

CHAPTER-1

1.1: INTRODUCTION

The term, “Entrepreneurship” holds much more under its umbrella than just the consonants and vowels vested in its making. It is a unique process in which specific goals are attained with the help of different tools and resources that are channelized in a planned and coordinated manner to perform various functions or operations efficiently. The twenty-first century is an entrepreneurial age, which is likely to set the steppingstone for the upcoming generations and centuries for entrepreneurs. At present, it is regarded as the engine of economic growth. Considering the advent of new technologies and products, the scope of entrepreneurship seems to have a permanent trigger for growth like the lifeblood of an economy. Across the globe, a revolution is being driven and led by the entrepreneurs in transforming and renewing economies. A lot of organizations and institutions engage in entrepreneurship development. A large number of people come forward to join these programmes, irrespective of male and female, to become entrepreneurs. An entrepreneur is an individual who bears the risk of uncertainty in operating a business about future conditions and in turn rewarded accordingly by the outcome in terms of profits and losses.

1.2: Evaluation of Entrepreneurship

The word “entrepreneur” has originated from a French word, “entreprendre,” which means “between-taker” and “go-between,” i.e. “to undertake.” It also means to designate an organizer of musical or other entertainments. The first person to introduce the term “entrepreneur” was an Irishman, Richard Cantillon, living in France. In the early eighteenth century, he introduced his unique risk-bearing function in the study of economics. Though the term “entrepreneur” was first introduced by

Richard Cantillon, it was the first accorded prominence by J.B.Say. This term is of a relatively recent origin and is gradually evolving as well. It is primarily associated with the economic and industrial development of an economy. As such, the changes in the meaning of the term “entrepreneur” have to be parallel with the economics and industrial development taken place over the period of time. It was applied to those who were engaged in the military expeditions in the early sixteenth century. Not only that the civil engineering activities such as construction and fortification was also covered by it, in the 17th century. At the beginning of the eighteenth century, the word, “entrepreneur” was used to refer to economic aspects.

This way the evolution of the concept of entrepreneurship took place over more than three centuries. Since then, in various ways and senses, this has been used. According to the English classical economists, an entrepreneur was the person who acts as suppliers of financial capital. Adam Smith defined an entrepreneur who thought for the future “is frugal (who accumulates capitals) and is an agent of slow, but steady progress” (p.35). Entrepreneurship is the process of innovating something different with a value by devoting sufficient efforts and time.

Robert Hisrich has quoted (adding to the definition) it is also about, “accompanying psychic, financial and social risks, receiving the resulting rewards of monetary and personal satisfaction and independence.” As history speaks, early trades were based on barter system. In a barter system, a trade is meant possible only when two parties had to want the other party had. This “coincidence of wants” often did not happen. Additionally, the wants often didn’t match. Hence, it led to the demand for the implementation of money system. And, the growing business and trade were anyway on the rise. The first known instance of humans trading comes from New Guinea, which happened around 17,000 BCE, where the locals exchanged obsidian, a black volcanic glass used to make hunting arrowheads for other needed goods. At the time, these entrepreneurs exchanged one set of goods for another and the original entrepreneurs were traders and merchants.

¹According to the Oxford Dictionary (1897), an entrepreneur is a person who acts as a director or manager of the public musical institution, one who ‘gets up’ entertainments and musical performance.

²Webster’s Third New International Dictionary (1961) has defined an entrepreneur as the organizer of an economic enterprise, mainly the one who owned, managed, organized and assumed the risk of the business.

1.3: Concepts of Early Economists

³Richard Cantillon in the eighteenth century defined an “entrepreneur” as an agent who buys factors of production at certain prices in order to combine them into a product with a view to selling it at uncertain prices in future’. According to Cantillon, the uncertainty is that the entrepreneurs buy at a certain price to sell again at an uncertain price, with the difference being their profit or loss (p.8). The essence of the functions of the entrepreneur was to bear uncertainty. He said that as risk acceptors, all the entrepreneurs seek to maximize their income/ revenue. From his studies, Cantillon excluded landlords and princes divided the rest between entrepreneur and hired labour.

⁴In the nineteenth century, Walrus was the first French economist, who gave a vital position to the entrepreneurs, i.e., as the “fourth sector of production.” The role and functions assigned to the entrepreneurs comprised mainly of recruitment of others. In this case, they were the buyers of productive services from the market and sellers of the goods produced. This was compatible with the “General Theory of Equilibrium” that was propounded by Walras, whereby under free competition, the entrepreneurs

¹Oxford Dictionary, 3rd Edition 2005 New York, Oxford University Press Inc., p. 476-477

²Rathore, B.S. and Dhameja, S.K.: Entrepreneurship in the 21st century”, page-5

³Richard Cantillon ‘Essai sur La nature du commerce on general, (Ca. 1730)”, Ed and frans. Henry Higgs, London: Frank Cass and Co. 1959, p.49

⁴Leon Walrus: “Elements of pure Economics or the Theory of Social Wealth”. London George Allen and Unwin

whose main goal is to earn maximum profits ensured that the free markets move towards equilibrium.

Thus, Walras forwarded a blending of the French School of Thought, which had until then considered the entrepreneurs as workers charged with the special task of managing firms, with that of the English economists, who equated entrepreneurs with capitalists. Although Walras had managed to bridge a significant gap between English and French economists, a few English economists have written on the concept of entrepreneur that is discussed below.

⁵According to Adam Smith, “The entrepreneur is a person who forms an organization mainly for the commercial purpose. He /she are proprietary capitalist, a supplier of capital and at the same time a manager who intervenes between the labour and the consumer”. Adam Smith believed that by furthering their selfish ends, individuals would unintentionally and inevitably be adding to the wealth and welfare of the nation; free industrialists from the stigma of exploitation; and instead presented them as the agents for social improvement.

⁶According to Alfred Marshall, “Entrepreneur is an individual who ‘adventures’ or ‘undertakes’ risks, which brings together the capital and the labour required for the work; who arranges or engineers its general plan, and who superintends its minor details”. With the growing necessity of division of labour, Marshall introduced a fourth factor that is ‘organization’. This concept was vague, and the functions attributed to the entrepreneurs were vast; ranging from the co-ordination of capital and labour to superintending tiny details. These organizers (entrepreneurs) introduced improved methods, for increasing their incomes. However, when competitors entered the markets, their incomes reduced. The concept of improved methods was the forerunner of the concept of Schumpeterian.

⁵ Adam Smith, *AN Enquiry into the Nature and Courses of the Wealth of Nations*, London: Bell and Sons, 1912, Vol. 1, pp.111-11

⁶ Marshall, A.P. Cit., Page- 293

From Cantillon to Marshall, everyone analysed entrepreneurship in the context of stationary situation. However, Schumpeter analysed the theory of entrepreneurship from a different perspective. He defined that a development is the outburst of economic activities. Development takes place only when the stationary equilibrium is disturbed. This disturbance comes forth in the form of 'Innovation'.

⁷Joseph A. Schumpeter (1961), the Moravian born economist, writing in Vienna, "Entrepreneur is a 'creative destructor,' who creates or causes a dynamic disequilibrium in the economy by taking innovation to the level of commercialization by embedding it in an environment where it did not exist previously." Schumpeter, for the first time, advocated the dynamic theory of entrepreneurship. At the beginning of twentieth century, he (1934) defined a person who destroys the existing economic order by introducing new goods and services by creating either new forms of organization or by exploiting new raw materials. Schumpeter says entrepreneurship can be defined as a creative ability. Schumpeter defines entrepreneurship by emphasizing the perception of new economic opportunities from the economic point of view. He also gives importance to the subsequent introduction of new ideas in the market. Entrepreneurs evaluate required resources, opportunities, implement a necessary action plan, and then enjoy the reward in a timely, flexible way (Sahlman and Stevenson, 1991, p.1). Schumpeter's view is relevant to the developed countries, where innovation needs to be encouraged. His theory emphasizes innovations and ignores the risk-taking and organizing aspects of entrepreneurship which have great importance.

⁸J.B. Say (1827) a French economist, defined an entrepreneur as "one who undertakes an enterprise, especially a contractor, acting as an intermediary between capital and labour" in the 19th century. J.B. Say said that due to the demand from the population, the entrepreneurs emerge and become leaders because they identify opportunities that available and are good positioned to take advantage of them. J.B. Say viewed an

⁷ Schumpeter, J.A., (1934) "The Theory of Economic Development", (Trans) Opie, R., Harvard University Press, Cambridge, M.A.

⁸ Jean-Baptiste Say's (1767-1832), "A Treatise on Political Economy or the Production, Distribution and Consumption of Wealth" ({1803} 1971)

entrepreneur as the coordinator of the system, who acts as an intermediary between all other agents of production and takes on the uncertainty and risk. According to Say, the profit that entrepreneur gained was the reward for the risk undertaken. A significant qualification is imperative for successful entrepreneurship. The most important quality as per him was the judgment or the ability to assess the requirements of the market and understand how these requirements could be met. J.B. Say's entrepreneur ends up as "a superintendent and an administrator" (p.19).

