CHAPTER 2
LITERATURE REVIEW

2.1 INTRODUCTION

Entrepreneurship plays an eminent function in creating an avenue for employability for rural communities, providing self-employment for those who have started-up a business of their own and enhancing the economic status of the rural sector as well. Entrepreneurship has transformed many entrepreneurs into successful business persons and generated income for rural communities. Entrepreneurs in rural area have transformed their vicinity into trading hubs thus enabling them to become urbanized areas.

Conducting a literature review is a vital component of the research process. Familiarity with the previous research and theory in the area of the study would help in conceptualizing the problem, conducting the study and interpreting the findings. The literature studies that have been conducted reveal the impact of entrepreneurial activities in India as well as other countries. During the literature review, it is noticed that the term “entrepreneurship” has been used in different senses by researchers from India and other countries. This chapter will be covering the historical events and the research on entrepreneurial development activities both abroad and in India.
2.1.1 Entrepreneurship at Middle Ages

In the Middle Ages, the term entrepreneur was used to describe both an actor and a person who managed large production projects. In such large production projects, this individual did not take any risks but merely managed the project using the resources provided, usually by the government of the country. A typical entrepreneur in the Middle Age was the cleric, the person in-charge of great architectural works such as castles and fortifications public buildings, abbeys and cathedrals.

2.1.2 Entrepreneurship at 17th Century

The connection of risk with entrepreneurship emerged during the 17th century. An entrepreneur was perceived as a person who entered into a contractual arrangement with the government to perform a service or to supply stipulated products. Since the contract price was fixed, any resulting profits or losses were the entrepreneur’s. One entrepreneur in this period was John Law\(^1\), a Frenchman, who was allowed to establish a royal bank. (Will and Ariel Durant, 1965 p13) The bank eventually evolved into an exclusive franchise to form a trading company in the new World, the Mississippi Company. Richard Cantillon, a noted economist and author in the 1700s, understood Law’s intention and developed one of the early theories of the entrepreneur and he is regarded by some as the originator of the term. He viewed the entrepreneurs as risk takers, observing that merchants, farmers, craftsmen, and other sole proprietors “buy at certain price and sell at an uncertain price, therefore operating at risk” (Burr Ridge and Richard D Irwin, 1985)

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\(^1\) John Law was a Scottish economist who believed that money was only a means of exchange that did not constitute wealth in itself and that national wealth depended on trade.
2.1.3 Entrepreneurship at 18th Century

In the 18th century, the person with capital was differentiated from the one who needed capital. In other words, the entrepreneur was distinguished from the capital provider (the present day venture capitalist). One reason for this differentiation was the industrialization occurring throughout the world. Many of the inventions developed during this time were reactions to the changing world, as was the case with the inventions of Eli Whitney and Thomas Edison (Lakwete, Angela. 2004; Albion, Michele Wehrwein. 2008).

2.1.4 Entrepreneurship at 19th and 20th century

In the late 19th and early 20th centuries, entrepreneurs were frequently not distinguished from managers and were viewed mostly from an economic perspective.

Richard T. Ely and Ralph H. Hes, briefly stated:

*The entrepreneur organizes and operates an enterprise for personal gain. He pays current prices for the materials consumed in the business, for the use of the land, for the personal services he employs, and for the capital he requires. He contributes his own initiative, skill, and ingenuity in planning, organizing, and administering the enterprise. He also assumes the chance of loss and gain consequent to unforeseen and uncontrollable circumstances. The net residue of the annual receipts of the enterprise after all costs have been paid, he retains for himself.*

(Richard T. Ely and Ralph H. Hes, 1937)

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2 Eli Whitney was an American inventor best known for inventing the cotton gin.
3 Thomas Alva Edison was an American inventor, scientist, and businessman who developed many devices that greatly influenced life around the world, including the phonograph, the motion picture camera, and a long-lasting, practical electric light bulb.
Andrew Carnegie\textsuperscript{4} is one of the best examples of this definition (Morris C R, 2005). Carnegie invented nothing, but rather adapted and developed new technology in the creation of products to achieve economic vitality. In the middle of the 20\textsuperscript{th} century, the notion of an entrepreneur as an innovator was established.

Joseph Schumpeter’s vision on entrepreneurs is as follows:

\begin{quote}
The function of the entrepreneur is to reform or revolutionise the pattern of production by exploiting an invention or, more generally, an untried technological method of producing a new commodity or producing an old one in new way, opening a new source of supply of materials or a new outlet for products, by organizing a new industry.
\end{quote}

(Joseph Schumpeter 1952, p 72).

The concept of innovation and newness is an integral part of entrepreneurship in this definition. Indeed, innovation, the act of introducing something new, is one of the most difficult tasks for the entrepreneur (Robert D. Hisrich and Michael P. Peters, 2002). This ability to innovate can be observed throughout history, from the Egyptians who designed and built great pyramids out of stone blocks weighing many tons each, or the Great Big Temple\textsuperscript{5} in Thanjavur, Tamil Nadu –India, that was built with extraordinary design to Apollo Lunar module that was sent to Moon and laser beams. Although the tools have changed with advance in science and technology, the ability to innovate has been present in every civilization. Interest in entrepreneurship today arises from the recognition that it is an activity that is important for

\textsuperscript{4} Andrew Carnegie was a \textit{Scottish-American} industrialist, businessman, entrepreneur and a major philanthropist.

\textsuperscript{5} The Peruvudaiyar Kovil or Brihadeeswarar Temple also known as Rajarajeswaram, at Thanjavur in the Indian state of Tamil Nadu, is the world's first complete granite temple.

Entrepreneurship is not confined to any one particular industry, country or group of persons; it exists in everybody but depends on individual’s desire. Enterprising behaviour has been found in all societies, and in all types of economic circumstances. Whilst the term usually refers just to an individual, it is also possible to find whole organizations that can be classified as entrepreneurial in the way they do business and seek to grow (Michael Schaper, 2004).

The entrepreneur is one who drives the process of economic growth and mediates the inputs and outputs of the economic system (Vosle, 1994). In the broadest sense, an entrepreneur may be described as a person who has the ability to explore the environment, identify opportunities for improvement, mobilise resources and implement actions to capitalize on those opportunities. Entrepreneurs have a well-defined sense of opportunities. After identifying the opportunities they then creatively assemble the necessary resources to capitalize on them (Zimmer and Scarborough, 2005; Thomas and Mueller, 2000). As risk takers, entrepreneurs bring about new products and services, and indeed, add colours to a society. (Zimmer and Scarborough, 2005)

2.2 Purpose of Literature Review and Categories

According to Cooper H., the value of any single study derives as much from how it fits with and expands on previous work as from the study’s intrinsic properties. If some studies seem more significant than others, it is because the piece of the puzzle they solve or the puzzle they introduce is extremely important; not because they are solutions in and of themselves. (Cooper, H., 1998)
According to Dellinger, literature review is characterized by logical flow of ideas; current and relevant references with consistent, appropriate referencing style; proper use of terminology; and an unbiased and comprehensive view of the previous research on the topic. (Dellinger, A., 2005)

