Chapter II

Concepts and Review of Related Literature
CHAPTER - II
CONCEPTS AND REVIEW OF LITERATURE

This chapter provides the conceptual clarity and technical interpretation of the theoretical underpinning of the study topic namely women entrepreneur. It also reviews the literature relating to the theme of the study. In addition, it explains the meaning and definition of important concepts used in this study.

A. Concepts

This section presents the operational definitions of the various terms used in the study.

2.1 Organization

The word “Organization” is derived from the Greek word “opyavov” (organon) – meaning tool.

The term organization is used in two ways: organization as a process and organization as an unit. First, there is the meaning or usage in which the term was employed by the so called classicists of management. Second, the term is very general which is synonymous for the corporation or undertaking the human group regarded as a whole.\(^\text{19}\)

Scott (1964) defines organization as follows: “Organizations are defined as collectivities... that have been established for the pursuit of relatively specific objectives on a more or less continuous basis.” Scott has emphasized the characteristics of organizations as relatively fixed boundaries, a normative order, authority rank, a communication system, and an incentive system which enables various types of participation to work together in the pursuit of goals.

2.2 Enterprise

There are two approaches to the word ‘enterprise’ and the practice of it. One which can be termed a ‘narrow’ one, regards enterprise as business entrepreneurialism, and sees its promotion and development within education and training systems as an issue of curriculum development which enables young people to learn, usually on an experimental basis, about business start-up and management. The second approach, which can be termed the ‘broader’ one, regards enterprise as a group of qualities and competencies that enable individuals, organizations, communities, societies and cultures to be flexible, creative, and adaptable the face of and as contributors to rapid social and economic change.


2.3 Entrepreneur

Max Weber (1974) defined entrepreneur by elaborating his qualities as an innovator a Calvinist, a man with unusual will and energy and a man with no capital but endowed with an unusually strong character, clarity of vision and an ability to act. He highlighted the importance of strong will power.  

In a nutshell, an entrepreneur is described as a capitalist employer seeking profit; a risk taker, a monopolist, a coordinator an innovator and an organizer of means of production. A person of all these attributes in operation may be termed as entrepreneur. He is a person who organises, operates and assumes the risk of a business venture.

Meson, et al (1981) the term entrepreneur was applied to business by the early eighteenth century French economist Richard Cantillon. Since that time the term entrepreneur has been used to describe one who takes the risk of starting a new organization or introducing a new idea, product or service to society.  

According to J.B.Say, the term ‘entrepreneur’ denotes a person who discharges the entrepreneurial function of coordination, organization, supervision and risk-bearing.

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22 Parsons Talcott; The Structure of Social Actor, Amerind Publishing Co. Pvt. Ltd., New Delhi, 1974, p.515


Vasant Desai (1991) described the word “entrepreneur” is derived from the French verb entreprendre. It means to undertake. In the early sixteenth century, the Frenchmen who organised and led military expeditions were referred to as “entrepreneurs”.25

2.4 Entrepreneurship

Jose Paul (1994) explains the term ‘entrepreneurship’ is often used synonymously with the ‘entrepreneur’. Though they are two sides of the same coin, conceptually they are different. The entrepreneur is essentially a business leader and the functions performed by him is entrepreneurship. Arthur H. Cole has stated that entrepreneurship is the purposeful activity of an individual or a group of associated individuals undertaken to initiate, maintain or organize a profit-oriented business unit for the production or distribution of economic goods and services.

Entrepreneurship refers to the process of action an entrepreneur undertakes to establish his / her enterprise. It is creative and innovative response to the environment. It is thus a cycle of actions to further the interests of the entrepreneur.26


Thus, entrepreneurship is a complex phenomenon. Some think of entrepreneurs primarily as innovators, some chiefly as managers of enterprise, some as bearers of risks, and others place the major emphasis on their function as mobilisers and allocators of capital. In the Indian context, however, an entrepreneur may at best be defined as person or a group of person) responsible for the existence of new business entrepreneur.

### 2.5 Management

According to E.F.L. Breech, “Management may be defined as a social process entailing responsibility for the effective or efficient planning and regulation of the operation of an enterprise”, such responsibility involving – (a) the installation and maintenance of proper procedures to ensure adherence to plans, and (b) the guidance, integration and supervision of the personnel comprising the enterprise and carrying out its operation”.²⁷

**Vidhya. R (2010)** The Tamilnadu government has taken the serious steps to improve the women’s development through the mahil Thittam. It makes the women to think independently and helps to enrich their knowledge in each and every social upliftment as pandit Jawaharlal Nehru dream.²⁸

**Vidhya. R (2011)** Fabrics, like rugs, made in Erode are famous in India. Erode District is an important market centre for Turmeric, a spice commonly

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²⁷ Ibid, pp.22-25
used in curries. Turmeric is also used as a fabric dye. The turmeric is collected from Erode District and from adjoining districts of Tamil Nadu and Karnataka, including Mysore. Other specialities include Uthukuli butter and Kangayam bulls. Gobichettipalayam is well known for its white silk, plantain and coconut production. The country’s first automated silk reeling unit is in Gobichettipalayam. Erode is well known for handloom, powerloom textile products and readymade garments and hence called the *powerloom city of India*. Products such as conttonsarees, bed spreads, carpets, lungies, printed fabrics, towels, dhotis are marketed here. In mid-2005, Bhavani Jamakkalam (Bhavani Bedsheets) was registered as a Geographical Indication by the Government of India. Now-days more and more spinning mills which produce yarn for the power loom are setup in and around the town of Erode. Chennimalai is also famous for textiles. Turmeric powder, used extensively in Indian cuisine, finds the Asia’s largest & important market centre in Erode District.²⁹

**Vidhya. R (2013)** Science with a human face’ is the credo that ICRISAT swears by. At ICRISAT, participatory and interdisciplinary research has evolved towards the development of an integrated genetic and natural resource management (IGNRM) approach. This approach takes advantage of an integrated strategy using core competencies to enhance productivity gains with equitable benefits through genetic enhancement and biotechnology, crop

breeding, soil and water management, food safety and social science perspectives.

Given the persistent problems of drought and water scarcity in the drylands, ICRISAT’s research addresses water scarcity on two fronts – by utilising natural resource management principles and techniques to improve moisture content, fertility, soil depth, organic matter, rainwater utilisation through watersheds and water conservation and by employing plant breeding and biotechnology research to improve water-use efficiency and drought tolerance in crop genotypes.30

### 2.6 Women Entrepreneurs

Women entrepreneurs may be defined as the women or a group of women who initiate, organise and operate a business enterprise. Women are expected to innovate, immitate or adopt an economic activity to be called ‘women entrepreneurs’. The Government of India has defined a woman entrepreneur as ‘an enterprise owned and controlled by a woman having a minimum financial interest of 51 percentage of the capital and giving at least 51 percentage employment generated in the enterprise to women. However, this definition has come in for severe criticism on the condition of employing more than 50 percentage women workers. The critics point out that this is

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discriminatory and an enterprise set-up by women should qualify for the concessions offered to women entrepreneurs.\textsuperscript{31}

2.7 Manufacturing

According to Section 2 (K), of Factories Act 1948,

(a) Any process making, altering, repairing, ornamenting, finishing, packing, oiling, cashing cleaning, breaking, demolishing or otherwise treating or adopting any article or substance with a to use, sale transport, delivery or disposal ; or

(b) Pumping oil, water, sewage, or any other substances ; or

(c) Generating, transforming or transmitting power ; or

(d) Composing type of printing by letter press, lithography, photogravure or similar process or book binding ; or

(e) Construction, re-construction, repairing, re-fitting, finishing or breaking ships or vessels ; or

(f) Preserving or storing articles in cold storage.

In order to treat an activity as a manufacturing process the activity may fall under any one of the above clauses.\textsuperscript{32} In this study ‘Manufacturing sector includes those units which are producing goods.

