CHAPTER -II
REVIEW OF THE RELATED LITERATURE

There are certain characteristics that all the entrepreneurs have in common, whether male or female. It is believed that, “Entrepreneurs are different than most business people”. Clark (1999) views an entrepreneur as one who searches for leadership, instead of being one who follows. He believes that they are also the ones who want to be in control and responsible for their own actions, usually possessing a great deal of self-confidence. Entrepreneurs also possess a vast amount of energy and drive for accomplishment in comparison to an average person. To achieve success with a business, a vision needs to be in place, with a focus on the future. Entrepreneurs also need to have an elaborate organization of skills, not only for a composition of individuals but for capital and other resources required to build a business from scratch, as well. Entrepreneurs must also understand that proactivity is essential, which means seizing the moment and taking initiative. Possessing a sense of assertiveness is a common trait among women and men entrepreneurs. In addition, there must be a superior level of commitment of time, money, and resources. Entrepreneurs always need to be willing to do the job right, with long-term success in mind rather than the short-term gain. Without these roles, achieving success in a business setting is out of the question. To be a successful entrepreneur one must have an innovative idea. This idea should be something that is a need, or a need not currently being met, or met well. An innovative idea can come from an area of imagination, problem solving, unsatisfied customers, work, hobbies, demographic change in society, or just luck (Davis & Long, 1999). In addition to an innovative idea, one must possess vision, creativity, flexibility, persistence, and a strong desire to achieve for getting success in business.

Over the years, the entrepreneur has been characterized as innovator, creator (Schumpeter, 1934), locator and implementer of ideas through exercise of
leadership (Baumol, 1968). (Kirzner, 1979 & 1973) saw the entrepreneur as an actor in the process conscious market theory who exhibit deliberate behaviors whereas others view entrepreneur as the possessor of idiosyncratic knowledge enabling opportunity recognition (Eckhart & Shane 2003; Gaglio & Katz 2001; Shane 2003; and Shane and Venkataraman 2000).

The review of related literature has been divided into four headings.

(A) **Demographic attributes** (age, education, type of business, occupational experience, number of employees, business form and residential status); Socio-economic attributes (monetary investment, sources of finance, family history and monthly income).

(B) **Psychological attributes** (decision making styles (rational decision making style, intuitive decision making style, dependent decision making style, avoidant decision making style); motives (need for achievement, need for affiliation, need for power, need for approval); entrepreneurial orientation attributes (innovation, personal control, self-esteem, goal accomplishment); personal attributes (creativity, delegation of authority and risk taking propensity).

(C) **Entrepreneurial success**

(D) **Miscellaneous**

Several investigators looked at the relationship between demographic, socio-economic profile and entrepreneurial success. Literature shows that choice and performance in business depends to a great extent on demographic attributes such as age, education, type of business, number of subordinates under an entrepreneur, occupational experience and socio-economic attributes includes residential status, family history, monetary investment in business and monthly income.

Azad (1988) conducted a study on development of entrepreneurship among rural women and observed that the emergence of entrepreneurship in society depends to a great extent on the economic, social, religious, cultural and psychological factors prevailing in the society. The author therefore suggested that there is an urgent need to nurture and create entrepreneurial climate that
should be conducive to developing positive attitudes about women’s entrepreneurship, creating new needs, increasing the level of aspiration, helping people to see the possibilities of alternative and remunerative vocations, preparing people for accepting changes in the economic and social spheres and building up the requisite physical and socio-economic infrastructure.

Azad (1989) emphasizing more concluded that entrepreneurship need not be considered a monopoly of any particular strata of the population, caste group or sex. Potential for entrepreneurship in one field or the other existed in all stratas. The only requirement is a congenial entrepreneurial climate which motivates, encourages and facilitates individual and group movement to take up entrepreneurial activities. He further suggested that promoting entrepreneurship among women is likely to be more successful if an overall climate of entrepreneurialism is nurtured and spread in the culture at large. With changing times and change in cultural norms, increase in literacy, industrialization, urbanization, social and occupational mobility, the emergence of nuclear families, politico-social movements and change in the value system, women are gradually entering into the field of entrepreneurship and taking this new role.

Akram (2002) also emphasized the need to create an environment that encourages and protects women’s role in the economic activity in general and as an entrepreneur or businesswoman in particular. Further, Mishra & Kumar (2000) observed that emergence & success of entrepreneurship depends on social, economic, psychological & cultural factors. Moreover, attitude & outlook of a person, peer group influence, govt. policy and role helps a great deal in the emergence of entrepreneurial quality in an individual.

Howard & Martinez (2001) observed that there are three elements indispensable to an understanding of entrepreneurial success: process, context and outcomes. Authors concluded that though the knowledge of entrepreneurial activities has increased dramatically; still much have to be learnt about how process and context interact to shape the outcome of entrepreneurial efforts.

Evan & Shepherd (2002) revealed the relationship between career choice and people attitudes toward income, independence, risk, and work effort using
conjoint analysis to determine the significance and nature of these attitudes in choosing one job over another. They investigated the effect that these attitudes have on the intention to start one’s own business and reported significant relationships between the utility expected from a job and the independence, risk and income it offered. Similarly, the strength of intention to become self-employed was significantly related to the respondents’ tolerance for risk and their preference for independence.

Lee & Peterson (2000) in their cultural model of entrepreneurship proposed that a society’s propensity to generate autonomous, risk-taking, innovative, aggressive and proactive entrepreneurs and firms will depend on its cultural foundation. It also proposes that only countries with specific cultural tendencies show a strong entrepreneurial orientation hence experience more entrepreneurship and global competitiveness.

(A) Demographic, socio-economic attributes

Impact of education on entrepreneurial behavior is inconclusive as there are some researchers who claim that education lessens the entrepreneurial desire/skills of the individual (Fallows, 1985 & Shapero, 1980) while there are others who say that individual’s entrepreneurial success actually increases with education (Robinett & Ronstadt, 1985).

Kourilsky (1980) and Bates (1986) viewed that educational attainment levels are positively associated with self-employment and new business formation while the probability of self-employment increases with education. They also observed that individuals with prior work experience in related business have significantly higher entrepreneurial intentions than those without such experience.

Robinett & Ronstadt (1985) supported the above findings and reported that it seems obvious that with education, entrepreneurs will know better than their uneducated counterparts. They will know when, how and where to start their company, how to manage the company and how to maximize their returns.
Sexton & Van Auken (1982) highlighting the significance of education concluded that entrepreneurs having significant enterprise growth had more formal education than unsuccessful entrepreneurs.

Hoad & Rosko (1964) observed that successful firms had more college-educated owner-managers than did firms that failed. Authors also reported that entrepreneurs who had significant enterprise growth for four years had more formal education than unsuccessful entrepreneurs and successful entrepreneurs also carry prior managerial experience.

Rani (1986) conducted a study on 30 respondents between age group of 21-30 years, belonging to middle class families from Hyderabad and Secunderabad, with the objective to find out the factors that prompted women to start their own businesses. She observed that the desire to do something independently was the prime motivation factor to start a business activity. She further observed that women were also capable and confident of taking independent decisions and they do not have any reservation or hesitation in venturing into any sector of industry as entrepreneurs, be it engineering, chemical, electronics or food processing or any other. She observed that educational and income factors do not influence women to become entrepreneurs.

Fay & Williams (1993) highlighted the significance of education in financing and startup process of entrepreneurship. They reported that education was considered a more important factor for female applicants for taking loan assistance from banks than for males. Further, female applicants with a high school education were more likely to be granted a loan than male applicants.

Watkins & Watkins (1983) in an international study concluded that British women business owners had educational and experiential levels similar to British male business owners but found to have very different cumulative educational and work experience patterns. Further, author raised the awareness of the need for training, workshops, and other mechanisms to educate women about financing and business start-up processes. They further elaborated U.S. government initiatives to support women and minority business owners by
giving an example of the community reinvestment act (CRA) that focuses to put pressure on commercial banks to make larger pools of debt capital available to women and encouraged banks to review their lending criteria.

Cooper & Goby (1999) documented that women were motivated by the desire to become their own bosses. They were educated, had prior work experience and flexibility to meet the combined responsibilities of work & family. They also observed that women owned small service and retail businesses that they had started largely with personal capital and loans from family and friends.

Choudary (1980) revealed that education, experience in business, affiliation with social organizations and good contacts in the line lead towards entrepreneurial success. He also made an observation that entrepreneurial characteristics associated with success level are not universal and cultural and other local factors also play a dominant role in the success of an entrepreneur.

Kaptan (1987) investigated on sample of 61 small units in Maharashtra. Out of the 61 units 43 units were healthy profit-earning units and 18 were sick or dying units. He observed that education, previous job experience and commitment have a very strong association with entrepreneurial success whereas, other demographic attributes like family background and community background have not demonstrated significant association with entrepreneurial success.