2.2.1 Definitions of Terms used in Research Review:

<table>
<thead>
<tr>
<th>TERMS</th>
<th>MEANINGS</th>
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<tbody>
<tr>
<td>Rural</td>
<td>Historically, “rural” has been a spatial concept, most simply defined as all that is not urban. Rural was identified with the countryside, agriculture, traditional culture and geographic peripherality. The OECD definitions distinguish two hierarchical levels of territorial unit; local and regional. At local community level, OECD identifies rural areas as communities with the population density below 150 inhabitants per square kilometres</td>
</tr>
<tr>
<td>Small Medium Enterprise</td>
<td>Companies which have fewer than 50 employees are categorized as &quot;small&quot;, and those with fewer than 250 as &quot;medium&quot;.</td>
</tr>
<tr>
<td>Small Scale Industries</td>
<td>A small scale industry is one that is privately owned and operated, with a small number of employees and relatively low volume of sales. Small businesses are normally privately owned corporations, partnerships, or sole proprietorships</td>
</tr>
<tr>
<td>Small Firm</td>
<td>Small firms are generally those with fewer than 50 employees, while micro-enterprises have at most 10, or in some cases 5, workers</td>
</tr>
<tr>
<td>Family Business</td>
<td>A family business is a business in which one or more members of one or more families have a significant ownership interest and significant commitments toward the overall well-being of the business</td>
</tr>
<tr>
<td>Rural Enterprise</td>
<td>Companies which are set-up in rural area having fewer than 50 employees are classified as &quot;small&quot;, and those with fewer than 250 as &quot;medium&quot;.</td>
</tr>
<tr>
<td>Rural Industrial Entrepreneurship</td>
<td>The term ‘Rural Industry’ is often considered to be synonymous with cottage industries (which constitute household based petty production activities) and, consequently, ‘rural industrialization’ with the development and promotion of cottage industries.</td>
</tr>
<tr>
<td>Microenterprises</td>
<td>Businesses employing no more than four persons</td>
</tr>
<tr>
<td>Rural Entrepreneurship</td>
<td>Business set-up within the village and operated by the villagers’ natural resources</td>
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2.2.2 Purpose of Literature Review On Entrepreneurial Development In Rural Area

The purpose of the literature review on entrepreneurial development in rural area is to identify the related facts in the research work that were determined by other authors through their research in the similar field of work and to know the outcome of their research. The literature reviews will throw light on the broad spectrum of entrepreneurial activities in India and other countries, especially in rural sector. The literature review has been grouped into seven categories as follows:

<table>
<thead>
<tr>
<th>CATEGORIES</th>
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<tbody>
<tr>
<td>• Entrepreneurship Development In PURA Scheme Villages –Thanjavur</td>
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<tr>
<td>• Entrepreneurship Development in Rural Area of other countries</td>
</tr>
<tr>
<td>• Entrepreneurship Development and Economic Growth</td>
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<td>• Entrepreneurs’ role in Entrepreneurial Activities</td>
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<td>• Institution’ role in Entrepreneurship Development</td>
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<tr>
<td>• Determinants of Entrepreneurs</td>
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<tr>
<td>• Entrepreneurship Development Research in India</td>
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2.3 Entrepreneurship Development In PURA Scheme Villages –Thanjavur

The economic liberalization initiated during the final decade of 20th century has gained momentum in this decade as evidenced by a growth rate around eight per cent of the GDP. However, the benefits of this growth have been confined mostly to urban areas, neglecting the rural areas. The poverty and lack of basic facilities such as schools, health services, roads, electricity, communication etc., have resulted in the migration of rural population to cities to seek better lives and jobs.
Villages in Tamil Nadu by and large were supported by local government through the respective Panchayats. Many schemes were introduced by the government and non-government organisations to promote entrepreneurial development among the villagers. PURA stands for “Providing Urbanized Services to Rural Area”. It is one of the schemes that local universities and non-government organisations have taken as a step to provide the necessities to the rural area similar to urban sector. Building-up road for the farmers to travel efficiently, construction of modern sanitary facilities for better hygiene, provision of water supply connection and electrical supply were few of the initiatives introduced in the villages.

The PURA scheme was supported by Periyar Maniammai University which is situated at Vallam, Thanjavur. It launched a programme of rural development based on the ideas of its mentor and social reformer Thanthai Periyar, who proclaimed that villagers should get the same amenities as enjoyed by the people in cities and towns. Sixty-five villages situated on the South West of Thanjavur district were adopted by Periyar Maniammai University for implementation of sustainable development projects to give economic uplift to the villagers. Local inhabitants of the villages participate in these projects and plan, implement, evaluate and maintain the projects to provide economic sustainability. All these developments are being implemented utilizing the natural resources for sustained development without endangering environment.

2.3.1 RURAL DEVELOPMENT CONCEPT OF PURA

Periyar Maniammai Technology College for Women was started in the year 1986 to provide opportunities for engineering studies to women in accordance with the philosophy of the Great Thanthai Periyar (Mr. E V R Ramasamy) to educate women in the villages. It was established by Dr K Veeramani, the Chairperson of the college. He introduced the concept called
PROBE- Periyar Research Organisation for Bio-technology and Eco-System. He is well known for social and educational service to the society and women’s development in the nearby villages. Later in the year 2003, PROBE was reestablished as PURA Scheme. It was inaugurated by former President of India, Dr A.P.J. Abdul Kalam. It was christened as Periyar PURA as a commemoration to the great social reformer Mr. E V R Ramasamy, affectionately called as Thanthai Periyar.

The concept of Providing Urban Amenities for Rural Areas (PU RA) was sought to be acheived through Physical Connectivity, Electronic Connectivity and Knowledge Connectivity that will lead to Economic Connectivity, based on the fundamental concept of “One cluster – One economic Activity”. By studying the geographic condition and socio-economic status, the 65 villages of Periyar PURA are grouped into six clusters with special focus on employment oriented economic activities and circulation of wealth within these villages. The training would be offered in computer technology, food processing, cell-phone repairing, carpentry, bakery, vermin-composting, tailoring with embroidery, laundry, dairy processing, nursery, herbal cultivation, alternate building material development, pottery making, coir products and renewable energy generation.

2.3.2 MISSION OF PURA

- Identifying and addressing the socio economic needs of villagers
- Sustainable use of land, water, energy and other bio-resources
- Establishing infrastructure facilities such as roads, power, communication, markets, hospital, schools, small scale industries etc
- Value addition to Manpower and products for employment and income generation
Dissemination of technical know-how and do-how besides social values

2.3.3 CLUSTERS OF PERIYAR PURA

All the sixty-five villages of Periyar PURA have been grouped into six clusters, based on natural resources available in the respective village i.e. type of soil, water supply and purity, effects of weather, geographical boundaries and human resources. Each cluster was promoted to develop products of specified field so that wealth generated can be circulated within Periyar PURA villages.

Table 2-2 Periyar PURA Clusters and their activities

<table>
<thead>
<tr>
<th>CLUSTER</th>
<th>ECONOMIC ACTIVITY</th>
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<tbody>
<tr>
<td>Achampatti</td>
<td>Coconut Based Product</td>
</tr>
<tr>
<td>Budalur</td>
<td>Alternate Building Material</td>
</tr>
<tr>
<td>Palayapatti</td>
<td>Herbal Related Product</td>
</tr>
<tr>
<td>Rayamundanpatti</td>
<td>Integrated Dairy Farming</td>
</tr>
<tr>
<td>Vallam</td>
<td>Bio-fuel product</td>
</tr>
<tr>
<td>Veeramarasanpettai</td>
<td>Food Processing</td>
</tr>
</tbody>
</table>

Source: Centre for Rural Development, Periyar Maniammai University, 2011
2.3.4 KNOWLEDGE CONNECTIVITY

Knowledge and skill have been imparted to the villagers during Entrepreneurship Development Programmes. Training sessions were organised through electronic connectivity whereby the villagers were able to get themselves associated with the subjects. Within the clusters, women were given the opportunity to form self-help groups. These self-help groups backup the Periyar Organisation for Women Empowerment and Renaissance (POWER). Besides the women, the youth from the villages were given technical knowledge through M/s Mico-Bosch which trains the young school dropouts in carpentry, electrical work, and masonry work using latest power tools. In addition, they were given loan to buy the necessary tool to set-up their business. A tool kit gives the artisan a security in the professional job and a sense of ownership (Arindam Banik et al 2007). Cethar Vessels, one of the leading welding companies in Tamil Nadu, has given training to the youth on welding and sheet metal rolling. This created job opportunities for the youth who were in search of livelihood. Bharat Heavy Electrical Limited Small-Scale Industries Association that consists of many small enterprises has provided industrial training to youth so that they could be engaged in industry related jobs. The farmers in all clusters were educated in agriculture management to instil them with the knowledge of soil, vegetation, cultivation and water administration.