\textsuperscript{31} Op cit, Jose Paul, et al., p.65.

2.8 Trade

Trade is the voluntary exchange of goods, services or both. A mechanism that allows trade is called a market. The original form of trade was barter, the direct exchange of goods and services. In this study ‘trading’ means selling of goods.

2.9 Service

Dr. Digmurti Bhaskara (1998) In economics and Marketing, a service is the non-material equivalent of a good. Service provision has been defined as an economic activity that does not result in ownership and this is what differentiates it from providing physical goods. It is claimed to be a process that creates benefits by facilitating either a change in customers, a change in their physical possessions or a change in their intangible assets. By supplying some level of skill ingenuity and experience, providers of a service participate in an economy without the restrictions of carrying stock (inventory) or the need to concern themselves with bulky raw materials. On the other hand, their investment in expertise does require marketing and upgrading in the face of competition which has equally few physical restrictions.  

B) Review of Related Literature

This section of the chapter reviews the earlier studies related to women entrepreneurs. In order to follow the different aspects of women entrepreneurs the reviews have been presented in four heads viz. (1) socio – economic profile of the women entrepreneurs, (2) social and economic problems faced by women entrepreneurs, (3) factors influencing the performance of women entrepreneurs and (4) Institutional assistance for women entrepreneurs.

I. Socio – economic Profile of Women Entrepreneur

The Socio – Economic profile of the women entrepreneurs at international, national and regional levels has been reviewed.

(a) International Researches Pertaining to Socio-economic Profile of Women Entrepreneurs

Almost every nation shows keen interest in the emerging phenomenon of women in business for the enormous benefits emerging from it. To start with, empirical findings of the important studies conducted abroad on women entrepreneurs were listed below :

McClelland (1961) advocated that individuals with personality characteristics which were indicative of high need for achievement are likely to behave entrepreneurially. He regarded the following as the distinctive characteristics of high-need achievement : (a) a preference for moderate risks
and a propensity to work harder in such situations; (b) a belief that one’s personal efforts would be influential in the attainment of some goals and pleasure derived from this belief, (c) a tendency to perceive the probability of success in attaining a goal as being relatively high; (d) a need for feedback regarding success or failure of one’s efforts; (e) the capacity to plan ahead and to be particularly aware of the passage of time; (f) and interest in excellence for its own sake.\textsuperscript{34}

Decarlo (1979) and Lyons made a comparison of selected personality characteristics of minority and non-minority female entrepreneurs. The sample of the study consisted of 122 Black, White, Hispanic and American Indian women entrepreneurs. The response of both minority and non-minority entrepreneurs differed significantly from those of women (non entrepreneurs) in the general population on tests measuring achievement, autonomy, aggression, conformity, independence, benevolence and leadership. Differences were also obtained between minority and non-minority women entrepreneurs, with minority entrepreneurs reporting that they started their business at a later age than non-minority women entrepreneurs.\textsuperscript{35}

Hisrich and O’Brien (1981) studied how characteristics of women entrepreneurs varied according to the type of business. Female entrepreneurs in

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\textsuperscript{35} DeCarlo, J. and Lyons, P.R., A companied of selected personality characteristics of minority and non-minority female entrepreneurs. Journal of Small Business Management, (December) 1979, pp.22-29.
\end{flushleft}
non-traditional business areas (finance, insurance, manufacturing and construction) differed from their counterparts in more traditionally female business areas (retail and wholesale trade). The latter group had particular difficulty in gaining access to external financial sources, from banks, informal investors, or venture capitalists.\(^{36}\)

**Hisrich and Brush (1986)** in their study made a comparison of the motivations, business skills, occupational backgrounds and personality traits of male and female entrepreneurs. They found that in some respects, women entrepreneurs possessed very different motivations, business skill level, and occupational backgrounds than their male counterparts. The start-up process of a business for women entrepreneurs was also different from that of males, especially in terms of support systems, sources of funds, and problems. Men were often motivated by the drive to control their own destinies, to make things happen. This drive often seemed from disagreements with the boss or from a feeling that they could run things better. In contrast, women tend to be motivated by a need for independence and achievement that results from the frustration they felt not being allowed to perform on the job at the level they

were capable of. Both men and women entrepreneurs felt that their best solution to these problems was to venture out alone.\(^{37}\)

Mac Donaled (1986) conducted a study to identify traits and characteristics of women entrepreneurs and to compare the perceptions of successful women entrepreneurs with those of the less successful ones. Survey studies were used to question respondents about demographics, traits and characteristics. A demographic survey and a Likert type scale containing 60 characteristics and traits were mailed to 519 women entrepreneurs. Conclusions included the following: (1) Net profit was a factor of success in the opinion of more successful women entrepreneurs and not in that of less successful one (2) Length of time in business was a predictor of success. (3) Successful women entrepreneurs and less successful women entrepreneurs perceived the same traits and characteristics necessary for success. (4) Having entrepreneurial parents did not affect the success of the women entrepreneurs.\(^{38}\)

International Labour Organization Advisory Team Report on Women entrepreneurs reported more specific gender differences became obvious if the business were owned by women as compared with those owned by men or were of mixed ownership. Women tended to err by showing lack of finance, lack of time, lack of customers and suitable locations more often, while the


\(^{38}\) MacDonald, J.L. The Traits and Characteristics of Women Entrepreneurs : Criteria for Predicting Success in business management. Dissertation Abstracts International (part A), 46(8), 1986, 2169-A.
businesses with next ownership complained more about marketing and competitions. Lack of finance, lack of time, lack of customers and the locations were all clearly gender-related. Lack of finance was a problem that affected women more than men. Lack of customers and the location were related to the size of the business and for several reasons, women tend to start smaller.

Women tended to start and operate smaller businesses than men for several reasons. First of all, many women tended to take part in traditional activities. These activities needed little investment and women often already possessed part of the necessary equipment in the household such as kitchen utensils or a sewing machine. Secondly, women were more afraid of taking risks, especially when they were forced by family circumstances such as, unemployment, death of the husband or divorce, to start a business in order to secure a source of income. Thirdly men had better access to loans than women, because they often had more collateral and a longer work history. The latter helped in building start-up capital and work experience was also considered in credit ratings. Finally, family members were not always sympathetic towards women entrepreneurs: they were sometimes unwilling to share household responsibilities or were envious and women had to balance responsibilities for the business and the household.  

Miroslav Glas and Tea Petrin (1988) Study revealed that women tend to own relatively more service businesses than men. Women managed

businesses were those in developed market economies with respect to age, marital status and number of children; women entrepreneurs had education well above the average of the population, most women started their small businesses after a long period of working for larger companies and had been dissatisfied with their jobs. Independence and working aspirations were more important to them than expected financial returns and career. Women were significantly more inclined to share the ownership with other partners and employed family members; women valued more social recognition than financial results, and personal satisfaction was more important to them than company profit and growth; most women entrepreneurs were supported by their family members; women perceived social support that men; women were more critical about government support than men; women were relatively optimistic about future growth of businesses.  

