# CHAPTER - 1

## INTRODUCTION

<table>
<thead>
<tr>
<th>1.1</th>
<th>Prelude</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2</td>
<td>Brief Sketch of Mumbai</td>
<td>4</td>
</tr>
<tr>
<td>1.3</td>
<td>Concept of an Entrepreneur</td>
<td>5</td>
</tr>
<tr>
<td>1.4</td>
<td>Objectives of the Study</td>
<td>7</td>
</tr>
<tr>
<td>1.5</td>
<td>Review of Related Literature</td>
<td>8</td>
</tr>
<tr>
<td>1.6</td>
<td>Need for the Study</td>
<td>17</td>
</tr>
<tr>
<td>1.7</td>
<td>Significance of the Study</td>
<td>18</td>
</tr>
<tr>
<td>1.8</td>
<td>Scope of the Study</td>
<td>19</td>
</tr>
<tr>
<td>1.9</td>
<td>Limitations and Problems</td>
<td>19</td>
</tr>
<tr>
<td>1.10</td>
<td>Methodology</td>
<td>20</td>
</tr>
<tr>
<td>1.11</td>
<td>Plan of Chapters</td>
<td>23</td>
</tr>
</tbody>
</table>
CHAPTER - 1

INTRODUCTION

1.1 Prelude

Entrepreneurship has been considered as one of the most important determinants of the industrial growth of a society. The history of the economic development of all societies, whether developed or underdeveloped, bears evidence to the fact that entrepreneurs have made a significant contribution to the process of development. However, the nature and degree of contribution by the entrepreneurs, has varied from society to society, depending upon the industrial environment, material and human resources and the responsiveness of the political system of the entrepreneurial growth.

India, once primarily an agrarian economy, today is better known for its professionals, technocrats and entrepreneurs. Entrepreneurship flourishes on the bedrock of creativity, decision-making ability, initiative, motivation and on a number of other desirable attributes. Entrepreneurs play an important role in developing a country and this in turn contributes to the economy of a nation. This largely depends upon the availability of entrepreneurs, their capability of using technology, the amount that they are prepared to invest etc.

Exclusive attention to the factor 'entrepreneurship' has necessarily to be given by any nation, particularly developing countries. However, the emergence of entrepreneurship in all countries and in all parts of any country is usually not even.¹ The global economy today is in a transitional state and it requires more attention on its various facets particularly on 'Entrepreneurship'. A careful and in-depth study of the various contributions made to the theory and practices of entrepreneurship would give many dividends for entrepreneurship development. Hoselitz² states that to become an entrepreneur a person must be motivated by the expectations of profits and in addition must have managerial abilities, as well as the ability to lead. In today's global environment the contributing factors on entrepreneurship development have increased considerably. Identifying, discussing and analysing more number of such
factors and using them in the developmental programme are the order of the day in transitional economics.

Development economists tell us that the level and the rate of economic growth depends to a great extent on the natural resources available, the physical capital, technological progress and human resource development, provided the socio-economic environment is favourable to growth. Thus, the socio-economic environment within which an economic activity is performed assumes an important role. Developing economies have realised that one of the preconditions for any kind of economic development is an adequate supply of able and well motivated entrepreneurs, whether men or women, who have the ability to introduce innovation in various spheres of a firm's activity. Such abilities to introduce innovations and undertake risks constitute human capital.

India has made serious and determined efforts for rapid economic development. It is therefore essential to undertake a detailed and searching analysis of different aspects of entrepreneurial role in harnessing the physical and human resources to generate forces of economic development. The factors which determine the supply of entrepreneurs, the rewards which assume for entrepreneurs a sense of success, the factors which nurture innovative zeal, the socio-economic factors which stimulate and not stifle entrepreneurial drive and the capacity to adopt the technological changes are some of the aspects which deserve close scrutiny in order to understand the present state of development and predict the possible course of future development of our country.

In the recent decades the role of an entrepreneur has been considered of great significance in accelerating the pace of growth and economic development in both the developed and underdeveloped countries. The present day developed countries such as America, England, Germany and Japan, owe much of their economic development to enterprising people in their countries. Developing and underdeveloped countries having seen the history of economic development in the developed countries are now conscious of the significance of entrepreneurship for economic development. There is a growing realization that both quantity and quality of entrepreneurs is of utmost significance for achieving the goal of economic development. Active and enthusiastic
entrepreneurs can fully exploit the potentialities of a country’s available resources such as labour, technology and capital.3

The entrepreneur is one of the most important inputs in the economic development of a country or of a region within the country. Entrepreneurial competence makes all the difference to the rate of economic growth. In India, state and private entrepreneurship co-exists. The small-scale industrial sector and business are left completely to private entrepreneurs. It is in this context that an increasingly important role has been assigned to the identification and promotion of entrepreneurs for this sector.

The entire change and development of the civilization to a large extent is the result of trade, commerce and industrialization. In this development the human resources in general and entrepreneur in particular plays a pivotal role.