Sexton & Kent (1981) compared the education level of women entrepreneurs with female executives and reported that the level of education of female executives was higher than that of women entrepreneurs.

Hisrich & O’ Brien (1982) drew a sample from American Management Association database to test the hypothesis about relationship between industry choice and access to resources. Authors reported that women in the more traditional areas were older, had more education and were more likely to have self-employed parents. Both groups i.e. those in traditional areas and non-traditional areas used their personal savings to finance their businesses. However, those in the non-traditional areas were more concerned about the lack
of external financing resources because their businesses required larger capital investment. Authors also reported that female owned businesses are more likely to be found in the retail and service sectors.

Dubhashi (1987) reported that people in low and middle income groups with some education and moderate experience in specific line of manufacturing entered small scale industries in larger numbers. Experienced women entrepreneurs suggested that banks should adopt more flexible formalities and procedures. Further, there is a need to regulate the prices of basic raw materials sold in the open market as the problem in Delhi is the heavy premium on the price. Moreover, in some areas of Delhi, the problem is in obtaining municipal licenses, absence of which precludes government assistance. The researcher suggested that more attention is required from the entrepreneurs and also from the assisting agencies in matters like streamlining of the assistance required and evolving a better code for assisting agencies. Author also recommended the setting up of a single government agency to look into all the requirements of the entrepreneurs so that their problems could be minimized.

Nadkarni (1982) identified some problems and difficulties faced by women entrepreneurs in different industries. She divided the industries into producer goods industries and consumer goods industries. The study reported that 57 percent of the respondents accept the statement that women are more suitable for desk work than manual work. It further documented that a change is occurring in society’s attitude but the pace of the change is very slow and educated family is more likely to adopt a liberal approach towards women entrepreneurs as compared to non-educated.

McClelland (1961) and Hornaday & Aboud (1971) observed that entrepreneurship characteristics are not universal. There is no specific set of characteristics independent across situations to guide entrepreneur to success but socio-economic features like caste, parental background, technical and professional education, location advantage, financial resources have strong correlation with entrepreneurial success.
Timmons et al. (1985) concluded that there is no single set of characteristics that every entrepreneur must have, instead there are 15 behaviors required by the entrepreneur and these all can be learned. Among the required behaviors that can be acquired by education are internal locus of control, tolerance of ambiguity, stress and uncertainty, calculated risk-taking and risk sharing.

Hornaday & Vesper (1981) reported that students who take an entrepreneurship course as part of their undergraduate program seem more likely to be self-employed (fulltime or part-time) few years later than their counterparts who do not take such a course. On the other hand, education seems to increase the chances of success for entrepreneurs. While technical training is important for industries involving advanced technology; business education contributes to the management skills of the entrepreneur. Also, less educated entrepreneur may find it hard to hire someone who is much more educated then himself thus depriving him from using the latest knowledge and techniques.

Dadalani (2002) selected 40 circumstantial and 20 non-circumstantial women entrepreneurs or tiny commercial enterprises in Pune city. The objective of the study was to find their reasons for starting the businesses and problems they encountered in running them. Author reported that the success of entrepreneurship is not gender specific; women entrepreneurs do not expect any special favors; they have started making their mark in society; the success ratio is surprisingly high & their industrial family background is not a necessary condition for becoming a successful entrepreneur.

(Steward and Roth, 2004; Zhao and Seibert, 2006 and Rauch and Frese, 2007), examined and reported significant associations between personality traits and entrepreneurial behavior.

Barringer & Ireland (2008) listed 18 traits and competencies which they claimed are common among entrepreneurs.

Panandikar (1985) highlighted the problems of women entrepreneurs. She observed that the nature of work is about the same in the case of units engaged in manufacturing of pickles, papads and other snacks. With the increased higher
education, and the growing awareness of their status, women are spreading their wings to reach the higher levels of 3-Es (Engineering, Electronics and Energy). It has been observed that there are hurdles in general for any entrepreneur, but for women entrepreneurs the greatest constraint is that they are ‘women’. The attitude of the society, despite the constitutional provision and proclamation of legal equality, in practice the bias is still the same towards women as it existed in ancient times. The biggest problem they face is finance, the reason being lack of confidence among the men about women's ability to manage finance. Procedures of bank loans are often delayed and much running about is involved in completing paper work; this deters many women from venturing into business arena.

Arvinda (2001) conducted a study on women entrepreneurs by selecting respondents from (i) Service sector, (ii) Trading sector and (iii) Manufacturing sector. 37 respondents were found to be in service and trading sectors, 26 respondents were in the manufacturing sector and author suggested the need for more entrepreneurship development programmes and societal support for women. Women entrepreneurs in general face conflicts of work and home roles. The main conflicts in work role pertained to inability to expand the enterprise and utilize optimum of skills available. Non-availability of time to spend with family and being a good spouse were the conflict areas faced in the performance of home role. It may be concluded that women entrepreneurship, requires a congenial entrepreneurial climate which is conducive to motivate and facilitate women to take up entrepreneurial careers.

Birley et al. (1987) observed significant differences between the characteristics of the male and female entrepreneurs in terms of the business they form that includes their age, education, experience, premises, legal form of business, customer profile, labor usage and speed of start-up and finance. Female respondents were having lower age although both were in range of 30-40 years. Further, female entrepreneurs posses both motivation and ideas but recognized the need for training for the success of the enterprise.
Neshamba (2000) surveyed two hundred and forty three entrepreneurs (69 percent males and 31 percent females) in Lagos, the former capital city of Nigeria. The average age of entrepreneurs was found to be 36.7 years. The time devoted to their businesses was approximately 37.8 hours per week. Reasons identified to be in entrepreneurship as suggested by the Nigerian entrepreneurs were independence, satisfaction and growth, increasing income and past training/experiences. Factors contributing to business success were mainly attributed to hard work, excellent management skills, and good customer services. Charisma and reputation for honesty were also ranked high on the list. Among the problems encountered by entrepreneurs, unreliable employees were the most critical. Weak economy, electricity shortages and unsafe location were also mentioned as obstacles preventing entrepreneurs from achieving their goals. The relationship between stress and business ownership were also assessed. In spite of business success attained and family support received, entrepreneurs reported that they did experience business-related stress.

Pratt’s (2001) studied Kenyan entrepreneurs and reported that availability of capital, possession of business skills, previous experience and support of family members are essential for business success.

Deshpande (1982) & Subramanian (1975) observed strong association among family background and entrepreneurial success. In a socio-economic inheritance process some benefits, resources and privileges are passed on from the father and other family members to the next generations. Entrepreneurship just can not be considered an individual phenomenon and strictly intrinsic to the personality involved.

Rangnekar (1966) and Srinivas (1966) reported that most of the small entrepreneurs had the advantage of being in theirs father’s business i.e. they had a family history of business that supported them to be an entrepreneur.

Hameed (1974) observed that entrepreneur’s occupational experience with previous employer motivated them to become entrepreneurs. Collins and Moore (1964) also reported that in deciding to start one’s own business and success of an enterprise, prior work experience plays significant role.
Hisrich & Brush (1984) documented the characteristics of the individual women, their motive for start-up, social support systems, barriers and challenges and characteristics of growth and performance of their businesses. The analysis of 463 women gave the first aggregate description of the “average” women entrepreneur: first born, middle class, college graduate with a major in liberal arts, married, with children, and a supportive spouse in a professional or technical occupation. Authors reported that maximum women had created their businesses in traditionally female industry (retail, hospitality, services).

Frear (2007) conducted a demographic survey in rural Pennsylvania and reported that current demographic characteristics of rural female entrepreneurs i.e. age, marriage, education, business type and family characteristics are similar to the findings of Hisrich and Brush (1984).

Cochran (1965) tried to characterize an entrepreneur as a model personality in society. He represents certain ascertainable levels of education, social status and types of cultural conditioning that produce roughly a definable model personality. It is revealed that individual's performance as a businessman is influenced by three factors: his own attitude towards occupation; the role expectations held by sanctioning groups and the operational requirements of the job. Author further observed that society's values are the most important determinants of these factors.

Deshpande (1981) observed that backwardness of the Marathwada was mainly due to the absence of the right type of entrepreneurs in the region. Various aspects at different stages of development of an industrial unit and to locate the exact problem of small entrepreneurs at the various stages were undertaken. The study suggested guidelines to be undertaken for the healthy growth of the small industrial units in an underdeveloped region.

George (1991) in her study of 80 women entrepreneurs; 92 percent of them were sole proprietors of the units. All the respondents were married and were in the age group of 30-35 years. All units earned profit. It was observed that women entrepreneurs, who had undergone special training in tailoring, earn a
higher profit which was quite obvious because they could cater to the changing demands of the market.