Suzanne Catlay and Hamilton, R.T.,(1998) in their study found that women started businesses for the same basic reasons as applied to male founders namely, a product or service idea creating a commercial opportunity; financial independence; to use a skill or talent and for the independence of being their own boss. Self-employment was in fact the last resort for some women. In this study psychometric scales were used to analyse the following seven characteristics of male and female business owners; need for achievement; locus of control; primacy of business; trust; independence;  

planning and achievement values. In each case there was no significant difference between male and female business owners.41

Leonie V. Still and Wendy Timms (2000) in their study about women’s participation in the small business sector mentioned that it was a growing phenomenon worldwide. The research enquired into the status of women in small business in Australia. Apart from examining barriers which might prevent women from expanding their businesses the findings addressed a new paradigm of women in small business. The gender specific view of unique circumstances and barriers prevented women from expanding their businesses. The women interviewees felt that family issues and child care constituted considerable barriers to women in small business. The result of the study showed that many women identified gender issues included male attitudes; women who did not support other women; men’s narrow mindedness; women’s traditional place in the home; lack of respect because of gender and a male dominated society and business fields.42

Jean Lee Siew Kim and Chooseow Ling (2001) in their study analyzed work-family conflict experienced by Singapore women entrepreneurs. The study aimed to determine the relationship between the sources of work and the family conflict and the different types of work and family conflict; the


relationship between the different types of work-family conflict and the wellbeing of women entrepreneurs. The study found that there was a negative relationship between work-family conflict and job/business satisfaction. The study reported that female entrepreneurs who experienced lower levels of marital happiness tended to have higher levels of work-family conflict. In the case of Singapore women entrepreneurs it was observed that there was a negative relationship between work-family conflict and marital satisfaction.

Muriel Orhan and Don scott (2001) had developed a model of the factors that motivated the women to start their own businesses. Qualitative research involving 25 French women entrepreneurs was used to explore the case study situations. The research identified a number of situations that related to women’s decision to become entrepreneurs, viz. ‘Dynastic compliance’, ‘No other choice’, ‘Entrepreneurship by chance’, ‘Natural succession’, ‘Forced entrepreneurship’, ‘Informed entrepreneurs’ and ‘Pure entrepreneur’. The findings did not reinforce the assumption that a majority of women became entrepreneurs for reasons of necessity and identified antecedents to the generalized push, pull and environmental motives. It was clear from the model that had been developed, that these reasons formed a complex system of interacting motivations and there was reinforcement of some effects as a result of the influence of a number of motivating factors.

Ruth McKay (2001) in his study pointed out that there were a number of factors, economic and non-economic factors include capital, labour, raw materials, technology and markets while the non-economic determinants included ideology, legitimacy, social mobility and psychological factors. He concluded that women entrepreneurs had faced greater challenges in establishing legitimacy than men.45

Gerard McElwee and Rahma Al-Riyami (2003) in their study examined some of the economic and socio-political barriers which faced women entrepreneurs in Oman. There were opportunities, but there were a number of factors which prevented women from taking advantage of them which were analysed. The majority of women’s businesses was concentrated in the service industry and was small in size because the women had either previous experiences, knowledge acquired from education or a corporate job or the nature of the venture started of as a hobby. The findings here suggested that women predominated in the service sector.46

Karl W. Sandberg (2003) explained that showed that female entrepreneurs in rural areas did not feel discrimination; rather they saw themselves as closely similar to their male colleagues. Following conclusions were drawn from the study: (1) Micro business owners felt neglected by local government even though they played an important role if not critical part in the

economic path of rural economies. They believed that larger businesses were favoured and received a disproportionate share of governmental interest and support. (2) Local governmental officials did not understand the needs perceptions, problems or potential of small business owners. There was a need for local governments to be more sensitive to the needs of micro enterprises. (3) Local government needed to be more innovative in its dealing with micro enterprises. Strategies such as streamlining of government processes and more frequent use of supportive programmes were desired.47

**Tuzin Baycan Levent et al., (2003)** in their study indicated that female entrepreneurs started their businesses with strong economic motivations such as generating extra income. However, some studies showed the contradictory result that non-economic motives, like being independent, were more important in some countries. On the other hand, the studies on ethnic entrepreneurship indicated that ethnic entrepreneurs started their businesses with economic motivations and that they were attracted by entrepreneurial opportunities. The result of this study showed that economic motivations, such as generating extra income, were not the primary reason for Turkish female entrepreneurs to become entrepreneurs.48

**Atset Wodie and Adevimpe Adersua (2004)** in their paper highlighted the position and role of female entrepreneurs in the economic development of

Nigeria. In the past, the significant contribution of women in sustaining socio-economic well being of their families had been neglected. This had resulted not only in gross underestimation of women’s socio-economic contribution to the economy but also in the underutilization of women’s tremendous socio-economic potentials in the Nigerian business environment. The research result had indicated that the greatest challenge for Nigerian women in business was being taken seriously by their male counterparts, as well as in society as a whole.⁴⁹

Attila Bruni (2004) indicated in their study that the entry of women into entrepreneurship seemed to be a complex mix of constraints and opportunities, of external coercions and subjective aspirations. At the same time those women who were able to cope with these constraints were represented as skilled in the management of flexibility and relational resources.⁵⁰

Joan Winn (2004) in her study showed that those women who began their businesses as a partnership found that working as a team had its own pitfalls. For many, the autonomy that they sought was compromised by power struggles and ideological disagreements. Rather than, serving as a source of support, most women in this study found partnerships added stress. Division of

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responsibilities and conflicting expectations were most often cited as reasons for dissolving partnerships.\textsuperscript{51}

Sophia Sathopoulou et al., (2004) in their study found three major features of the physical environment highly affected entrepreneurship: location, natural resources and landscape. Location was related to the distance from major markets and accessibility to customers, suppliers, information sources and institutions. The existence of natural resources, the climate and the topography-relief of the area as well as the landscape affected entrepreneurial activity by presenting opportunities for the environmentally sound utilization of resources.\textsuperscript{52}

(b) Indian Research Pertaining to Socio – Economic Profile of Women Entrepreneurs

This part presents the findings of some of the important studies carried out in India relating to socio-economic profile of women entrepreneurs.

Bhattacharjee and Akhouri (1975), the empirically proved that significant characteristics appeared to be the need for achievement, power, independence, propensity to take risk, personal modernity, business experience, leadership, lack of social mobility, and symbolic or actual rejection of father. The factors which were empirically tested but not statistically supported were


autonomy, aggression, conformity, recognition, benevolence, innovativeness, occupational background, caste, family background, age and education.53

Sharma (1976), studied the inter-state (Punjab and Uttar Pradesh) patterns of entrepreneurial performance. The study affirmed that to some extent socio – economic background matters for one’s entry into manufacturing.54

Mohiuddin (1983) made an attempt to study the entrepreneurship development among women. It was found that women became entrepreneurs due to following reasons : (1) economic needs ; (2) as a challenge to satisfy some of their personality needs (power, achievement, novel experience, etc); (3) educated women like to utilize their knowledge gained; (4) family occupation; and (5) as a leisure time activity. Women entrepreneurs faced the same difficulties as that faced by men.55

Shah (1987) analysed the application forms of 300 women who undertook an Entrepreneurship Development Programme (EDP), with the purpose of drawing a demographic profile of different target groups of women entrepreneurs, to find out their motivations and their behavioural patterns. The analysis revealed the following motives for becoming an entrepreneur : (a) in the low-income group 82 percentage of the women became entrepreneurs due to economic needs, whereas, the economic need was expressed by only 25

percentage women of the middle-income, whereas, the economic need was expressed by only 25 percentage women of the middle-income group; (b) utilization of own experience and technical education was expressed by science and technology educated women (75 Percentage), (c) husband’s family interest and support was expressed by 50 percentage women in all groups, (d) availability of free time and finance was expressed by 60 percentage housewives, and (e) desire to become independent and personal ego satisfaction (of doing something on one’s own) was expressed by 51 percentage of women entrepreneurs. Among the motives to become an entrepreneur were economic needs, utilization of own experience and education, husband’s family’s support and interest, availability of free time and finance, desire to be independent, and personal ego and satisfaction of doing something on one’s own.56

**Seth (1988)** conducted an empirical study to explore some psychology characteristics of Indian women entrepreneurs’ vis-a-vis their non-entrepreneur peers in terms of: (a) personality; (b) self – concept; and (c) sex-role orientation. The psychological characteristics were studied with the help of the Thematic Apperception test (TAT), self concept scale, Bem’s sex role inventory and a personal information schedule.