- Entrepreneurship Development Programmes (EDP) by Government and NGOs

EDP programmes were conducted among the farmers to enhance their knowledge towards entrepreneurship and its benefits. The program covers such areas as acquiring of raw material up to final product manufacturing, traits of entrepreneurs, customer relationship, creative thinking, identifying the business opportunities and basic concepts of entrepreneurship. EDPs were also
conducted for women folks of the rural area to inculcate and promote home based business environment. This view coincides with those of O’Dwyer and Ryan (2000), Down (1999), Kelliher and Henderson (2006) and Greenbank (2000) that owner’s experiences, skills and competencies are key influencers upon business survival and development, and each describes the owner/manager as a central resource of a business, providing resources that they have acquired through education and experience. The characteristics of corporate entrepreneurship include: new business venturing, product/service innovation, process innovation, self-renewal, risk taking, proactiveness, and competitive aggressiveness. (Bostjan Antoncic and Robert D. Hisrich, 2004).

- **Skill Based Training (Management, Technological, Environment)**

The entrepreneur’s or entrepreneurial team’s know-how and characteristics, and vocational training helps the entrepreneur to understand the technical aspects of the operation. This view is supported by Evans and Leighton, 1990; Littunen and Virtanen, 2006; Macpherson, 2005; Ray, 1993; Storey, 1994; Stuart and Abetti, 1990; and Vesper, 1992. The entrepreneurial team understands the environment and the strategies of the firm well enough to make them fit and meld (Littunen and Virtanen, 2009). Mason (2000) mentioned that enterprise involves measures to encourage individuals to become entrepreneurs and equip them with the necessary skills to make a business successful. Vesala et al., (2007) suggested marketing, entrepreneurial orientation and entrepreneurial skills for farmers will be the possible solutions for emerging problems in entrepreneurial activity.
• **Rural Marketing and Farm Management**

Rural products of India are unique and innovative and have good utility and values. Large number of these rural products (like handicraft items, food products, embroidery, clothes and other products) sustains a significant segment of the population in the rural areas. Several attributes of rural products can be identified, for which, they have a demand in the market. Out of the lots, ‘ethnic origin’ and ‘indigenous design and appearance’ are two traits of rural products, attracting a premium in the market. Srinivas G.R. (2002) explained that rural sector is now poised for offering a vast potential to markets which promises to be an opportunity which is to be grabbed by facing the challenges and surmounting the threats. Gopalasawamy (2005) said the market process is a two way process which encompasses the direct discharge of business activities that cover that the flow of goods from urban to rural area for manufacturing. As such, rural marketing and farm management are essential to the villagers. A number of marketing interventions have been made for marketing of rural non-farm products since marketing is a key factor in the sustainability of any such endeavour. With the financial support of NABARD under its promotional programmes like Rural Haats, Rural Marts, and participation in fairs, exhibitions and marketing melas, rural artisans and entrepreneurs can get a larger market for their produce and showcase their talent to urban and upcountry markets.

• **Government Policy, Schemes (Financial, Marketing, HR,)**

Ministry of Small Scale Industries is the nodal Ministry for formulation of policy for promotion, development and protection of small scale industries in India. The Ministry of Small Scale Industries designs and implements the policies through its field organizations for
the promotion and growth of small scale industries. The Ministry also performs the functions of policy advocacy on behalf of small scale industries (SSI) sector with other Ministries/Departments such as:

- Small Industries Development Organisation (SIDO)
- The National Small Industries Corporation Limited (NSIC)
- National Institute for Small Industry Extension Training (NISIET)
- The Indian Institute of Entrepreneurship (IIE)
- Small Industries Development Bank of India (SIDBI)
- The Khadi and Village Industries Commission (KVIC)
- National Bank for Agriculture and Rural Development (NABARD)

2.3.5 ELECTRONIC CONNECTIVITY

Village Knowledge Centres have been established in each cluster to enhance and disseminate information and technology required by rural people. These knowledge centres have been connected with the main campus at Periyar Maniammai University. Efforts are being made to establish communication through telephone, community radio, computer, wireless broad-band technology and internet to bring the latest information to help all villages. With the help of BSNL, the telephone lines were laid in all clusters. This technology allows the villages to seek help in emergency situations and for disaster management. Connecting the remote villages was accomplished with the assistance of technology. The clusters in PURA villages were connected through WiMax Technology. WiMax stands for World Wide Interoperability for Microwave Access. WiMax technology was enabled with multimedia applications which can be used in
training of villagers in farm management, basic hygiene, sanitation, government policy information, harvest management etc.

According to Hall (2000), training centers require rapid access to considerable information in order to adjust to changing environment constantly. This has forced training centres to provide online training. One can save time and money by training known as “online learning” or “e-learning” and train a bigger group simultaneously. Electronic learning (e-learning) is a modern approach that includes learning activities through computers. It improves the effectiveness and efficiency of training in networks. Most of the villagers depend on their daily income earned by going out to work. As such, this e-learning has indeed assisted the villagers in enhancing their knowledge and skill.

- **Telephone Service, Internet Services, Wi-Max and Computers**

Telecommunication and Internet Service has become part of everybody’s life. It provides swift information that one can apply immediately. There are many villages without proper telecommunication services that depend on the grapevine, which may not give them accurate information. Entrepreneurs in the village have to be constantly updated of their business. Thus telecommunication services and computer with internet services have to be provided. Local Tamil Newspaper, Thinathanthi reported that nearly 62,443 villages were not having telephone services in India. (The Thinathanthi, 2011)
As Baourakis et al. point out:

"Using the proper internet technology, companies can gather information from consumers. This helps companies to improve the quality of products, to develop new products and adopt an attitude of flexible response to the wants and needs of their potential customers."

(Baourakis et al. 2002, p. 582)

2.3.6 PHYSICAL CONNECTIVITY

Movement of people and goods from the village to markets needs proper roads. Villagers need to transport their harvested product quickly to the destination. With the initiative of the Central Government, the highway NH67 has indeed enhanced the transportation system in Thanjavur District. Tar roads have been constructed connecting villages to other villages and town centres. This has enhanced the mobility of the villagers. Beside these, the children from villages are able to travel to school by bus. Clean water supply is essential for villagers in the clusters. Tamil Nadu Water Department has set up water tanks that have improved the flow of water to the villages and clean treated water is supplied to the villages.