⁹Frank Knight (1942) stated "Entrepreneur is the economic functionary, who undertakes such responsibility as by its very nature cannot be insured or capitalized, or salaried; he also guarantees specified sums to others in return for assignments made to them." According to Knight, the entrepreneur is a person, who receives "pure profit," a residual left over after payments of costs are done. In Knight's model, the main role of an entrepreneur is to bear non-insurable risk and uncertainties for which he receives the profit (reward). He said that there are two types of risks: (a) insurable, and (b) non-insurable. Generally, insurable risk can be calculated statistically, and precautionary measures can be taken. On the other hand, non-insurable risk cannot be calculated; hence, no precautionary measures can be taken. In such a scenario, an entrepreneur has to play the role of a special functionary, and the consequent success or failure depends on the foresight and decision of the entrepreneur. Knight also added, "With uncertainty present, doing things, the actual execution of the activity, becomes in a real sense a secondary part of life. The primary function is deciding what to do and how to do it".

¹⁰Max Weber (1930) defined an entrepreneur as someone, who has different qualities such as becoming an innovator possessed with unusual will and energy, a Calvinist, a man with less capital, endowed with strong character, ability to act and have clarity of vision. He emphasized on the strong will power.

⁹Knight, Frank H., "Risk, uncertainty, and Profit" Studies in Economic Development, Ed, Bernard Ivan & Richard W. Richardson, page- 245

¹⁰Lalitha Rani, Women entrepreneurs, pg-3

¹¹Drucker's Views (1985) on entrepreneur is: "An entrepreneur is the one who always searches for change, responds to it and exploit it as an opportunity. Innovation is the specific tool of entrepreneurs, how they exploit changes as an opportunity for a different business or different service". Peter Drucker, the well-known management "Guru", revealed that management is the tool that is making the American economy entrepreneurial.

1.4: Concept of Modern economists

Modern economists have introduced a practical approach to understand the vast concept of entrepreneurship. They have analysed entrepreneurship from the existing conditions of the developing countries, where they face certain critical challenges like shortage of skilled labour and capital, imperfect market, etc. Generally, the entrepreneurs of such countries cannot afford large operation at the initial stage. They have to perform multiple functions to run a business successfully.

¹²Dr. J.E. Stepanek defined entrepreneurship as the capacity to take risk, "ability to organized and desire to diversity and make innovations in the enterprise".

¹³Leibenstein (1968) defined an entrepreneur as a person or group of persons with four characters that he connects different markets, he is also capable of making up for the shortages/ scarcity (gap-filling), he is an 'input completer,' and he expands or creates time binding input transforming entities for enterprises.

¹⁴Higgins says, "Entrepreneurship is meant for the function of seeing investment and production opportunity, organizing in enterprise to undertake a new production process, raising capital, hiring labour, arranging the supply of raw materials, finding

¹¹ Drucker Peter F., *Innovation and Entrepreneurship*, UK, Elsevier Linacre House, 2006

¹² Stepanek, J.E., *Managers for small industry*, Asia Publishing House, Bombay, 1962, pp 9

¹³ Leibenstein, Harvey: "Entrepreneurship and Development," *American Economic Review* 58,2, 1968:72-83

¹⁴ Higgin Quoted in Tandon, B.C., *Environment and Entrepreneur*, Chugh Publication, Allahabad, 1975, page 43

site, introducing a new technique and commodities discovering new sources of raw materials and selecting top managers for day-to-day operations of the enterprise”.

¹⁵Professor Tandon defined entrepreneur as “an especially talented and motivated person who undertake the risk of a business by arranging and combining the factors to establish it and who sees and visualizes opportunities for inducing and accepting the new ideas with regard to production technique, nature of products, form of organization, acquisition of new managerial personnel, change in administrative organization, new sources of plans for the expansion of the enterprise. He need not be a person who employs his own capital; he need not be a scientist who produces machines. However, he is a person who knows the art of changing the production function for using the economic potential of various factors of production”.

¹⁶International Encyclopaedia defined “An individual who bears the risk of operating a business in the face of uncertainty about the future conditions”.

¹⁷Mc Clelland’s (1961) analysis of entrepreneurship is based on the identification of two features of entrepreneurship. They are a) doing things in a new and better way and b) decision making under uncertainty (Mc Clelland, 1961). According to him, the economicbehaviour of people can be explained by achievement orientation. The achievement motive is a tendency to strive for success. It is found that people with high sense or motive of achievement are not influenced by money rewards as compared to people with low achievement. People with low achievement are ready to work harder to earn money whereas people with high achievement consider profit as a measure of success and competency. A person who has a high need for achievement is more likely to succeed as an entrepreneur. McClelland states that the achievement motive is inculcated by the child-rearing practices, which stresses upon the standards of excellence, material warmth, and self-sustenance training and low father

¹⁵ Tandon, B.C., : Environment and Entrepreneur, Chugh Publication, Allahabad, !975, p-43

¹⁶ Donald F. Kuratkos, “Entrepreneurship” International Encyclopaedia of Business and Management (Landon: Routledge Publisher, 1997), p. 168-176

¹⁷ Me Clelland, D.C. and Winter, D.C., Motivating Economic Achievement (New York: The Free Press, 1969).

dominance. People with high achievement motive tend to take a keen interest in situations of high risks and high responsibility.

¹⁸Mark Casson (1982), states that an entrepreneur is an individual, who specializes in taking judgemental decisions about the coordination of scarce resources. To study the character and role of entrepreneurs in economic and social development, Mark Casson has been enunciated “Functional Approach” and “Indicative Approach.” Functional approach specifies some functions of entrepreneurs. On the other hand, the indicative approach provides some description of an entrepreneur by which one can identify him.

1.5: Concepts of Entrepreneurships¹⁹

From the analysis of above definitions of entrepreneurship and entrepreneurs, it can be concluded that an entrepreneur is an individual, who promotes a new enterprise, raises capitals, assembles the factors of production, controls different managerial affairs and sets the business growing profitability. The concepts of entrepreneurship and its theory have been evolving throughout the centuries. In case of emergence of entrepreneurship, there are different opinions, and these are basically classified into three categories:

- a) Economist’s view
- b) Sociologist’s view, and
- c) Psychologist’s view.

According to Economist’s view, economic growth and entrepreneurship will take place in those situations, where economic conditions are favorable. This theory is advocated mainly by G.F. Papanek and J.R. Harris. Economic motive guides entrepreneurial activities (Papanek, 1962). Sometimes it is not evident, but the person’s inner drives have always been associated with economic gains. These incentives and gains are generally assumed as the required condition for the

¹⁸ Casson, Mark C. *The Entrepreneur: An Economic Theory*. 1982. Reprint. 1991

¹⁹(<http://shodhganga.inflibnet.ac.in/bitstream/10603/22383/8/08>)

emergence of industrial entrepreneurship. Different types of problems like market imperfections and inefficient economic policies may not encourage vigorous entrepreneurship.

According to Sociologists, entrepreneurship is likely to emerge under a specific social culture. Sociologists define social sanctions and cultural values are responsible for the emergence of entrepreneurship. A

According to Psychologists, entrepreneurship emerges when a society has sufficient supply of individuals possessing particular psychological features. These psychological features are basically self-confidence, intelligence, rebellious, innovative, and creative. Psychology plays an significant role in determining the success of a business.

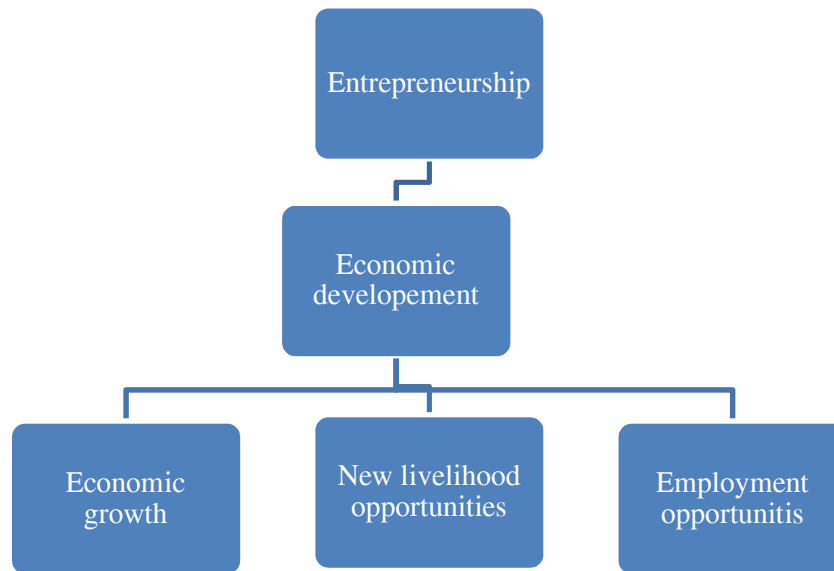
Entrepreneurship is influenced by various factors, and therefore, no single factor by itself can generate entrepreneurship. Thus, entrepreneurship is the outcome of complex and different combinations of socio-economic and psychological factors. Generally, the emergence, development and growth of entrepreneurship depend on micro and macro level factors. At the micro level, entrepreneurship depends on knowledge, education and skills of entrepreneurs. On the other hand, macro level entrepreneurship depends on the creation of an environment and entrepreneurial class that develops private initiatives, free enterprise and business innovations. Entrepreneurial background is not the pre-condition for the emergence of entrepreneurship. Over the last couple of decades, there has been a restructuring of economic and social systems in a way that it has led to increased levels of business formation, innovation, new organizational forms, and more change in the attitudes and behaviour. In the 1970s, a transition happened from a managerial to an entrepreneurial society, which was evident in the USA. It was described as an entrepreneurial explosion by Naisbitt (1982). According to Timmons (1994), the transition to a silent revolution which may affect the twenty-first century was probably more than the Industrial Revolution of the nineteenth century. This revitalizing economy created millions of employment opportunities and forged new prosperity. It is possible on the

back of dynamic fast-track companies driven by ambitious entrepreneurs. Such entrepreneurs are willing to take risks on the road to success. Across Europe, entrepreneurs are launching businesses that grow at well over 25 percent per annum, and are operating in all industrial sectors (European Foundation for Entrepreneurship Research, 1996). Entrepreneurship is about commitment, patience, and risk-taking. For ensuring wealth creation and distribution, entrepreneurship serves as a major mechanism. For sound economic development in the rural economy of a country, entrepreneurship is regarded as a prerequisite condition (Anand Bansal, 2012). Many studies on entrepreneurship have analysed the fact that entrepreneurship has a dynamic economic perspective in terms of growth, employment generation, innovation, productivity (C. Mirjam Van Praag H. Versloot, 2008).