The major findings of the study were (1) women entrepreneurs as compared to their non-entrepreneurial peers were found to possess better cognitive qualities in terms of the level of organization and imagination,

whereas non-entrepreneurs were found to have more general intelligence than their entrepreneurial peers. (2) Women entrepreneurs were also found to be more organized, imaginative, cheerful, self-assertive, decisive, ambitious, socially conscious, mature and integrated than their non-entrepreneurial peers. These attributes were generally associated with men, (3) women entrepreneurs were further found to have a higher overall self-concept than women in other professions. The higher self-concept of women entrepreneurs as compared to their non-entrepreneurial peers seemed to be probably due to their perceiving themselves to possess greater potentialities and abilities.  

Deivasenapathy (1988), administered a list of entrepreneurial characteristics to 20 EDF trainers who were in the age group of 27 to 45 years and had experience ranging from five to 15 years. Data was analysed by ranking of categories. Results indicated that in the first stage, risk-taking, initiative, need-achievement, scanning of environment, and decision making seem to have a direct bearing on choosing the entrepreneurial career, i.e. ‘realization of opportunity’. By stage two, i.e., ‘resource awareness stage an entrepreneur has already decided his goal and was in the process of planning course of action. In this context, information – seeking was highly relevant. Achievement motivation still remained within the first five entrepreneurial characteristics and was followed by perseverance. By stage three, i.e., ‘creation of venture’, the enterprise was established and traits listed were found to be

very practical in nature like decision-making and problem-solving skills. Stage four, i.e. ‘growth and expansion’, called for a high degree of managerial expertise. In the final stage, risk-taking, scanning of the environment and achievement motivation again became important.\textsuperscript{58}

**Anna, V. (1990)** in her study proposed to identify the trends of women entrepreneurship in Kerala in terms of community, occupation, education and economic status. The intention was to probe into the genesis of women entrepreneurship and discover the inter-relationship between socio-economic structures and entrepreneurship. The study revealed that industrial entrepreneurship than their counterparts in other communities were highly qualified women and were motivated to enter industry in the prime of their age. However, low level of education did not inhibit a few entrepreneurs from entering into trade. The special assistance extended to women entrepreneurs by government agencies instilled entrepreneurial spirit among women, especially among educated women. Majority of women entrepreneurs hailed from lower and middle-income groups. Their poor financial backwardness prevented expansion and modernization of their units.\textsuperscript{59}

**Rao. Harinarayan.C (1991)** in his study on promotion of women entrepreneurship listed economic backwardness, lack of familial and community support, ignorance of opportunities, lack of motivation, shyness

\textsuperscript{58} Devisenapathy, P., Characteristics of entrepreneurs as perceived by trainers, Indian Journal of Applied Psychology, 25(2), 1988, PP.54-63.

and inhibition, preference for traditional occupation and preference for securing jobs as the factors that inhibited promotion of grass root entrepreneurship among rural women.\textsuperscript{60}

**Rathore and Chhabra (1991)** in their study on “Promotion of women Entrepreneurship : Training Strategies” stated that ‘Indian women found it increasingly difficult to adjust themselves to the dual role that they had to play as traditional housewives and competed with men in the field of business and Industry. Working women were often tossed between home and work.’\textsuperscript{61}

**Kamala Singh (1992)** described with the help of statistical analysis the linkages and communication patterns between various supporting agencies and institutions and women entrepreneurs. The empirical findings of the study revealed that most of the women entrepreneurs were young graduates, possessing a medium level of knowledge but with high motivation and value orientation.\textsuperscript{62}

**Jothi and Prasad (1993),** prepared a profile of entrepreneurial base among the women of rural India. The findings of the study revealed a striking difference in the educational background of women entrepreneurs in general. women belonging to rural areas were found to have limited education as most of them had only pre-university education. Social factors like caste, community, and religion were found to strongly influence the growth of

\textsuperscript{60} Rao, harinarayan, C., Promotion of Women Entrepreneurship Training Strategies, SEDME, 1991, pp.25-38.


entrepreneurship. Most of respondents were from nuclear families. The results revealed no significant relation between occupational background and entrepreneurial character of the respondents.\(^{63}\)

**Singh (1993),** in his book “Women Entrepreneurs : Their Profile and Motivation” states that urges and factors impinging on and influencing the process of the birth and growth of women entrepreneurs were no different from those affecting men entrepreneurs. Several women were now willing to become entrepreneurs due to pull-factors or push-factors. Under the first category, the women entrepreneurs chose a profession as a challenge and adventure with an urge to do something new and to have independent enterprises to get over financial difficulties due to family circumstances. However, the latter category formed a negligible percentage of the total women in business.\(^{64}\)

**Nigam Shalini (1994),** conducted a study on profile, problems and prospects of women entrepreneurs in India to understand the profile of women entrepreneurs to identify different variables operating in the commercial environment of women entrepreneurs. The study revealed that most of them lived in big cities, belonged to business families, and most of them were graduates. Major motivational factors were to be their own boss, to achieve financial stability by earning additional income, to gain prestige, recognition and respect in society. The majority had no male support and did not receive

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\(^{64}\) Singh, K.P., Women Entrepreneurs : Their Profile and Motivation, the Journal of Entrepreneurship, 2.1, 1993, p.47
any training. Problems faced were non-availability of agencies to guide, aggressive promotion and advertising by larger companies, disturbed family life, difficulty in financing larger companies, disturbed family life, difficulty in financing the enterprise, and poor government assistance. The respondents suggested better education more training institutions, and guidance cells for women.65

Anju Gupta and Inderjeet Khanna (1997), pointed out that whether a woman was self employed or a small scale entrepreneur, she had to face a variety of constraints related to her social, psychological, economic and educational conditions. The study showed that lack of knowledge about various institutions and government programmes, unfavorable attitudes of family members and lack of confidence in their own abilities, excessive burden of work and responsibility were the most common constraints for majority of the respondents; lack of leisure time and inability to handle technical, financial, sale, production and other managerial activities were the other major constraints commonly faced by the women entrepreneurs. They were poor risk takers and their orientation to credit was inadequate. The study recommended that women entrepreneurs needed to organize into effective groups to influence government and bank policies and resource flow.66

Sudharshanan Pillai, P. and Saraswathy Amma (2000), identified the constraints faced by women entrepreneurs in starting-up as well as managing their enterprise. The study showed that the lack of leisure time activities and inability to handle technical, financial, sales, production and other managerial activities were the other major constraints commonly faced by the women entrepreneurs. They were poor risk taken and their orientation to credit was inadequate. Knowledge constraint was observed to be quite common among women entrepreneurs. They also lacked knowledge about raw material availability, availability of machinery and equipment and merits and demerits of different enterprises. The study also showed that the general, economic and knowledge constraints were quite common among women entrepreneurs. They were not aware of the institutions or programmes. Therefore there was a need to provide enough information and opportunities to women entrepreneurs so that they could become successful entrepreneurs.67

Biplab Moitra (2001) in his study reported that women entrepreneurs had problems in securing finance from financial institutions and even getting people to work for them. This study was made in Sunderban region of west Bengal. In this region in the beginning the women lacked appropriate corporate vision in fixing targets, priorities criteria and identification of appropriate

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beneficiaries. From 1981 onwards they started, skill development programme in distant villages for women living below poverty line.\textsuperscript{68}

II. Social and Economic Problems Faced by Women Entrepreneurs

(a) International Researches Pertaining to Social and Economic Problems Faced by Women Entrepreneurs

Review of the studies related to International scenario of social and economic problems faced by women entrepreneurs is presented here.