1.2 Brief Sketch of Mumbai
Mumbai is one of the largest and most densely populated cities in the world. Situated on the western coast of Maharashtra, Mumbai lies between 18° 53’ north to 19° 16’ north latitude and 72° 46’ east to 70° 59’ east longitude. Its geographical area is 38,000 hectares with a total population of 1,19,14,398 according to 2001 census.4 The word ‘Bombay’ is directly derived from Goddess Mumba, the patron deity of the pre-Christian Kolis, who were perhaps, the earliest inhabitants of the island.5 The city had been christened ‘Bombay’ by the early European settlers here, but has been re-christened ‘Mumbai’ by local choice. The city of Mumbai occupies a peninsular site originally composed of seven islets lying of the Konkan coast of western India. As the leading port of the country, handling slightly less than a third of the external maritime trade of India, its port functions permeate and dominate the national economy. Easily the largest industrial node, with a concentration of textiles, engineering, chemicals and drug industries, it contributes nearly 15% of the industrial income of the nation. It is also the leading banking and financial centre and accounts for about 42% of its total revenue from air-borne and sea-borne trade of India and 34% of the national income, accruing through income-tax revenue.6 The rapidly fusing amalgam of the Mumbai city region has turned out to be one of the biggest urban complexes of the nation.
1.3 Concept of an Entrepreneur

A number of economists, sociologists and psychologists have attempted to identify the true nature of entrepreneur and entrepreneurship in the post industrial revolution. The definition, as well as entrepreneurial process and structure have undergone changes with changes in the socio-economic environment and will continue to undergo changes with the changing times.

The entrepreneur and his risk-bearing function was first identified in the early 18th century by Richard Cantillon who coined the term ‘Entrepreneur’. According to him, the entrepreneurs buy factor services at a ‘certain’ price with a view to selling their product at an ‘uncertain’ price in the future. Thus, the entrepreneur was defined by a unique constitutive function: the bearing of a non-insurable risk.

According to J.B. Say, “an entrepreneur is the economic agent who unites all means of production, the labour force of the one and the capital or land of others and thus produces a product”. He emphasized the function of production co-ordination, organisation and supervision. He further stated that an entrepreneur to be successful should possess judgement, perseverance, knowledge of the world and business, and also the ability to superintend and administer.

Though J.B.Say emphasizes coordination and supervision explicitly, there are three more implicit factors, which form the crux of entrepreneurship. Firstly, moral qualities for the work which includes judgement, perseverance and the knowledge about the environment within which the business is functioning. Secondly, the prospective entrepreneur should have a command over sufficient capital resources. The third factor refers to the uncertainty of profits. To overcome these uncertainty elements in business he prescribes superintendence and administration as the basic qualities for entrepreneurship.

According to Frank Knight, the entrepreneur is a bearer of uncertainty or risk for which he receives the reward. He emphasized the assumption of risk and uncertainty as the main functions of the entrepreneur. He further elaborated the definition and described an entrepreneur as a person who takes decisions under the conditions of
'risk' and 'uncertainty' - risk that can be covered through insurance and uncertainty, which can neither be evaluated, nor insured. The entrepreneur, according to Knight, is the economic functionary who undertakes such responsibility which, by its nature, cannot be insured nor salaried. An entrepreneur in such an uncertain situation has to play the role of a special functionary and the success or failure depends on the foresight and judgement of the entrepreneur.

Say, Mill and Marshall emphasized the role of an entrepreneur as an organizer and recognized the entrepreneur as the central figure in a business enterprise. However, according to critics, they failed to see the full significance of the role of an entrepreneur of which combining factors of production is only one aspect. The concept of an entrepreneur propagated by all the above thinkers was in the context of static conditions, and was not related to the process of economic development.

Joseph Alois Schumpeter an economist gave a new direction to entrepreneurial philosophy by stating that, an entrepreneur is an innovator. Schumpeter considered economic development as discrete dynamic change. Entrepreneur brings such discontinuous dynamic changes by instituting new combinations of the factors of production, i.e., 'innovation'. He defined an entrepreneur as an innovator 'who foresees the opportunity.' He tries to 'exploit it by introducing a new product, a new method of production, a new market, a new source of supply of raw materials or half manufactured goods and or a new organization of any industry like creating a monopoly position, or breaking a monopoly position.'

Schumpeter distinguishes between invention and innovation. An inventor discovers new methods and new materials. An innovator utilizes inventions and discoveries in order to make new combinations and thus produces new and better goods, which can yield him profit and satisfaction. The inventor produces ideas and the entrepreneur implements them. He considered innovation as creative response to a situation. Therefore Schumpeter's concept of 'entrepreneur' is very wide, in the sense he includes not only independent businessmen but also to some extent dependent employees of a firm like managers, and directors, provided they do innovative work.
According to B.C. Tandon,14 by entrepreneurship is meant the composite function of creating something new, organising and co-ordinating and undertaking risks and handling economic uncertainty. In this context an entrepreneur is the person who tries to create something new, organizes production and undertakes risks and handles economic uncertainty involved in enterprise.

The concept of entrepreneur is not of a fixed type, it differs depending upon the state of economic development in a country. Looking at it historically, one finds that this concept has undergone a gradual change especially with the onset of industrialization. In the early stages of development, the term of entrepreneur simply meant the businessmen dealing in country wares and facing uncertainty of prices in the then limited markets. With technological changes and industrial advancement the concept is being associated with innovating individuals and more recently with innovating organisations.