1.6: Significance of Entrepreneurship:

Entrepreneurship plays multiple roles in the economic development of a country. Not only, it acts as one of the livelihood opportunities, but also provides employment opportunities to others in the economy. Since it improves the productivity level in the economy, therefore, it also acts as a catalyst for income generation. Improvement in the productivity level improves the per capita income level, which improves the standard of living of the population. Hence, entrepreneurship could be a significant contributor to the development and growth of the economy to a great extent. It can be shown in the following figure.

Figure – 1.1 Significance of entrepreneurship



1.7: Variables of Entrepreneurship:

There are two types of variables: a) dependent and b) independent variables.

Independent variables are: Age, occupation, family status,

Dependent variables are: Training, motivation, income, interest in entrepreneurship, investment, self-confidence in start-up, entrepreneurial intention, past entrepreneurial experience.

1.8: Characteristics of Entrepreneur²⁰: Entrepreneurs have certain chain of characteristics. They use these characteristics at different phases of the lifecycle of the enterprise. They use appropriate characteristics at the right time to grab the opportunity and prevent problems. They enhance the effectiveness and efficiency of entrepreneurial processes. The entrepreneurial role involves doing things in a new creative and better way. Moreover, the entrepreneurial role calls for decision making under uncertainty. The main characteristics of entrepreneurs are-

- **Identifying the Customers:** The entrepreneurs must be able to identify the customers. To identify the customers, a customer survey is done. Such surveys consist of questions such as how many customers are there for each product or service or both? Where are they located? What are their projected needs? What is their preference? What are the terms and conditions they impose to buy the products and services? The customers for any enterprise can be classified into three groups. The customers are classified according to the mode of payment or services enjoyed by them. The customers pay for the products and services they receive.
- **Influencing the Customer:** The entrepreneurs provide detailed information such as the name of the product; use of the product; features of the product; the price of the product; operation and maintenance of the product to the customers. At the starting of the enterprise or at the launch of a new product, an entrepreneur provides the information about the product on a personal basis. Sometimes in the micro-enterprises, the entrepreneurs visit door to door and try to understand the needs of the customers and convince them that the product satisfies their needs. During the initial days of product launching, customer awareness and education movements are considered to be effective to understand the needs of the customers and their reaction on the product or services. The entrepreneurs can influence the customers to purchase the product or services enumerating the positive features of the products and providing the evidence that there is no negative implication of the product or services. They can relate the positive features with health, habit, religion, feelings emotions, values, and quality of life, comfort and the like. Establishing such a relationship with the products or services helps in influencing the customers.
- **Listening to Complaints of Customers and removing them:** The entrepreneurs remain in close contact with the customers, and continuously listen to them about their needs and complaints. The entrepreneurs use variety of modes such as customers meet, dealer, meet, customer satisfaction survey, market survey,

problem-solving camps, awareness camps, email, telephone, SMS, toll-free numbers, complaints box and the like to know the needs and problems of the customers. They try to solve the problems or remove the complaint immediately.

- **Bringing continuous improvement:** The entrepreneurs bring continuous improvement in various significant activities of the enterprise to enhance the quality of the product and services. Continuous improvement increases the efficiency and effectiveness of production and reduces production cost. Generally, continuous improvement is introduced at every level of the enterprise such as improving the quality of the inputs, enhancing the efficiency of production using better technology and competent manpower, improving the packing of the products, reducing the transportation time and so on. Continuous improvement reduces the wastage and increases the use of resources that ultimately contribute to increasing the efficiency of operation. Along with this, customer's need analysis and market analysis are also used for bringing continuous improvement.
- **Complete Information of the Enterprise:** The entrepreneurs must possess complete information related to their enterprise such as trends in the market related to their enterprise, changes taking place in government policies, patterns of demands of the customers, recent technology available in market, competitors in the market, change in demand pattern of the products and services, terms and conditions of the market and the like. The information related to the internal functioning of the enterprise guides them to take decisions such as enhancing the efficiency, reducing the waste, giving incentives to employees, storage and transportation of products and training of the employees.
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- **Effective communication:** Effective communication ensures successful implementation of the business strategies. It helps the entrepreneurs to know

the needs, demands, concerns, and problems of customers. It also helps them to establish a healthy and trustworthy relationship with the customers. Effective communication is required in the enterprise among the employees to effectively perform their roles in a coordinated and cooperative manner.

- **Information on current affairs:** Current information related to enterprise enable the entrepreneur to plan better, establish, operate, expand, and introduce change in the enterprise. It helps to design strategies appropriate to the situation. Moreover, it is useful to influence customers.
- **Challenging the Customer:** The entrepreneur's design of strategies to challenge the customer for purchasing the products. The entrepreneurs invite attention of all the customers and create a sort of competition for purchasing the product. Generally, entrepreneurs use different tactics to challenge the customers to purchase.
- **Uniqueness and Innovativeness:** The uniqueness and innovativeness of product and services always attract the customers. It increases the sale of the products and demand for the services. It requires creativity. The entrepreneurs can use their creativity, and they can hire creative people for different purposes.
- **Risk-taking:** Entrepreneurs are the first risk takers in a particular situation. They take the risk for the maximum gain. They calculate the risk and assess the adverse consequences of it.
- **Taking Initiative:** The entrepreneurs should possess the ability to initiate any work, activity, business, programme, and project, finish it and enjoy the benefits.
- **Receiving Feedback:** The entrepreneurs continuously receive the feedback on the progress of the enterprise and its performance. They should receive feedback on the satisfaction of the customers, and the financial status of the enterprise.

- **Decision Making:** Entrepreneurs take effective decisions. They analyze the environment and take the right decision at the right time.

²¹McClelland identified two characteristics of entrepreneurship: First, doing entrepreneurial activities in a “new and better way.” This is synonymous with the innovative features given by Schumpeter; secondly, decision making under uncertainty, i.e., the risk as identified by Cantillon. An entrepreneur is resourceful, energetic, altered to new opportunities, able to cope-up the changing conditions and willing to assume risks involved in the change. He/she is interested in advancing technologically and in improving the quality of the product. He/she is interested in expanding the scale of this operations, and he reinvests earnings to this end. The entrepreneurial culture in a country generally affects the attitude that individuals have towards entrepreneurship, like the option of choosing entrepreneurship as a career. The aim or sense of success lies in the fact that after a failure, starts again, or planning to set up a business with the support provided by family and relatives. All these aspects play significant role, although there is scarce empirical evidence on their relative importance and differences across countries.

The balancing act between many elements of a company is a culture, which requires careful execution at every level. Generally, corporate culture must be led, cultivated, continuously monitored and adjusted. Corporate culture requires that combine the positive ingredients, in the right way, to ensure that the growth of an enterprise is not an action of entrepreneurs’ intentions.

1.9: Culture of entrepreneurship:

Treat people with respect. Every complicated issue that arises within a

²⁰Gupta, B.L. & Anil Kumar, *Entrepreneurship Development* (2009) Mahamaya Publishing, New Delhi, pp 21-32

²¹David C. McClelland (1967), ‘The Achieving Society,’ A Division of Macmillan Publishing Co., Inc. New York.

company can be solved by treating people with respect. Respect and faith provide the necessary base for a vibrant and sustainable corporate culture.

- To stay healthy, help employees. If employees get sick, they miss work, so it makes sense to offer health insurance as a benefit.
- Open door to communication. Always create an environment, where people can interact with each other, support each other and recognize each other's efforts and achievements. Provide positive rewards for positive behaviour. Public the information, as employees are aware of the direction of the venture and are involved in it.
- Build trust and friendship between people. Make time for people to know each other and the company. To build team spirit, held an annual meeting and to discuss where the company was going on.

1.10: Determinants of Entrepreneurship:

- a) **Perceived opportunities:** Entrepreneurship is determined mostly by good opportunities to start a business in the area where entrepreneurs live.
- b) **Perceived capabilities:** Another critical determinant is capabilities, i.e., the required skills and knowledge to start a business.
- c) **Fear of failure:** Positive perceived opportunities that indicate that fear of failure would prevent them from setting up a business is an essential determinant of entrepreneurship.