Hisrich and O’Brien (1981), studied women entrepreneurs from a business and a sociological perspective. The study was conducted on 21 female entrepreneurs with the purpose to explore the demographic characteristics, their motivations and business problems. The results indicated that female entrepreneurs experienced varying business problems, particularly problems with weak collateral position, obtaining credit, and overcoming society’s belief that women were not as serious as men about business.\textsuperscript{69}

Tuzin Baycan Levent (2003), and others showed that most characteristics of Turkish female entrepreneurs were very similar to male characteristics. The results of the study showed that Turkish female entrepreneurs were very successful in terms of the development of the sales, profits and survival conditions. It could clearly be seen that they were increasing their market shares due to their successful performance. They had

become service providers not only for their own ethnic groups but also for other groups in the city.\textsuperscript{70}

**Karl W. Sandberg (2003)**, in his study assessed gender related differences in rural enterprises and examined implications for development of economic policy and services in a rural district of Sweden. Four areas of financing process had been consistently noted as posing particular problems for women. First, women might be at a disadvantage in their ability to raise start-up funds. Second, guarantees required for external financing might be beyond the scope of most women’s personal assets and credit record. Third, finance for ongoing business costs might be less available for female owned firms than for male enterprises: largely due to women’s inability to penetrate informal financial networks. Finally, female entrepreneurs relationship with bankers might suffer because of sexual stereotyping and discrimination.\textsuperscript{71}

**Tuzin Baycan Levent et al., (2003)** in their study investigated the phenomenon of ethnic female entrepreneurship in urban economic life. In recent years observed a significant shift in the orientation of ethnic groups towards self employment had been observed. This movement generally referred to ethnic entrepreneurship. The latter phenomenon distinguished itself from “normal” entrepreneurship through its orientation towards ethnic products, ethnic, markets, and customers or indigenous ethnic business strategy.\textsuperscript{72}

\textsuperscript{70} Op cit. Tuzin Baycan Levent, et. al., 2003, pp.1131-1161.
\textsuperscript{72} Op cit. Tuzin Baycan Levent et al., 2003, pp.1131-1161.
Attila Bruni et al., (2004) in their study identified three main types of barrier against female entrepreneurship in western countries. First, the socio-cultural status of women, which identified the primary role of women with family and domestic responsibilities and reduced the credibility of women’s intention of setting up a business in a variety of ways. Second, the access to networks of information and assistance, which were often the main source of information and contacts, but which equally often comprised more or less overt mechanisms of gender exclusion. Finally, access to capital; whether women entrepreneurs apply to an institutional finance a friend, a relative or even her spouse, they were likely to come up against the assumption that women could not handle money.73

Dorothy Perrin Moore and Charleston (2004) pointed out that constraints faced by women small business owners appeared related to small firm size and limited prospects, the reality check that the entrepreneurship did not solve all one’s problems and the discovery that one could not do it all and work-life, family-life conflicts. It was also possible for the entrepreneur to become entrenched in a business because of the prior investment of money, time and resources, a sense of psychological preservation and a perception that there were few alternative career paths.74

Friederike Welter (2004), in his study in Germany states that, although female entrepreneurship had been rising slowly but continuously but over past 30 years, only 6 percentage of all women were classified as entrepreneurs, as compared to more than 9 percentage of men. Female entrepreneurs more commonly created and retained micro enterprises. The research indicated, women might have particular problems with acquiring and mobilizing resources including human, social and financial capital. Discontinuous work patterns and histories resulted in women having lower levels of work experiences and work related training. Gender related differences in human capital could be at least partly responsible for lower rates of women entrepreneurs. In this context, the research had identified four areas were female entrepreneurs might benefit from support: information and education, networking activities, targeted finance activities and targeted business support initiatives.75

John Hayes and Christopher W.Allinson (2004), in their study found that women in general were more analytical than men in general. Findings indicated that those women who occupied organizational roles that were free from pressures to blend in with male gendered organizational structures and cultures exhibited a more analytical approach to information processing than women who occupied roles that were subject to such pressures.76

Dima Jamali, et. al., (2005) in their findings of the study suggested that Lebanese women managers shared many of the barriers women faced in other areas of the world. Living in an environment of cherished religious and cultural values and customs had a significant impact on societal attitudes and behaviours. The other constraints that were identified consistently across all women participants were constraints of an attitudinal and structural nature stemming from within the corporate environment.77

Emma McClelland, et al.,(2006) when addressing the motivations of the female entrepreneurs across the six countries, viz. Singapore, South Africa, Australia, New Zealand, Canada and Ireland, pointed out that “push” factors such as redundancy o being unhappy in their previous jobs as motivations for starting up their own ventures.

The female entrepreneurs in Canada, Singapore and Ireland utilized networking as a means of business development ; however, different reasons became apparent as to the purpose of these networks. The Canadian and Singaporean women used a series of networks to develop contacts in new markets and capture international sales, whereas the Irish women used networks as a support mechanism where they could gain knowledge and advice from fellow business owners. This research also found that gender-specific obstacles could not be strongly identified amongst the sample except in Singapore and Ireland where issues of gender posed a major problem for the

majority of these women. This trend was more apparent in the start-up phase of business and in fact tended to subside once their businesses had been established and the entrepreneurs felt they had proven themselves as competent business women.\(^78\)

**(b) Indian Research Pertaining to Socio-economic Problems Faced by women Entrepreneur**

This section presents the Indian studies relating to the socio-economic problems faced by women entrepreneur.

**Sruti and Sarupriya (1983),** in their study investigated the psychological factors affecting women entrepreneurs. They examined the impact of stress, the effect of demographic variables such as marital status and type of family on stress and how women entrepreneurs cope with stress. 40 women, each with over two years of entrepreneurial experience each with over two years of entrepreneurial experience completed a test battery that included measurements of tole stress, locus of control and fear of success. Results indicated that unmarried women experienced less stress and less role distance than married women. While many respondents used intra-persistent coping

styles, i.e., taking action to solve problems, avoidance oriented coping styles were more common than approach oriented styles of coping.\textsuperscript{79}

**Vinze (1987)** in a study of 50 women entrepreneurs of Delhi presented an empirical and first hand report about their perception of the prospects and future of their enterprise, problems faced, their involvement in the enterprise and its effects on family life. Data was obtained by a detailed structured and guided questionnaire. The analysis revealed the following findings. Only 10 percentage were aware of government organizations involved in promoting and providing support to entrepreneurs. Further 40 to 50 percentage of women entrepreneurs did not know of institutions in Delhi providing entrepreneurial training and those who knew about such institutions felt that they were very expensive for new entrepreneurs. Only a minority 22 percentage of the entrepreneurs knew about government providing infrastructural facilities like preparation of project report, purchase of machine for the industry and land or flatted building, for setting up the industry but they also reported that the procedures for getting the infrastructural facilities were very cumbersome. All the entrepreneurs reported that no government agency provided raw material but they had to buy it from the market.\textsuperscript{80}

**Harinarayana Rao (1991),** conducted a study with the objective to assess the factors that impede and slow down the process of entrepreneurial development among women in the backward mandals of Anantapur district of


\textsuperscript{80} Vinze, Medha dubhashi, Women Entrepreneurs in India, Delhi: Mittal Publications, 1987, pp, 40-80.
Andhra Pradesh. A brief analysis of the problems impeding the promotion of grass-root entrepreneurship among women revealed that more than any other problem, poor financial status of women was found to be very critical in the promotion of entrepreneurship amongst women. Secondly, lack of co-operation from the family and society kept them away from the mainstream of entrepreneurship. Thirdly, because of widespread illiteracy and ignorance, the rural women were not aware of the programmers such as DWCRA, IRDP, TRSEM, etc. This underlines the need for educating rural women regarding various schemes and programmers meant for their uplift.  