The Periyar Maniammai University has conducted many programmes in the PURA villages and this has prompted the Tamil Nadu Highways Department to construct tar roads for major villages. The most essential requirement for transporting is proper road and connectivity. Many farmers use the road to transport their harvest to the nearest distributing centres. The construction of the National Highways has indeed improved the travelling time and provided superb road condition for heavy vehicles to travel. The economic growth in the state over the last seventeen years has created the need for transport infrastructure in general and roads in
particular. The Government of India has taken major steps to strengthen the National Highway network in the country and the major ongoing projects in the State of Tamil Nadu are National Highways Development Projects. In fact the NH 67 is plying across these PURA villages. This is a great advantage for the villagers to travel from their home villages to nearby cities in a shorter period of time.

2.3.7 ECONOMIC CONNECTIVITY

As a sequel to connectivity, avenue for jobs was created by providing training and launching Entrepreneurship Development Programmes and Skill Based Training. Periyar PURA targeted to provide job avenues to a minimum of 5000 persons during the five year period 2004-2009. The objective of establishing Self Help Groups in the clusters was to provide homemakers an income source and also to enable them to operate within their home or village. Industry Related Training with the cooperation of BHELSSIA (Bharat Heavy Electrical Limited Small Scale Industries Association), Welding Research Centre of BHEL and Cethar Vessels has generated employment for youth in the villages. Periyar Maniammai University and Mico-Bosch jointly organized training cum employment in building construction engineering for the young men and women in the villages. Training was given through:

- Tamil Nadu Handcrafts Development Corporation
- District Rural Development Agency
- Central Social Welfare Board
- National Centre for Jute Diversification
- Tamil Nadu Corporation for Development of Women Ltd, Thanjavur
- Tamil Nadu Corporation for Development of Women Ltd. Perambular
• Tamil Nadu Corporation for Development of Women Ltd. Pudukottai
• District Rural Development Agency
• Council for Advancement of Peoples Action and Rural Technology

Besides technical training, Periyar Maniammai University has launched a programme on Hospital Management and signed MOUs with Hospitals in Thanjavur Town. This training course is aimed at educating the women of the village in managing patients in the hospital and later offering them an employment in the hospital. Another purpose of this training is to have trained nurses in the villages so that they could attend to any emergency events that may take place in the village.

Entrepreneurship is positively associated with economic development (Rocha, 2004). Villagers have to be informed on the factors that influence the economy of the business. Pricing the product has to be carefully done so that farmers will attain the profit margin; otherwise, the farmer has to sell his product below the profit margin, so training in material management is essential. Farmers have to be sure of the demand of the consumers before processing their product. They may have difficulty in selling their harvest when there is inadequate demand.

• **Awareness of Cost Effectiveness**

Villagers have to be educated in cost effectiveness. This will enable them to ensure that the cost incurred in production is as low as possible, resulting in better profit. Using technology is very costly for the villagers but if they can learn to use it effectively, the cost will be reduced tremendously. Teaching the farmers the cost effective way of farming is important so that they can sustain the Agricultural Business (Ramachandran N., 2010).
• **Demand and Supply Management**

The expenditure elasticity for livestock products is high with tilt in favour of rural areas compared to urban areas. Research by Dastagiri (2004) on “Demand and Supply Projections for Livestock Products in India”, has shown that with the growing population, the demand for daily food supply has gone up. As such, farmers have to be fully aware of demand and supply management so that they can support the daily consumption rate. Farmers dealing with grains have to chart out harvesting time that it is aligned with the demand for goods from the retailers; otherwise their product will not be sold at the price they demand.

• **Harvest Storage Management**

Umali and Deepak (2007) explained that with fixed land and water availability, higher agricultural growth can be achieved only by increasing productivity per unit of these resources through effective use of improved technology. Despite good harvest many farmers are not aware of storing their harvest in good condition for marketing. Garry Jacob (2002) specified that effective application of agricultural technology depends not only on doing the right thing in the right way, but also on doing it at the right time.

• **Manpower Utilisation**

Manpower utilization is important for farming organisation so as to support all activities pertaining to agriculture. The major constraint in cericultural operations is the availability of sufficient labor [Kumaresan et al. 2008]. Industry needs manpower with desired skills which is not easily available [Choudhury S. 2010]. As many villagers have ventured outward to urbanized areas to seek better income, the immediate requirement for labour cannot be fulfilled. As a substitute, many farmers have started using modern machinery to assist in their field work.
2.4 ENTREPRENEURSHIP DEVELOPMENT IN RURAL SECTOR OF OTHER COUNTRIES

Rural entrepreneurship in Mississippi Delta and Grande Valley of America was not performing well. The regression model was used to examine the cause of the poor performance in business by analyzing the human capital and economic growth in that region. The region had been known as ‘Black Belt’ and majority of the settlers were Africans who settled down in that region after the war. The reason for poor performance of business was that entrepreneurship education and programs were not conducted sufficiently. This resulted in poor performance of the entrepreneurial activity (Ralph D. Christy & Wylin Dassle, 2000).

The Global Entrepreneurship Monitor (GEM) monitors the entrepreneurial activities of Asian countries and the role that entrepreneurs play in economic development in rural area. Cross-sectional analysis was used in examining the data from GEM revealing the role of governments and international organisations in supporting the enterprises thus contributing to economic growth (James Richardson, 2004).

The relevant issues relating to the local entrepreneurial state and the ways it facilitated the emergence of entrepreneurship in rural area in China has spurred Li and Matley to conduct a study on the relationship between entrepreneurship and small business development. They conducted a survey among 800 entrepreneurs randomly selected from Beijing, Shanghai and Guangzhou to examine the relationship between entrepreneurship and small business development. The result shows that there was no significant relationship between entrepreneurship and small business development. (Jin Li and Harry Matley, 2006).
In China, the emergence and evolution of rural bio-energy entrepreneurship in rural area was regarded as a business venture. In order to determine the business performance, the data were collected from three sites within South East China (Liuminying, Shengchang and Heyong) which is part of Fujian province. The framework designed by Jacobsson and Johnson (2004) was used in cross-examining the factors supporting the growth of bio-energy entrepreneurs. Factor analysis revealed that the networking among the entrepreneurs was the key factor for the continuous growth in the bio-energy development (Lin Na, 2008).

Development of entrepreneurship among the rural women in Bangladesh has significant relationship with the micro credit system. Multivariate Analysis technique has been used in identifying the factors relating to finance management among the rural women. A model of micro credit program was developed to examine the factors that lead to the success of the rural woman in managing their credit and sustaining the business as well. The outcome was that the family members and spouses have given the support for the borrowers to maintain the financial commitment (Sharmina Afin et al, 2008).

In Israel, twenty-two percent of the population are Kibbutz communities people. Factors influencing entrepreneurial intensity among the kibbutz communities were unknown. Sibylle H., administered questionnaires on their activities for a period of ten years (1994 to 2004) by using the comprehensive questionnaire techniques. The factors that maintained the entrepreneurial intensity among the kibbutz communities in Israel were organisational size and age (Sibylle Heibrum, 2008).
The impact of educated rural immigrants setting up new business in North East England was an issue for human capital and social economy. Bosworth investigated the factors supporting their entrepreneurship by collecting data through postal survey. The result revealed the rural immigrants having higher educational qualification engage in networking among themselves and have contributed to the development of human capital and social economy. (Gary Bosworth, 2009)

Entrepreneurs with rural origins prefer to start their businesses in rural areas and half of entrepreneurs migrate back to their home in particular to take local comparative advantages. Li Yu and Artz investigated on entrepreneurship activities and drew a connection between migration and economic development, especially the role of business formation in rural development. They found that the rural entrepreneurs start business within their vicinity because they were able to obtain financial support from family members, friends and local banks to start a business (Li Yu and Artz, 2009).