Entrepreneurship as a Desirable Career Choice: In a country, which agrees with the statement that starting a business as a desirable career choice influences entrepreneurship?

High-status of successful entrepreneurship: Successful entrepreneurs receive high status. This concept also determines entrepreneurship.

Media attention for entrepreneurship: Positive stories in the public media about successful new enterprises help to expand entrepreneurship.

1.11: Qualities of entrepreneurs:

Optimistic, Opportunistic, Passionate, Inquisitive, Flexible, Resilient, Protective, Goal oriented, Leaders, Mentors, Assembling, Assets, Keep moving.

1.12: Concept of Women entrepreneur

Women entrepreneur is relatively a new concept. Conceptually, whether men entrepreneur or women entrepreneur, these are not two different concepts from each other. Origin of both the concepts is from the basic concept of “Entrepreneur”. When the enterprise is initiated, organized and controlled by a man, that person is referred to as an entrepreneur. When the enterprise is initiated, organized and controlled by women, the person referred is women entrepreneur. Thus, women entrepreneur who initiates, organize and controls a business activity are known as “women entrepreneur”. Different experts defined women entrepreneurs differently. According to Harbison, “Any women or group of women which innovates, initiates or adapts an economic activity may be called women entrepreneur”. According to National level standing committee on women entrepreneurship, Government of India, 1991, “An enterprise owned and controlled by a women having a minimum financial interest of 51% of the capital and giving at least 51% of the employment generated in the enterprise to women”. This definition is subject to criticism by women themselves on the ground that employing more than 50% women workers in the enterprises owned and run by the women is discriminatory and not in tune with practical realities. In short, women who plan for a business, initiate, organize, operate, own, and employ other women. Women entrepreneur must undertake risks involved in running a business and take it to unmatched levels. It is said that women make better managers and better entrepreneurs than men. Women are meticulous. They pay more attention to the details and manage money better. While women control as much as a quarter of all

small business in the USA and a third in Canada, but in India, it is very pathetic. Even in Kerala where the literacy rate is highest, the growth rate of entrepreneurship is still low as seen in a survey conducted by Dr. Pillai and Anna V. At present, more emphasis is being given to the women entrepreneurs as a part of a policy set by the government and other agencies. Women represent fifty percent of the world's population and account for two-third of total working hours. But they receive about ten percent of the world's income and own less than one percent of the world's assets. Against this backdrop, women entrepreneurs need special attention as they belong to the largest disadvantaged group in the country and have to fight against heavy odds (Vinze, 1987)

1.13: Types of Women Entrepreneurs

- **Affluent Entrepreneurs:**

Those women, who come from wealthy business families are known as affluent entrepreneurs. They are generally daughters, sister, daughters-in-law, sisters-in-law, and wives of affluent people in the society. Most of them run beauty parlour, book publishing, interior film distribution, interior decoration, etc. To carry out the above type of enterprises, their family supports them to maintain their responsibilities.

- **Pull Factors:**

In town and cities, women take up entrepreneurship as a challenge to do something new and to be economically independent. This type of women entrepreneurs fall under the pull factors. Generally, they belong to educated women who take up small and medium industries where the risk is low. Usually, in this category, women start restaurants, grocery shop, service center school, food catering centers, etc.

- **Push Factors:**

Some women entrepreneurs accept entrepreneurial activities to overcome financial crisis. Their family situation forces them either to develop the existing family business

or to start a new venture to improve their economic conditions. This type of women entrepreneurs are termed as push factors.

- Self-employed Entrepreneurs:

Generally, poor women in villages and also in towns rely mostly on their efforts for sustenance. Tiny and small enterprises like tailoring firms, brooms making, providing tea and coffee to offices, knitting work, wax candle making, ironing of clothes, etc. are started by them. Such type of women entrepreneurs is called self-employed entrepreneurs.

- Rural entrepreneurs:

Rural entrepreneurs are those entrepreneurs, who are run by women in rural/villages and needs least organizing skills and less risks. Dairy products, pickles, fruits juices, pappads and Jagger making fall under this category of rural entrepreneurs

According to Entrepreneurship Development Institute, Ahmedabad, women entrepreneurs are of the following types:

- i. Chance entrepreneurs: Chance entrepreneurs are those, who start a business without preparation, aims and proper plans. They happen to take the opportunities which they come across.
- ii. Forces Entrepreneurs: Sometimes women start their business due to some problems in their families like the death of father or husband divorce etc.
- iii. Created Entrepreneurs: Under this category, women entrepreneurs are properly identified, encouraged, motivated and developed through EDPs as a part of a strategy.

1.14: Motives of Women Entrepreneurship

Following factors generally influencing women entrepreneurs

- i. Possessing innovative skills or aspiration and challenges for something new

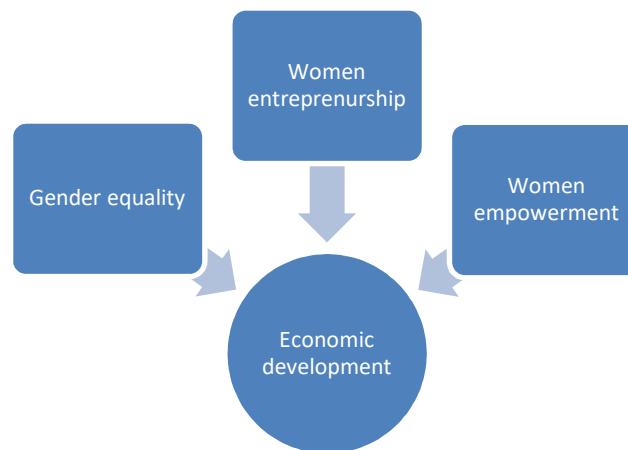
- ii. A desire to have an independent occupation
- iii. Responsibility thrust due to death of near relatives.
- iv. To help in earning family income.
- v. Special qualification attained for running a business / an enterprise
- vi. Business culture exists in the family.
- vii. Market potential
- viii. Social status
- ix. Get a better life than before
- x. Being an entrepreneur was a lifelong goal
- xi. To advance myself
- xii. Freedom from supervision
- xiii. To spend spare time
- xiv. Use of idle funds
- xv. Availability of infrastructural facilities
- xvi. Unemployment
- xvii. Dissatisfaction with current jobs

1.15: Significance of Women Entrepreneurs:

Women entrepreneurship has great importance in the overall economic development of a country especially from the necessity of involvement of women in economic activities. It is also important for the enhancement of the competitiveness of economy. According to Global Competitiveness Report, 2014-15, “The Participation and empowerment of women is key to ensuring a large

talent pool tends to bring about other positive effects, such as reducing infant mortality; mitigating poverty; enhancing the management of scarce resources; reducing conflicts and guaranteeing food security”. The multi-dimensional role played by women entrepreneur is shown in the following figure -1.2

Figure -1. 2 Role played by women entrepreneur



1.16: History of Women Entrepreneurs in India²²

In India, women have made a comparatively late foray in the genre of entrepreneurial activities. Therefore, women entrepreneurship, in a formalized sense, is a relatively new phenomenon. In the economies of almost all countries, women-owned businesses are highly increasing. The entrepreneurial potential/ talents, which has been hiding somewhere beneath hypocrisy, taboos and other barriers, has been gradually surfacing. They have been taking the flow of the wind and gradually changing with the growing sensitivity towards their role and economic status in the society. In India, women make up to half the population that is available for economic activities in all the sectors of the economy. If this half population is not developed, and is deprived of the opportunities in the agricultural, industrial and tertiary sector, the development cannot take place. In India, the spread out of the entrepreneurship among women is

quite limited in the formal sector. Unfortunately for centuries, women were confounded to the four walls of the houses doing household chores.

Most of the women considered marriage as their only career. Their main work was to nourish the family and upkeep the values of society. In Hindu scriptures, women had been regarded as “Devi,” “Laxmi” or “Grah Laxmi,” an embodiment of Shakti (Durga) but in real life, women were treated as Abla (weak), passive, dependent. Since old age, women have been a victim of social prejudices and discrimination. Since centuries women have been considered liabilities and were taught to be dependent upon others, further limiting their ambitions, exposure and risk-taking abilities. At the time, society was predominantly a male-dominated society due to which the quotient of women workforce in the industry was negligible and their contribution towards the economy was almost zero. Indian society is multi-stratified. Inter and intra-variations exist between urban and rural areas, among regions, classes, and different religions, caste groups and ethnic, which led to the variations in entrepreneurial activities too. Before independence, discrimination prevailed against women in all spheres of life, including entrepreneurship. At the time of independence, women were satisfied only with three K’s – kitchen, kids, and knitting. Besides household activities, they were also engaged in agriculture and family trade activities. Their participation in the market-oriented activities was negligible as compared with the men. The social constraints and attitudes that inhibit the development of women entrepreneurs, the atmosphere in which they have to work and the attitude of the society they have to endure, altogether, has been keeping them away from their active participation and focus on entrepreneurship. The so-called hard and fast rules of society are not in favour of allowing women to take up income generating activities outside the home. The contributions of women entrepreneurs in the national economy in the past were not known as well. The participation rate of female is very low both in urban and rural areas. Although in the works related to women, the participation rate has seen a slight increase; it is however much lower than the male work participation rate. As per the Annual Report by the Ministry of Micro, Small and Medium Enterprise (MSME), Government of India, the total number of women enterprises has increased from 10.64