Khairoowala et al. (2000) stated that Muslim entrepreneurs emerged from various socio-economic and educational backgrounds. No specific relation was found between a person's caste and his profession. Majority of the entrepreneurs started their enterprises before the age of 25 years. Many of them worked in similar industries for some time to gain experience and then started their own units. Their father's occupation was not of much importance to the respondents' choice of occupation. Educational standard of the entrepreneurs was very low and that of their fathers was even lower. Monthly earnings of all the entrepreneurs were good but their standard of living was very low. This may be due to the large size of their families. They provided employment to a large number of people in their small units. They faced various infrastructural and marketing problems and were not able to carry a way out of them.

Krishnan (2003) assessed the effects of socio-economic status of women entrepreneurship and the impact of the new economic policy on women entrepreneurs in various sectors; to find out the weakness and shortcomings in the working of women enterprises and to analyze the problems faced by women to promote and run their units and suggest possible solutions. The researcher concluded that though most of the social factors such as education, health standards and gender parity are not found to be detrimental to the development of women entrepreneurship, yet the level of overall economic development of women entrepreneurship is not satisfactory in the state.

Roomi et al. (2009) concluded that most of the women-owned businesses in the England do not opt to develop growth-oriented businesses rather they prefer to choose a small, non-scalable, locally focused businesses providing services or operating in low-tech industries. Women who are growth-oriented appear to be inhibited due to a lack of resources and some domestic problems i.e. capital, business premises, information and technology, production inputs, appropriate childcare, qualifications, experience, training facilities and assistance from business development agencies. Authors further reported that ineffective
accumulation and use of social capital hinders access to appropriate decision-making circles and limits the probability of accessing critical management and financing resources, especially through the venture capital industry.

Ronstadt (1984) claimed that traditional education leads to conformity and decreases tolerance for ambiguity. These in return lower student’s chances to become creative thinkers which is an indispensable characteristic of entrepreneurship. Although technical degrees such as engineering may bring substantial advantages to entrepreneurs that compete in certain industries that require advanced training to design and market products, the importance of a business education is more questionable.

Samuel (1991) examined the managerial efficiency of women entrepreneurs in food processing units consisting of 56 women and 10 men entrepreneurs in the urban area. The whole group was married and belonged to the age group of 31-50 years. All the enterprises were having a capital investment of less than ₹ 20,000. The study reveals that there is no significant difference in the managerial performance in terms of profit earnings by male and female entrepreneurs. Further, there is a positive correlation between age and managerial performance; negative correlation between educational level and managerial performance and positive correlation between time allocation and managerial performance.

Upadhye (1983) conducted a research on development of entrepreneurship in small scale sector in Pune city. Out of the sample size of 90 small scale units studied, 10 were successful, 65 were marginally successful and 15 were unsuccessful. Some of the successful industries in the small scale sector were well developed because of the incentives offered by the development agencies of the Government of India and Maharashtra state. It was observed that the average age of entrepreneurs was between 32 and 33. Most of the successful units were partnership firms having good family support. Further, their educational backgrounds had also helped them for promoting their businesses. A few units had the problem of under capitalization. Entrepreneurs with formal education were doing better. It was recommended that financial institutions should develop
better understanding of SSIs’ role and the problems they face. The researcher concluded that the budding women entrepreneurs should observe strict financial discipline and proceed carefully.

Young (1971) in his study, “Micro Sociological Interpretation of Entrepreneurship”, concluded that entrepreneurial activity is generated by particular family traits, backgrounds and experiences and as a member of certain ethnic groups that reflected their general cultural values in the professions they chose. These personality characteristics are the forceful reflections of these antecedent conditions and these constitute an independent factor, which mediates structural factors and consequent economic growth.

Zimare (2006) in a “Socio-Economic Study of Women Entrepreneurs” on women entrepreneurial determination and an analysis of the impact of women entrepreneurial activity on industrial development in general and impact of micro level family economy of the women entrepreneurial households in particular. Majority of the women enterprises in the survey area were found to have been established during the period of the 1980’s, because up to the 5th Plan, which was redesigned by the Janta Government, the industrial policy of India was dominated by Nehruvian model of socialistic pattern of large-scale industries. Further, majority of women’s industrial units were started with their own capital or by family support and very few of them are found to have obtained support from financial institutions. The role of financial institutions and government machinery has not been satisfactory in accelerating the women entrepreneurship development. Another important observation of the study worth mention is the dominance of the locals rather than by migrated women in the area of business activities. Local Maharashtrian women started most of the industrial units owned by women.

Coleman (2002) observed some of the possible constraints faced by women business owners. Although results do not demonstrate evidence of non economic discrimination against women-owned firms, they do reveal that certain characteristics typical of many women-owned firms, including small size, limited
prospects for growth and profitability, and failure to provide collateral or guarantee, reduce the likelihood of obtaining debt capital.

Orhan & Scott (2001) revealed in a study that female entrepreneurs start with less capital and their enterprises stay smaller in terms of employment and turnover compared to businesses led by male entrepreneurs.

Haynes & Helms (2000) found that women owned businesses that used bank loans as a primary source of start-up capital outperformed those that used alternative funding resources. The authors focused on the importance of having relationship with a bank in place at the time of business launch. Authors also concluded that entrepreneurs who were in the engineering discipline and also those who had received higher education in other disciplines have proved to be more successful. Similarly, the successors of the persons who were serving in the engineering industry also were successful entrepreneurs – even on caste basis. So it was concluded that caste, education and parental occupations have greater impact on attaining higher degree of entrepreneurial success.

Read (1994) reported that women were more likely to use their banks for a source of advice, but men were more likely to respond to that advice. In addition, 12.5 percent of the women business owners reported that they believed they had experienced gender related discrimination in their banking relationship.

Buttner & Rosen (1992) reported that women were more likely to attribute the denial of a bank loan to gender bias than were men, but there was evidence that some of the differences were based on the gender stereotypes held by the capital providers.

The research findings supported the existence of stereotypes (lender preconceptions that women did not possess the characteristics necessary for successful entrepreneurship). The research found that lending institutions perceived women business owners to be less successful than men Buttner & Rosen (1988).

Brush (1997) conducted a qualitative study using a focus group methodology and found that gaining start-up capital was not nearly as difficult as acquiring growth capital. Successful women entrepreneurs believed they were
perceived as “riskier” loan prospects, and less credit worthy than their male counterparts, despite having a business track record of solid sales and profits. Further author revealed that there are several obstacles faced by the women entrepreneurs, which includes: women not being taken seriously, child and dependent care responsibilities, lack of growth and expansion capital and lack of entrepreneurial education & training.

Loscosso & Robinson (1991) reported that women owned businesses had lower sales volumes and lower incomes as a result of positioning in less profitable industries, as well as lack of access to capital, and inability to secure government contracts.

Buttner & Rosen (1989) reported that lending officers didn’t perceive any differences in the quality of plans prepared by men and women.

Haynes and Haynes (1999) used the National Survey of small business finance to examine the women access to institutional and non-institutional lenders in 1987 and 1993. While women owned small businesses showed a higher probability of borrowing from family and friends, the results suggested that women owned small businesses had gained access to line of credit loans from commercial banks at par with the men owned small business in the same period of time.

McKechnie et al. (1998) reported an evidence of discriminatory behaviors in the personal interactions between female business owners and bank managers. However, Coleman (2000) concluded that lenders did indeed discriminate, but on the basis of firm size, preferring to lend to larger and more established firms, thereby limiting their involvement with women-owned firms which were generally smaller. He reported that access to financing did not differ by sex but by the size of the firm.

Similarly, Carter & Rosa (1998) reported that women were more likely to be refused credit on the basis of their lack of business experience and their domestic circumstances.
Chaganti et al. (1995) reported that female entrepreneurs tend to prefer internal sources of finance to external financing. Entrepreneur’s sex was not an issue in predicting the choice of equity versus debt financing.

Murthy (1986) conducted a study in West Bengal and reported a change in tradition as the doors of entrepreneurial opportunities are open to all those who are willing to take risk. Caste is no more a barrier for entrepreneurship & this attitudinal change is expected to accelerate economic growth. Author also documented the significance of education in promoting entrepreneurship.

Pellegrino & Reece (1982) found that the start up problems and the challenges women business owners faced were common to anyone who started a business. Authors reported some of the difficulties specific to women entrepreneurs and concluded with recommendations for overcoming these. Main difficulties reported were obtaining start-up funds, financial management and development of effective marketing and advertising.

Chandra Shanta (1991) showed that majority of the women were quite young and have time to pursue their ventures, did not belong to business families. There were young entrepreneurs who took challenges on their own initiative and motivation. Marital status or family background in majority of the cases did not interfere significantly in continuing with the enterprises. The main difficulties faced by them were with regard to finance and the labor. Many of them faced the problem of marketing of products. Inadequate, untimely and irregular orders also created some problems. Large number of entrepreneurs thought that the government’s policies were good, but they desired that they should not be required to waste time at various offices and fall prey into the hands of corrupt officials and middlemen. Majority of the entrepreneurs suggested subsidies should be given on easier terms and wanted the establishment of a special cell that would attend to their grievances, speedy registration, and licensing.

