

Women in Entrepreneurship: Issues of Motivation and Choice of Business

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Abstract

Though entrepreneurship is old, women entrepreneurship is a recent phenomenon in India. This study has been undertaken to explore the motivational factors and different reasons for choosing particular business-types by women entrepreneurs from the perspectives of different socio-demographic dimensions of women entrepreneurial life. It has been an intensive micro-level field study of women entrepreneurs from the perspectives of thriving, evolving and prospering small urban India in this millennium beyond the peripherals of metropolis. The methodology of the study was based on the primary data collected through direct interviews with women entrepreneurs by using an interview schedule with structured questionnaire. The study revealed that the most important motivating factors for women entrepreneurs were to help their husband and family in sharing family burden, followed by self-motivation. Though age group, educational level, training status and marital status have been found to be associated with motivational aspects of women entrepreneurs, family type has no bearing on business-motivation. Again, women entrepreneurs have chosen particular type of businesses for different reasons. The most important reason was the needs of the locality, low capital requirement and ready market-availability of the products and services, followed by interest, training and emerging market for the product/services. Except family type, age group, educational level, training status and marital status have been related significantly with choice of business-types. The middle-aged, graduate and trained women entrepreneurs have been the most opportunistic lot of entrepreneurs.

Keyword: Motivational Factors, Choice of Business-Types, Age, Education, Training, Marital Status, Family Type.

Introduction

‘Women in entrepreneurship’ is now considered a very important phenomenon in India. In the new millennium, women entrepreneurship has been recognised as an important untapped source of economic growth and inclusive development. Women entrepreneurs are not only creating new jobs for themselves and others, but they are also providing society with different types of solutions to organisational and business problems as well as to the exploitation of entrepreneurial opportunities in a different way. However, they still represent a minority of all entrepreneurs in our society. Again, women not only have lower participation rates in entrepreneurship than men, but they also generally select to start and manage firms in specific sectors of industries than men tend to do. Women entrepreneurs choose primarily retail business, small trading and other service industries, which are perceived as less important to economic development and growth than that of high technology, capital intensive and manufacturing industries.

Traditionally, women were concentrated to their family life and were satisfied with 3Ks- ‘Kitchen, Kids and Knitting’. Apart from the household activities, they were engaged mostly in agriculture or at the most in family trade activities. However, with the development of small-scale industries in the post independent era, there was extension of kitchen activities of women from 3Ks to 3Ps viz. ‘Pickles, Powder and Pappad’. But, with the spread of education and awareness, women entrepreneurs have further shifted from the 3Ps to the higher level of activities of 3Es i.e., ‘Engineering, Electronics and Energy’. Although the number of such units is not large, but the situation is changing slowly (Ashalata & Acharya, 2009).

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Today women entrepreneurs represent a group of women who have broken away from the beaten track and are exploring new avenues of economic participation. The reasons for women to run organised enterprises are their skill and knowledge, their talents and abilities in business and a compelling desire of doing something positive. Money is not the sole objective among women entrepreneurs to enter into the business (Rao *et al.*, 2008).

In spite of the gender bias prevalent in Indian society, the marginalisation of women from the organised economic activities, and the social stigmas attached with women-roles in our society, increased educational and business opportunities for women in recent years have provided them with necessary skills and motivation, which has resulted in more opportunities for them to pursue entrepreneurial endeavours. The basic concept of entrepreneurship denotes effectiveness, an urge to take risk in the face of uncertainties and to take risk in intuition, i.e. a capacity of showing things in a way, which afterwards proves to be true. Entrepreneurship in a society, thus, is dependent on closely inter-linked economic, social, cultural, religious and psychological variables. Entrepreneurship, thus, refers to the general trend of setting up of a new enterprise in a society (Begum, 1993).

The present study has tried to understand the issues of motivation and choice of business by women entrepreneurs from the perspectives of thriving, evolving and prospering small urban India in this millennium beyond the peripherals of metropolis. The study has attempted to connect the micro-level reality of business activities undertaken by women with the issues of motivation for entrepreneurial endeavour and selection of business-types from the perspective of socio-economic conditionality of women entrepreneurs. It is an intensive micro-level field study of women entrepreneurs, which is exploratory as well as descriptive in nature.