lakh to 20.21 lakh units i.e. almost doubled between 2001-02 and 2006-07. According to the Global Entrepreneurship Survey conducted by PC maker Dell and GEDI (Global Entrepreneurship and Development Institute), though there is a very significant development, India is still counted among the worst performing nations in women entrepreneurship. India ranks 16th, just above Uganda out of the 17 countries surveyed. Than most countries, the status of higher education in women in India came out to be lower in the world (Economic Times, June 7, 2003). Nowadays, the women entrepreneurship scenario has changed, and it has been changing at a faster pace. There has been a gradual increase in entrepreneurial activities of women on SSIs, which indicates the potential for entrepreneurial development among women. To contribute their might in all sorts of activities, including the economic one, women have come out of the four walls of the homes. At present, the performance of women enterprises in India has made a significant contribution towards their gross output, generation of income and employment, asset creation and exports. Women form a family and participate in developing society and Nation. Changes in the domestic environment have contributed towards the growth of women entrepreneurs in India. Gender biases towards occupation have also been a major problem when it comes to the upliftment of women. Earlier, women were confined to selected areas of work as education, nursing, office work, medical, etc. However, they are now venturing in to new arenas like business, industry, trade, etc. Some of the examples would be: Ekta Kapoor of films and T.V. Fame; Kiron Mazumdar Shaw of the biotech industry; Shahnaz Hussain of herbal cosmetics fame; Tarla Dalal of Chef world; Smt. Samurai Kirloskar of Mahila Udyog fame.²

- Women Entrepreneurs of the '50s

Women entrepreneurs of the 1950's was those who took to creating and managing entrepreneurial activities because there was no income-generating male in the family. Secondly, women entrepreneurs were those who took the roles and responsibilities of the organization that the husband had left. Due to the above two reasons, women entrepreneurs faced compulsions. However, it took enormous courage and will power

to break through the established socio-cultural traditions and labours. In the 50's such women were few.

- Women Entrepreneurs of the '60s

Due to the spread of education in the 1960's, women started venturing into the small one-woman enterprise at home and from home. The enterprise used to be at their home and her earning was one of the significant motivating factors without disturbing the social norms of the existing society of that time.

- Women Entrepreneurs of the '70s

The 70's decade was considered as a decade of major change in the sector of women because women not only started developing their aspirations, but also focused on their ambitions to do something and earn something for their families. The choice of taking up some kind of job/earning activity as a self-employed person was not out of any compulsion or helplessness but because of their aspirations and ambitions. It happened as such mainly because women started to realize that income generation is not just the responsibility of male members of the family. Women wanted to be independent and wanted their voices to be heard in the family as well as in society. Moreover, women wanted to perform a variety of roles.

- Women Entrepreneurs of the '80s

The women entrepreneurs of '50s, '60s, and 70's had accepted both their occupational and social roles and tried to strike a balance between the two. But in 1980s, women made personal choices, stood up for their convictions and dared to take up new beginnings. A number of women in the '80s, entered their father or husband's business as equally contributing partners. However, because of hostile society, non-

²² Gupta, B.L, & Anil Kumar, Entrepreneurship Development (2009), Mahamaya Publishing House, New Delhi, pp 21-3

corporation, and support from family, and guilt of not playing the traditional social roles, all these did not work well.

- Women entrepreneurs of the '90s

Women of the '90s have had challenging attitudes. A lot of women came forward and took the challenge of initiating an enterprise, developing it and nurturing. In '90s, women were competent, capable, self-reliant and assertive.

- Women entrepreneurs of the 21st century

The 21st century is known as the century of Information Technology. In all these industries, women expertise is beginning to emerge. Women are emerging as a force to rock on with many of these new industries as heads and they are guided by women who are seen as pioneers and Mavericks. Growing industrialization and globalization, social legislation, rapid urbanization, etc. are the major contributing factors that lead to an upsurge in women entrepreneurship. In this century, women have shifted from the kitchen, food, handicrafts industries to non- traditional industries like IT, Finance industries, etc.

1.17: History of Women Entrepreneur in Assam

Entrepreneurship development in Assam was poor at the time of independence. Though Assam is full of natural and precious resources, presently Assam is amongst the industrially backward states of India. The industrial scenario of Assam is confined within the growth of employment orientated SSIs sector comprising of the processing and manufacturing units. In Assam, the handloom sector is almost handled by women entrepreneurs. In ancient times, all Assamese women knew how to weave and it was mandatory for everyone to learn the art of weaving. The women of Assam are distinctive in their dresses. They wear a mekhela-chador, a riha, made from silk and cotton fabrics with beautiful designs of indigenous art, which are woven by the women at home looms, but due to cheaper mill made clothes and changing dress

patterns with increasing competition, the family handloom started dipping. The handloom sector now supplies only to a few special varieties of traditional clothes for women and some for social and religious purposes. Women entrepreneurs of Assam are engaged mainly in the traditional activities of handloom and handicrafts like weaving, embroidery, tailoring, cutting, knitting, jam jelly making, pickle making, different spices powder, traditional food items like tilor-ladu, til-pitha, coconut-ladu, etc. In Assam, women entrepreneurship started in 1980. The number of women entrepreneurs, who have set up a small-scale unit till 1989 was 715 only. At present, it is at 15, 757. Recently, women entrepreneurs are not only seen being engaged in the traditional activities, but also in non-traditional activities like running beauty-parlour, computer café, crèches, restaurant, garments industry, textile printing, doll making, jewellery, nursery, food catering centers, etc. In Assam, industries like cane and bamboo, terracotta, pottery, metal works of brass and bell, wood carvings, weaving and making toys have immense prospects. Women running an enterprise is a positive development. This is partly due to the opportunities of training in different fields and partly due to the enlargement of entrepreneurial opportunities. Besides, many women entrepreneurs are engaged in SSI units, and a very few of them are engaged in big enterprises. In this regard, Meghalaya ranks first among North Eastern Region as 30.78 percent of the units are managed and controlled by women and the same being 20.59 percent for Assam. Though there has been considerable development in women entrepreneurs in Assam; however, the field of women entrepreneurship is full of problems. In '70s, designed and methodical efforts in entrepreneurship development began in the North Eastern region of India. Assam is the pioneer in this field. In Assam, entrepreneurial motivational training centers (EMTC, 1973), district level agencies were set up to identify, select and train prospective entrepreneurs. It provided them all support services to start and run their enterprises. In the North eastern region of India, various entrepreneurial activities are taking place as the women out there have realized the potential of the various resources available out there and how to tap the natural wealth of the region. Handloom and Handicrafts have been playing an essential role in the economies of the North Eastern states. According to a NEDFi

sponsored study in (2002), 19.18 percent of the total number of handicrafts units in India, 21.71 percent in terms of artisans and 79.58 percent in terms of the value of production are contributed by the North Eastern. Handloom and Handicrafts products from the North Eastern have excellent brand value. Though the potential for development of women entrepreneur in Assam is very high, women in Assam enjoy a disadvantageous status in the society. Whatever women entrepreneurs are available in Assam, they are mostly in urban areas. The situation of rural areas, in this case, is pathetic. According to the 2011 census, in Assam, more than 86 percent of the total women population are residing in rural areas. The contribution of such huge women population in entrepreneurial activities is nearly not visible. This scenario is detrimental in the development of the state and at the same time, it is against the spirit of inclusive growth. According to the Sixth SSI Economic Census, the total number of women entrepreneurs in India was 8.05 million (13.76%). The SSI units owned by women are 11752, and the total percentage is 1.11 percent in Assam. The success story of Kanaklata Mohila Cooperative Urban Bank, Jorhat is a bright example of women entrepreneurship in Assam (Economic Survey, Assam 2001-02).

1.18: Objectives

1. To find out socio-economic factors that influence the women to become an entrepreneur,
2. To examine the infrastructural facility available for the development of women entrepreneurship,
3. To study the area of interest of women entrepreneur in traditional business as well as non-traditional business,
4. To study the impact of government policies and programmes for the development of women entrepreneurship,

5. To examine the role of financial institutions in women entrepreneurship development,
6. To analyse the challenges faced by the women entrepreneurs,

1.19: Hypothesis

Keeping the above objectives of the study, the following hypothesis was formulated.

H₀₁: The level of education has no significant impact on the growth of income of women entrepreneur of the study area.

H₀₂: Location of the business has no significant impact on the growth of income of women entrepreneur of the study area.

H₀₃: The measures taken by the government are not sufficient for the sustainable growth in income of women entrepreneurs in the study area.

