

# Gender Influence on Entrepreneurship: A Case Study of Aizawl District of Mizoram

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## Abstract

In India, it is a very usual scenario where males dominate entrepreneurial activities over the females and gender biasness still prevails in all fields of life even in this modern 21st century. But, in recent past this common scenario has changed rapidly and active participation of females have been evident in various fields of engineering, medical sciences, electronics, energy, etc. This practice remarkably increased amongst women in states like Kerala, Maharashtra and few others. While in the hilly region, major business activities have been undertaken by the women and is highly dominating in the north-eastern region of our country. Women of north-east are involved more in income generating activities than women in other parts of India. Some pockets of these north-eastern states are run only by females in the field of business. This is also reflected by the state of Mizoram in which a substantial section of entrepreneurship activity lay the hands of women and the picture is particularly dense in its state capital, Aizawl where the study of our analysis has been undertaken. However, this study also revealed some peculiar facts about gender biasness in the study area.

**Keyword:** Awareness, Gender Biasness, Inequality, Inferiority, Ownership, Prejudice

## Introduction

Entrepreneurship is the propensity of mind of an individual to take calculated risks to achieve a pre-determined business or industrial objective. It is the

risk taking ability of the individual. One who takes the risk to start or improve a business or industry is called an entrepreneur. An entrepreneur detects and evaluates a new situation in his environment. He conceives of an industrial enterprise for the purpose, displays desirable initiative, grit and determination in bringing his business to fruition. Hence different authors define the entrepreneurship differently. While some call it 'risk-bearing capacity' (Cantillon, 1971), others view it 'innovating' (Schumpeter, 1967) and yet others consider it as 'need for achievement' (McClelland, 1961). Thus, entrepreneurship management is basically concerned with the development and coordination of entrepreneurial functions of the individual, better known as entrepreneur.

By entrepreneurship we mean person who undertake investment in a venture with a view to earn returns besides his actual investment. But from economic point of view entrepreneurship activity involves risk-bearing as well as innovating. It not only includes the independent businessman but also company directors and managers who actually carry out innovative functions as pointed out by Sir J. Schumpeter. Here, innovation means finding a new source of supply or developing new methods of production.

Empowerment of women implies creating conditions for enabling the women to be motivated for task accomplishment by taking personal responsibility. In the context of empowerment through enterprise, empowerment of women involves access to resources and markets, actual ownership and active control. These three factors act as the mountainous work to empowered women through enterprise.

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It is the fact that the number of women who are starting and owning their own business as a career has increased significantly over the past 10 years. Due to gender discrimination and bias in different white collar jobs, many women choose the option of starting and managing their own business. There are many reasons why women become entrepreneurs and during the course, there are many barriers and obstacles that they have to overcome. Two such barriers are obtaining capital financing and establishing a broad network. Regardless of these hurdles there has been a continual increase of women entrepreneurs throughout the past decade, demonstrating that women can overcome societal discrimination and gender bias, turning disadvantages into advantages, in order to succeed in the entrepreneurial world.

In entrepreneurial activities women initiation may be less than male counterpart and it is increasing slowly but managing the whole strongly. They are facing lot of problems at the starting point as it has been discussed and evaluated by every social scientist. In their discussion environmental characteristics like generosity, resource availability, hostility, and uncertainty are influencing highly to oppose the initiation hold by both genders and women in particular facing more than men.

## Conceptual Framework

As 50 percent of world demographic structure constitute of females; so is the case in India. Census 1991 revealed women constitute 48.14 percent of total population of the country (Sinha, 2001). Women are no more confined to the traditional rectangular activities in four walls in today's world rather they are participating in all sorts of activities. So entrepreneurship no more means business by male only. It is being taken up by women also who are involved in such activities. Evidences have been remarked locally, nationally as well as globally that such women have performed exceedingly well in different sphere of activities such as academics, politics, administration, social work and so on. Now they have undertaken business venture and are running successfully.

As per the past statistics 1988-89 women entrepreneurs accounted for 9.01 percent of total 1.70 million entrepreneurs during the mentioned period.

A cross-country study of USA reveals that women-owned enterprise in US has risen from 7.1 percent (1977) to 32 percent (1990) and 50 percent by the turn of the century.