Literature Review

The importance of women entrepreneurship has now being well documented in academic literatures and policy documentations by different governments in the present day world. Socio-economic background is an important factor that influences women to start their businesses. Money is not the sole objective among women entrepreneurs to enter into the business.

The studies have shown that women entrepreneurs have tended to integrate their business and personal lives to an extent that have not been seen in their male counterparts. Buttner and Moore (1997) have discussed and provided extensive supporting citations regarding research into the factors that motivated women and men to become entrepreneurs, namely: independence; personal development; improvement in their welfare; the desire to emulate their role-models; indirect benefits, including, for example, tax deduction; and the pursuit of opportunity. They have pointed to the reports that entrepreneurship has provided the liberating benefits to enable women to achieve greater professional satisfaction and pointed to the views of women entrepreneurs regarding their businesses as vehicles for career growth, rather than mere supplementation to their spousal income.

Considering research and writings of Loza (2011) from 1986 to 1996, it can be suggested that women have unique motivations to pursue entrepreneurship in the United States and other countries. She has also discussed the necessity-driven or 'push' and the opportunity-driven or 'pull' factors, which influenced women to engage in entrepreneurship.

Caputo and Dolinsky (1998) have examined the role of financial and human capital of household member to pursue self-employment among women. The analysis has revealed that business knowledge and co-operation of husband in family matters contributed a lot to pursue the business. Findings further have suggested that government should provide necessary arrangement for skill-development to women to ensure rapid growth of entrepreneurship.

Breen *et al.* (1995) have examined financial and family issues by taking a sample of 211 women entrepreneurs from Australia. The study has highlighted that women business-owners faced the problem of getting finance and started their businesses with low initial capital. On the family front, women entrepreneurs faced the problems of supervision and care for sick children.

Gothoskar (2000), in an interview with women teleworkers in Mumbai, got responses from them, ranging from welcoming the freedom to fulfill family commitments to dislike of the lack of access to public and social spaces and reinforcement of the role at home. They opined and showed their intention to move to entrepreneurship.

Women in India enter into business mainly for two types of factors, i.e., pull factor and push factor. ‘Pull factor’ refers to the process in which women are encouraged to start an occupation or venture with an urge of doing something independently. Pull factors, thus, are essentially ‘opportunity-driven’, whereas ‘push factors’ refer to the process in which women are compelled to take up their own business in order to tackle up their economic difficulties as well as responsibilities. Therefore, push factors are ‘necessity-driven’. Women are choosing both the traditional (toy-making, pickle-making, candle-making etc.) as well as the non-traditional (garment shop, beauty parlour, computer training, school management etc.) activities and are performing well (Shastri & Sinha, 2010).

Punitha *et al.* (1999) have examined the problems and constraints faced by women entrepreneurs in the Pondicherry (or Pudducherry) region. A sample of 120 women entrepreneurs were personally interviewed during the period of June to July 1999, out of which 42 belonged to rural and 78 to urban areas. The major problems faced by rural women entrepreneurs are competition from better quality products in the market and marketing problems. The problems for urban women entrepreneurs are, not only competition from better quality products, but also the difficulty in getting loans. The common problems faced by both rural and urban women entrepreneurs are: ignorance about schemes, distance from markets and ignorance about agency and institutions.

McCrory’s (1996) study was confined to small enterprises in a North Indian town. He identified the patterns of growth in the small industries. While women like men have to go through the same stages of setting up an enterprise and face similar challenges, irrespective of gender, women do face a distinct set of factors that first impede their entry as entrepreneurs and later their survival as successful business women. Women entrepreneurs faced more difficulties in setting-up and growing businesses due to a number of reasons such as gender discrimination and stereotypes, difficulties in reconciling family and business obligations, lack of information, and lack of contacts and access to networking.

The Small Industries Extension Training Institute (SIET), Hyderabad (1994) conducted a survey of small units situated in the twin cities of Hyderabad and Secunderabad. The study analysed the reasons for starting industrial units

by interviewing 61 entrepreneurs. The study revealed that “economic gain” was the most important reason for starting the small industrial units, followed by “ambition” and “social change or prestige”. It also showed “Government red-tapism” as the most discouraging factor. The study further showed that younger age, formal education, urban background, experience in industry, higher levels of aspiration, risk-taking and adaptation propensity were some of the characteristics that were positively associated with the quality of entrepreneurship.