Srivastava and Chaudhary (1991), in their work on “Women Entrepreneurs : Problems, perspective and role expectations from banks” found out that no single factor but a host of motivating factors act simultaneously on the individual creating dissonance in her, which in turn motivated her to take an action directed towards elimination or reduction of dissonance in the individual. Women faced problems mainly in the areas of marketing of their products and approaching the banks for getting loans. Personal problems like time constraint and family stress were also cited. The study concluded that joint family was not an obstacle for developing entrepreneurs. In fact it was a facilitating factor. The entrepreneurial role enhanced familial bonds and

increased role satisfaction of women entrepreneurs as a wife mother and maker of “home”. \textsuperscript{82}

\textbf{Robert.D.Hisrich and Sevgi ayse ozturk (1999)} in their study the problems at start-up reflected the skills of women entrepreneurs as well as the conditions in a country. The most frequently mentioned problems was financial (59Percentage) followed by a specific aspect of finance obtaining a loan. Other significant problems at start-up were personnel problems, lack of guidance, lack of involvement with the business colleagues, lack of managerial experience and inexperienced hiring outside services. \textsuperscript{83}

\textbf{Dr.Sivaloganathan, K., (2002)} in his study analysed the problems and prospects of women entrepreneurs. The main problems faced by entrepreneurs in India were : inequality, family background, low wages, inadequate training, government policies, exploitation by middlemen, problem of finance, scarcity of raw materials, stiff competition, high cost of production, low mobility, social attitudes, low ability of bear risk, lack of education, project related problems, family ties, shortage of power, inadequate infrastructural facilities and socio-economic constraints. \textsuperscript{84}

\textbf{Anjaneya Swamy, G., and Deepak Raajan (2003)} in their study pointed out some common constraints faced by women entrepreneurs in India.

\textsuperscript{82} Srivastava, A.K. and Chaudhary, Sanjay, Women Entrepreneurs : Problems, Perspective and Role Expectations from Banks, Punjab University, Chandigarh, 1991, pp.25-70. \\
They included unfavourable socio-cultural milieu, which created an unfavourable set up for Indian women to make their mark in entrepreneurial activities. The exact causal factors might vary from place to place. The following attributes were quite discernible. They were social stigma, male dominations, obnoxious family traditions and norms and absence of property inheritance and consequently economic freedom. Other constraints were lack of role model, lack of awareness and motivation, lack of financial support, misuse of finance and incentives.\(^{85}\)

**Anil Kumar (2004)** in his study took into account six districts from Haryana to study the choice of women entrepreneurs to locate their business. The study revealed that almost 50 percentage of the women entrepreneurs were managing their businesses from their homes and one-third from rented shops. Choice of location of enterprises by women entrepreneurs further revealed that most of them wanted to operate their businesses near the homes followed by those who preferred the proximity of the market. However, due to stringent rules and regulations they appeared to face problems while managing businesses from homes.\(^{86}\)

**Krishnaveni Motha (2004)** on the basis of her study indicated that women entrepreneurs exhibited different degrees of motivation and spent considerable time to their business. The most compelling reasons for entering


entrepreneurial field were economic in nature: to supplement family income, economic necessity and non-availability of government jobs due to dismally low educational level. The study also brought out that women entrepreneurs who received family support could manage the enterprise more effectively.\(^{87}\)

Mohsin Aziz (2004) in his study states that the thread of political and economic imbalances and uncertainties, unemployment, poverty, urbanization and increased socio-economic complexities and innumerable other factors contributed to stress. In fact an organization of system of roles in their comprehensive and integrated model of stress postulated that the quest for identity is a central concern for many individuals. It was only through the integration of the self and the role stress could be reduced and a person’s effectiveness in the organization could be ensured.\(^{88}\)

III. Factors Influencing the Performance of Women Entrepreneurs

(a) International Researches Pertaining to the Factors Influencing the Performance of women Entrepreneurs

This section describes the International scenario of factors influencing the performance of the women entrepreneurs.

O’Donnell and Anderson compared capable women from 10 traditional and 10 non-traditional fields to determine variables contributing to women’s


decisions to enter pioneering fields. Results showed that pioneers tended more often to have (1) mothers who graduated from college; (2) identified positive male influence on choice of college majors and careers; (3) identified role-models; career goals; and role broadening work experience; and (4) parents who expected their daughters to work after graduation. Women in both traditional and non-traditional fields did equally well academically and neither of them preferred a home-oriented adult life-style. The conclusions drawn were, that though no clear cut pattern of career choice influences emerged, women in pioneering fields appeared to have received more psychological support in formulation of their academic and career plans. Women who preferred male-dominated fields probably perceive these fields as more important, socially acceptable, prestigious, etc. and by entering these fields they probably want to prove to themselves and others that they too were as capable as men of handling them and thereby gain social status and ego satisfaction. This point of view was indirectly apparent in a study by Moses (1976) where the results showed that middle class and working class internalized male dominance ideologies and women in both classes perceived males as dominant and male activities as more important than their own.

Honaday and Abond (1971) analysed a number of characteristics such as achievement, autonomy, aggression, support, conformity, recognition, independence, benevolence and leadership which were felt to be significantly
associated with entrepreneurs. Out of these, need for achievement, support, independence and leadership emerged as most significant characteristics.\(^{89}\)

**Schewartz (1979)** in an exploratory study found that their prime motivation for starting a business was the need to achieve, the desire to be independent, the need for job satisfaction and economic necessity. These female entrepreneurs tended to have an autocratic style management. The major problem encountered during start up was credit discrimination and the subsequent problem was underestimating operating and marketing costs.\(^{90}\)

Durang reported that need achievement training for achievement-motivation (NACH) had been limited to programme persons who could afford the time and monetary costs of the longer training sessions. He found that a substantially shortened training design when combined with skill training, demonstrated many of the effects and benefits of the original need for achievement training. In a two-year follow-up study, it was found that NACH trained subjects engaged in significantly more business activity than they did before the training.

**Arthur Dolinski and Richard Caputo (1993)** studied the growth in women entrepreneurship over the past two decades. Their data being cross-sectional in nature, the study had not been able to contribute substantially towards the understanding of the self-employment patterns and gross flow

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dynamics of women over time. The results of the study indicated that as the levels of educational attainment increased, there was a rise in the educational attainment, and in the incidence of initial entry, continuous ‘stayer’ and re-entry status among women. These findings revealed that less educated individuals were less likely to have accumulated assets and hence were more likely to face liquidity constraints that made it relatively difficult for them to pursue entrepreneurship. This called for disproportionately more efforts, especially in spheres of finance and human capital to facilitate entry of the less educated women into self-employment.91

Barbera White (1995) prepared a model of the career development of successful women was based largely on the career paths of the younger women in the sample. Only 5 of the successful women had taken career breaks, mean length of 9.4 years. The older women in the sample were described as having an unconventional career pattern. These women had a series of challenging jobs with no logical pattern. Their employment was interspersed with periods of child rearing and voluntary work. The results suggested that no matter, what their occupation, the successful women passed through specific life stages. The nature, duration and exact timing of certain life events differed, but certain developmental tasks appeared to be predictable. Certain issues did appear to emerge in chronological order and the mean age of women dealing with this developmental task was given. During age-related stages particular

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developmental vocational issues were confronted as the individual dealt with critical concerns about the self, their careers and their relationships with others.\footnote{Barbera White, “The Career Development of Successful Women,” Women in Management Review, Vol.10, No.3, 1995, PP.4-15.}

Annete L.Bach, (1997) in her study reported that women – owned businesses were fastest growing sector of nation’s economy. Results from this study were summarized in the following major findings: (1) These North Dakota home-based businesses were small, part-time developing businesses fulfilling personal as well as economic needs. (2) The women entrepreneurs in this sample were well educated, middle-aged and had no children under five years of age. (3) Most of these businesses were not the major source of income for the household. Almost two-thirds of these entrepreneurs reported that the business provided less than 20 percent of the household income. (4) Almost three-fourths of the sample expressed satisfaction with the each of the five workspace variables: space, privacy, security, safety and accessibility. The women entrepreneurs were committed to having a business in the home, as suggested by their designation for work-space and storage and time spent in the work space.\footnote{Annete L.Bach, Home-based business work place: Satisfaction of North Dakota, Women Entrepreneurs”, Dissertation of Doctor of Philosophy, Faculty of the Virginia Polytechnic Institute and State University, Blacksburg, Virginia, 1997, PP.65-73.}