Cuba et al. (1983) investigated and reported that the level of task delegation had a positive correlation with enterprise success.
Ufuk & Ozgen (2001) examined the relationships between business and family roles of the female married entrepreneur in turkey. Respondents reported role conflict in their personal and professional lives. Being an entrepreneur had a negative impact on their family life but a positive affect on their social, economic and individual lives.

Aderemi et al. (2008) revealed that television, trade fairs and community outreach programmes significantly influenced the choice of technological ventures among women of Nigeria. Authors also reported that educational background, prior training in venture, role model, socio-cultural factor and age also influenced the choice of ventures. Further, the business performance was found to be significantly influenced by business premise status, opportunities, systematic planning and monitoring. Unemployment motivated women to enter into non-technological ventures while personal interest motivated them to enter into technological ventures.

Chaganti (1986) conducted a study based on gender differences to investigate the management style. He studied whether the “entrepreneurial” management style was gender neutral or if there was a particular “feminine” management style preferred by women entrepreneurs and concluded that women business owners values and management style has been described as “feminine” and participative.

Chan & Foster (2001) conducted a study in Hong Kong and reported that reliance on the immediate network or channel for information was more important to women business owners than it was to men business owners.

Brush & Hisrich (1991) using longitudinal data, tested the model empirically along three dimensions: individual characteristics, incubator experience and environmental factors. They concluded that experience, business skills and personal factors were related to growth. They also found that the traditional socialization of women influenced the type of businesses started, the availability of start-up capital, management skills and experiences of the woman business owner.
Hisrich & Brush (1987) conducted a study that examined growth and performance patterns, strategies of ventures, goals and future plans. Authors found that the majority of the businesses were moderately successful with revenue increase of approximately 7 percent per year, which was slightly less than the average of male owned ventures. Authors further concluded that education and experience were significant factors in predicting financial success.

Schiller & Crewson (1997) reported that role models, self-assurance and marriage were positively related to the supply of female entrepreneurs while education and experience were negatively correlated with entrepreneurship but positively correlated with entrepreneurial performance.

Panda (2002) in a study among small scale entrepreneurs in India concluded that industry experience and prior work experience are important determinants in successful entrepreneurship. Author also concluded that risk perception towards entrepreneurship in Indian industry is very high.

Rasheed (2002) found that demographic factors: gender, age and marital status have an impact on entrepreneurial intention and endeavor. Stevenson & Jarillo (1990) disclosed that successful entrepreneurs were relatively younger in age while Mazzarol et al. (1999) observed that female were generally less likely to be founders of technological business than male. Nguyen (2005) reported that most women started their own business to provide additional flexibility and life balance in managing their traditional responsibilities as wife and primary caretaker of children.

Revathi & Krishnan (2012) examined the role of family for successful women entrepreneurship in Chennai and reported that there is a strong need for effective enterprise management, co-operation and encouragement in the sphere of activity, at all levels i.e. home and in society and from government organizations by the women entrepreneurs.

Jamali (2009) reported the relevance of micro, meso, and macro-level factors in entrepreneurship research.
B. PSYCHOLOGICAL ATTRIBUTES:

Thomas & Mueller (2000) concluded that, “The term entrepreneur implies a configuration of psychological traits, attributes, and values of an individual motivated to initiate a business venture”. They argue that the study of entrepreneurship should be expanded to international markets to investigate the conditions and characteristics that encourage entrepreneurial activity in various countries and regions. They further concluded that entrepreneurs reflect the dominant values of his or her national culture and national culture has definite effect on entrepreneurship.

Singh (2008) evaluated the status of women entrepreneurs in a growing economy like India. She reported that it is the need of the hour to attract more and more dynamic young women to undertake entrepreneurial activities both for employment and self-employment. Further, she observed women entrepreneurs have a pivotal role to play in new economic dispensation and building of the competitive economy.

While various authors have offered a range of classifications of decision-making styles (Driver et al., 1993; Harren, 1979; Rowe & Mason (1987), Harren’s taxonomy on decision-making styles (1979) is the most widely recognized. Drawing from the eight styles (planning, intuitive, compliant, fatalistic, impulsive, delaying, agonizing, and paralytic) proposed by Harren (1979) rational, intuitive, and dependent decision-making styles have been derived (Phillips et al., 1985). Each style is based upon “the degree to which the individual takes personal responsibility for decision making as opposed to projecting responsibility outward toward fate, peers, and authorities and the degree to which an individual uses logical versus emotional strategies in decision making” (Harren et al., 1978). As such, Harren (1979) characterized each style as follows. The rational style is characteristic of “the self actualizing decision maker; one who is the architect on one’s own future as one lives it”. Moreover, the person’s decisions are deliberate and logical. The intuitive decision maker, however, does not anticipate the future or logically weigh the factors of decision situations. Hence it is “characterized by the use of fantasy, attention to present
feelings, and an emotional self-awareness as the basis for decision making”. The dependent style is “characterized by a denial of personal responsibility for decision making and a projection of that responsibility outside self”.

A Model proposed by Mintzberg et al. (1976) suggested three main phases of the decision-making process. The recognition and the diagnosis routines form the central phase of ‘Identification’. The search and the design routines structure the ‘Development’ central phase; and the ‘Selection’ phase comprises the screen, evaluation/choice and the authorization routines. They further concluded that good decisions are the output of careful analytical thinking combined with two other possible ‘ingredients’ of decision-making, namely intuition and proactive behaviour. Consequently, they claim that there are three approaches to meet a strategic decision:

Thinking first (rational)

This is the already reviewed path to arrive to a decision: define -> diagnose -> design -> decide.

Seeing first (intuitive)

Seeing first’ is a rather subconscious manner of decision-making, which requires a significant amount of prior experience: preparation -> incubation -> illumination -> verification.

Doing first (action-oriented)

This approach is advisable when the situation is novel and confusing, and things need to be worked out Mintzberg and Westley (2001). That is often in the case of entering new industry. The pattern here is suggested by Weick (1979): enactment -> selection -> retention.

Mintzberg & Westley (2001) viewed that if rationality is helpless and strategic vision is not present advise simply to ‘jump into the pool’, hence to undertake an action. The feedback of the action will direct the further steps. Thus, ‘doing first’ is a way to evaluate possible alternatives, to see which one suits best the organization and to continue following it. Behling & Eckel (1991) argued that rational analysis is over-emphasized yet; many industries are fully committed to the rational approach to problem solving. Even though the
conditions under which entrepreneurs operate may sometimes limit or even preclude the use of rational analysis. Further, (Sadler & Shefy 2004) reported that rational decision making may not be the norm in many decisions.

(Barnard, 1938; Simon, 1987 and Myers, 2002) observed that intuition is pattern recognition and the application of one’s professional judgment to the situation.

Further, Simon (1987) makes his point on a grand chess master’s ability to make strong moves quickly. He argues that his skills are in his knowledge, through his or her experience of the kinds of patterns and clusters of pieces that occur on chessboards. He further observed that for a chess master a chessboard is not an arrangement of 25 pieces but an arrangement of a half a dozen familiar patterns that previous experience recognizes.

Smith et al. (1988) compared the comprehensiveness of decision-making of entrepreneurs with that of professional managers of larger firms and reported that firms exhibiting less comprehensive decision making experienced lower levels of performance regardless of whether the firm was managed by an entrepreneur or a professional manager.

Hestand (2012) reported that majority of the entrepreneurs were rational or intuitive decision makers and that rational decision making style predominance among entrepreneurs was more or less due to the nature of their business responsibilities. In addition author reported that rational decision makers were logic oriented which is a prerequisite for the business owners to be successful. It was also found that decision-making styles are not mutually exclusive and that individuals do not rely on a single decision making style in all important decision situations.

Scott & Bruce (1995) found that individuals consistently utilized the rational, intuitive, dependent, avoidant, and spontaneous decision-making styles in important decision situations. Authors also found that individuals with a rational decision making style tend to approach rather than avoid decision making situations while, Phillips et al. (1985) concluded that there may be additional decision making style constructs.
Phillips et al. (1984) concluded that dependent decision makers were no less likely to avoid decision-making than rational or intuitive decision makers whereas, Harren’s (1979) concluded that dependent decision makers were passive and reported compliant in regard to decision-making.

Cooper et al. (1988) suggested that entrepreneurs are likely to be optimistic and that they frequently make judgments based on subjective factors such as intuition or hunches (Timmons 1990).

Mintzberg & Westley (2001) link intuition with deep knowledge, usually developed over years, followed by a period of incubation, during which the unconscious mind mulls over the issue. Then with luck (as with Archimedes in the bathtub), there is a flash of illumination. That eureka moment often comes after sleep - because in sleep, rational thinking is turned off, and the unconscious has greater freedom; the conscious mind returns later to make the logical argument.