Objectives

The specific objectives of the study have been as follows:

- (i). To understand the broad motivational factors for business endeavour of women entrepreneurs.
- (ii). To ascertain the relationship between motivational factors of women entrepreneurs and socio-demographic factors of their life.
- (iii). To find the broad reasons for choice of businesses by women entrepreneurs.
- (iv). To examine how far socio-demographic factors have been able to influence the choice of businesses of women entrepreneurs.

Methodology

The present study was conducted in the Ranaghat municipal town area, a sub-divisional township in the district of Nadia of the state of West Bengal in India in the month of May-June, 2012. Ranaghat railway station is an important junction of five railway connections of the Eastern Railways. Ranaghat municipality is 150 years old. The researcher had found 119 business-firms, owned and managed by women entrepreneurs themselves, out of 358 women-owned firms. The total business firms were 3041 in the area as per the municipal records.

The study was based on the primary data collected through direct interviews with women entrepreneurs by using an interview schedule with structured questionnaire through complete enumeration survey. The questionnaire consisted of objective type questions covering the socio-demographic and business-motivational factors of women entrepreneurial life, and subsequently the variables have been defined for the purpose of the study. The data analyses have been done through SPSS.

Results and Discussion

The information regarding age, educational level, training status, marital status and family-type of women entrepreneurs have been primarily collected for the purpose of the present study.

Table 1: Age Group of Women Entrepreneurs

Age-group	Up to 30 years	31-40 years	41 years and above	Total
No. of women entrepreneurs	17 (14.30)	59 (49.60)	43 (36.10)	119 (100)

N.B.: Figures in the parentheses indicate percentages in all tables.

Table 2: Educational Level of Women Entrepreneurs

Educational level	Up to Secondary	Graduate	Post-graduate	Total
No. of women entrepreneurs	57 (47.90)	52 (43.70)	10 (8.40)	119 (100)

Table 3: Marital Status of Women Entrepreneurs

Marital status	Married	Widow	Unmarried	Total
No. of women entrepreneurs	91 (76.40)	14 (11.80)	14 (11.80)	119 (100)

Table 4: Family-Type of Women Entrepreneurs

Family type	Simple	Extended	Total
No. of women entrepreneurs	106 (89.10)	13 (10.90)	119 (100)

Table 5: Training Status of women entrepreneurs

Training	Yes	No	Total
No. of women entrepreneurs	26 (21.80)	93 (78.20)	119 (100)

Table 6: Motivating Factors for Business Endeavour of Women Entrepreneurs

Motivating Factors	Factor1	Factor2	Factor3	Factor4	Factor5	Total
Frequency	23 (19.33)	70 (58.82)	4 (3.36)	19 (15.97)	3 (2.52)	119 (100)

Motivational Factors

To have an occupational pursuit, every woman estimates herself and blows up that estimation for determination to be an entrepreneur. In that pursuit, the researcher has tried to elicit the broad motivating factors for the business endeavour of women entrepreneurs. The broad motivating factors for business pursuit by women entrepreneurs have been found to be:

1. To do something on my own and earn money (Factor 1)
2. To do something to help my husband and my family (Factor 2)
3. To be self-sufficient and help family (Factor 3)
4. To earn a living and sustain family after father/husband's death (Factor 4)
5. To start business as per suggestions of my husband (Factor 5)

The most important motivating factor for business endeavour of women entrepreneurs (Table 6) has been the Factor 2 (58.82 %). It is very usual that married women always try to help their husband through economic activities and share the burden of family expenditure by supplementing the whole family income. The second important motivating factor has been the Factor 1 (19.33 %), which indicates the self-motivation of women entrepreneurs.

It has also been observed that a large number of women entrepreneurs (15.97 %) have been in entrepreneurship to earn a living and sustain their families after the death of the main income-earner of the family (Factor 4). It was their compulsion. The other two factors, Factor 3 (3.36 %) and Factor 5 (2.52 %), have revealed contrasting types of motivation.