1.4 Objectives of the Study
1. To study the socio-economic background of women entrepreneurs in Mumbai city.
2. To analyse the influencing and motivational factors facilitating women entrepreneurship in Mumbai.
3. To assess and analyse the strengths and weaknesses of women entrepreneurs in Mumbai and the environmental opportunities and threats that promote entrepreneurship in Mumbai.
4. To measure and identify the level of work-home role conflict and its effect on women entrepreneurial performance.
5. To study and examine the performance of women entrepreneurs in Mumbai.
6. To understand and assess the problems and the constraints faced by women entrepreneurs in Mumbai.
7. To examine and elicit the opinion of women entrepreneurs on the level of satisfaction about their achievements and rating of success pertaining to their entrepreneurial work.
8. To select measures for the promotion of women entrepreneurship in Mumbai.
1.5 Review of Related Literature

A) Indian Research Pertaining to Women Entrepreneurship

1) Singh and Gupta in their study on ‘Potential Women Entrepreneurs – Their Profile, Vision and Motivation’ identified some of the reasons for becoming an entrepreneur amongst the respondents. They conducted a study on 45 women who were attending the Entrepreneurial Development Programme held in November-December 1983. ‘Economic gain’ ranked as the reason of greatest importance followed by ‘keeping oneself busy’. ‘Fulfillment of one’s ambition’ ranked the third and a host of other reasons. In order to find out the motivational pattern of sample respondents a sentence completion test on achievement motivation was used. Only 13 per cent had a high score in the need for achievement, 50 per cent of them had a moderate score while the remaining 37 per cent had a low score on achievement motivation.

Rani in her analysis on ‘Potential Women Entrepreneurs’ found that the desire to do something independently was the prime motivating factor to start a business activity amongst the sample respondents. The author found that factors such as educational and income background did not influence in the decision to enter into entrepreneurship.

Vinze in her research study on ‘Women Entrepreneurs in India- A Socio-Economic Study of Delhi’ undertook a study on 50 women entrepreneurs of Delhi. Primary and secondary data were used to collect information about their socio-economic background, problems faced by them, their involvement in the enterprise and its effect on family life. The author was of the opinion that women have strong points, which are relevant to entrepreneurship like dedication to the work that they take up, ability to manage, tolerance, kindness absorbing misfortune better than men etc. The researcher found that the enterprises set-up by these women entrepreneurs were in different fields. Women entrepreneurs revealed that financial assistance from banks had been significant, but procedures and formalities need to be more flexible. The author suggested that there is a need to regulate the prices of basic raw materials in the open market. Management knowledge was also considered as a must for starting and running an enterprise.
Azaq\textsuperscript{18} in his work on ‘Development of Entrepreneurship among Indian Women’ emphasized that there is a need to understand the psychological characteristics of woman entrepreneurs. The author cites economic compulsions, use of knowledge and skill, need for achievement, success of others and frustration in the current job as the main motivating factors for women to enter into an entrepreneurial career.

He lists certain psycho-social factors, which hinder the growth of women entrepreneurship. These factors are discriminating treatment from society, lack of self-confidence, poor self-image, lack of encouragement from family members, role conflict, confining oneself only to home, traditional ideologies and cultural values. The author advocates the need for creating a congenial entrepreneurial climate, which motivates individuals to undertake entrepreneurial activities.

Pillai\textsuperscript{19} undertook a pilot study of women entrepreneurs in Kerala which revealed that most of the women entrepreneurs had proper education i.e. collegiate or technical education and access to capital. Some of the motivating factors, which encouraged entrepreneurship, were the desire to work at the place of residence, desire for social recognition and difficulty of getting a job.

D.N.Mishra\textsuperscript{20} in his study on the ‘Problems and Prospects of Growing Entrepreneurship in Bihar’ with special reference to Gaya points out that women are trying to become economically independent by entering into competitive work of business on account of some factors such as break up of the joint family system or for the need to earn an additional income to fight inflationary pressures. This study indicates that women entrepreneurs are venturing into non-traditional areas, which clearly reflects that women have become more independent, achievement oriented and career minded. The phenomenon of women entrepreneurship is largely confined to metropolitan areas, however it has also manifested itself and extended to small cities and rural villages.

Shah\textsuperscript{21} in her study on ‘Fostering Women Entrepreneurship- A Study of Distinctive Features’ found out that a) economic needs and pressures b) utilisation of own experience and education c) family’s (husband) interest and support d) availability of
free time and finance e) desire to become independent and e) personal ego satisfaction (of doing something on own) were the main motives to become an entrepreneur.

Anna\textsuperscript{22} opined that socio-cultural factors like family background and the norms and values of the immediate society contribute to entrepreneurial development. The author undertook a study of 102 entrepreneurs in the state of Kerala. The study revealed that women entrepreneurship emerged from varied socio-economic, educational and cultural backgrounds. The occupational background of their fathers or husbands provides an environment favourable to the growth of entrepreneurship among women. The governmental assistance boosts the morale and entrepreneurial spirit among educated women. It was also observed that nuclear families encouraged entrepreneurial ventures among women more than joint families.