1.20: Statement of the problem

Entrepreneurship is the lifeblood of any economy, like India. As an important source of overall economic development, women entrepreneurship has been recognized. In India, women constitute 48.2 percent (as per 2011 census) of the total population. Due to the lower status of women in Indian society, the entrepreneurial quality of women has not been properly utilized though they have played an essential role in society. Involvement of women is needed for any sustainable change towards progress. The role of women has been recognized with a marked shift in the approach from women welfare to women development and empowerment since the 5th Five Year Plan onwards. Though several policies and programmes are being implemented for the development of women entrepreneurs, they face some complex problems which are hindering the process of healthy and strong entrepreneurship development. In the study area, women entrepreneurs have faced more challenges from their culture, family, and society, more than their male counterparts. Therefore, it is very much essential to know actual causes of slow entrepreneurial development among women

and to find out the ways of overcoming the barriers especially in Sonitpur district of Assam. Sonitpur district is the third major district of Assam. It is also an important tourist destination place of Assam; therefore, the possibility of expansion of lodge, restaurant or café, boutiques, etc. is very high. Though the Central and State government have taken various measures to develop entrepreneurship among women, still it is not encouraging. The present study attempts to investigate the main problems of slow growth of women entrepreneurship and measures be initiated to remove various shortcomings so that the participation and contribution of women entrepreneurs to national economy be increased.

1.21: Significance of the study

Sonitpur district is purposively selected as this district has the potential to probe into the entrepreneurial behaviour of women. Besides, to throw light on the impact of socio-economic factors on the growth of entrepreneurship is also essential. The literacy rate of women in Sonitpur district is 60.73 percent (2011), and with the increase of urbanization and population, the market condition for small enterprises is gradually moving upwards. In recent years, women entrepreneurs have been increasing considerably due to an increase of Self Help Groups (SHGs) under the Swarna Jayanti Gram Swarozgar Yojana(1999). Culturally, this district is full of diversity (as is India as country). Due to the existence of multicultural ethnic groups, there is a possibility of women entrepreneurship in different fields such as traditional as well as non-traditional sectors. The hidden entrepreneurial qualities of women have been changing in society with the growing sensitivity to the role and economic status. This study attempts to sketch the challenges of women entrepreneurship which hinder the women in transforming their standard of life. This study tries to focus on micro and macro factors which hinder women for undertaking their enterprises. Moreover, it is important to motivate and guide the new generation regarding the choice of career as an entrepreneur in the study area. It is in this backdrop that the proposed topic is a need for more specific studies on the problems of women entrepreneurship. Though

Kamrup district (both Metro and Rural), and also Nagaon district have the highest number of women entrepreneurs respectively in Assam, Sonitpur district also has the potential for development of women entrepreneurs and number of women entrepreneurs both registered and unregistered have been increasing gradually. Out of 968 total registered entrepreneurs in the last five years from 2013-14 to 2017-18, the number of women entrepreneurs is 430 (Source: DICC, Sonitpur). The growth rate of women entrepreneurship during this period is 44.42 percent. This study is an attempt to tap the unexplored areas and to identify their challenges which would go a long way in helping entrepreneurial activities among women.

1.22: The Theoretical Framework

Designing a conceptual framework is essential as it would help in identifying the areas of relevance to the study. In this study, the primary objective is to identify the challenges that women entrepreneurs face in the entrepreneurial activities and to determine the kind of supportive services needed in running and developing women enterprises. Therefore, women entrepreneurship theory will be the framework of this thesis. From the women entrepreneurship theory, this study will try to understand the challenges that women face in running their enterprises. Till now there has been no consistent, universal theory on entrepreneurship. Entrepreneurship is a multifaceted phenomenon (Land storm, 2005 as cited in Bjerke, 2007:73). Entrepreneurship is related to several fields like economics, psychology, management, sociology and the like. Therefore, it can be studied in different standpoints. One of the objectives of the study is to explore the resources that are available for the prospective and growth of women entrepreneurs in Sonitpur district of Assam. The entrepreneurial development path that begins from the idea of opportunity, conception, planning, evaluation, venture formation and launch to the growth of an enterprise is proven to be dependent on different factors such as planning, business, financing, human resources, networks among others for overall success. The support services offered to women in the entrepreneurial process is also consisting of the theoretical framework.

Drawing the theoretical framework, which emphasizes the social rules, values, norms, and expectations, are the crucial factors for an organization/enterprise together with Brush et al's 5M framework (2009). This study aims to construct a framework useful for the study of entrepreneurship among women in its own right.

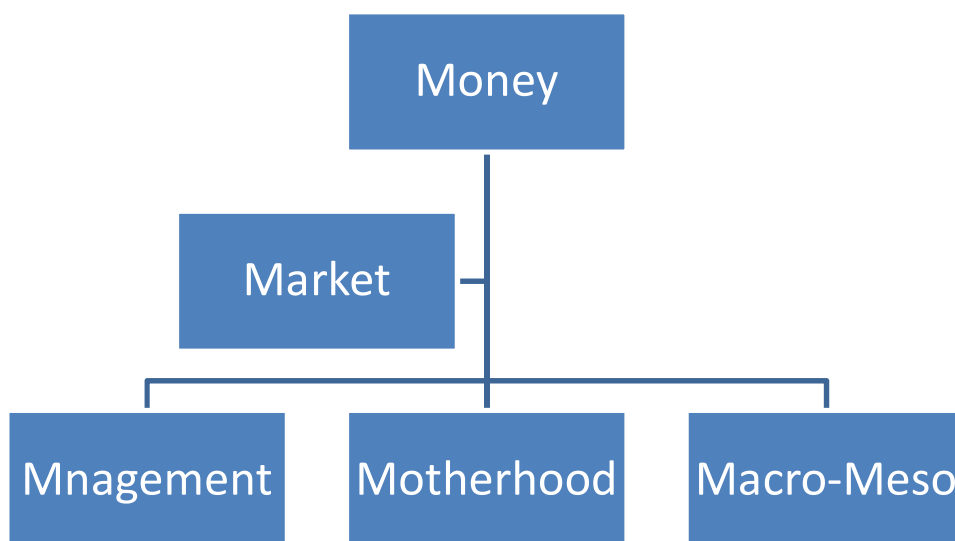
1.23: 5M Model (Brush et al, 2009)

There is a common agreement that business creation is generally organized around three basic constructs basically money, market, and management (3Ms). In the process of starting a business, an entrepreneur must have an access to the markets (Schumpeter, 1934; Kirzner, 1985, Shane, 2003), money (Penrose, 1964; Bruno & Tyebjee, 1982) and management (in the form of human and organizational capital) (Aldrich, 1999). These encompass what Bates et al (2007) describe as the three fundamental “building blocks of business viability.” The building blocks derived from mainstream economics and management-driven view of entrepreneurship. According to Bates et al (2007), these 3Ms are the main factors to the formation of any kind of business. However, for minority business enterprises there are challenges when attempting to access these building blocks.

Brush, de Bruin, and Welter (2009) build on the framework proposed by Bates et al (2007) and extend this ‘3M’ to a ‘5M’ framework. They begin with the premise that all entrepreneurship is socially embedded (Davidson, 2003; Steyert & Katz, 2004). They propose to study women entrepreneurship norms holistically; values and external expectations must be considered (Elam, 2008). It is argued that the ‘3M’ framework be qualified, and then expanded to include ‘motherhood’ and the “meso & macro” environment. Brush et al. (2009) argues that the concepts of money, market, and management must take into account any uniqueness of women's entrepreneurship by suggesting a male-bias emerges not necessarily by intention but rather by omission, namely the failure to consider the underpinning reasons why and how women entrepreneurs and their businesses are different. Generally, both male and female

entrepreneurs are similar in terms of motivations and face the same barriers in terms of having access to the markets, money (financial capital) and management (human and organizational capital). However, it is argued that embeddedness may lead to different access to money, market and management (Brush, Carter, Gatewood, Greene & Hart, 2007), e.g. the venture capital industry is geographically concentrated and heavily male-dominated with implications for women's access to funding for growth (Brush, Greene Hart, and Saporito, 2001).

Figure -1.3: 5M Model (Brush et al, 2009)

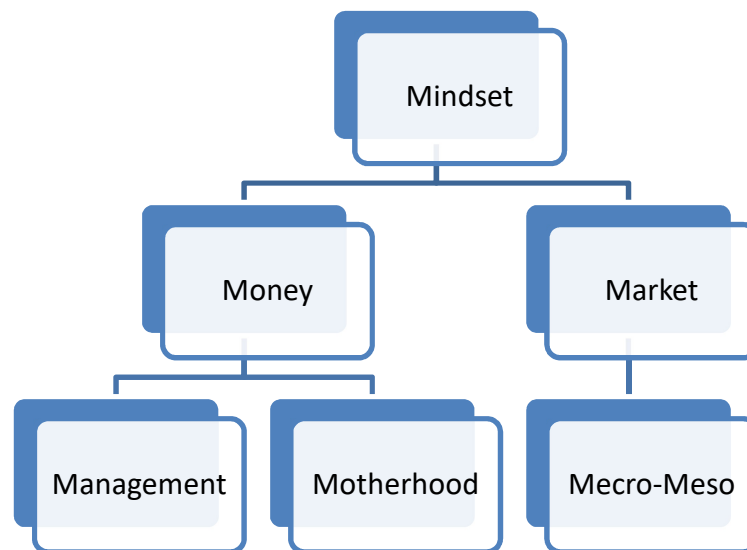


Along with this 5M, the present researcher includes another “M” that indicates, “Mind-set” of the entrepreneur. Instead of 5M, 6M could be used for the analysis of women entrepreneurship.