The further analyses of motivating factors for business endeavour in respect of age group, educational level, marital status, family type and training status of women entrepreneurs have revealed broader perspectives of motivation.

For the age group of 31-40 years of women entrepreneurs, Factor 1 has accounted for the highest response. But, Factor 4 has been the highest in response in the age group of 41 years and above, which has been quite natural because the aged widows/unmarried daughters have to take over the responsibilities of the businesses after the sudden death of their husbands/fathers to sustain their families. There has been a statistically significant relationship (Table 7) and they are associated to each other. Therefore, age of women entrepreneurs has influenced the factors of motivation among women entrepreneurs to be in entrepreneurship.

Women entrepreneurs with educational level of secondary and graduate-level have counted much response to motivational Factor 2. It has indicated that educational status of women entrepreneurs has motivated them to earn and help their family. On the other hand, Factor 1 has been the most important motivating factor for the highly educated i.e. post-graduate women entrepreneurs. The motivating factors and different educational levels of women entrepreneurs have indicated that their relationship has a statistical significance (Table 8) and they have been associated. Therefore, educational level has been seemed to have effects in motivating women to be an entrepreneur.

Factor 2 has again remained the most important factor for women entrepreneurs having no training experience. But, for women entrepreneurs having training experiences, the most important motivating factor has been Factor 1. Table 9 has indicated that there has been a statistically significant relationship between business-motivation among women entrepreneurs and the status of training experience. Therefore, formal training experience is seemed to motivate a woman to do something on her own and earn money by being an entrepreneur.

For married women entrepreneurs, Factor 2 has come out to be the overwhelming motivational factors and Table 10 has indicated a statistically significant relationship between business-motivation among women entrepreneurs and the marital status. On the other, Factor 2 and Factor 1 have been found to be strong motivators for women entrepreneurs from simple families. In addition, no significant relationship between business-motivation and family type of women entrepreneurs has been found.

The overall study of the motivational factors for business endeavour of women entrepreneurs has pointed to an important revelation of the effects of achievement

motivation of women entrepreneurs, to a great extent, to do something on their own and help family.

Table 7: Test of Significance of Relationship Between Motivating Factors for Women Entrepreneurs and Age Groups

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
18.008*	8	.021

*Significant at .05 level

Table 8: Test of Significance of Relationship Between Motivating Factors for Women Entrepreneurs and Educational Levels

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
40.980**	8	.000

** Significant at .01 level

Table 9: Test of Significance of Relationship Between Motivating Factors for Women Entrepreneurs and Training Status

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
54.097**	4	.000

** Significant at .01 level

Table 10: Test of Significance of Relationship Between Motivating Factors for Women Entrepreneurs and Marital Status

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
100.082**	8	.000

** Significant at .01 level

Table 11: Test of Significance of Relationship Between Motivating Factors for Women Entrepreneurs and Family Type

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
13.037	4	.011

Choice of Business-type

The researcher has also tried to elicit the broad reasons for the choice of the business-type undertaken by women entrepreneurs and analyse it again in respect of different factors. The broad reasons for choice of the business-type undertaken by women entrepreneurs have been found to be:

1. Interest, training and emerging market for the product/services.
2. Traditional family business.
3. To cater the needs of the locality, low capital requirement and ready market.
4. To continue my father/husband's business due to his death.

The study has shown that more than sixty percent women entrepreneurs (61.3%) (Table10) have chosen their present businesses for Reason3. The needs of the locality, low capital requirement and ready market-availability of the products and services have prompted them to choose particular types of businesses. The second important reason for choice of the business-type undertaken by women entrepreneurs has been Reason 1 (16.8%). Reason 1 has signified a section of women entrepreneurs who have been self-conscious, self-motivated and achievement-oriented. They have long-term interest and a clear picture of entrepreneurship. The other two reasons, viz. Reason 2 and Reason 4 have accounted for 10.1% and 11.8% of responses respectively for choice of business-type undertaken by women entrepreneurs. Some women entrepreneurs have chosen the traditional family business-line, without taking any risk in venturing out of the safe path. The rest of women entrepreneurs have no choice but to continue the family business due to death of their father/husband to earn a living and sustain their families.