2.5 ENTREPRENEURSHIP DEVELOPMENT AND ECONOMIC GROWTH

Teoh and Gregory investigated the industrial firms by selecting sixty-nine industrial firms and using the Multiple Discriminant Analysis to examine their approaches towards business. The researchers have categorised the industrial firms into three groups as defender, prospector and analyser. Establishing the grouping has been in vain as the result shows no significant differences among the industrial firms (Teah Hai Yap and Gregory Thong, 1983).
The economic potential of the portfolio entrepreneurship among the farmers in Cambridgeshire of United Kingdom made a substantial contribution to enterprise and employment. Sara Carter conducted a survey among 300 farmers to analyze the performance of the portfolio entrepreneurs and the result revealed that the farmers were having multiple business interest which has contributed to the success of enterprise and employment (Sara Carter, 1998).

The importance of corporate entrepreneurship is to create wealth for organisation and individual. Bostijan and Robert recognized the importance of entrepreneurship and wanted to know the relationship between corporate entrepreneurship and wealth creation. Data were collected from 477 Slovenian entrepreneurial firms. They found that the corporate entrepreneurship makes the difference in organisation wealth creation thus levering the growth and profitability (Bostijan Antonic and Robert D Hisrich 2004).

Social scientists believe that to combat poverty, entrepreneurship development within low income communities is a viable strategy. Kenneth and co-researcher uses the framework by Oldsman and Hallbey (2002) to examine the entrepreneurial outreach initiative, which has spurred economic growth. The result disclosed that entrepreneurial activities in low-income communities have indeed reduced poverty (Kenneth L.R. et al, 2004).

Self Employment has been contributing to economic growth among the counties as stated in OECD Report (Organisation for Economic Co-operation and Development). Hector S examined the relationship on entrepreneurship and economic growth on the selected counties mentioned in OECD report. The investigator has used cross-sectional analysis to check on the variables. The result disclosed that entrepreneurship and economic growth were interrelated (Hector Salgado B, 2005).
The government of United Kingdom claimed that building an enterprise culture is vital for the emergence of an enterprise economy. In order to build the culture the enterprise skill has to be inculcated through proper education. Laura G and co-researchers have ventured into examining the potential of entrepreneurship education among the students in higher education. The data were collected from four universities with a sample size of 519 students. The collected data was analysed using the Cross Tabulation Analysis. The result shows that students have great awareness of the skills required for entrepreneurship and large proportion of the sample believes that they were equipped with required skill to sustain in the economy (Laura G et al, 2005).

The contribution of entrepreneurship towards economic growth is that it has created new businesses and in turn it has created new jobs. The competition among the entrepreneurs may even increase productivity. Zoltan Acs wanted to distinguish “necessity entrepreneurship” (a person having to become an entrepreneur because there is no other option) from “opportunity entrepreneurship” (an active choice to start a new enterprise). The data were collected from eleven countries through Global Entrepreneur Monitor. The research disclosed that “necessity entrepreneurship” has no effect on the economic development while “opportunity entrepreneurship” has a positive and significant effect (Acs Z., 2006).

Entrepreneurship has been increasingly recognized as a primary engine of economic growth. Jason H examines the entrepreneurs’ link between new idea and economic growth, particularly in rural area of Kansas city, United States. The researcher collected data of self-employment and proprietors to analyze the entrepreneurship activity. The outcome showed that new idea has significant relationship with economic growth (Jason Henderson, 2006).
Innovation was predominant among the small medium enterprise in United Kingdom. This has inspired Adegoke O and co-researchers to explore into performance based on radical or incremental types of innovations. They used a web based survey instrument and collected the data from small medium enterprises from manufacturing, engineering, electronic, information technology and telecommunication industries. The result disclosed that small medium enterprises tend to focus more on incremental than radical type of innovation (Adegoke Oke et al, 2007).

Entrepreneurship development theories have produced different entrepreneurship definitions. Aaron and co-researchers examine the definition based on Schumpeter’s theory as comparative study. The researchers categorised the definition into two groups - creative destruction and equitable wealth distribution. The study disclosed that technology based entrepreneurs were agents of wealth distribution and bio-based entrepreneurs and nano-based entrepreneurs in pharmaceutical industry were agents of creative destruction (Aaron Spencer et al, 2008).

In Romania, Cristian C and co-researchers have attempted to identify the antecedents of entrepreneurship propensity between an individual level and organization levels. The researchers conducted a survey on business students and retail sales people. The regression analysis was used to determine factors. The result showed that sales people had higher antecedents of entrepreneurship (Cristian Chelarics et al, 2008).

The success of an aboriginal community called “Membertou First Nation” in New Zealand has prompted Harvey J to examine their achievement. The aboriginal community forms entrepreneurship that comprises of small and medium sized enterprises. Johnstone found that the
The fast growing business has created jobs and wealth for the aboriginal community (Harvay Johstone 2008).

The creation of mutual business among renewable energy sectors in Wales, UK has drawn from entrepreneurial researchers. Molly S. C and co-researchers examine the link between sustainability and cooperative enterprise with regard to renewable energy business. The researchers found that the cluster of community based enterprises was the key factor in sustaining the renewable energy business (Molly S C et al, 2008).

The entrepreneurship and economic growth in West Virginia have prompted Maribel and co-researchers to examine the relationship between entrepreneurship and economic growth. Data were collected from fifty-five counties of West Virginia and two-stage least square method was used to compute the findings. The result shows that there has been a positive correlation between entrepreneurial activities and economic growth (Maribel N M et al, 2009).

The rural economic development at Wales, United Kingdom has been dependent on small business owners. Nerys Fuller and co-researchers examine the performance of these rural small business owners by comparing with urban small business owners. The researchers invited rural small business owners for group discussion. The data that was collected showed that rural small business owners were not doing well compared to urban small business owner (Nerys Fuller-Love et al, 2009).

The role of networking in starting up a business in development stage is important. Paul J F researched on social capital effects on the business start up. The World Values Survey was
used in identifying the impact of social capital on new venture and entrepreneurial process. The result revealed that social capital has no role in networking (Paul J. Ferri et al 2009).

In the region of European Union, Oscar G and co-researchers explored on the relationship among entrepreneurship, market orientation and business performance. A survey was conducted among 183 firms located in Castilla region. The result revealed that a strong relationship exists between entrepreneurship and market orientation (Oscar Gonzalez B et al 2009).

Entrepreneurial training on creativity and innovation assisted in the development of business of Northern Greece. The researchers collected data among, one hundred and sixteen entrepreneurs who own small, medium and very small enterprises from that area. Questionnaires method was used in collecting the data and cross tabulation analysis was used in verifying the data. The result revealed that entrepreneurs, owners of small-medium enterprises, managers of enterprises of micro and small medium enterprises in Northern Greece were aware of the importance of creativity and innovation (Katerina L S, et al, 2010).

2.6 ENTREPRENEUR ROLE IN ENTREPRENEURIAL ACTIVITIES

Small Businesses can raise their productivity by training their employees. Small Business has to be creative to survive and grow in the business world. Researchers conducted a mail survey among two thousand employee in United States. Only two hundred and fifty two employees responded. The survey revealed that employees of small and medium enterprise were not getting proper training to keep them competitive. This revealed that the training supports business themselves (Lloyd W F et al, 2003).
Izzy and Catherine wanted to know the effectiveness of policies on rural female entrepreneurs that prevent them from assuming rural enterprise ownership. The researchers examined the effectiveness of policies on rural female entrepreneurs by determining the characteristics of rural women. The study revealed that the policy did not focus on social and culture sustainability, which has prevented the rural women from taking up the enterprises. (Izzy Warren-Smith and Catherine Jackson, 2004)

Small and medium enterprises in various sectors of Japan play a primary role of entrepreneurship relating to knowledge and social capital. A survey conducted among small and medium enterprises through questionnaire techniques found that the entrepreneurs have played the roles according to organisational needs. In addition, entrepreneurs have adopted the knowledge and created social capital among themselves (Jin-ichiro Yamada 2004).