Rao\textsuperscript{23} in his study on ‘Promotion of Women Entrepreneurship’ found that economic backwardness, lack of family and community support, ignorance of opportunities, shyness and inhibition and preference for traditional occupations were some of the factors that inhibit promotion of grass-root entrepreneurship among rural women.

Srivastava and Chaudary\textsuperscript{24} in their work on Women Entrepreneurs: Problems, Perspectives and Role Expectations from Banks’ revealed that women faced problems mainly in the areas of marketing of their products and approaching the banks for getting loans. The study also points out that the joint family system is not an obstacle for women entrepreneurs, in fact it is often a facilitating factor.

Rathore and Chhabra\textsuperscript{25} in their work on ‘Promotion of Women Entrepreneurship-Training Strategies’ cites that Indian Women find it difficult to adjust themselves to the dual role that they have to a play as traditional housewives and compete with men in the field of business and industry. Working women experience mental conflicts, as they are not able to devote the necessary amount of time and energy to their home and children and hence find it difficult to pursue a career.

Kohli\textsuperscript{26} studied the socio-economic profile of women entrepreneurs. The field survey undertaken by the researcher focussed on various aspects such as distribution of women entrepreneurs according to age, educational qualifications, experiences,
religion, nature of the enterprise, motivation and other problems. It also concentrated on the study of public policies and programmes for women entrepreneurs.

Lalitha Iyer\textsuperscript{27} selected AWAKE [Association of Women Entrepreneurs of Karnataka] as a case to illustrate the struggle of women entrepreneurs’ experiences and strategies to overcome them. AWAKE is an association of women entrepreneurs in Bangalore in Karnataka comprising of three hundred first generation entrepreneurs with an average age of 35 years with diverse educational backgrounds from middle class and lower middle class families. They are operating tiny enterprises ranging from food items to engineering items. AWAKE is a catalyst to women entrepreneurs in assessing their potentialities and presenting alternatives for action. However, women are viewed not as businesspersons but as women. The environment and culture in which women are brought up keeps them away from financial decisions. Hence, they keep their ventures small. Since some women have a low self-image, they undergo guilt feeling for not being able to spend enough time with their children. The main problem which women entrepreneurs face is that banks and financial institutions mistrust the credit worthiness of small entrepreneurs. They place emphasis on collateral security and guarantees rather than the viability of the project.

Jyothi and Prasad\textsuperscript{28} in their study ‘A Profile of Potential Rural Women Entrepreneurs’ cites that factors like caste, community, religion etc. strongly influence the growth of entrepreneurship among rural women. The author is of the opinion that the policy-makers should develop a favourable attitude towards women entrepreneurs in granting licenses, permissions, quota of scarce raw materials and in the supply of technical knowledge.

Kaur and Prashar\textsuperscript{29} in their work on entrepreneurship amongst rural women highlight upon the problems faced by rural women entrepreneurs. The conservative attitude of the society, religious and social taboos, lack of confidence, male dominance, lack of infrastructural facilities, marketing problems, lack of adequate finance and lack of awareness about government schemes are some of the problems faced by rural women entrepreneurs.
Singh in her work on 'Women Entrepreneurs: Their Profile and Motivation' revealed that factors impinging on the entrepreneurial manifestation of women are no different from those affecting men entrepreneurs. Her study indicated the reasons for entering into an entrepreneurial profession were self-fulfillment, autonomy and independence. The researcher opines that there is no need for special training programmes for women, however they need to have proper education and adequate exposure.

The researcher found that several women are willing to become entrepreneurs due to pull and push factors. Under the pull factor, the women entrepreneurs choose a profession as a challenge with an urge to do something new and to have an independent occupation. However, under the push factor the women are forced to take up a business enterprise in order to get over financial difficulties due to family circumstances.

Anju Deepak views that as far as entrepreneurship is concerned there is no specific difference between men and women entrepreneurs. Though the characteristics and the profile of male and female entrepreneurs are more or less the same, the problems of women entrepreneurs are specifically related to social attitudes and values. According to her, women entrepreneurs take up challenging roles and adjust their personality needs, family life and economic independence. The main aim of her study was to analyse value orientation among women entrepreneurs from different backgrounds. She undertook a study of fifty entrepreneurs who were in related service sectors. Findings of the study reflect that women entrepreneurs held high expectancies for values like personal growth, creativity and achievement. These values are intrinsic in nature and hence encourage creative effort and promote self-actualization. Women entrepreneurs with intrinsic work value orientation have greater job satisfaction and productivity. It also appeared that women entrepreneurs did not give much importance to extrinsic values like economic rewards, security etc.

Sethi in her work on 'Women Entrepreneurship in India' lists economic compulsions, education, work experience and urbanization as the collective forces, which have given an impetus to women entrepreneurship. The researcher opines that although obtaining finance for starting a venture is a common problem for both male
and female entrepreneurs, yet this problem get exacerbated for women because of their gender, as well as their socio-cultural variables. Her study revealed that women by and large do not have access to resources and hence their inclination is to start small and tiny industries using obsolete technology and to rely heavily on their own limited funds for the initial venture start up. The dependence on their limited personal finance leaves these women undercapitalized and highly vulnerable to market fluctuations.