Furthermore, a study of entrepreneurial personality (Levander & Raccuia, 2001) found that rationality has a lower priority than instinct in shaping entrepreneur’s behaviour. Authors also reported that entrepreneurs often deal with a situation without planning in advance, which decreases the firm performance when confronting with more complex problems.

Prietula & Simon (1989) viewed intuition as not emotion but as subconscious, complex, quick and not biased state whereas, Khatri and Ng (2000) conducted a study on the role of intuition in strategic decision-making and concluded that in an unstable environment intuitive synthesis is positively related with organizational performance. They further observe intuition as a complementing path to arrive at a decision. According to them intuition is connected to experience and expertise.

Papdakis et al. (1998) observed that strategic decisions for new business investments seem to be subject to a less comprehensive analysis than strategic decisions on capital investment and internal reorganization. Such results are in line with Thompson (1967) suggesting that in cases of high uncertainty, managers act in an ‘inspirational’ manner, by making obsolete any formal
procedures and rules usually followed. They also underline that the two core aspects of entrepreneurship are the need for achievement and the attitude towards risk.

Allinson et al. (1996) observed that logic and intuition are on the same continuum and too expect that those entrepreneurs who rated lower on the intuition scale should have rated higher on logic. The results thus far indicate that entrepreneurs do not adopt an either/or approach. While there is a propensity for intuitive decision making, entrepreneurs realize that a rational, risk averse approach is appropriate and should not be ignored. Thus, intuition has been described as a holistic approach to decision making.

Further, (Bierman & Scholte 2002 and Myers 2002) observed that women are likely to be more intuitive than men.

Busenitz & Barney (1997) state that entrepreneurs are different from managers in that they take decisions by relying much more extensively on biases and heuristics, and furthermore speculate that without their use many entrepreneurial decisions would never been made. Authors further argue that entrepreneurs simply do not have the time to go through a thorough, rational decision making process.

Allinson & Hayes’ (1996) observed that one’s cognitive style is unitary. Thus, entrepreneurs can be both intuitive and rational in their decision-making approaches. Vance et al (2007) supported this view, arguing that in today’s highly competitive and turbulent environment, effective decision-making requires both linear and non-linear thinking.

Bazerman (1999) observed that the most dangerous aspect of decision-making is the tendency for even the smartest people to fall into the ‘cognitive illusion’ trap, which causes them to distort reality with misguided thinking.

Baron (1998) argued that due to the specific situation entrepreneurs find themselves in (e.g. information overload, high degree of uncertainty, intense emotions, commitment, responsibility etc.) their susceptibility to cognitive biases and hence errors increase.
Schwartz (1976) study “Entrepreneurship, A New Female Frontier” which was based upon interviews with 20 female entrepreneurs using exploratory and descriptive research revealed certain individual characteristics, motivations, and attitudes carried by these women entrepreneurs. She reported that the primary motivators reported for the women were the “need to achieve”, job satisfaction, economic payoffs and independence.

Bhattacharya (1979) developed a behavioral model for entrepreneurial development. Author made an observation that entrepreneurs are of rare breed and do not always come by. Further, behavioral model for entrepreneurial development must take care of the proportionate development of both-need for power and need for affiliation. The author claims that with the help of model it should be possible to determine the degree of need for power and need for affiliation vis-a-vis the need for achievement of a potential entrepreneur.

Hornaday & Aboud (1971) analyzed number of characteristics, out of which need for achievement, support, independence and leadership emerged as the most significant characteristics associated with entrepreneurs.

Venkatapathy (1980) identified the differences between entrepreneurs and non-entrepreneurs with regard to certain psychological aspects (extraversion, psychoticism, neuroticism and fatigue). He reported entrepreneurs as a separate class that share different behaviour in one way or the other.

Mitchell (2004) examined the reasons for starting a business by men and women. He reported that both men and women entrepreneurs were primarily motivated by the need for independence, need for material incentive and need for achievement. However, the need to contribute to the community was not an important reason. Further, male entrepreneurs were motivated primarily by the need to provide family security and to make a difference in the business while female were motivated by the need to keep learning and need for more money.

Collom (1982) reported that “personal challenge”, “own boss” and “financial independence” are the three motivators because of which women are attracted to entrepreneurship.
Stevenson (1986) also observed desire to be one’s own boss, financial independence and self-fulfillment to be the main motivators to enter into entrepreneurship for women while Huges (2005) in a study of 61 Albertan women reported challenging work and independence to be the most commonly cited motivators. Apart from this skill, development and training have an important role to play in improving the economic performance of entrepreneurs. Further, Moore & Buttner (1997) in a multi-method investigation of 129 US women found challenge and self-determination to be the most influential aspects of motivation while Carter and Cannon (1992) found independence and challenge to be leading motivators for entrepreneurship.

Collins-Dodd et al. (2004) observed that gender is not a significant direct explanation of financial performance differences among small accounting practices. The control variables employed were practice characteristics, motivation, and individual owner characteristics. Results indicate that although financial performance appears to be significantly different for females and males sole proprietorships, these performance differences were explained by several variables other than gender directly. At the same time they found that gender moderates the effects of other practice and personal characteristics on financial performance. One of the more interesting results was that women with a stronger motivation to establish a public practice to balance work and family experienced more positive financial outcomes, while for men the same motivation reduced financial performance.

Hisrich & Brush (1985) conducted a comparative study of female entrepreneurs and minority business owners and described many similarities between these two populations that focused on individual characteristics and motivations. They also communicated the differences in the area of class status and specific aspects of motivations. Most of the women entrepreneurs came from middle or lower class family backgrounds; their motivations were more heavily driven by economic opportunity and job satisfaction but those from a middle or upper class families; were motivated primarily by a drive for independence.
Cromie (1987) examined the underlying motives that force individuals to become business proprietors and reported that both genders i.e. males and females have variety of reasons for founding business. Though, both men and women were primarily motivated by autonomy, achievement, desire for job satisfaction and other non-economic rewards however, desire to make money came out to be an unimportant motive. Further, as compared to men, women were less concerned with making money and often choose business proprietorship as a result of career dissatisfaction.

Kuratko et al. (1997) and Robichaud et al. (2001) revealed that motivation falls into four categories. (1) Extrinsic rewards (2) independence /autonomy (3) intrinsic rewards and (4) family security. Extrinsic motives are the economic reasons for which entrepreneur’s work, while intrinsic motives are related to self-fulfillment and growth.

Swierczek & Ha (2003) reported challenge and achievement as the significant motivators than necessity and security while, Bezing et al. (2005) disclosed income and job security as stronger motivators than self-satisfaction and personal needs. Furthur, Benzing & Chu (2005) reported that entrepreneurs were strongly motivated by the increase in income followed by desire for autonomy/independence.

Learned (1992) proposed a three dimensional model for forming organization. In the founding process of an organization which leads to the final decision to found or not found, these dimensions are defined as (1) propensity to found, (2) intention to found, and (3) sense making. “Propensity to found” is related to some predisposing psychological traits and background factors. It is reported that “Some individuals have a combination of psychological traits in interaction with background factors which make them more likely candidates to attempt to found businesses”. In other words, not all individuals have the potential to start a new venture. Here the argument is that some personal characteristics or traits define an individual’s potential to become an entrepreneur. On the other hand, “intention to found” is “a conscious state of mind which directs attention towards the goal of establishing the new
organization” and adds that “individuals with intention have a higher likelihood of founding than do individuals with only propensity”.

Koh (1996) reported that main psychological characteristics associated with entrepreneurship include need for achievement, locus of control, propensity to take risk, tolerance of ambiguity, self-confidence and innovativeness. It is further defined that entrepreneurs are individuals with high need for achievement, internal locus of control, moderate risk taking orientation, high tolerance for ambiguity, high degree of self-confidence and innovativeness.

Ljunggern & Kolvereid (1996) concluded that women emphasized independence as a reason for start-up and also perceived a high degree of social support during the process. Women in study believed that they posses greater entrepreneurial abilities than men.

Easwaran (1991) observed that the primary motive for engaging in some economically gainful activity by women is a desire for gainful time structuring or more money to support the family. The major reason for most women opting for business rather than a job is flexible time management. It is further observed that family members and funding agencies’ cooperation mainly influence the decision of women entrepreneurs embarking upon a business career.

Carter & Cannon (1992) conducted a research to find the reasons for British women starting their own businesses, the problems they encounter, and the successful strategies they employed to overcome them. They utilized the chronological approach, tracing the steps one takes when starting a new business. The authors’ hypothesize that women's motivation and behavior will differ from traditional models. Results show that female entrepreneurs face unique challenges, which are seen by some as gender-related characteristics of business owned by women that include different routes taken when starting up a business i.e. planning, successful management, training, professionalism, networking, domestic relationship and friendship.

Scott (1986) used two separate surveys to explore “glass ceiling” issues i.e. the desire for increased flexibility to handle family responsibilities as possible motivators for women. She reported gender differences in reasons for
starting a business; men stressed the desire to be their own bosses and women reported being concerned with personal challenge and satisfaction.

