

CHAPTER I

INTRODUCTION

“All nations have attained greatness by paying proper respect to women. That country and that nation which do not respect women have never become great, nor will ever be in future”

Swami Vivekananda

Women community though equal men in population, it is the subject of concern to note that yet in this modern sophisticated world, women is treated as the second citizen or subordinate to men. Women have always been a marginal group. Women are the first victims of hunger deprivation and ill-health. According to ILO Report 2000, “Women are 50 percent of the World’s population, do the two-thirds of the World’s income and own less than one percent of world property”.¹ Women suffer from double deprivation of low attainments and wide gender differentials across all spheres. In the country of Gandhi and non-violence the most horrific crimes are perpetrated against women. No where else are women burnt for dowry and female fetuses killed as done in our country. Though the country has made a lot of progress, the role of Indian women in society remains only peripheral. In independent India, women, particularly tribal women and those belonging to the backward classes, are victims of male terrorism. They are singularly disabled and need to be enlightened by their representatives in political and social life. The Indian woman has not only to liberate herself from this suffocation, but also has to fight the forces of rural and urban violence.

Women are taught to depend upon others to limit their ambitions and to avoid exposure and risk. There is a common assumption that men are the bread winners and that most of the female work is either done in the leisure time or serves as the procurer of supporting income for the family. The position of women in any society truly reflects its cultural and spiritual level. Women have confined their activities to selected professions and they are the victims of social prejudices and discriminations.² Women folk have not taken their maximum use & remain still backward. Women in our country have always remained a victim of neglect and discrimination and are not allowed to perform their due role in the economic and social life of the society.

The root cause of women's oppression in India is patriarchy, which has snatched legitimate powers off, leaving them completely defenseless and weak. The unrealistic way in which women are depicted in literacy works and films by male chauvinists and misinterpretation of women in epics and scriptures contributed much to the poor self-image, suffering nature, defeatist attitude and lack of assertiveness on the part of the women. According to Amartya Sen, in India we find two major social failures. One is concerning gender in equality and other concerning illiteracy. Women have been deprived of many things which their counterparts' enjoy.³ Of late, lot of awakening is found among them due to the entry of emancipated women writers in the literacy world.

The World Bank recommended that the surest and infact the only way to uplift India out of poverty is to educate and enhance the status of the country's women. The women's health and skill is more important for any family as they can work and contribute to the income of the family. Steps are taken to uplift women's position, health, education and ability.⁴

“When women moves forward, the family moves, the village moves and the nation moves.” These words of Pandit Jawaharlal Nehru are often repeated because it is an accepted fact that only when women are in the main stream of progress can make any economic and social development meaningful. It is believed that economic strength is the basis of social, political and psychological power in the society. The lower status of women mostly stems from their low economic status and subsequent dependence and lack of decision making power. So, if women gain economic strength, they gain visibility and voice. In almost all countries, the government is providing special provisions for women's development & efforts are being made to extract maximum use of women's talent.⁵ Various efforts are being made by the government to improve the status of women, but the advantages are not properly utilized and they depend on their male partners for survival.

Recognizing the injustice meted out to women in the past, the architects of our constitution took special care to guarantee equality of rights and opportunities for women in political and social fields and to specially prohibit any discrimination particularly in matters of employment, wages and conditions of work.⁶

The Constitution of India guarantees to all Indian women

- Equality before the law **.Article 14**
- No discrimination by the state on the grounds only of religion, race, caste, sex, place of birth or any of these. **Article 15 (1)**
- Special provisions to be made by the state in favour of women and children. **Article 15(3)**
- Equality of opportunity for all citizens in matters relating to employment or appointment to any office under the state. **Article 16**
- State policy to be directed to securing for men and women equally, the right to an adequate means of livelihood. **Article 39 (a)**
- Equal pay for equal work for both men and women. **Article 39 (d)**
- Provisions to be made by the State for securing just and humane conditions of work and for maternity relief. **Article 42**
- To promote harmony and to renounce practices derogatory to the dignity of women. **Article 51 (A) (e)**

The last five decades have witnessed some basic changes in the status and role of women in our society. Realizing the needs of women empowerment since independence, special emphasis was laid on the practical needs of women. The Tenth plan (2002-2007) has made a major commitment towards “empowering women as the agent of socio-economic change and development”. Based on the recommendation of National Policy for Empowerment of Women, the

Tenth Plan suggests a three- fold strategy for empowering women, through social empowerment, economic empowerment and gender justice.⁷ The purpose was to bring women in to development as passive beneficiaries of development. In recent times there is greater awareness among Indian women about entrepreneurship as a career. The growing awareness is mainly due to the fact that the profile of Indian women has undergone perceptible change during the recent past.