Tulsi et al.33 in their study on ‘Enterprising Women: A Case Study’ states that women who were initially entering in traditional and conventional business such as embroidery, pickle making etc. are now venturing into non-conventional fields of computers, electronics, stock exchange etc. The researcher cites factors such as business family background, family support, independent decision-making, acquisition of relevant knowledge and credibility in the chosen field, self confidence as the factors that helped these women in successfully launching and managing their business.

Nair34 in her study on ‘Entrepreneurship Training for Women in the Indian Rural Sector: A Review of Approaches and Strategies’ found that any initiative in terms of increasing intellect and physical resources to undertake a women’s development programme are largely policy induced and devoid of any clear focus or strategy. The author suggested that a carefully drawn up training system will have to address the strategic needs of women for survival and growth. He also suggested that any strategy with the objective of reaching out to women will have to be in the realm of skill training. Further, accessing of financial resources will have to recognize the strategic needs of rural women like drinking water in the vicinity and child care facilities for the policy to be effective and sustainable in the long run. The training programme should take into account the opportunity structure existing in that society and its effect on women skill acquisition and specialisation. It has been observed that the formal system which airs a highly standardized approach and bureaucratic machinery has not been able to appreciate the extra-economic dimensions of women’s development.

Khan35 in his work on ‘Women Entrepreneurship’ advocates that ‘self-exploration’ needs to be introduced in the first phase of training course to help potential women
entrepreneurs imbibe entrepreneurial identity. 'Social responsibility' is another important area, which should form an integral part of any training module on entrepreneurship. The author suggested areas such as motivation, leadership development, access to credit and organisational backing that needs special emphasis in the training module on entrepreneurship.

Lalitha D. Rani\textsuperscript{36} studied educational background, socio-economic background, motivating and facilitating factors of women entrepreneurs in Vishakapatnam. Due to industrialization, urbanization, education and changing roles, women's participation in the economic development process is vital and important. According to her, women entrepreneurs had to encounter criticism, family opposition and social constraints. However, they possess a keen sense of motivational qualities such as high drive, innovation, creativity and a sense of achievement. Women are venturing into challenging fields like electronics, engineering etc. According to her, governmental and non-governmental agencies can play an encouraging role in propagating women entrepreneurship.

Chaudhary et al.\textsuperscript{37} in their study and analysis on 'Banks and Women's Enterprise Development: A Comparison of Approaches in India and UK' states that in both the countries commercial banks are the major source of finance for small firms. The share of women entrepreneurs in small businesses in UK is 30 per cent and will continue to grow due to factors like improvement in technology, new communication means etc. However, in India the share of women entrepreneurs is not at all significant despite various women specific schemes and incentives. The author recommends that Reserve Bank of India (Banking division) and Ministry of Industry should take some sincere steps at the higher level to review periodically the implementation of existing specific assistance schemes and incentives for women entrepreneurs.

Singla and Syal \textsuperscript{38} have classified the problems faced by women entrepreneurs into three major categories i.e. problems related to project formulation, project implementation and project operation. In the light of problems related to women in business the author advocates Group Women Entrepreneurship (GWE) as a viable alternative in the Indian context. GWE approach can strengthen women entrepreneurs by invigorating and recharging the skills with they are acquainted, but are in danger of
being exploited for by vested interests. He is of the opinion that the supporting agencies should also undertake group orientation training modules for the members of GWE in their respective skill development of the enterprise.

Ratna Ghosh, Meenakshi Gupta and Nina Dhar have noticed that small-scale enterprises are important means of earning income for women in developing countries. According to the study undertaken by them in Kerala, it was found that 'economic gain' is the primary reason for self-employment for the majority. Economic independence is a means to empowerment enabling women to determine their own lives. The usual problems faced by them are:

a) Managing male employees. Male workers do not like to receive directions from women bosses.

b) Unsafe conditions of travelling alone during late hours for sale and marketing of products.

Shenoy Rekha undertook a sociological study of thirty entrepreneurs in Mumbai. Her study is based on qualitative analysis focussing on the role of social institutions namely family and community. She has tried to explore the strengths and weaknesses of social institutions, namely family in supporting the development of entrepreneurship among women. Her research revealed that women face problems, however, family support has enabled many entrepreneurs to achieve their goals without going through emotional stress. She also noticed that women entrepreneurs still give preference to their family over to their business.