Lina Nearchou Ellinas and Loanais S Kountoris, (2004) reflected on female entrepreneurial activity in Cyprus. Their study was carried out for the Women’s Cooperative Bank of Cyprus. It was an attempt towards gaining greater understanding on the women entrepreneurs, who were developing enterprise activities in Cyprus. The research reveals that the demography, size of the enterprise and the impact of multiplicity of roles were the strong characters of women business owners’ presence in the local economy in entrepreneurial activity.

Entrepreneurship theories and concepts within the small family tourism business was examined by Alison. A model was developed to understand the entrepreneurship process through an industry set-up. The result revealed that entrepreneurship process interplays within family business and in turn sustains entrepreneurship theories (Alison Morrison, 2006).
In the Republic of South Africa, Fredric K and co-researchers worked on the interrelationships among entrepreneurial orientation, market orientation, learning orientation and international business venture. A survey among 386 entrepreneurs and 143 senior managers was initiated. Result disclosed that performance was positively related to the innovative component of entrepreneurial orientation, market orientation and learning orientation (Fredric K. et al 2006).

In Finland, a comparative analysis on rural small firm entrepreneurs’ motivation and financial performance was undertaken by Helen and Raija. They conducted two separate studies on craft industries and rural tourism, which was part of private enterprises in Europe. They concluded that the job satisfaction and customer satisfaction were the key factors leading to the successful performance of rural small firms (Helen R. and Raija K. 2007).

In Fujian province of China, the Chinese entrepreneurial activities were dependent on the impact of external factors. Yanfeng and Chulin explored on the external factors affecting the performance of entrepreneurs. They developed a linear regression model that comprises several variables. The data was collected from ninety-one Chinese entrepreneurs. The analysis revealed that environmental factors have strong influence on entrepreneurial culture and atmosphere (Yanfeng Z. and Chunlin S. 2008).

In recent years Alpaca ownership in New Zealand has been developing gradually. Abel D A conducted a study on the ownership of Alpaca owners in North and South of rural New Zealand. Two hundred and thirty-two Alpaca owners were studied through questionnaire method. The result revealed that motivation was the key factor for Alpaca owners to be successful in the Alpaca ownership (Abel Duarte Alonso, 2009).
In Kenya difficulties were encountered in defining entrepreneurship despite the research that has taken place in the field of entrepreneurial careers. Mageret and Damary explained that classification of entrepreneurship could not be identified as the research has mainly focused on traits and opportunity (Magaret Kobia and Damary Sikalieh, 2009).

Financial performance of microenterprises in Ghana is dependent on living standards of the people. Masakure et al collected the data from Ghana Living Standard Survey (1998 to 1999) and used the ordinary least squares to examine the factors that led to enterprise performance. The result revealed that the marketing factor assisted the performance of the microenterprise (Oliver Masakure et al., 2009).

India has adopted partial and total factor productivity method to sustain business. Rajesh and Mihir explored on the performance of small manufacturing enterprises during the pre-reforms (prior to 1991) and post-reforms period (1991 onwards). The researchers use the data from National Sample Survey Organisation (NSSO), Government of India for analysis. The result disclosed that there was a decline in growth during the reforms period compared to the pre-reforms period. The primary factor was fall in employment and investment. The researchers suggested that the enhancement of technical efficiency and skills of the labour force would assist in sustaining the productivity (Rajesh Raj S.N. and Mihir K. M.2009).

Entrepreneurial knowledge has been important for many entrepreneurs who learn from the experience of other entrepreneurs. Alan and co-researchers have explored on the knowledge transfer among the entrepreneurs regarding the entrepreneurial product development and the level of sharing the knowledge. The investigation was carried out among the medium-sized manufacturing firms in Mid-West United States of America. The data were analysed using the
Cross-Tabulation analysis, The analysis revealed that there was knowledge sharing among the firms thus sustaining the business invention that elevated the growth (Alan T.B. et al, 2010).

2.7 ROLE OF SUPPORTING INSTITUTION IN ENTREPRENEURSHIP DEVELOPMENT

The governments’ role in promoting entrepreneurship and small business was studied by Roy and Sander. Business ownership of 23 counties from OECD’s data was used as resources for data analysis. The researcher found that government has played its role effectively by changing the policies to allow entrepreneurs to start-up small businesses that have provided employment (Roy Thurik and Sander W 2004).

In economic terms, one may perceive that Indian economy has been doing well and benefits were gained through trading. The economy’s real growth would appear only when the total productivity, greater use of resource and policies were in place. Comparative study by Krishore shows that India has benefited from the policies that have been implemented (Krishore G. Kulkarni, 2005).

Asian hotel industry has been flourishing due to the influx of tourism. A study was made on entrepreneurial orientation in the industry. Performance was designated as dependent variable while strategies, posture and organisation structure were considered as the independent variables. Correlation and regression analysis was adopted to test the relationship and the result disclosed that entrepreneurial strategies were positively correlated with the performance. (Giri Jogaratnam and Eliza Ching Yick Tse, 2006)

Government of United Kingdom has been promoting broadband for all, specifically advocating to provide high-speed internet activity to foster global competitiveness. Survey on the
usage of broadband services in rural area was conducted. The result disclosed that usage of broadband in rural area was rather low. The reason was lack of enterprise skill and limitation of technology in rural area (Laura Galloway 2007).

In Chengdu province of China, small business firms are dependent on the Business Development Services (BDS) that identified the demand and supply of marketing with help of public policies. David and co-researchers collected data from the entrepreneurs to verify the role of business development service. The result revealed that the small firms are active users of business development service and benefited from its role in marketing (David Small Bone, Jianzhong Xiao and Lei Xu 2008).

In Greece, Eugenia and Niki examine the effects of training support to measure the entrepreneurial skills and attitudes of rural woman entrepreneurs. A survey among the rural women was conducted and data was analysed using the descriptive statistics. The result revealed that women entrepreneurs had benefited from the training support. The evidence of their decision making skills and balancing between work and family was also a factor in entrepreneurship (Eugenia P and Niki Cloveli, 2008).

In Portugal, incubating business ideas in rural communities has been declining. Antonio and Susania conducted a case study of an entrepreneurial support organisation in France, which is part of European Region. In France, similar situation has occurred but the incubation business was successful. The researchers have encouraged the rural communities of Portugal to adopt the conceptual ideas of incubating business from France in order to rejuvenate business. (Antonio C M and Susanna Paula L M, 2009)

In Morocco, microfinance has a role in facilitating growth of the entrepreneurs. A research was conducted on the microfinance institutions on their role in providing funds to the
entrepreneurs. The rapid growth in clients and assets were the key factors for these institutions to be considered successful in lending the capital to the entrepreneurs that enable them to start-up business (Chantal McPhee and Annette St-Onge, 2009).