- Motherhood is a metaphor representing the family and household context of the entrepreneur and is found to have a more significant impact on women entrepreneurs than men (Brush et al. 2009, Iakovleva et al. 2013). Jennings and MacDougal (2007) have found that the family domain factors have significant number of consequences for the work domain, and vice versa. Higher the cooperation of family members; higher is the growth of women entrepreneurship.
- By meso environment Brush et al. (2009) include regional support policies, institutions, services, and initiatives. On the other hand, the macro environment, includes national policies, strategies, cultural and economic influences. The entrepreneurs cannot influence these environments, but they, in turn, influence the development and success of the entrepreneur and her entrepreneurial activities. Bruton et al. (2010) revealed that the entrepreneurs felt discouraged from starting ventures if they were forced to comply with too many rules and regulations. They made similar observations in the environments where no regulations were in place at all, such as in the economies of transition (Bruton et al. 2010, Iakovleva et al. 2013, Welter 2011). The meso environment intends to link the macro environment with the microenvironment of the entrepreneur. However, the 5M model has a very limited discussion of these micro-level forces affecting the business development.
- The 3M (money, market, and management) are very important to start a business. An entrepreneur needs to have access to money, markets, and management. Generally, a male entrepreneur has greater opportunities in these 3Ms than women entrepreneurs. Most of the women's problems are related to this 3M. Lack of sufficient money, lack of adequate markets and lack of proper management of enterprises that create tremendous problems in the growth of entrepreneurship.

- Researcher includes another “M” which means “mind set” of the entrepreneur. The mindset of the entrepreneur is fundamental to start a business. If an individual’s attitude is not positive towards the entrepreneurial activities, then it would not be possible to start a business.

1.4: 6M Model

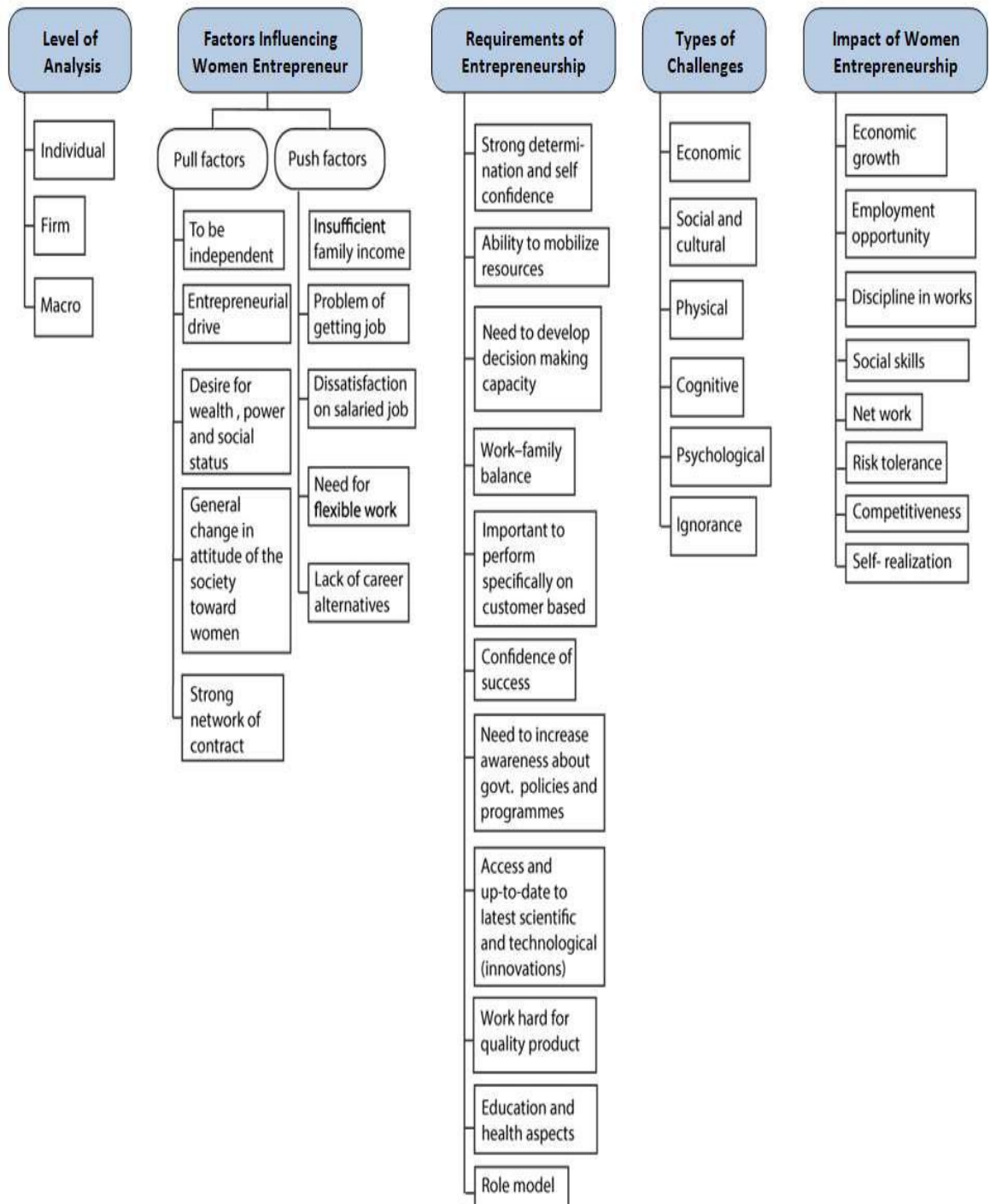


Designing a conceptual framework is very important as it would help in identifying the areas of relevance to the study. Beginning with the research questions (that are fundamental to the research problem), it is possible to identify other topics in the literature that are noteworthy and of paramount importance to the present research. Therefore, a review of these topics is essential to meet the research objectives and answer the research questions.

1.24 : Conceptual framework

Based on the above discussions, a conceptual framework model is developed which is given below Figer 1.5

Figure-1: The research Model depicts the phases of women entrepreneurs



The above-mentioned conceptual framework is developed by the researcher and suggested by the guide, Dr Parbin Sultana. According to this conceptual framework, the first level of analysis is based on an individual respondent. How a woman enters

into self-employment and entrepreneurial activities; how she exploits opportunities; and what the consequences of women's entrepreneurship are, etc., are very important to analyze the causes and challenges of women entrepreneurship. Generally, women's entrepreneurship is different from men's entrepreneurship is that culture and history have attributed women a different role in society and that specific conditions have a strong and profound impact on the entrepreneurial process. The next analysis is on the firm level and then to the macro level.

As this study has emphasized the challenges of women entrepreneurs, therefore researcher categorizes the challenges – firstly, at the time of starting an enterprise, secondly, during the running of enterprises and thirdly the other problems.

This study explains the factors affecting women entrepreneurs through pull and push factors. Researcher discusses the requirements for entrepreneurship and finally analyzes the impact of women entrepreneurs on the society i.e., how women entrepreneur helps in employment and income generation; competitiveness among women; social skills; self-realization; etc.

1.25: Methodology

Descriptive survey method is used to examine the existing condition of women entrepreneurship.

Research area of interest: The Sonitpur district of Assam which has 7 blocks is the area of study.

The population of the study: The population of the study is all registered and unregistered women entrepreneurs of Sonitpur district of Assam.

Sources of secondary data are as follows: Reports, Journals, Magazines and Newspapers, Books, Action plan, Pamphlets of Director of Industries and Commerce Centre (DICC), Sonitpur District, Khadi and Village Industry Board (KVIB), Indian Institute of Entrepreneurship, Guwahati (IIE), Assam, North Eastern Development

Corporation (ANEDC), Assam Financial Corporation (AFC), Web and newspapers.

The primary data is collected from each (randomly selected) block of Sonitpur district. The total sample size was 430 (both registered and unregistered women entrepreneurs) and collected through a structured questionnaire. To draw primary data, the study adopted a personal contact method. It helps to collect the required primary data by going deeply into the feelings of the entrepreneurs. For making the study more meaningful and useful, there was an exchange of ideas. The researcher has selected both registered and unregistered women entrepreneurs for the present study so that the overall picture and status of women entrepreneurs reveal. Questions are prepared after reviewing enough research papers. The questions are used to identify the important variables which are considered in the present study.

Criteria for the selection of women entrepreneur

- The entrepreneurs should have been in business for at least three years at the time of investigation irrespective of registered and non-registered enterprises.
- The entrepreneurs should have established business units which are engaged in traditional as well as non-traditional items excluding joint ventures (male and female).

The data were collected from the Sonitpur district where 7 blocks are located. These are (a) Barchala, (b) Dhekiajuli, (c) Bihaguri, (d) Gabharu, (e) Balipara, (f) Rangapara, and (g) Naduar. Within each block, the respondents under study were selected by simple random sampling technique.