B) International Research Studies On Women Entrepreneurs

Naisbitt, study suggests that certain products and services present opportunities specifically suited for women. This view is based on the assumption that the distinctly 'female' or 'male' imagery associated with certain industries continue to endure and influence who does what. Carter found women to be more effective in downstream industries such as service and retail more frequently than men did. Brush and Hisrich in their work pertaining to the impact of the strategic origin of women on growth of their enterprise cited that a woman entrepreneur who has previous experience in the field stands a better chance of establishing her venture than the
woman who does not possess such experience. They felt that, previous experience in
the field of venture, financial skills, strength in dealing with people and idea
generation combined with market opportunity motivation are the key to survival for
women entrepreneurs establishing a venture. Holmquist and Sundin\textsuperscript{44} in their work on
‘Women as Entrepreneurs in Sweden: Conclusions from a Survey’ states that the main
characteristics of women entrepreneurs is diversity. Female entrepreneurs are present
everywhere, in almost every line of business, in every country, with all kinds of
marital status. Female entrepreneurs seem to be adaptable. The most encouraging
conclusion is that the female entrepreneurs seem to be satisfied with entrepreneurship.
The sense of independence and self-reliance is strong. Kaplan\textsuperscript{45} in her work relating to
women entrepreneurs observed that although their orientations and skills may vary,
the vast number of respondents are more concerned with creating employment for
themselves. Women have multiple reasons for starting a business. Non-economic
reasons such as autonomy, challenge etc. are often as important as economic ones.
Younger women usually being better educated, have better skills and are more likely
to plan and set realistic goals. Nelson\textsuperscript{46} in his study on ‘Small Business Opportunities
for Women in Jamaica’ revealed that women entrepreneurship is concentrated in
businesses which required the least capital outlay, or which are an extension of
household activities. Majority of the women had encountered sex-bias while
establishing and developing their business. Household responsibility played a
significant role in the choice of economic activity among women. Need for
specialized training programmes for women in small businesses was also echoed by
the respondents. Hisrich and Fullop\textsuperscript{47} in their work related to women entrepreneurs
of Hungary found that most of the women entrepreneurs among their samples were
married. These women entrepreneurs formed their new ventures mainly due to interest
in the area of business or due to job frustration. The new ventures created were from a
wide variety of areas including trading, retailing, advertising, consulting,
manufacturing, accounting and training and education. Klein\textsuperscript{48} in her paper on
‘Returning to Work: Challenge for Women’ states that problems of compatibility
between professional and private life are usually resolved to the detriment of women.
With few exceptions, it is women who interrupt their career, when family obligations
require such a choice. Zapalska\textsuperscript{49} in her survey of women entrepreneurs in three
biggest urban centres in Poland found that the types of ventures established by the
women entrepreneurs varied widely. The majority of women entrepreneurs were
involved in business related to personnels, computers, consulting, and sales and on product innovation or product modification. The female respondents believed that they had survived the start up operation stage because they tended to operate their businesses in fields in which they had at least some experience from their previous salaried jobs. Female entrepreneurs considered innovation and the creation of something new as important factors leading to the success of their business.

A review of the literature that has been listed and discussed indicates that the studies have focussed on factors affecting the entrepreneurial growth, or link with caste, religion, education, family background and entrepreneurship. Some studies have thrown light exclusively on women entrepreneurs and the problems faced by them in starting and running their enterprises.

This research study was taken up in order to gain a deeper understanding and insight into several aspects of women entrepreneurship such as entrepreneurial personality, characteristics, the attitude of the husband or family members before starting the enterprise, the areas where business women have more opportunities available to them in establishing their ventures. It is hoped that the study will generate a new body of knowledge useful to our policy formulators, small business promoters, academicians, and existing and potential women entrepreneurs.

1.6 Need for the Study

Women are seeking entrepreneurship as an avenue for personal growth. Women, quite naturally form a large component of the human resource of our country. They are potential contributors towards development and productivity. The government and other women organisations through a number of schemes are playing a crucial role in mobilising women to become entrepreneurs. Encouraged by these schemes a large number of women from diverse socio-economic backgrounds are coming forward and venturing into business. This has provided a further impetus in the development of women entrepreneurs in India. The hidden entrepreneurial potentials of women have been changing gradually with growing sensitivity to their role and economic status in society. Women are increasingly becoming conscious of their existence and their abilities and are exploring new avenues and vistas of economic participation. Women
entrepreneurs have accepted challenging roles in order to quench their personality needs and to become financially and economically independent. They show a strong tendency to participate in economic activities. Their skill, knowledge, acumen in business and a pushing desire to do something positive are some of the reasons why women establish and manage organised industries and take up challenging ventures.

The few studies on women entrepreneurship that have been undertaken in the Indian context are mainly concentrated in the cities of Delhi, Pune, Madras, Bangalore and the state of Kerala. The available studies on women entrepreneurs have focussed on the characteristics of the enterprise and on the entrepreneurial performance. Very few studies have been undertaken on entrepreneurship in Mumbai, inspite of the fact that Mumbai is the commercial hub of entrepreneurial activities. In fact, the capital market and commercial market in Mumbai has offered ample scope and vistas for the growth and development of entrepreneurial activities. Hence, a need was felt to know the motivational factors, the kind of SWOT analysis to be focussed, the support system available, and the kind of problems faced by women entrepreneurs.