Kaplan (1988) emphasized that motivation differ depending upon age of women business owner and the circumstances of founding, especially whether the creation of the business represented job transition or entry into the workforce.

Stewart and Roth (2007) gave answer to the question posed by the researchers regarding the role of personality in explaining entrepreneurial behavior by conducting a meta-analysis of studies that contrast the achievement motivation of entrepreneurs and managers. The results indicate that entrepreneur’s exhibit higher achievement motivation than managers and that these differences are influenced by the entrepreneur's venture goals. Moreover, when the analysis is restricted to venture founders, the difference between entrepreneurs and managers on achievement motivation is substantially larger.

Chu et al. (2007) observed that increased income and increased employment opportunities as the two strongest motivators to be into entrepreneurship while Roy & wheeler (2006) reported that small enterprise owners were primarily motivated by a desire to satisfy basic physiological needs-food & shelter. Further, Cetindamar (2005) reported that gaining work independence & creating an employment opportunity are the most important reasons for starting a business by Turkish women entrepreneurs.

Arvinda & Renuka (2001) explored that woman entrepreneurs were motivated by self-interest in that specific area of enterprise or inspiration from other’s success.

McClelland & Winter (1969) found that need for achievement was the differentiating factor between small business entrepreneurs and other business leaders.

Alam et al. (2011) investigated the key factors affecting the success of women entrepreneurs in southern region of Malaysia. Authors analyzed the collected data using multiple regression analysis and reported that family support, social ties and internal motivation significantly contributes to the success of women entrepreneurs in small business. Only innovation through
information communication technology has no direct effect on success of women entrepreneurs.

Benzing et al. (2009) made an investigation with the objective to determine the motivating factors for women entrepreneurs for business ownership, the factors contributing to their success, and their problems. Authors reported that increased income, obtaining job security, and independence were the primary reasons for starting a business. It was also observed that small and medium-sized enterprises owners were driven more by income rewards than intrinsic rewards. The most important business success variables reported were the entrepreneur’s reputation for honesty and friendliness. Social skills and good customer service were also identified as critical success factors. Complex & confusing tax structure was one of the main problems faced by entrepreneurs in Turkey. Some other problems like unreliable employees, the inability to maintain good records and weak economy were also there.

Singh & kiran (1968) observed that small business entrepreneurs were characterized by a high need for achievement as compared to and contrasted with agricultural entrepreneurs.

Sharma (1973) reported that the entrepreneurs should carry foresight, motivation, commitment to tasks, acumen to take risks, creativity and diligence.

McClelland & Burnham (1976) observed that an entrepreneur manager should have a need for influencing others (need power), a low need to establish emotional relationships (low need for affiliation) and a high capacity to discipline one’s own self (inhibition).

Carlson (1985) reported that attitudes tend to change across time and situations through an interactive process with the environment, and can offer a prediction about a person’s future actions.

Robinson et al. (1991) was first to use an attitudinal scale to predict entrepreneurial activity. They designed the Entrepreneurial Attitude Orientation (EAO) scale to measure entrepreneurial attitudes based on the constructs of achievement, innovation, personal control and self esteem. Achievement in business refers to concrete results associated with the start of a business; personal
control of business outcomes concerns one’s perception of control or influence over his or her business; innovation in business relates to acting on business activities in novel ways; and perceived self esteem in business relates to self-confidence with regard to one’s business affairs.

(Azjen, 1991) argues that intention is an antecedent to behavior and prior studies have shown that intentions play a crucial role in understanding the entrepreneurial process (Shapero & Sokol 1982; Krueger, 1993; Krueger & Brazeal, 1994).

Shapero & Sokol (1982) argue that attitudes are linked with entrepreneurial intentions, especially in perceived venture feasibility and desirability. Additional research found that positive entrepreneurial exposure can impact intentions (Krueger, 1993), though this may vary according to individual characteristics and situations (Krueger & Brazeal, 1994).

Stenholm (2011) concluded that innovative behavior has a positive effect on firm’s growth. However, it negatively moderates the effect of growth intentions on firm’s growth.

Knight & Nadel (1986) and Weiss & Knight (1980) viewed self-esteem to be differentiable from self-efficacy as self-esteem is viewed as an inherent characteristic of individuals that is relatively stable across situations, while self-efficacy is situation-specific. An individual high in self-esteem is more likely to express high levels of confidence about his/her own ability to be successful in a new business venture.

Lyon et al. (2000) considered that entrepreneurial behaviour can be described as aggressive, innovative, proactive, risk taking, and autonomy seeking.

Lumpkin & Dess (1996) explored the constructs of entrepreneurial orientation (EO) and defined a firm’s entrepreneurial orientation as its propensity to act autonomously, innovate, take risks, and act proactively when confronted with market opportunities. They also concluded that it is a process construct and concerns the methods, practices and decision making styles managers’ use.
Habbershon et al., (2003) introduced the entrepreneurial orientation framework that provides five established constructs to explore as antecedents to entrepreneurial performance—proactiveness, innovativeness, autonomy, riskiness, and aggressiveness.

Ahmad & Pawan (2012) found significant associations between risk-taking propensity, independence, proactiveness and entrepreneurial intention but no significant association between locus of control and intention was reported. Authors further reported that positive perception of entrepreneurship program by itself is a sound predictor of entrepreneurial intention; but variable does not seem to be able to exert any significant influence on the relationship between personality traits and entrepreneurial intention.

Zapalska (1997) conducted a study of personal characteristics in Poland and reported that female entrepreneurs were more educated than the male entrepreneurs and had equal or better levels of business experience. She further reported that no gender differences were found in personality attributes, but female entrepreneurs were more likely to consider innovation as an important success factor and report a commitment to long-term capital accumulation and investment in comparison to males.

Smith & Miner (1983) indicated that founders of fast growing firms scored significantly higher on innovativeness than individuals holding managerial positions. It was also found that entrepreneurs expressed a desire to introduce novel and innovative solutions.

Collins & Moore (1970) laid emphasis on the independence and creativity among entrepreneurs.

Levander & Raccuia (2001) proved that entrepreneurs possess different cognitive and executive abilities than non-entrepreneurs. Their level of ADHD (Attention Deficit Hyperactivity Disorder i.e. hyperactivity) was observed to be higher than average population. ADHD-individuals were found to be highly over-represented among the entrepreneurs thus, explaining entrepreneurs’ innovation and creative abilities.
Low & MacMillan (1988) reviewed that few studies have shown statistically significant differences between entrepreneurs and non-entrepreneurs in their risk-taking propensity while; Palich and Bagby (1995) defend the idea that entrepreneurs do not differ from other people in respect to their risk propensity. Rather they react differently to environmental stimuli. They observed that entrepreneurs through the cognition process of categorization are more capable to process and store ambiguous data, thus perceiving equivocal business scenarios more positively than others. Hence, it is not their risk propensity but their different cognitive processes that make entrepreneurs more optimistic about certain business venture claim the researchers.

Cromie (2000) reported an association between the measures of need for achievement, locus of control and risk taking. Once again, empirical research support for McClelland’s theory of need for achievement has been somewhat conflicting and it is generally held that “although people with a strong need to achieve might act well entrepreneurially, there are problems with elevating need for achievement to a central position in explaining entrepreneurial motivation”.

Master’s & Meier (1988) focused on the propensity of risk-taking by entrepreneurs and concluded that there is no significant difference in risk taking propensity of entrepreneurs and managers and that both are moderate risk takers as their scores were clustered around the mean scores. The authors also reported no significant difference in risk taking propensity between male and female entrepreneurs.

Sitkin & Weingart (1995) examined the usefulness of placing risk propensity & risk perception in a more central role in models of risky decision making. Authors reported on two studies that examined a model in which risk propensity & risk perception mediate the effects of problem framing & outcomes history on risky decision making behavior. The results provide support for the inclusion of risk perception and risk propensity as mediators of effects on risky decision making behavior.

Sexton & Bowman (1986) conducted a research using psychological instruments to compare female and male entrepreneurship students on several
dimensions including independence, need for control and risk taking propensity. Authors found difference between female students studying entrepreneurship and those studying other areas of business in terms of conformity, energy level, impersonal affect, risk- taking, social adroitness and autonomy.

Frees et al. (2002); Koop et al. (2000); Dess et al. (1997) and Covin & Slevin (1989) found various attributes like drive for independence, innovative orientation, attitude towards risk and competitive nature which were found to be related with success. Besides this, they also reported that psychological traits contribute to business success, but they are often accelerated by experience, training, specific managerial skills and business environment.

Delmar (1994) identified the essentiality of risk taking for the success and growth of business. He observed entrepreneurs perception and their management of risk determines the success and growth of business. The two principle components which contribute in developing business risk taking ability are risk exposure and financial independence.