Sample size: Cochran's sample size determination formula was used to calculate the proper sample size for this study. Considering 95 percent confidence level and at least 5 percent precision, the sample size was found 430. Since the size of population of each block is different from each other, therefore, proportionately population are taken as sample from each block to get the desired sample size 430. The sample size of each block is as follows:

Table -1.1 Block wise total population and female population (2015)

Sl. No.	Blocks	Total population	Female population	Sample size	
					Approximate
1	Balipara	233,920	112,601	91.21	91
2	Barchala	197,345	96,395	78.08	78
3	Bihaguri	86,436	42,631	34.53	35
4	Dhekiajuli	224,611	108,465	87.86	88
5	Gabharu	156,044	76,685	62.11	62
6	Naduwar	90,911	44,971	36.43	36
7	Ranganpara	98,912	48,851	39.56	40
Total				429.78	430

Source: DIC, Sonitpur

Statistical Tools: The collected data is analyzed to find out the demographic profile of the women entrepreneurs and to draw inferences by applying simple statistical techniques like percentage, tables, graphs, etc. Correlation-Regression analysis, Chi-square, ANOVA, Weighted Ranking Method are used to analyze the data and to find out the objectives of the study by using a suitable statistical technique.

Reliability: To ensure the reliability of the responses, especially with regards to the quantitative information provided by the respondents (e.g., owners, year, no. of employees, etc.) all information was checked using publicly available sources like newspaper, internet, and archived documents.

Several factors, including the age of the enterprise, no. of employees, etc. are not relevant because the main objectives are to identify the individual entrepreneur's challenges and experience of starting a venture irrespective of that.

1.26: Map of Sonitpur district

Figure–1.6 Map of Sonitpur district



Source: map.google.com

1.27: Limitations of the study:

- This study was confined to Sonitpur district of Assam.
- The main limitation is the non-availability of sufficient required up-to-date official data (secondary data).
- Data are not collected from sick and likely to be closed units as most of the entrepreneurs launch their enterprises newly.
- Units having capital investment minimum (at the time starting) of Rupees Five thousand and more were considered for the study.
- For the in-depth study about the challenges of women entrepreneurs and its impact on the development of women entrepreneurship information relevant to five years.

Despite these limitations, an earnest attempt has been made to investigate the causes of the slow progress of women entrepreneurship by analyzing the data elegantly.

1.28: Renowned Women Entrepreneurs²³:

Generally, entrepreneurship has been a male-dominated pursuit, but now a days most memorable and inspirational entrepreneurs are women. Some of the most influential entrepreneurial women past and present are-

In International perspective-

Dame Anita Lucia Roddick, DBE was a British businesswoman, human rights activist and environmental campaigner. Anita Roddick is an entrepreneur of the cosmetic field and the founder of The Body Shop (1976). It is a store that purchases outstanding natural ingredients for a line of cosmetics providing women with superb cosmetics and helping the disadvantaged communities generate income and employment.

Debbi Fields, at age 20, was a housewife with no business experience. She has a great chocolate chip cookie recipe and a dream. She is the founder and spokesperson of Mrs. Fields Bakeries (1977). At present, her Cookies is one of the world's most recognizable dessert franchises. It has over 600 stores in the U.S. and 22 other countries.

Estee Lauder started out selling skin creams created by her uncle (1946), but because of her personality and persistence, she worked her way into the cosmetics counters of department stores. She developed a personalized selling style, and with a 45% share of the cosmetics market in U.S. department stores. Then she managed to put her brand on top of the cosmetic industry. Now, she is the embodiment of the American Dream.

Jenna Jameson turned the business model in her industry on its head before diversifying into a wide range of other products. For entrepreneurs in any industry, the story of Jenna, her powerful branding, tightly controlled distribution and multiple streams of passive income contains very fruitful lessons.

Madame C. J. Walker is the daughter of former slaves. In the early 20th century, orphaned at the age of seven, Walker built a thriving beauty products business employing over 3,000 people (1910). She is the first self-made female African American millionaire. It is possible because of her hard work, honest business dealings, and quality products.

Mary Kay Ash was the most outstanding women in business in the 20th Century. She is the founder of Mary Kay Cosmetics (1963) and created a business that has helped some half a million women who fulfil their dreams of business ownership. She is also a best-selling author and powerful motivational speaker, Lifetimeme Television named her the Most Outstanding Wsoman in Business in the 20th Century.

Who doesn't know Coco Chanel? Coco Chanel, one of the prime innovators of the 20th-century fashion, has introduced elements from menswear and sports apparel into women's fashion to create a distinctively simple, yet elegant style. Her signature fragrance, Chanel No. 5, launched in 1923 was the first perfume to bear the designer's name, which is still one of the best-selling fragrances in the world.

In National perspective-

Dr. Kiran Mazumdar Shaw, Chairperson and Managing Director of Biocon Ltd., became the richest women in India in 2004 (an estimated Rs. 2100 crore). She received her education at Mount Carmel College in Bangalore. She established the Biocon India with a capital of Rs. 10,000 in her garage in 1978. Her first operation was to extract an enzyme from papaya. At that time bank rejected her application form of loans on three grounds. Firstly, at that time biotechnology was a new concept. Secondly, the company did not have sufficient assets. Thirdly women entrepreneurs

were still a rare thing. Now her company is the most prominent biopharmaceutical firm in India.

Ekta Kapoor, creative head of Balaji Telefilms, has been synonymous with the rage of soap operas on Indian T.V. In 2000 after her famous T.V. serials “Kyunki Saas Bhi Kabhi Bahu This” started on STAR Plus. She produces more than eight television soaps. In 2006, at the Sixth Indian Telly Awards, she bagged the Hall of Fame award for her contributions.

Sulajja Firoda Motwani is the Joint Managing Director of Kinetic Engineering Ltd and in charge of the company’s overall business developmental activities. In India, she ranked among the top 25 business entrepreneurs of the country. She was presented with the ‘Society Young Achiever’s Award for business in 2002. The World Economic Forum has hand-picked her as the “Global Leader of Tomorrow.”

Sunita Narain is the director of the Society for Environmental Communications, and publisher of the fortnightly magazine ‘Down to Earth.’ She has been with the India based centre for Science and Environment since 1982.

In North Eastern perspective -

Abokali Jimomi is the founder of Organic Nagaland, which came into existence in the year 2011. The main objective of this organization is empowering local growers and training the local Naga women and men with the latest technologies of agriculture. It has been revolutionized the Nagaland agriculture, owing all this to the constant efforts of Abokali.

Archita Ray is the first lone women entrepreneur of the private hatchery of Tripura (1997). In Amtali district of Tripura, she has been running this business for the past 20 years. As poultry products were earlier imported from Kolkata, she saw it as an opportunity. Currently, with her innovation, Tripura has its own hatchery. Over the

years, her business has grown successfully, and now, she has monthly production of approximately three lakh chicks.

Hasina Kharbhih, a social entrepreneur, is the founder and chairperson of impulse NGO (1987) network in Meghalaya. For two decades in this sector, Hasina and her NGO fight against human trafficking in India, South East Asia. With many prestigious awards, she has been recognized, and some of those awards are: “Japan Socialist Activist – an Award,” GND Global Development Award, and so on for her relentless contributions in combating human trafficking.

Janessaline Mary Pyngrope, designer cum entrepreneur from Meghalaya was honoured with the “Vasundhara North East Women Entrepreneur of the year.” She started her business in 2011 when she launched the first fashion house of Meghalaya. Since then, her fashion house has been creating designs and that is a blend of modern outlook in traditional style.

Leena Saikia is the founder of the food production company called “Frontal Agritech Private Limited.” The main produce of this company is Bhoot Jalakia (King / Naga Chilli), among the spiciest chillis in the world (ranked as No.2). With 99 percent of the produce being exported to 22 countries around the world.

Lakhimi Baruah is the founder of a cooperative bank for women called Konoklota Mahila Urban Cooperative Bank (KMUCB) in the year 1998. This bank has female employees and has reached out to many women in the Northeast. KMUCB has helped women to manage their finances effectively.

From the Barpothar area of Golaghat district of Assam, Ms. Rakhi Saikia, is an ambitious entrepreneur who owns a 99-hectare organic tea plantation in that area. Her continuous efforts and various experiments successfully produced Yellow tea, a native to China in India. She is creating a revolution in the tea industry.

Sanjukta Dutta, an engineer turned designer, from Nagaon district of Assam has successfully made Assam’s traditional dress ‘Mekhela Chadar’ earn national and

international acclaim. In 2012, she started her weaving unit. Since then, her weaving unit has earned name and fame all over the world. No, looking back!

1.29: The structure of the research report

The Content of the Thesis is Divided into ten chapters

Chapter – 1:

Introduction

Evaluation of entrepreneurship, definitions of entrepreneur, characteristics of women entrepreneur, culture of entrepreneur, determinants of entrepreneurship, types of women entrepreneurs, motives of women entrepreneurship, history of women entrepreneur in India, history of women entrepreneur in Assam, objectives of the topic, research questions, statement of the problems, significance of the study, methodology (Research area of interest, Population of the study, Sources of data for the study, Sample design, sample size, Statistical tools, map of the study area, limitation of the study), renowned women entrepreneurs.

Chapter – 2

Review of literature

Chapter –3

Socio-economic profile of the Sonitpur district of Assam

Chapter – 4

Women entrepreneurship and availability of infrastructural facilities

²³source: www.nelive.in

Chapter – 5

Women entrepreneurship and area of interest

Chapter – 6

Government schemes and its impact on women entrepreneurship

Chapter -7

Role of Financial Institutions in the development of women entrepreneurship

Chapter -8

Challenges of women entrepreneur

Chapter – 9

Analysis and results

Chapter - 10

Suggestions and recommendation

Chapter 11

Bibliography