CONCEPT OF ENTREPRENEUR AND ENTREPRENEURSHIP

An entrepreneur helps herself while creating opportunities for others. It is a fact that by doing so an entrepreneur fulfills her creative urge. Each successful project carried out by the entrepreneur leads to self satisfaction. The greatest satisfaction is derived from the fact that the individual is her own boss and therefore can use her creativity without any fear of repercussion.

Joseph A. Schumpeter says “Entrepreneur is one who innovates, raises money, assembles inputs, chooses managers and sets the commercial organization going with his ability to identify them and opportunities which others are not able to identify and is able to fulfill such economic opportunities”.⁸

The entrepreneurs in the modern sense are the self-starters and doers of a business, who have organized and built their own enterprise or enterprises. In common parlance almost any one who starts an enterprise, an industry or even a shop is called an entrepreneur. An entrepreneur can be defined as a person who creates a new business in the face of risk and uncertainty for the purpose of achieving profit and growth by identifying opportunities

and assembling the necessary resources to capitalize on them (Zimmerer & Scarborough, 2002).⁹

Entrepreneurship is one of the four mainstreams of the economic factors: land, labour, capital, and entrepreneurship. The participation of women in the economic development process can be mainly categorized into four segments namely

- Employment in unorganized sector
- Employment in organized sector
- Self employment and
- Entrepreneurship

Entrepreneurship is a creative human act involving the mobilization of resources from one level of productive use to a higher level of use. Entrepreneurship involves a willingness to take responsibility and ability to put mind to a task and see it through from inception to completion. Another ingredient of entrepreneurship is sensing opportunities, while others see chaos, contradiction, and confusion. Entrepreneurship helps the societies to fulfill its basic needs in the world that calls for the 'survival of the fittest'. An entrepreneurial firm turns out to be creators of jobs. Entrepreneurship helps in creating innovative enterprises, which provide the foundation for building a nation's competitiveness.

Entrepreneurship has been very broadly defined by different economists. The word "entrepreneurship" comes from the French verb "entreprendre" and the German word "unternehmen", both means to "undertake". And in a general sense applies to any person starting a new project or trying a new opportunity.

The Entrepreneurship Center at Miami University of Ohio has an interesting definition of entrepreneurship: "Entrepreneurship is the process of identifying, developing, and bringing a vision to life. The

vision may be an innovative idea, an opportunity, or simply a better way to do something. The end result of this process is the creation of a new venture, formed under conditions of risk and considerable Uncertainty".¹⁰

Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks and receiving the resulting rewards of monetary and personal satisfaction and independence (Hisrich and Peters, 2002).¹¹ Leadership is a very essential quality of an entrepreneur to successfully overcome the obstacles faced in the business.

CONCEPT OF LEADERSHIP

In the psychological terms a leader is "A member of a group co-organization who outstandingly influences the activities of the group and who plays a central role in defining group goals and in determining the ideology of the group".¹²

Leadership is the act of influencing people to strive willingly for group objectives. The single most important factor in ensuring success is the ability to attract, retain and develop knowledge workers and creative people. leadership can be defined as "the process of motivating and helping people to work enthusiastically towards the stated objectives".¹³

Leadership involves the interaction process and is not a status or a position. It cannot be structured in advance. The uniqueness of each person, of varying interactional patterns and of varying goals and means, and of varying forces within and without impinging upon the group will call for different leaders for effective functioning of an

institution. In a globalized economy leadership is the kingpin of growth. A Leader is a visionary, a strategist and above all a Motivator.¹⁴ The leadership challenge is about how leaders mobilize others to want to get extraordinary things done in the organization. Leadership has been explained as a behavior that affects the behavior of other people more than their behavior affects that of the leader. It is a concept applied to the personality-environment relation to a desirable situation when a personality is so placed in an environment that his well being and insight in to problem direct and control others in the pursuit of a common cause. Leadership is the product of interaction and is not a status or a position.¹⁵

ENTREPRENEURS LEADERSHIP TRAITS

Entrepreneurs have many options when deciding on to provide leadership. Some leadership styles are more successful than others and which is well documented though not always well understood disseminated or utilized.¹⁶ Experts have agreed that entrepreneurs possess certain distinctive qualities. Honest, forward looking, inspiring, competent; these characteristics are been consistently selected as the four most admired leadership quality.