Earlier women entrepreneurship was meant for extension of kitchen activities to 3P's (Pickle, Powder and Papad) but with the growing awareness about business and spread of education among women 3P's engross to 3 modern E's (Engineering, Electronics and Energy). Smt. Sumati Morarji (Shipping Corporation), Smt. Yamutai Kirloskar (Mahila Udyog Limited), Smt. Neena Malhotra (Exports) and Smt. Shahnaz Hussian (Beauty Clinic) are some exemplary names of successful and accomplished women entrepreneurs in our country. Entrepreneurship practice amongst women has remarkably increased in Kerala and Maharashtra at the state level. Normally in the hilly states major business activities have been remarked to be run by the women in our country. Considering the seven sister states of N-E region of our country, it has been remarked that women are dominating business in most of the hilly states of N-E region.

North East is the region where more women are involved in income generating activity than women in other parts of the country. About 82.2 percent of weavers in N-E region have been remarked to be full time women weaver. Number of enterprises and persons working by sex (female) in N-E region as per NER Basic Statistics, 2002 was 1.45 percent out of which 5.1 percent were from Mizoram. Number of enterprises and persons working by sex (female) out of total population of Mizoram as per NER Basic Statistics, 2002 was 3.03 percent. Kaleduh (Bara Bazar) market in Shillong and Khairamband market in Imphal are mostly controlled by women (Sinha, 2001). Substantial section of entrepreneurship activity in Mizoram is in the hands of women and the picture is dense in Aizawl.

As we can see that most of the hilly states' trading is dominated by women, in Mizoram also same picture reflects in every sphere of trading business and also in entrepreneurship. But this change has come to the present position slowly over period of time. And it started from family to share work load with male members. We are having women astronauts, women prime ministers, women wrestlers, truck-cab drivers but there are still millions of women who face these double standards at every juncture of their lives. Feminists have been shouting themselves hoarse, demanding equality for women. Some people believe that women and men can never be equal, just different. Yes, but different does not necessarily mean inferior or lesser in any way. Women must be provided

equal opportunity even in entrepreneurship and this is not a task to be left to the government or any organisation or authority.

## Review of Early Study

Patel (1987) got a beautiful outcome in his studies that in countries like Philippines and Malaysia; women are the good sources of entrepreneurship. They start their home industries in spare time. The activities then grow into a regular production unit. The Indian women entrepreneurship also was very encouraging. After getting EDP training, most of them started their own business or started working as employees to earn supplementary income. Women entrepreneurs have proved “to be good learners of business, more conscientious to handle responsibilities of running a unit, more honest, and good fighters. These are indications justifying more initiatives in tapping their rich potential”.

Vasant Desai (1991) realised that the women entrepreneurs’ tasks have been full of hurdles but still they have steered clear of public prejudices, family opposition and cynical remarks of co-workers and in a thorny way, and they have established themselves as independent entrepreneurs.

In a survey by Awasthi and Sebastian (1996) came out the result that the urban middle class is becoming more respective to the idea of women taking entrepreneurship as profession to provide financial cushion to the family income. But unmarried daughters/sisters are still not encouraged to enter into independent entrepreneurial activities. The proportion of widows is almost insignificant.

Adak (1999) found that the women entrepreneurs should come up from their own slot to a height indulging themselves in entrepreneurial activities by which they will live independently with pride and ethos instead of waiting for the support of the opposite gender.

Dasgupta (2000) argued that the productivity and management are correlated to each other which is inherent in nature to the human resource not for a particular gender. Gender biasness will lead to erosion of the business and under conducive conditions; the value of human resources appreciates through the process of time.

Sara (2007) analysed and revealed that the similarities are there in the criteria used to assess male and female applicants but shows modest differences in the emphasis

given to certain by male and female lending officers. The processes used by male and female lending officers to negotiate loan applications revealed the greatest differences.

Arora and Sood (2008) arguably mentioned that the entrepreneurship implies being in control of one’s life and activities and women entrepreneurs need to be given confidence, independence and mobility to come out of their paradoxes.