Jean Lee (1997) identified the factors affecting the motivational needs of women entrepreneurs in Singapore. The various levels of education were discovered to have the greatest impact on the need intensities of these women.
The need for achievement of women entrepreneurs was most greatly affected by a university education while the need for affiliation was most significantly affected by post-graduate education. From this study, it could be concluded that occupational choice of women was influenced by their psychological needs. Business ownership in particular was motivated by a higher need for achievement and dominance. It was also found that both family background and life experiences had influences on the psychological needs of women entrepreneurs. Educational attainment in particular, had a significant influence on the need intensities of women business owners.\(^{94}\)

**Robert, D.Hisrich and Sevgi Asyse Ozturk (1999)** analysed the characteristics, performance and problems of women entrepreneurs in developing economics particularly Turkey. The authors investigated the demographic background of women entrepreneurs, the personality traits, motives for being involved in business of their own, departure point for starting their present business, start up and current problems encountered and their managerial skills. The problems at start-up reflected the skills of women entrepreneurs as well as the conditions in a country. The most frequently mentioned problem was financial (59Percentage) followed by a specific aspect of finance in obtaining a loan. Other significant problems at start-up were personnel problems, lack of guidance, lack of involvement with the business

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colleagues, lack of managerial experience and inexperienced hiring of outside services.\textsuperscript{95}

\textbf{Andrea E. Smith-Hunter and Robert L. Boyd, (2004)} revealed that a small section of minority women would exhibit lower levels of desire or motivation for independent enterprise. On the contrary, the minority women were significantly more likely than white women to have become business owners for such reasons as “to be my own boss”, “to make more money” and “always wanted a business”. The results further suggested that the minority were more opportunistic in their entrepreneurial decision making. The minority women would be more inclined than white women to start a business in order to avoid disadvantage in the labour market.\textsuperscript{96}

\textbf{An overview report (2004)} prepared by International Labour Organization on the women entrepreneurs in Ethiopia, Kenya and Tanzania faced numerous barriers that prevented them from realizing the full potential of the economic contribution of their enterprises. Paramount among these were the legal restrictions or cultural practices that prevented them from owning property.\textsuperscript{97}

\textbf{Clare Brindley (2006)} in her study explored the barriers to women achieving their full potential in the entrepreneurial sector and the extent to


which these barriers were from structural sources or were the result of particular personality traits or perceptions. The study identified that socio-political factors could be a key determinant in risk perception. The author also argued that the differences in risk perception could be linked to issues of power and influence or rather women’s lack of access to them. It was also argued that difference in perceptions and attitudes pointed towards the role of power, status, alienation, trust, perceived government responsiveness and other socio-political factors in determining perception and acceptance of risks.\(^{98}\)

**Peter DeVries et al., (2008)** in their study had reported the influence of “push” and “pull” factors in motivating men and women in starting their own business. The study reported that women were seen as lacking in important entrepreneurs characteristics such as leadership, autonomy, readiness for change and endurance.\(^{99}\)

(b) Indian Research on Factors Influencing the Performance of Women Entrepreneurs

This section deals with the research pertaining to the factors influencing the performance of the women entrepreneurs.

**Sharma (1975)** in his study on entrepreneurs Uttar Pradesh (India) examined their entrepreneurial orientation, commitment and achievement. He found that the entrepreneurs had higher entrepreneurial than entrepreneurial

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commitment and achievement. The low entrepreneurial achievement is attributed to non-conducive socio-economic milieu, non-commitment of workers and officials and shortage of raw material and capital. The data also depicted that non-business castes had a higher degree of entrepreneurial orientation and higher commitment to the application of effective methods of market expansion than the traditional caste entrepreneurs, who had more spatial expansion of markets and higher sales. The low degree of entrepreneurial orientation and commitment in business caste entrepreneurs could be explained not in terms of their lack of interest and capabilities but because of the well established business that was inherited from their fathers.\textsuperscript{100}

\textbf{Sharma (1978)} studies small-scale entrepreneurs from Punjab and Uttar Pradesh and tested a model for entrepreneurial development. His model of entrepreneurship growth, envisaged it as a process with four stages, viz. entry, expansion, perception of stability and commitment to sustained growth. He concluded that the role of government policies and their implementation became crucial to sustain the interest of the entrepreneurs in the continuous expansion of business.\textsuperscript{101}

\textbf{Venkatpathy (1986)} studies attitudes, personality and self-concept of entrepreneurs. He found that first generation entrepreneurs were more social, less convention more willing to adapt to innovative practices and had more

\textsuperscript{100} Sharma, K.L., Entrepreneurial Performance in Role Perspective New Delhi : Abhinav Publications, 1975, pp.60-75.

positive self-concept the second generation entrepreneurs, who were described as being interested in managing an existing firm.\textsuperscript{102}

**Anju Deepak (1993)** in her work titled “Value Orientations Among women Entrepreneurs” pointed out that empirical studies on entrepreneurship had focused on the emergence of male entrepreneurs but not much had been done on subjects with special reference to women entrepreneurs. Women continued to be the pull and push of traditional and changing values and hence their needs and capabilities would be different from those of men. Women entrepreneurs were regarded as individuals who took up challenging roles in which they wanted to adjust their personality needs family life, social life and economic independence. The study found that women entrepreneurs held high expectancies for values like ability utilization, achievement, personal growth, and creativity.\textsuperscript{103}

**Malika Das (1999)** analysed the start-up problems faced by the women entrepreneurs in southern India taking into account Tamil Nadu and Kerala. The problems faced by women in this study were largely similar to those observed in studies conducted elsewhere. Cash-flow problems were the most frequently stated bottle-neck followed by the problem of “inadequate working capital”, “promoting the business”, “lack of managerial experience” and “lack of time”. The study indicated that there might be both similarities and differences between the experiences of women from the developing and

\textsuperscript{102} Venkatpathy, R., First and Second generation entrepreneurs, SEDME, 10(8), 1986, PP.15-24.
\textsuperscript{103} Anju Deepak, “Value Orientations Among Women Entrepreneur”, Asian Entrepreneur, 3-2 & 3-3,1993, PP.36-43.
developed worlds. Specifically, this study underscored the difficulties faced by women in getting funds requirements. The women in this study were found different from their Western counterparts in some antecedent conditions (for example family background, and marital status), incubator organization issues (as most did not work before starting a business) and environmental factors (for example support services). The study also suggested that there is a rationale for focusing on ‘created’ or ‘pulled’ entrepreneurs, as they seem to perform better and seem to view their success as resulting from the business skills they possess. Women who were forced into entrepreneurship also did better than ‘chance’ entrepreneurs. Hence it might be inferred that financial motivations can lead to success in entrepreneurial activities.104

Rajinder Kaur and Shally Bawa (1999) took up an investigation into entrepreneurship among women emphasizing the psychological correlates, especially values and locus of control. The study identified the motivational factors of women entrepreneurship. The more successful among the respondents were found to score high on ability utilization, achievement, advancement, economic rewards, personal development and prestige. However, no significant difference in locus of control was observed among women with varying degrees of success.105

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Ratan Reddy, B., and Jashree Venkatesh (2006), in their study pointed out the following problems as major hindrances for women in starting businesses of their own. (1) lack of motivational, managerial and behavioural competencies was one of the major problems faced by the women. The reasons could include factors like culture, family background, society etc. The lack of managerial and behavioural competencies also posed a problem during expansion and growth of the business. While analyzing competencies of women entrepreneurs, it was observed that though some of the competencies of women entrepreneurs, it was observed that though some of the competencies like initiative, self-confidence, information seeking and problem-solving were found in most cases, some of the competencies like negotiations, skills supervising and controlling, monitoring and commitment to work contracts were found lacking.106

IV. Institutional Assistance to Women Entrepreneurs

(a) International Research Scenario of Institutional Assistance to Women Entrepreneurs

This part of the chapter reviews the International research scenario of Institutional assistance to women entrepreneurs.