Alfred Marshall suggests that the skills associated with entrepreneurship are rare and limited in supply. He claims that the abilities of the entrepreneur are "so great and so numerous that very few people can exhibit them all in a very high degree". Marshall, however, implies that people can be taught to acquire the abilities that are necessary to be an entrepreneur. (Marshall, 1994)

Literature suggests that both structural as well as socio cultural factors play a vital role in sketching the character of an entrepreneur. Max Weber (1958) suggested that: Given the economic conditions for the emergence of a system of rational capital accumulation, whether or not such growth occurred in a systematic fashion would be determined by the values present. Structural conditions make development possible, while cultural factors determine whether the possibility becomes an actuality.

Various studies have been conducted to identify the important entrepreneurial traits. There is a general agreement among writers that the four most important traits of an entrepreneur are Risk taking propensity, Innovativeness, Achievement orientation and Managerial skills. Risk taking, whether financial, social, or psychological, is an integral part of the entrepreneurial process. Taking decisions and acting on an uncertainty is understood as a risk-taking activity. The concept of innovation and newness is an integral element of entrepreneurship. High achievers are individuals with high drive and high activity level, constantly struggling to achieve something, which one could call as their own accomplishment. Managerial skills are required for ensuring smooth operations of the firm, effective planning, successfully coping with competition and for long-term survival and growth of an enterprise.

A women entrepreneur can be defined as a confident innovative and creative woman capable of achieving self economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life. (Kamal Singh).¹⁷

NEED FOR WOMEN TO BE AN ENTREPRENEUR

In this modern world the cost of living has increased and it has become necessary for women to undertake economic activities and support their families. Women have realized their values and they want to make use of their intelligence, knowledge and education. The time has so changed so that a working woman will get easily married and enjoys all comforts and luxuries of life being economically independent.

Women want to make their children more efficient through their prestigious role. Their orientations and role prescriptions exhibit development of self confidence, innovativeness, achievement, motivation and risk facing ability. These are essential for development of women in the society. Women are ready to take risks, face challenges and prove to the world that their role in society is no more limited.

The economic status of women is now accepted as an indicator of a society's stage of development. By enabling woman to become entrepreneurs and participate fully and more effectively in a wider range of economic and especially industrial activities, it is possible not only to improve their position in society, but also to make greater progress towards overall economic and social development, objectives such as increased economic growth, improved productivity, improved distribution of income, reduction in poverty and above all, reduction in unemployment.

According to government of India a women entrepreneur is defined as "an enterprise owned and controlled by a woman and having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women".¹⁸

A woman entrepreneur has five main functions to perform. They are

- Exploring the prospects of starting new enterprises,
- Undertaking risks and handling economic and non-economic uncertainties,
- Introduction of new innovations or imitation of successful ones in existence,
- Co-ordination, administration and control, and
- Supervision and providing leadership in all aspects of the business.

STATUS OF WOMEN ENTREPRENEURS

Entrepreneurship is a global and multifaceted phenomenon with significant difference between countries. There is positive relationship between entrepreneurship and economic growth that contribute towards the wealth and social development of a nation under the given technological, industrial and political framework. Since the turn of the century, the status of women in India has been changing due to growing industrialization and urbanization, spatial mobility and social legislation. With the spread of education and awareness, women have shifted from the extend kitchen, handicrafts and traditional cottage industries to non-traditional higher levels of activities. During the 1970s the decade of the International Women's Year, efforts to promote self-employment among women received greater attention from the government and private agencies. The new industrial policy of the Government of India has laid special emphasis

on the need for conducting special entrepreneurial training programmes for women to enable them to start their own ventures.

Financial institutions and banks have also set up special cells to assist women entrepreneurs.¹⁹ Though at the initial stage women entrepreneurship developed was only at urban areas; lately it has extended its wings to rural and semi-urban areas too. The result has been the emergence of women entrepreneurs on the economic scene in recent years, though the number of enterprises initiated by women is still quite low. Women's entrepreneurship has remained a much neglected field. The share of female entrepreneurs (10 per cent) is still significantly low when compared to women work participation rate (25.7 per cent).²⁰ The observation is that there are fewer female entrepreneurs than male entrepreneurs. This reflects the trends also prevailing in other spheres of economic activities where males greatly outnumber females.

The emergence of women entrepreneurs and women-owned firms and their significant contributions to the economy is visible in India and these businesses are ready for continued growth in the future. The number of women entrepreneurs has increased, especially during the 1990's. The new generation of women-owned enterprises are actively seeking capital for their businesses, using modern technology to find and create a niche in both the domestic and export markets.