In China, subsidiary entrepreneurship was affected by relational embeddedness, which includes parent company, customer, suppliers and government bodies. A survey was conducted to examine the associations between relational embeddedness and subsidiary entrepreneurship. The result revealed that there is no relationship between relational embeddedness and subsidiary entrepreneurship because of different government policies (Cheng-An Tsai and Chao-Tung Wen, 2009).

In Greece, e-mentoring support to women entrepreneurs was implemented to allow the women to achieve their personal goal and enhance the promotion of business ventures. Eugenia researched on the relationship of mentors and mentees to the known level of satisfaction. Questionnaires were given to the target population before and after six month period of e-mentoring. The data collected show that women entrepreneurs have been given sufficient services to gain the goal and become a role model to others. On the part of mentors, they have gained publicity and broadened up their connections with the women entrepreneurs (Eugenia P., 2009).

In Indonesia, support has been given by the government to develop the small and medium enterprises in the country. The enterprises were expected to play a crucial role in employment creation and GDP formation. Tulus researched on the networks developed by the small and medium enterprises among the clusters and the role of the government in developing the SMEs. The result shows that 90 percent of firms outside the agriculture sector were networked. The
government has initiated the required support for development in rural area through establishment centers. However, researcher noted that there is lack of training opportunities for women entrepreneurs (Tulus Tambunan, 2009).

A small local government of New Zealand planned a capital-based frame work to sustain the development of rural areas. The framework was designed to measure the stocks of human made products, natural products and human, social and cultural capital, which will promote the social, economic, environmental and cultural well-being of their communities. The researchers examined the effectiveness of the framework by using secondary data. The result revealed that the capital based framework was effective and has assisted the local government in planning, especially in the areas of social and cultural capital. (Caroline Saunders and Paul Dalziel, 2010)

The effectiveness of social institutions and national culture factors on entrepreneurship at the National Level in India was unknown. Manjula and John researched on the effectiveness of social institutions by collecting the data from research papers on the related field from 1980 to 2009. The findings revealed that there were effects of entrepreneurship on both social institutions and national culture (Manjula S. & John B Cullen, 2010).

Balancing the urban and rural development has become a key point of development in China. Xiwen investigated on the effectiveness of policies in rural economy, especially in financial support. The data were collected from China Rural Policy from year 2000 till 2009. It was observed that rural policies were effective in providing rural economic support and social development. (Xiwen Chen, 2010)
**2.8 ROLE OF DEMOGRAPHY IN ENTREPRENEURSHIP**

Decision making among the manager and entrepreneurs is essential in business contexts. Barton J C and co-researchers have collected data from USA, UK, Canada, New Zealand, Australia, Hong Kong, and Singapore. The researchers found that attitude and behavior elements were the key factors for decision making among countries that have been surveyed (Barton J. C. et. al 2002).

In Africa, the important role of small business and entrepreneurship in meeting the development goals of the millennium had to be identified. Charles and Frank initiated a case study approach on small plastics manufacturing firms in Nigeria. They found that innovative design and pricing were the strategies for success of small business (Charles Jabani Mambula and Frank E. Sawyer, 2004).

In Europe, the agriculture sector has faced dramatic pressures for facilitating the entrepreneurial skills of farmers. Jarkko P., examined the nature of entrepreneurship skills in agriculture sector. The result shows that farmers need to be educated in entrepreneurship skills in order to become successful in entrepreneurship (Jarkko Prysiaienen, et al., 2006).

In United Kingdom, entrepreneurial abilities were essential in order to become an adviser to small business. John R., wanted to know the entrepreneurial abilities of small business adviser. He collected sample data and developed a matrix to cross-examine the abilities. The result shows that there is a relationship between entrepreneurial activities and success as adviser to small business (John Ray et al., 2006).
The barriers to start up an enterprise among young rural people in North East England were studied by Katie A. The data were collected from young entrepreneurs and it was found that there were no barriers for young entrepreneurs to start up a business. In addition, the researcher found that there was strong evidence of supportive formal and informal networks, access to low and no cost premises for young working entrepreneurs to live (Katie Aitken, 2006).

Understanding the success of venture managers in Latin American business environments has urged researchers to study the external and internal strategies. The data was collected through semi-structured interviews among managers of multinational companies in Mexico. It was found that high levels of commitment, competitive skills and dynamics in functional management were the key to success of venture managers (Rajagopal, 2006).

In Singapore the cultural obstacles have prevented the people from setting-up business. Patrick Low investigated the factors that prevented the Singaporeans from setting up business. The data were collected through focus groups. The result disclosed that entrepreneurs were over compliant, over-pampered and afraid of failing. These were the obstacles that prevent the Singaporeans from starting business (Patrick Low K C 2006).

Beginning as an entrepôt in 1841, Hong Kong has become one of the leading financial and business centres in Asia Pacific Region. The factors that led the country to excel in business environment was the entrepreneurship education program in secondary schools. Cheung examined the effectiveness of entrepreneurship education program in secondary schools by sending questionnaires to all secondary schools in Hong Kong. The survey revealed that schools have taken comprehensive approach in delivering entrepreneurship education. The entrepreneurship education indeed prepares the students to become entrepreneurs in early stage of education (Chi Kim Cheung, 2008).
In the capital city of Ethiopia, Addis Ababa, women entrepreneurs faced problems related to small medium enterprises. Gurmeet and Rakesh explored the problem by conducting a focus group discussion among the women entrepreneurs. Lack of entrepreneurial skills and management competency, lack of exposure to market sector, limited support from government and lack of technology skill were identified as problems faced by the women entrepreneurs (Gurmeet Singh and Rakesh Belwal, 2008).

In London, the Turkish speaking ethnic minority business was influenced by the cultural variables. Attinary and Attinary interviewed 227 Turkish small business and analysed the data using Chi-Square Test. The study revealed that education appears to be an important variable and co-ethnic market is a key contributor to growth of firms in the retailing sector (Levent Attinay and Esar Attinay 2008).

Factors that influence women entrepreneurship in Bangladesh were examined by Amzad H by adopting qualitative and quantitative analysis. A questionnaire was used in collecting the data. The result revealed that women were facing problems in establishing their own business due to lack of financial support, family commitment, limited knowledge and skill (Amzad Hossain et al 2009).

In Kosovo, Besnik A.K., explored on the influence of personal household on entrepreneurship. Using a binary choice model, household survey was conducted. Result revealed that males who live in urban areas have been involved in entrepreneurial activities and no significant effect of marital status was found (Besnik A. Krasniqi, 2009).

Factors that motivate women in the United Arab Emirates (UAE) to become self-employed were studied. About 750 women entrepreneurs in the UAE were asked to express the
degree of agreement with the factors listed in the questionnaire. The result shows that financial support from the government especially in the start-up capital was an important factor that motivates women to establish their own businesses. Others factors were self-fulfilment, knowledge, skills and experience, including relationship to spouse/father business (Kamal Naser et al., 2009).

New small businesses started by people in Pabna and Gazipur, two district of Bangladesh, were examined on their difficulties. Interviews were conducted among 250 small entrepreneurs. The study revealed that lack of higher formal education, inability to adapt to family style business and unfamiliar lines of business were difficulties faced by the small business owners (Serazul Islam Md, 2009).

In Pakistan, the impediments, which surround the remote women entrepreneurs, have limited their growth opportunities and prevented them from being successful entrepreneurs. Talat and Amir collected data through interview and focus group discussions. They identified that the lack of educational opportunities, insufficient family support and absence of entrepreneurial orientation were the impediments that prevent the growth of remote women entrepreneurs (Talat Afza and Muhammed Amir Rashid, 2009).