Laurie Larwood and Marion M. Wood (1995) pointed out that interest and abilities of women had been among the important concerns of

training consultants during these decades of change. Client firms focused primarily on three related forms of training. They are, (1) Programmes in career development and management skills directly assisting women to understand the demands on them if they were to become successful managers. (2) Programmes assisting both men and women personnel in adjusting to a new understanding of both more egalitarian gender roles and culture. (3) Programmes seeking to train human resource officers and other organizational decision makers to cope with the specific demands placed on them by new regulations, changing work force and increasing recognition that firms must learn to foster a sense of inclusion if they were to make best use of human resources.\textsuperscript{107}

\textbf{Barbera White et al., (1997)} studies the successful women who were motivated primarily by the intrinsic desire to expel in their work. The demand for challenging and interesting work was stronger than the desire for promotion per se. One-third of the women claimed to be externally driven by the need to see concrete results of their efforts and to obtain recognition from others for their success. The theme of self development was mentioned by a quarter of the successful women. Promotion was believed to involve both competence and selling and one self to those with the power to promote.\textsuperscript{108}

\textbf{Trudie honour, et al., (1999)} stressed that the training would be an important issue when considering future prospects, although whatever the


efficacy and outcome of training the finding on the significance of women’s groups and networks in political mobilization suggested an important role for their continuing use. Research into networks revealed that while men use training to further their careers women tend to become involved to build relationships, to share concern about women’s continuing inequalities with one another and to offer support. As with training it could be argued that mixed – gender networks offered considerable opportunity to sensitise men to the issues of gender inequality and enable women unhindered to get on with the job.  

Sara Carter (2000), in her article, the implication of training and advisory services dealing with the small business sector was examined. This study presented prima facie picture of business women with more similarities than differences to their male counterparts. Like men, the most frequently cited reason for starting a business was the search for independence and control over one’s destiny. The greatest barriers to business formation and success were to business formation and success were access to capital and mobilizing start-up resources.

Spinder Dhaliwal (2000) in his article features both Asian women entrepreneurs in their own right and Asian women working in family enterprises, and sought to provide a clearer picture of the roles, responsibilities and relationships of these two groups. The independent women made their own

decisions and were in control of the business, most of them still consulted male family members who played role in the business mainly in an advisory capacity.\textsuperscript{111}

According to United Nations Industrial Development Organization (UNIDO) (2001) “despite evidence that women’s loan repayment rates are higher than men, women still face more difficulties in obtaining credit”, often due to discriminating attitudes of banks and informal lending groups.\textsuperscript{112}

Dr.\textsuperscript{113}Margaret Linehan and Hugh Scullion (2001), in their study showed that female expatriates were disadvantages in their careers because of the lack of organizational support which was readily available to their male counterparts. The research results confirmed that career blockages for women appeared at much earlier stages than for men. It was definitely more difficult for women to have a senior career position and to have children also. Finally, the findings established that gender stereotyping was still a major obstacle for female managers to overcome, particularly in their home organization at the early stages of their careers. The managers believed that their progression to senior management was hampered by covert and overt barrier, which they asserted, still exist for women in management.\textsuperscript{113}

Dil Bagh Kaur, et al., (2003) in their study analysed the entrepreneurial talents of rural women. Some common factors were identified in all the blocks which demotivated rural women for an economic activity. This included conventional customs of the women which restricted to improve existing technology, ignorance of the new development and facilities, restriction to go for training to learn new skills, male dominance, illiteracy, lack of knowledge etc. So the study concluded that besides providing technical and financial assistance, it was essential to educate rural women and to extend entrepreneurial management and marketing skills in order to enhance their confidence and competence so that they would become self reliant.\textsuperscript{114}

Anthony, M.J.Stanger (2004), in his study reviewed Australian and International literature on the use, and needs and awareness of training and business owner and / or managers. It also considered whether women’s training and business assistance needed to differ from those of men, and if so, in what ways and whether women were disadvantages or advantages by the existing delivery mechanism. The studies reviewed did not clearly define or delineate between training and business assistance when assessing the various sources of government and independent assistance accessed. The studies found that women’s aggregate use of personal / family community and professional sources of training and assistance was similar. Training and assistance needs did no vary significantly between women starting a business and women

operating a business and included financial management and marketing, as well as confidence building in the earlier stages of business activity. Evidence suggested that the usefulness of independent and/or government assistance was limited it being unknown, inaccessible or in appropriate for women. Policy makers and providers needed to consider these findings when formulating programmes.115

The **CEEDR final report (2004)** identified four areas of financing could pose particular problems for women. Firstly, women might be disadvantages in their ability to raise start-up finance. Secondly, guarantees required for external finance might be beyond the scope of most women’s personal assets and credit track record. Thirdly, once a business was established, finance might be more difficult for female entrepreneurs to raise than for their male counter parts, because of the greater difficulties that women faced in penetrating informal financial networks. Finally, the relationship between the female entrepreneurs and bankers might suffer form sexual stereotyping and discrimination.116

**(b) Indian Research Scenario of Institutional Assistance to Women Entrepreneurs**

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Indian studies associated with the institutional assistance to women entrepreneurs have been presented in this part.

**Vinze Medha Dhubhashi (1987)** in her work pertaining to women entrepreneurs in India stated that since women entrepreneurs needed constant guidance in matters pertaining to financial discipline, it would be mutually beneficial if the banks and women entrepreneurs learned to appreciate and to appreciate each other’s view points. More attention was required in matters like streamlining of the assistance required, co-ordination of procedure and evolving a better code for assistance agencies. She further felt that management skills were must and women entrepreneurs needed to be trained in this area.\(^\text{117}\)

**Savita Singal and Kamal Srinivasan (1989),** made an exploratory study of the constraints, felt needs and preferences of rural women in economic development. Over the last few years the government has launched several programmes for the improvement in the status of women. The findings of the study revealed that lack of money (needed for initial investment) acted as a major constraint.\(^\text{118}\)

**Nair Tara (1996)** in her study advocated that a carefully drawn up training system had address the strategic needs of women for survival and growth. More importantly, training system has to link up organically with some kind of credit delivery mechanism, either formal or informal. It has been


observed that the formal system, with its highly standardized approach and bureaucratic machinery, had not been able to appreciate the extra-economic dimensions of women’s development.\textsuperscript{119}

Asha Das (1998) pointed out that women were making their mark as entrepreneurs and managers but only in qualitative terms and not in terms of quantity. Sustainable growth and development in any field was possible only if the resources, both human and capital, were fully utilized. It was essential, therefore to exploit the potential which women had. In order to facilitate women’s participation in businesses in larger numbers to utilize their potential fully for economic development and balanced growth, a holistic approach was required.\textsuperscript{120}

Dr. Anjali Mehta made a study on the profile of women entrepreneurs of Ahmedabad city. According to her study, the women entrepreneurs appreciate the training programmes conducted by CED but were a little unhappy about its lack of substantial follow-up action. Further an area of back financing has been found to be substantial follow-up action. Further an area of back financing has been found to be an important barrier. Moreover the paper work and procedural work was unending. The third major area of difficulty was the inability of women to operate freely in the male-dominated business world, although some of the women entrepreneurs were greatly appreciated by their male counterparts and the society at large. The major part of women entrepreneurs belonged

to the garment and domestic product category. Hina shah and Bhuptani, D.D., conducted a study the following observations had been made. Almost all women expressed difficulty in getting things done quickly during planning and implementation stage. Majority found procedures of financial institutions were lengthy. Better educated women came out as successful.