1.7 Significance of the Study
The emergence of women on the economic scene as entrepreneurs is a significant development in the emancipation of women and for securing themselves a place in the society, which they have all along deserved. It is an accepted fact that the role of women in national development is a crucial one. Women have an important role to play in synthesizing social progress with economic growth of developing countries. With an increase in the number of women getting educated, there is a considerable awareness among women to be self-employed and gradually the role of women in society is changing. Entry of women into organised business as entrepreneurs is a fairly recent development, however women have been contributing to the production process since times immemorial, in cottage industries. Women have all along participated in outdoor occupations, namely agricultural and other allied activities. There have been many professionals working women, who have used their educational skills to become doctors, teachers, hairdressers, fashion designers etc. however, it was realised that they also had to play their role in the economic mainstream of the country as entrepreneurs. The reason for this change was an
increase in the number of educated women and their desire for economic independence and attainment of a separate identity from traditional patterns. Women are now engaged in non-traditional activities, which were at one time considered exclusively to be a male domain.

This clearly points out the significance of the study of women entrepreneurs in modern times and also the need to carry out an in-depth study of the various problems faced by women entrepreneurs in the country. The study assumes an even greater significance in view of the dynamic changes in society. In the present era of economic reforms more women are entering into a variety of employment and self-employment avenues. Therefore, a micro-study of women entrepreneurs in Mumbai has been carried out.

1.8 Scope of the Study

The present study makes an attempt to probe into the reasons that motivate a woman to enter into a business venture. The motivating factors, the compelling factors and the supporting factors which prompt individuals to assume an entrepreneurial role, the social groups to which they belong, their educational levels and their family background, the considerations in their choice of a particular line of manufacture, the kind of SWOT analysis undertaken by them, the profit margin which they could achieve, the co-relation of different factors namely occupation, age, previous experience and the economic status of the family with that of their ambitions are some of the issues to be analysed in this connection. Such an analysis may not always lead to conclusions of general applicability. The nature of problems faced by entrepreneurship may differ from one type of business to another. Only in-depth studies of different businesses will help in finding satisfactory solutions to their problems.

1.9 Limitations of the Study

The study was limited to Mumbai city of Maharashtra State in India. Selection of Mumbai City for the survey study have been made with a view to have a broad spectrum of representative samples, which had varied commercial and industrial backgrounds.
The limitations of the study include the facts that many entrepreneurs do not maintain proper books of account relating to their annual turnover, actual sales volume, production per annum in terms of quantity and value of output. Moreover it relies exclusively on the responses to questions or statements listed in a structured interview schedule.

Some of the entrepreneurs may have deliberately avoided furnishing correct information due to various reasons such as avoiding income tax and sales tax liability. The study is based on personal interviews with the entrepreneurs. It was a rather Herculean task in many instances, to make the respondents or sample women entrepreneurs willing to answer the questions in the questionnaire. The women entrepreneurs expressed an unwillingness to respond to certain questions. However, with great difficulty responses were elicited from the sample entrepreneurs. Lack of knowledge about the importance of research among the respondents has also affected the interview, in certain instances.

1.10 Methodology

I Source of Data

For the study, the data has been collected from primary, as well as secondary sources. The primary data have been collected through questionnaires and personal interviews. The secondary sources include reference to a number of books, journals, magazines, newspapers and government circulars.

To observe and probe into an entrepreneur is a difficult process. The subject matter was sensitive and extremely private. Entrepreneurs prefer to maintain secrecy of their trade. Hence, all possible efforts were made to elicit information by convincing them that the basic value of the interview was academic and had nothing to do with government administration. A detailed questionnaire encompassing all the important areas of entrepreneurship was prepared. A detailed schedule was then prepared and served on 120 sample women entrepreneurs. With a view to make the project manageable in every aspect it was decided to limit the study to those entrepreneurs who satisfied the following criteria:
1) The business ventures should be from any of the three sectors: manufacturing, trading, or service. The unit must be actually engaged in the manufacturing activity, trading activity or service area.

   i) Manufacturing was defined as making or producing some items manually or with the help of machines.
   ii) Trade was defined as buying and selling of goods.
   iii) Service entrepreneurs were defined as those who performed any kind of work performed against a fee or commission. The present study excludes professionals such as medical professionals, lawyers or women co-operatives and women organisations.

2) The enterprise should either be a Proprietorship, Partnership or Private Limited. The women should be playing a responsible role in decision-making.

3) The women entrepreneurs should play a major role in the management of the enterprise.

4) The enterprise should be in operation before 2003.

The questionnaire covered the following details:

   a) Biographic and Social Data:
      Family details, education, experience, age, parents’ occupation, social background, ambition and aspiration levels and other related data.
   b) Economic Details:
      Personal income, financial support, source of finance, details of borrowings, capital investment, rate of profit, operational performance of the enterprise and other economic details of the enterprise.
   c) Psychological Informations:
      Ambition, source of motivation, supporting factors, compelling factors, SWOT analysis, extent of satisfaction and other related information.

The questionnaire was divided into seven main sections:

   i) Profile of the Unit
   ii) Background of the Entrepreneurs
   iii) Motivational Factors
iv) SWOT Analysis
v) General Information regarding Dual Role of Women Entrepreneurs
vi) Operational Performance
vii) Problems Experienced by Women Entrepreneurs
viii) Opinion of Women Entrepreneurs Related to their Entrepreneurial Activities
      Relating to Level of Satisfaction Achieved, Rating of Success and Other Aspects.

