analysed with specific trade. However, studies on successive factors and maintaining the work life balance of the women entrepreneurs as a whole are few. There is a need to conduct studies on multi-trade entrepreneurship involved by the women entrepreneurs. In order to bring their problems and challenges in the limelight, it is essential to study the women entrepreneurs in informal sector.