Sitkin & Pablo (1992) proposed a model that reconciles the unresolved contradictory findings regarding the effect of risk on decision making behavior in organizations. Authors examined the usefulness of placing risk propensity and risk perception in a more central role than that of previously identified. It is reported that risk propensity dominates both the actual and perceived characteristics of the situation as a determinant of risk behavior.

Brockhaus (1980) using the Kogan-Wallach questionnaire hypothesized that the overall orientation of the individual towards risk would predispose some individuals (e.g. entrepreneurs) to undertake more risks than other individuals (e.g. bureaucrats). Author suggested risk preference as one individual characteristic that influences individual actions. He concluded that decision makers who enjoy the challenge that risks entail will be more likely to undertake risky actions than those individuals who don’t. Further, the findings suggest that risk taking propensity may not be a distinguishing characteristic of entrepreneur.

MacCrimmon & Wehrung (1990) conceptualized risk propensity in terms of “measures of willingness to take risks” and obtained consistent patterns of risk
taking or risk aversion that influence how risks are evaluated and what risks are seemed to be acceptable. It is found that more mature decision makers (in terms of age and seniority) were consistently more risk averse than those who were less mature.

Ouchi (1977) concluded that when the outcomes of risky decisions are rewarded or punished, or the willingness to take risks is encouraged or discouraged as a part of an effective decision making process, the organization is viewed as ultimately channeling the decision maker’s risk behavior by monitoring, evaluating and rewarding the outcomes achieved and processes used when risks are involved.

Hyrsky & Tuunanen (1999) communicated innovativeness and risk taking as two personality traits that are among most distinctive entrepreneurial behavior. Authors compared entrepreneurial behavior between Finnish and US entrepreneurs. The analysis reported that Americans had greater risk taking propensity than Finnish entrepreneurs who were comparatively conservative and risk averse. Americans also exhibit slightly higher levels of innovation. Authors also communicated gender results showing that females had higher levels of innovation preference than males while male respondents scored significantly higher on risk taking.

Carland et al. (1984 & 1988) suggested that innovativeness is the most significant component of the entrepreneurial personality. It is a factor that distinguishes entrepreneurs from less innovative managers and small business owners. In the study of difference in preference for innovation between these two groups authors showed that entrepreneurs tend to set up a business principally for profit and growth. The less innovative small business owners and managers often found a business primarily in order to attain personal goals and/or to provide family income.

Heath & Tversky (1991) developed a theory that explains why a majority of decision maker’s don’t see a calculated risk as a chance. An entrepreneur is more inclined to take risks in a domain where he or she is an expert. This means that individuals will be more risk-averse in areas in which they have little
knowledge to estimate the probabilities for different outcomes. Despite the findings that entrepreneurs don’t necessarily have much higher risk taking propensity compared to the general population, they do take many risks. Cummings et al. (1971) studied the attitudinal differences in risk taking behavior between American and European executives and found that Americans had greater risk taking propensity than Europeans.

Masters et al. (1988) conducted a study to determine whether U.S male and female entrepreneurs would differ in risk taking. They found no differences in the risk inclinations of male vs. female respondents.

Sheela (1991) conducted a study on improved dairy practices in Bidar district and revealed that 35 per cent of the women showed medium risk taking ability whereas 28 and 16 per cent of them had low and high risk taking ability respectively.

Monica & Talukdar (1997) revealed that 16.66 per cent of the women entrepreneurs had low risk taking ability, 45 per cent had medium risk taking ability and 38.34 per cent of the women entrepreneurs had high risk taking ability.

Bhagyalaxmi et al. (2003) revealed that majority of the respondents (75.36%) had medium risk orientation followed by low (15.56%) and high (13.33%) risk orientation.

Hisrich & Brush (1986) indicated the characteristics of women entrepreneurs, their degree of management and other business skills, and the problems they encounter in starting and operating a business. Prescriptions for success include establishing a track record, continuing education, previous experience, ability to set priorities in personal responsibilities, development of a support system and determination.

Moitra (2001) studied “Women and Entrepreneurship” in the Sundarban region of West Bengal. She states that Sundarban Khadi and Village Industrial Society in the beginning used to produce hand-made items like chalks tried their hands at batik printing, bag making and so on. They tried to market their individual products since the establishment of the society in 1981 with 9
members. Today they have 950 women members, have their own head office and operate in 9 blocks of the district. Initially they started marketing products in the West Bengal markets; gradually they developed the export market too and in 1998-99, they could export Khadi goods worth Rs. 53 lakh to England and Germany. It is a great success story of rural development by women participants.

Covin & Slevin (1991) viewed entrepreneurial orientation (EO) as a firm level construct that is closely linked to strategic management and the strategic decision making process.

Aloulou & Fayolle (2005) explored a firm’s strategic orientation, and concluded that it involves capturing specific entrepreneurial aspects of decision making styles, methods and practices.

Hisrich & Brien (1981) conducted various descriptive researches that highlighted the characteristics of women entrepreneurs, their businesses, performance, and barriers to enterprise growth. Authors took a sample of 21 women entrepreneurs to extract information about their common characteristics and business problems. The research also showed the importance of barriers, reporting that female entrepreneurs found it difficult to overcome society’s negative beliefs about women.

Ibrahim & Goodwin (1986) conducted a study in Canada and the United States for analyzing the factors contributing to successful small businesses. They found four success factors: entrepreneurial values, managerial skills, interpersonal skills and environmental characteristics. The entrepreneurial values included characteristics such as intuition, extroversion, attitude toward risk, flexibility and a sense of independence. Managerial skills included variables such as having a niche strategy, an effective budget system, experience, education and a simple organization structure. The interpersonal skills factor was comprised of good customer relations, good employee relations and good interpersonal skills and environmental characteristics included interest rates, taxes and governmental assistance.

Shabbir & D’Gregorio (1996) revealed that women entrepreneurs of Pakistan wanted to start a business in order to achieve three types of personal
goals: personal freedom, security, and satisfaction. Freedom seekers were mostly women who had experienced some kind of frustration or dissatisfaction in their paid work, and who now wanted to start their own business in order to have the freedom to choose the type of work, hours of work, work environment, and the people they worked with. Security seekers were mostly women who, triggered by some personal mishap (such as death or retirement of husband), wanted to start a business in order to maintain or improve their and their family's social and economic status. The satisfaction seekers were mostly housewives, with no previous work experience, who wanted to start a business in order to prove to themselves and to others that they are useful and productive members of society.

Ufuk & Ozgen (2001) conducted a research on 220 married women entrepreneurs in Ankara urban center, Turkey to examine the interaction between their business and family lives. Authors concluded that women thought that being entrepreneurs negatively affect their family lives but positively affects their social, economical and individual life. It was also observed that factors causing stress to family life were insufficient demand in the market, excessive expectations of family members and physical fatigue.

Yusuf (1995) documented that south pacific islanders consider good management skills, access to financing, personal qualities & satisfactory government support as crucial factors for success of an entrepreneur.

Benzing et al. (2005) in a study of Romanian entrepreneurs reported friendliness to customers, reputation for honesty and customer service as top three success factors for entrepreneurs.

Lee et al. (2004) analyzed the effect of regional characteristics such as creativity and diversity on new firm formation. Authors reported that entrepreneurship is associated with human capital, income change and population growth rate. The findings suggest that the regions that are open, creative and attract human capital enjoy more than dynamic entrepreneurship.

Orhan & Scott (2001) identified various motivating factors that includes dynastic compliance, no other choice, entrepreneurship by chance, natural
succession, forced entrepreneurship and pure entrepreneurship which reflects the route which entrepreneurs have chosen to venture.

Smith & Miner (1983) indicated that founders of fast-growing firms scored significantly higher on innovativeness than individuals holding managerial positions. It was also found that entrepreneurs expressed a desire to introduce novel and innovative solutions.

Bhanushali (1987) investigated 125 small scale units with the objective of investigating the correlation between performances of the entrepreneurs with their antecedents. In his study of 125 small scale engineering units in Kolhapur district of Maharashtra, the researcher found that persons from the minority communities or marginal groups and trained in the art of engineering have higher capabilities to achieve better success rate. These conclusions suggest that environmental and physical improvements would not only augment the supply of entrepreneurial talent but also improve the chances of their success.

Ehigie & Umoren (2003) surveyed 213 Nigerian female entrepreneurs to analyze the major contributors for perceived entrepreneurial success. Out of the psychological Contributors like self-concept, perceived managerial competence, work stress and business commitment only business commitment contributed significantly to perceived entrepreneurial success. But in the independent prediction of variables, only self-concept and business commitment were significantly contributing to perceived entrepreneurial success. Authors concluded that success for female entrepreneurs relies on a high self-concept regarding their role in business, commitment to business and reduction of a conflict between home responsibilities and business. Further, authors focused on the role of attending training programmes on business management for women.