Surveys conducted demonstrate that women's primary entrepreneurial activity is focussed on the small and medium enterprise (SME) sector. Approximately 60% entrepreneurs are small-scale entrepreneurs, 15% represent the large scale manufacturers and the remainder comprise of cottage and micro entrepreneurs. They work in a wide range of sectors, from trade and services, to tailoring,

beauty parlours, and printing. The involvement of women entrepreneurs in the production sector is minimal and the development of this sector is rather slow. The new generation of women-owned enterprises is actively seeking capital for their businesses using modern technology to find and create a niche in both the domestic and export markets.

ENTREPRENEURSHIP AND EMPOWERMENT

In present scenario due to modernization, urbanization, globalization and development of education, with increasing awareness women are now seeking gainful employment in several fields. Women have become more independent and achievement oriented. Women are in for a new deal today as they are the focus of economic development.

Entrepreneurship development among women is considered as a possible approach to economic empowerment of women. A woman as entrepreneur is economically more powerful than as mere worker because ownership not only confers control over assets and liabilities but also gives her the freedom to take decisions. This will also uplift her social status significantly. Through entrepreneurship development a woman will not only generate income for herself but also will generate employment for other women in the society. This will have a multiplier effect in the generation of income and poverty alleviation. In India women entrepreneurship are considered as “necessity entrepreneurship” rather than “opportunity entrepreneurship”.²¹

NEED AND IMPORTANCE OF THE STUDY

In India, where over 900 million people are living 300 million people are below the poverty line, it is simply impossible for any government to provide means of livelihood to everyone. In such a situation entrepreneurship is the only source through which the problem of unemployment can be eradicated. Development of entrepreneurship is a crucial factor for the industrial development of a country. Entrepreneurship helps the society as well as the entrepreneur, itself. An effective entrepreneurship venture fosters the production of wealth for a nation. Another advantage to the nation is the creation of jobs for its people.

In recent times women of India have taken commendable part in the field of entrepreneurship. The Government of India has also stressed on special entrepreneurship programmes for women with a view to uplift their socio economic status. It is recognized that women have to play a key role in the overall economic development of the country, thus one significant target group for promoting entrepreneurship is of women.

Women Entrepreneurs like challenges and with an opportunity to make money, they seize it, and start a business. Women tend to get in to business to satisfy their economic needs and a part of others start their own business to satisfy some of their personality needs. A small part of the group of women entrepreneurs carry their business as a leisure time activity. Women entrepreneurs face various problems in running their enterprise successfully. They lack family support; they lack knowledge with regards to marketing facilities, working capital management, quality control and inspection etc. Access to finance is a key issue for women. Accessing credit, particularly for

starting an enterprise, is one of the major constraints faced by women entrepreneurs. Women have fewer business contacts, all of which further limit their growth. Women often lack access to training and experience in on how to participate in the Market place and are therefore unable to market goods and services strategically. The entrepreneurs are facing considerable challenges and severe competition not only from domestic industries but also from enterprises of global nation. Qualities of entrepreneurs are one of the major resources in the promotion of entrepreneurship. Successful women entrepreneurs possess certain qualities to overcome the barriers and to prevail in this competitive business world. This study has its own importance in identifying the essential leadership qualities for women to be successful in their business.

HYPOTHESIS

The hypotheses of the present study are as follows

1. There is no significant impact of demographic variables on the leadership qualities and Barriers of women entrepreneurs.
2. The Leadership Qualities are not useful to remove the barriers of women entrepreneurs.

OBJECTIVES OF THE STUDY

The following are the core objectives of the study

1. To study the characteristic features of the leadership qualities of women entrepreneurs.
2. To identify the predominant factors in the leadership qualities of women entrepreneurs and their impact on their successful development.
3. To analyze the barriers of women entrepreneurs and the role of factors of leadership.
4. To study the impact of demographic variables on the leadership qualities and their successful carrier.
5. To offer suggestions and recommendations for women entrepreneurs to develop their qualities and enterprise.

STATEMENT OF THE PROBLEM

The status of women in India has been changing as a result to growing industrialization and urbanization, spasmodic mobility and social legislation. With the spread of education and awareness more women are participating in Entrepreneurship. Even the government has laid special emphasis on the need for conducting special entrepreneurial training programmes for women to enable them to start their own ventures. However women entrepreneurs face many challenges in running their business successfully. Leadership Qualities is very essential for the success of the business. The success or the setback of the business both depend on the leadership qualities of the women entrepreneurs. Leadership quality is very vital to strive in this competitive world by overcoming the barriers.