II Sampling and Data Collection

In view of constraints of time and finance the study is based on data collected from 120 entrepreneurs. A semi-structured questionnaire was prepared. The 120 sample women entrepreneurs constituted 43 entrepreneurs belonging to the manufacturing sector, 33 entrepreneurs belonging to the trading sector, and balance 44 entrepreneurs belonging to the service sector.

A pilot study was conducted for testing the relevance of the questionnaire by selecting three entrepreneurs from each group. Based on their responses received, necessary changes were made in the original questionnaire.

During the data collection phase, several women entrepreneurs could not be contacted in spite of repeated attempts. As mentioned earlier some of the entrepreneurs directly expressed their inability and unwillingness to grant an interview.

All respondents were personally visited and requested to provide needed information. Most of the interviews were conducted with the women entrepreneurs individually. In some cases the interviews were conducted in the presence of their family members namely either husband, parents or relatives as per the request of the respondents.

During the course of serving the schedule on respondents it was felt that the desired information was not available on account of the formal environment of the interview. Hence, the researcher had to depend upon an informal discussion, which proved quite useful. In most of the cases, in the first meeting the sample women entrepreneurs preferred to answer the questions immediately. However, the questionnaire being in-
depth, it was not possible to complete it in a single sitting. Hence, in majority of the cases the researcher contacted each respondent twice or thrice. The data was collected between March 2004 and December 2004.

III Processing of Data

The interview schedule was semi-structured. Most of the questions were close-ended. The entire process of coding was undertaken by the EDP (Electronic Data Processing) department under the auspices of TISS (Tata Institute of Social Sciences), Mumbai. The coded data was processed by the computer using SPSS computer software. The responses to the open-ended questions were examined, classified, coded and processed manually by the researcher. The data has been presented in the form of simple and bivariate tables. Some of the data has been presented in the graphic form.

IV Statistical Tools and Measures

The following statistical tools were used, as and when necessary for the analysis of the data:

a) Percentages
b) Measures of Central Tendency namely Mean
c) Average Weighted Score

1.11 Plan of Chapters

The entire study has been divided into eleven chapters.

Chapter –I

Chapter I deals with a general introduction about the human factor in economic development and provides a basic background for the need of entrepreneurs in a developing country like India. It deals with various definitions of the term entrepreneur, a review of literature relating to entrepreneurship and the role of women entrepreneurs. Further it clarifies the objectives, significance, scope and limitations of the study, along with the methodology and chapterisation plan.
Chapter – II
This chapter deals with Women and Industrial Development. It discusses the prominent role played by women at home, as well as in business. This chapter highlights the powerful force of women, which needs to be harnessed for national development. It also points out that in today’s modern world, educated women hold a much larger responsibility in creating awareness about their potentialities and talents. It discusses the concept of entrepreneurship and the bringing of women under the umbrella of entrepreneurship.

Chapter – III
This chapter deals with the structural characteristics of the sample enterprises. The profile of the enterprise managed by women entrepreneurs is discussed. It attempts to gather information and throws light on issues of form of organisation, period of establishment, number of staff members employed, sales turnover and size of the enterprise.

Chapter - IV
In this chapter the socio-economic background of entrepreneurs is discussed. It gives information on various details such as age of the respondents, location, source of finance, educational background, reasons for choosing the current line of business and its correlation with family income, previous working experience and other factors.

Chapter - V
This chapter highlights ambition, motivational factors, facilitating factors, compelling and supporting factors and their correlation with the educational background, occupational status, and family income, training programme and its utility.

Chapter - VI
This chapter portrays the strengths, weaknesses, opportunities and threats of the sample women entrepreneurs and their implications on entrepreneurial decisions by using SWOT Analysis Technique.
Chapter – VII
This chapter undertakes further exploration into the phenomenon of entrepreneurship by correlating the SWOT variables with that of educational background, age, compelling reasons, facilitating and supporting factors.

Chapter – VIII
In this chapter an attempt has been made to analyse the social aspect of the sample enterprises with particular reference to the acceptance of sample women entrepreneurs by the family members. Assistance provided by the family members and the kind of conflict experienced by sample women entrepreneurs in undertaking dual roles of managing home and business are some of the aspects analysed in the chapter.

Chapter – IX
This chapter evaluates the performance of the sample women entrepreneurs in areas such as production, finance, marketing, pricing and gestation period in earning profits.

Chapter – X
This chapter highlights the problems faced by women entrepreneurs like financial problems, labour problems, technical problems and other general problems faced by them. An attempt has been made to provide a suitable strategy to overcome problems faced by women entrepreneurs.

Chapter – XI
The opinion of the sample women entrepreneurs about the rating of their achievements, future plans envisaged, their level of satisfaction and their membership with social organisations are some of the aspects dealt with in this chapter.

Chapter – XII
Chapter – XII deals with ‘Concluding Observations’. An attempt has been made to summarise the whole dissertation. On the basis of analysis of the facts some meaningful conclusions have been drawn.
References