Gundry & Welsch (2001) reported that high-growth women entrepreneurs differed from low-growth women entrepreneurs along the following dimensions: selection of strategies that focuses on market expansion and new technologies, greater intensity of commitment to business ownership and willingness to incur greater opportunity costs for the success of their firms. High-growth women entrepreneurs provided more organization structure; planned earlier for growth;
used a team based approach to the business; were concerned about reputation and quality; had adequate capitalization; and used a wider range of financing services for business growth.

Kalleberg & Leicht (1991) analyzed the relationship between the owner’s gender and personal characteristics, choice of industry, choice of organizational structure and survival and success of business. They concluded that women owned businesses were no more likely to go out of business or be less successful than those led by men and there were no gender differences in earnings growth.

Lerner et al. (1995) too analyzed the association between individual factors and business performance of 220 Israeli women entrepreneurs. Authors investigated the applicability of five theoretical perspectives-motivations and goals, social learning, network affiliation, human capital and environmental factors. Findings indicate that network affiliation, human capital and motivation theories have greater explanatory power for performance than social learning or environmental perspectives. This study also reported that membership in an association or network of business women significantly affects profitability.

Kishor and Choudhary (2011) in his study emphasize on the role of women entrepreneurs, as they have been making a significant impact in all segments of the economy in India, However, it is potentially empowering and liberating only if it provides women an opportunity to improve their well-being and enhance their capabilities.

C. ENTREPRENEURIAL SUCCESS

Bennett & Dann (2000), Littunen & Tohmo (2003) and Paige and Littrell (2002) demonstrated that growth and profitability are the two most relevant aspects to judge the entrepreneurship performance. Besides these, societal impact and personal satisfaction are other aspects of success criteria identified by business owners.

Paige & Littrell (2002) defined success by intrinsic criteria that includes freedom and independence, controlling a person’s own future and being one’s own boss; while extrinsic outcomes are increased financial returns, personal income and wealth.
Masuo et al. (2001) found that business success is commonly defined in terms of economic or financial measures which include return on assets, sales, profits, employees and survival rates; and non-pecuniary measures such as customer satisfaction, personal development and personal achievement.

Watson, Newby and woodliff (2000) reported in an Australian study that personal satisfaction was the prime objective for entering and staying in business, followed by financial returns.

Adams & Sykes (2003) conducted a study of African American business owners that focused on profit in comparison to non financial measures like employee and customer satisfaction. Same study reported that business owners rated financial returns and time flexibility higher than personal satisfaction. Contrary to this, a study conducted by Foley (2003) took sample of Australian business owners who described success in terms of continuity and not financial performance.

Dickson et al. (2008) reported the positive relationship between levels of general education and entrepreneurial success measures. Findings suggest a positive link between education and choice to become an entrepreneur and subsequent entrepreneurial success.

Gorgievski et al. (2011) studied 150 Dutch business owners and investigated relationships between intrinsic motivational aspects and business goals. Business owners ranked 10 success criteria out of which personal satisfaction, profitability and satisfied stakeholders were ranked highest.

Czarnitzki & Kraft (2009) and Roberts (1999) reported that firm’s performance is often seen as a means to increase growth and profitability. Its use as a success criterion therefore focuses on creation itself.

Hitt et al. (2001) & Lechler (2001) identified profit, growth and innovation as three criteria crucial to entrepreneurship. These criteria are expected to relate closely to wealth generation.

Geethakutty (2003) developed entrepreneurial success index (ESI) to measure the level of success of women of Kerala in agriculture business. She classified respondents into four groups of very high success, high success,
medium success and low success. Study revealed that majority of women preferred traditional industries like food processing. However, those who have initiated innovative enterprises mostly came from upper strata of the society.

Bates (2005) emphasized on the subjective success criteria of fulfillment of personal goals. It has been reported that owners who fail to fulfill their personal goals are more likely to close their businesses. Further, considering personal values as drivers for success criteria by business owners is important because owners who fail to fulfill their personal goals are more likely to close their businesses, even when those are profitable.

Bardi & Schwartz (2003) supported Bates (2005) findings and reported that fulfillment of personal goals has inherent importance on the health, well-being and financial success of business owners. It is further concluded that living in accordance with one’s values predict long-term personal well being and satisfaction, whereas, a misfit between a person’s values and choices leads to internal conflicts and distress in the long term.

Lorraine & Murphy (2006) explored how men and women define success and how their definition of success affects their career progress. Women preferred the importance of balance and relationships while men focused primarily on the material success. Authors reported that men and women differ in their definitions of success and they echo in significant ways the gender role stereotypes that still reverberate in our culture. They also observed gender differences in the meaning of success even when occupational attainments were similar.

Wilson (2004) reported technical aspects of management and finances as two basic success criteria’s with the goal of maximizing profit and growth but Fasci & Valdez (1998) reported that higher profitability projections were associated with the founder’s achievement and income goals.

Buttner & Moore (1997) reported that women chose self-fulfillment and goal achievement as primary measures of success rather than financial profitability.
Romano (1994) revealed specific gender differences in definitions of success. Women reported success means having control over their own destinies, building ongoing relationships with clients, and doing something fulfilling and Mashiuddin (1980) in a comparative study of 30 successful and 30 unsuccessful entrepreneurs considered regular payment of bank loans and lying off of bank loans as a criterion for successful entrepreneurs. It is reported that more sociable, emotionally stable and assertive entrepreneurs were more likely to be successful.

D. Miscellaneous:

Prasad & Verma (2006) documented the dependence of women on her male counterpart’s permission to undertake entrepreneurial venture. It is further revealed the reality behind the sharp growth of women entrepreneurship in India was due to the fact that most enterprises are owned by women but run by their male counterparts. Societal attitude & support, mobility constraints, dual responsibility, financial constraint, operational & marketing problems, poor managing ability, low ability to bear risk, misconceptions about business choice and low access to Government support were identified as barriers in the path of women entrepreneurship.

Kumari, et al. (2010) indicates lack of supportive network, financial and marketing problems as major problem areas for rural women entrepreneurs.

Robinson et al. (2007) explored the relationship between social stratification & entrepreneurship and reported that social stratification (social structure, institutions & culture) influences the context, process, experience, and the outcomes of entrepreneurship.

Cuervo (2005) analyzed the psychological and non-psychological characteristics of the individual entrepreneur that currently dominates entrepreneurship studies with the analysis of environmental characteristics in terms of the availability of resources, competition and the conditions of the institutions that govern economic activity. It is reported that these three groups of factors enable the entrepreneur not only to identify a business opportunity, but also to exploit it, and create a firm that achieves profitability and generates wealth.
Cooper & Artz (1995) concluded that women who had positive view of initial prospects later viewed the experience of business ownership more favorably, expressing satisfaction regardless of subsequent performance.

Sidhu & Kaur (2006) reported that entrepreneurship helps to generate employment for women in rural areas and enables them to add to the family income while taking care of their farm, home and livestock centered tasks. Authors view that a rural woman can effectively undertake both production and processing oriented enterprises. But to be a successful entrepreneur, women should possess certain fundamental qualities beside the support of the family and government organizations.

Reitz & Henrekson (2000) analyzed sales, profitability, employment and orders to conclude that the firms owned by women were smaller and had a smaller customer base. Only the underperformance in sales was supported. The conclusion was that women-owned businesses were “underperforming” only because the growth preferences of women were lower than those of men.

Shragg et al. (1992) reported various barriers faced by entrepreneurs in Canada which included lack of business management, training and experience, access to financial support, information networks, hostile environments and negative affects on personal and family relationships. However, the most significant gender-based barriers were those of negative self-perceptions.

Cliff (1998) found that personal considerations appear to override economic consideration in the business expansion decision. Canadian female entrepreneurs were more likely to establish maximum business sizes and these sizes were smaller than those set by their male counterparts. Female entrepreneurs were just as likely to want to grow their businesses. But, they reported more concerns about the risks associated with fast growth and generally preferred to adopt a slower and steady rate.

Kirby (2005) argues that universities and business schools can develop entrepreneurs, however only after a radical change in intellectual and educational priorities. More business programs are now offering entrepreneurship as a major. It is hard to say if these programs are just attracting people with entrepreneurial
inclinations or if they are developing the entrepreneurial competencies such as risk acceptance, independence, and control.

Sorokhaibm & Laishram (2011) highlighted women entrepreneurship in the context of women empowerment thus, considering women entrepreneurship as a prerequisite for nation building. Author’s further elaborated that high risk taking capacity is inherent in women terms of maternity risk which even involves the risk of life.

Verheul et al. (2006) reported that entrepreneurship is also related to the level of economic development and is embedded in a specific national economic context. Further, (Baughn et al., 2006) reported that high levels of self-employment are often reported in countries with low levels of economic development.

The above review of literature on the various demographic, socio-economic and psychological attributes influencing entrepreneurship reveals that a number of personality characteristics have been identified, some of which are empirically tested but of which many have also emerged out of casual observation. It was felt that only few dimensions of personality have engaged the attention of researchers. This has led to various approaches to entrepreneurial development programs and other efforts made to identify the potential entrepreneurs.