David A.M. examined the growth of new establishment in USA by conducting a survey among creative workers. A sampling test confirmed that interaction of entrepreneurial context with creative workforce employed is strongly associated with growth in number of new establishment and employment (David A. McGranahan et. al., 2010).

Women entrepreneurship has been recognised as an essential ingredient of economic development in Kozhikode, Palakkard and Thissur districts of Kerala. Sindhu and Geethakuuty studied the factors that contribute to the economic growth in these districts. The researchers developed the entrepreneurial success index to measure the level of success in agribusiness by the women entrepreneurs. Result revealed that majority of women were self-initiated and innovative and these factors coupled with support from the financial institutions were the factors that led these women entrepreneurs to be successful. (Sindhu S. Narayan and P.S. Geethakutty, 2003)

The rural industrial entrepreneurship through non-farm entrepreneurship has contributed to the economic development in Bengal Region of India. Subrata D., examined the influence of rural industries by dividing the district into five administrative blocks and collected data from each block by schedule interviews. Using the Linear Structural Model, the data was evaluated. The result revealed that the rural industrial entrepreneurship has strong influence on the rural economic development (Subrata Dutt, 2004).
The market reforms in India have encouraged individual enterprises to enhance their economic growth. Anil and Ronald examined the individual enterprises in the government controlled environment and their response to market based environment. Education in entrepreneurial skills, financial support and net-working have enabled the individual enterprise to be successful (Anil K Lai and Ronald W. Clement 2005).

Kalyan S and Atish C investigated the marketing strategies of small scale bakery firms in the city of Kolkata in India. The researchers used the customers’ survey to verify the performance of the small scale bakery industry in the light of their business strategies. The result divulged that the small scale bakery firms have aligned their operations with their business strategy (Kalyan Sengupta and Atish Chattopudhyay, 2006).

The skill-based technology in India has changed the artisans’ routine livelihood and economic growth. Arindam Banik et al developed a theoretical model based on conditions of government sponsored poverty reduction programme. The model was used in cross-examining the situation of the artisan. The result revealed that changes depended on wages, toolkits and working condition. (Arindam Banik et al 2007)

The determinants of entrepreneurship and role of the entrepreneurship were little known in less developed countries. Jagannaadha collected the data through National Sample Survey Organisation of India and analysed it by using Bayesian semi-parametric methods. The result revealed that the determinants were self-employment, firm formation and geographical location (Jagannaadha Pawan Tamvada, 2007).

Patricia R and Rajshekhar G J assessed the determinants that influenced the internationalization of small and medium sized enterprises in India. The importance of developing and promoting
small and medium sized enterprises in India was to position them in the international market place, which was dependent on the economic situation. The assessment of economic situation of small medium enterprises revealed that there were resource gaps. The researchers summarized that utilization of technology and special infrastructure could enable efficient use of resources and enhance the entrepreneurial activities among the small medium enterprise (Patricia R. Todd and Rajshekhar G. Javalgri, 2007).

The process of rural development is dependent on the support received from the members of rural cooperatives. Substantiating the facts, Amit and Krishnasamy collected the sample from 100 members. Data were collected from the published annual reports of rural co-operatives. Both the data were analysed and the result revealed that rural cooperatives have improved the living standard of rural people and accelerated the process of rural development of the study area (Amit K. Chakrabatty and Krishnamay Gosh 2009).

India has adopted policies that have stimulated consumer demand and fostered entrepreneurship, whereas China has adopted policies that have encouraged resource mobilization. Kalyanaram has attempted to benchmark India’s growth and development against China by comparing the growth models and market potential. He found that China and India have adopted two different models of growth and concluded that India’s model is likely to more sustainable (Kalyanaram G.K., 2009).

Small scale enterprises in Nellore District of Andra Pradesh faced problem in maintaining their entrepreneurial activities. Lavvanya and Murthy examined the factors that govern the entrepreneurial activities. They analyzed a sample size of 553 units in that district by using ANOVA and Z test. The result revealed that the high price of raw materials, lack of market
mechanism and marketing of products were major problems faced by the entrepreneurs. (Lavvanya Latha K. and B.E.V.V. N. Murthy, 2009)

Madhavi S P. did a comparative study of rural and urban women entrepreneurs in Ahmednagar District of Andra Pradesh. Sampling and Garrent’s ranking technique were used in comparing the rural and urban women entrepreneurs. The finding disclosed that women from rural area were not doing well due to lack of financial support and inadequate demand from customers. (Madhavi, S.P. 2010)

2.10 IDENTIFICATION OF THE RESEARCH GAP

The review of literature on entrepreneurship development reveals that the phenomenon of entrepreneurial activities has attracted the interest and research attention of a broad range of management disciplines. Entrepreneurship is a relatively new field of research, not more than 20–25 years old. During the last decade it has gained extensive interest beyond the usual areas of management studies. (Landstrom, 2005). As in many other fields of research in social sciences, entrepreneurship research has its roots in the development of and changes in society. In many countries, especially in Europe, entrepreneurship became a vehicle to solve regional and national problems and to stimulate growth (Alain Fayolle and Paula Kyro, 2008).

An analysis of research on entrepreneurship development in India reveals that most of the research deals with entrepreneurial activities in rural sector and its development as a tool for solving the problem of poverty. Self-employment, inventor entrepreneurs, enhancement in livelihood, nuclear economy growth and industrial revolution has encouraged the rural population to venture into entrepreneurship. The development of women entrepreneurship has
been covered elaborately in most of the Indian research on entrepreneurial activities. The
literature deals extensively on economic growth through entrepreneurship and support of
government of India. Studies employ sophisticated statistical tools to identify the motives of
entrepreneurship development, the characteristics of entrepreneurs who have undertaken
entrepreneurial activities and the characteristics of rural sector that become entrepreneurship
hubs.

With this milieu, this study is an attempt to study entrepreneurship development
especially in PURA Scheme Villages of Thanjavur District, Tamil Nadu, India. The study aims
at specifying determinants of entrepreneurs and role of institutions in supporting the
entrepreneurial development.

2.11 SUMMARY

Literature review has exposed that the entrepreneurial activities have been going on since
the last several decades. Historical evidences throw light on the extent of entrepreneurship
development which has contributed to the economic growth of the ancient countries. The
introduction of PURA Scheme was a noble way of inspiring the villagers, who have been cut off
from the urban world. This initiative has indeed prompted many entrepreneurs to begin with
creative and innovative way of doing business.

The literature review has revealed that the entrepreneurship development has been a
source of economic growth, rural development, job opportunity and business enhancement and
provides a source of livelihood for villagers under poverty line. The researchers of Western and
Eastern countries have illustrated that entrepreneurial activities are a supplement to the progress
of their nations. Likewise, the development of entrepreneurship in India has also shown uptrend
and many researchers have examined the progress of entrepreneurial growth across the states of India. As for Tamil Nadu, the entrepreneurship development has been on rise since the introduction of government policies, which have encouraged many local businesspeople to venture into business. The literature made available by various researchers has given the investigator the scope of understanding entrepreneurship development and its effectiveness. One of the highlights was the training of entrepreneurs which is an important aspect of fostering entrepreneurs. Several researchers have concluded that training has built-up the entrepreneurial culture and also enabled the growth of an individual.

Generally, the under-developed countries have taken up entrepreneurship as a tool to eliminate poverty and to provide poor people a source of income. Among the Asian countries as per our literature review, China has been prominently exposing entrepreneurial development. India has also been promoting entrepreneurship in rural sector to make it on a par with the urban sector.