RESEARCH METHODOLOGY

Pilot Study

A preliminary investigation was undertaken by contacting 75 women entrepreneurs of Chennai city to identify the important variables of women entrepreneurs like Entrepreneurship, leadership qualities of women entrepreneurs, Barriers to entrepreneurs, Present position of Enterprise.

The purpose of the pilot study is to test the quality of the items in the Questionnaire and to confer the feasibility of the study. The preliminary investigation is conducted in different parts of Chennai city. Convenient Sampling Method is applied to collect the samples. Cronbach alpha method and Hovelling t-square test are applied to test the validity of statement in the questionnaire. The Cronbach alpha method was used and it is found that the overall reliability of all the items in the questionnaire is 0.899. This implies that the Questionnaire and the feasibility holds good at 89.9%.

Questionnaire Design

The data is collected by means of three- section questionnaire. Section I of the questionnaire is framed to obtain general information about entrepreneurs. Section II is useful in obtaining information about profile of the enterprise. Section III is designed to identify the Leadership qualities of women entrepreneurs. Section I and section II comprises of optional type of questions whereas section III is designed in Likert's 5-point scale ranging from 5-Strongly agree, 4-Agree, 3-Neutral, 2- Disagree, 1- Strongly disagree. The questionnaire with a covering letter is handed over personally to every respondent. The

respondents took a period of 15 days to 2 months to return the completed questionnaire.

Sample Size and Selection Criteria

Sample sizes of 530 respondents are considered for the study. The sample of the study covers all parts of Chennai city totally 530 entrepreneurs are selected on proportionate random sampling method. Out of these samples 450 women entrepreneurs returned the filled in questionnaire in which 417 are found usable. Hence, the exact sample of the study is 417.

Data Analysis

The sources of data are primary as well as secondary. The data collected from women entrepreneurs' survey constitute primary and information gathered through books, journals, magazines, reports, dailies consist of secondary. The data collected from both the sources are scrutinized, edited and tabulated. The data are analyzed using Statistical Packages for Social Science (SPSS) and other computer packages. The following statistical tools are used in the study.

1. Measures of Central tendency and Measures of Dispersion.
2. Parametric paired and One sample t-test.
3. One-way Analysis of Variance and Correlation.
4. Factor analysis.
5. Cluster analysis.
6. Non-parametric chi-square analysis.

SCOPE AND LIMITATIONS OF THE STUDY

The study covers all types of women entrepreneurs in Chennai city without discrimination regarding family life cycle, age, education, income and occupation. The scope of the study has been limited to certain important aspects of women entrepreneurs like Entrepreneurship, leadership Qualities of women entrepreneurs, Barriers of women entrepreneurs and present position of enterprise. The pilot study restricted the statement regarding leadership qualities of women entrepreneurs. Though many leadership qualities policies are there only few popular factors are considered for the Study so the study cannot be generalized for all the states in India or any country in the world.

CHAPTERISATION

The aim of the study is to have a comprehensive picture of leadership Qualities of women entrepreneurs in Chennai city. The study is presented in seven chapters.

Chapter-I- The first chapter is a prelude of the present study delineating the concepts of entrepreneur and entrepreneurship, status of women entrepreneurs, the importance of the study, Objectives of the study, methodology, and limitations of the study and chapterisation schemes.

Chapter-II- Review of literature and studies pertaining to Entrepreneurship, Problems of women entrepreneurs and Leadership qualities are presented in this chapter.

Chapter-III- The third chapter deals with the overview of women entrepreneurs.

Chapter-IV- In the fourth chapter the Barriers faced by women entrepreneurs are identified and analyzed.

Chapter-V- Leadership Qualities of women entrepreneurs are discussed and analyzed in this chapter.

Chapter-VI- The Impact of leadership Qualities of women entrepreneurs on their development are dealt in this chapter.

Chapter-VII- In the last chapter the findings of earlier chapters are summed up and concluded.

This first chapter presents a brief introduction about the concept of entrepreneur, entrepreneurship and leadership, entrepreneurs leadership traits, need for women to be an entrepreneur, status of women entrepreneurs, Entrepreneurship and Empowerment, Need and Importance of the study, hypotheses, objectives of the study, statement of the problem, research methodology, limitations of the study and chapter arrangement. The next chapter to present a comprehensive and careful analysis of the existing literature related to this study.

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