## Rational for the Study

Development of the society requires full participation by all sections of the population including women. Involvement of women in entrepreneurial activities would ensure effective utilisation of labour generation of income and hence improvement in the quality of life. The fruit of mobilizing women for entrepreneurial activities has been realised by all the nations of the world.

Economic backwardness of N-E region may be due to inadequacy of the supply of entrepreneurship in the region. Entrepreneurship development of N-E region will help to compete with the rest of the country. Hence, it is important that both male and female take entrepreneurship as a career for the development of the region as well as country. The statistics of the SSI units (1990) also revealed that in N-E 12.5 percent of the business were managed by women as against 7.7 percent in the country in general (Sinha, 2001). Although there have been several studies conducted to identify the gender (female) related participation in entrepreneurial practice in N-E region. But most of the studies are based on macro information. Very few studies are found to be based on empirical observation of a region in general and a location in particular.

The present study is undertaken to bridge the gap of empirical analysis on gender (female) participation in entrepreneurship. The present study is confined to Mizoram in general and Aizawl in particular.

## Objective of the Study

- a. To identify whether ownership of entrepreneurship has gender biased-ness or not.
- b. To study the female participation in entrepreneurship in Aizawl district of Mizoram.

**Table 1:** Results for Model(i)

Dependent Variable: Female				
Sample: 15				
Included observations: 15				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.000000	1.88E-16	1.07E+16	0.0000
Employee	7.86E-17	2.57E-17	3.055726	0.0092
Mean dependent var	2.000000	S.D. dependent var		0.000000
S.E. of regression	4.89E-16	Sum squared resid		3.11E-30
Durbin-Watson stat	1.263323			

**Table 2:** Results for Model(ii)

Dependent Variable: Male				
Sample: 86				
Included observations: 86				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	1.000000	2.56E-17	3.90E+16	0.0000
Employee	3.10E-17	3.66E-18	8.480491	0.0000
Mean dependent var	1.000000	S.D. dependent var		0.000000
S.E. of regression	1.57E-16	Sum squared resid		2.06E-30
Durbin-Watson stat	1.575623			

## Hypothesis

H1: Change in overall (male-female) employment has weak influence on women employment in Aizawl.

H2: Change in overall (male-female) employment has high influence on male employment in Aizawl.

## Methodology

The study is based on micro data collected from different parts of Aizawl township. Data were collected through sample survey and personal interview with questionnaire (close ended). Data on various aspects of entrepreneurship have been collected from Aizawl with close ended questionnaire. The sample size of the study is 101. Data collected through personal interview have been estimated with suitable software available. Estimated results have been analysed with simple linear regression model.

## Equation Estimated

Model (i):

$$Y_{1t} = \alpha + \beta X_t + \varepsilon_t \quad (i)$$

where,  $Y_{1t}$  is female entrepreneur in Aizawl

$X_t$  is number of employee in enterprise of Aizawl

$$(\alpha, \beta) > 0 \text{ and } \varepsilon_t \sim N(0, \sigma^2)$$

$\alpha$  is minimum number of employee in enterprise of Aizawl

$\beta$  is slope of the employee in the enterprise of Aizawl

Model (ii):

$$Y_{2t} = \gamma + \delta X_t + \varepsilon_t \quad (ii)$$

where,  $Y_{2t}$  is male entrepreneur in Aizawl

$$(\gamma, \delta) > 0$$

$\gamma$  is minimum number of employee in enterprise of Aizawl

$\delta$  is the slope of the regression equation.

## Explanation of Results

The results of Model (i) state that women employment of Aizawl has been affected by 79 percent of total change in employment. The slope coefficient has been found to be highly significant. Hence our hypothesis is rejected as women employment of Aizawl being highly influenced by change in overall (male-female) employment.

The results of Model (ii) state that male employment in Aizawl has been affected by 31 percent of the overall change in employment. The slope coefficient has been found to be highly significant. Hence our hypothesis is rejected as the impact of overall employment level on male employment in Aizawl being low.

## Conclusion

From the current study it has been found that ownership of entrepreneurship has gender biasness. Entrepreneurship in Aizawl is mainly dominated by women. Female participation is very high in entrepreneurship business in Aizawl. Although most of license on entrepreneurship in Aizawl being offered to the male however the business being undertaken by the female as observed from micro data.

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