Table 12: Reasons for Choice of Business-Type by Women Entrepreneurs

Reasons	Reason-1	Reason-2	Reason-3	Reason-4	Total
Frequency	20	12	73	14	119
	(16.80)	(10.10)	(61.30)	(11.80)	(100)

The further analysis of reasons for choice of business-type by women entrepreneurs in respect of age group, educational level, marital status, family type and training status of women entrepreneurs has been done to get a broader perspective of women entrepreneurial life.

The study has revealed that Reason3 has the highest responses across the age groups of women entrepreneurs. It has signified the business senses of women entrepreneurs. Reason1 has counted the highest response for the age group of 31-40 years. It has indicated that the age group of 31-40 years has been constituted of the self-motivated and achievement-oriented women entrepreneurs. There has been a statistically significant relationship (Table13) between the reasons for choice of business-type by women entrepreneurs and different age groups.

From the perspective of educational levels, Reason1 has been the most important reason for graduate women entrepreneurs. But, less qualified women entrepreneurs have no choice but to pursue their father/husband's businesses. There has been statistically significant relationship between choice of business-type by women entrepreneurs and their educational levels (Table 14). It has indicated that the choice of business-type of women entrepreneurs have been related with educational levels.

The study has also revealed that all most all women entrepreneurs having training experience have gone for entrepreneurship due to Reason 1. But, women entrepreneurs having no training have gone for businesses for Reason 2 (traditional family business) and Reason4 (to continue my father/husband's business due to his death). There has been statistically significant relationship (Table15) between choice of business-types by women entrepreneurs and the status of training experience. A formal training experience has influenced a woman to choose a particular type of business.

Reason 3 has been found to be the most influencing reason for married women entrepreneurs to choose a

particular business type, apart from Reason1. However, Reason4 has been the most influencing reason for widow entrepreneurs. There has been statistically significant relationship (Table16) between choice of business-types by women entrepreneurs and marital status.

But, from the perspective of family type, Reason3 has been found to be the most important reason for women entrepreneurs coming from simple families, followed by Reason1 and Reason4. Table17 showed that there has been no significant relationship between choice of business-types by women entrepreneurs and family type.

Table 13: Test of Significance of Relationship Between Reasons for Choice of Business Types by Women Entrepreneurs and Age Groups

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
26.748**	6	.000

**Significant at .01 level

Table 14: Test of Significance of Relationship Between Reasons for Choice of Business Types by Women Entrepreneurs and Educational Levels

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
17.354**	6	.008

**Significant at .01 level

Table 15: Test of Significance of Relationship Between Reasons for Choice of Business types by Women Entrepreneurs and Training Status

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
66.741**	3	.000

**Significant at .01 level

Table 16: Test of Significance of Relationship Between Reasons for Choice of Business Types by Women Entrepreneurs and Marital Status

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
86.365**	6	.000

**Significant at .01 level

Table 17: Test of Significance of Relationship Between Reasons for Choice of Business Types by Women Entrepreneurs and Family Type

Chi-Square Tests		
Pearson Chi-Square		
Value	df	Asymp. Sig. (2-sided)
.263	6	.967

The overall study of the reasons for choice of business-type of women entrepreneurs has indicated the effects of interest and training of women entrepreneurs as well as their business-senses. The middle-aged, graduate and trained women entrepreneurs have been the most opportunistic lot of entrepreneurs in choosing particular business-types to be successful in entrepreneurial endeavour.

Conclusion

The study has showcased a microcosm of the motivational factors and reasons for choice of particular business-types by women entrepreneurs from the perspective of small urban India, which is thriving and prospering in this new millennium. Women are going for entrepreneurial endeavour not only out of compulsion but also out of interest and choice.

To develop entrepreneurship, a woman now accepts a challenging role to meet her personal needs and becomes economically independent. A strong desire to do something positive is an in-built quality of entrepreneurial woman, who is capable of contributing values both in family and in social life. Though they have been mostly motivated to

do something economical to help their husband and share the burden of the families, there have also been a number of women, who have been motivated on their own to achieve economic self-sufficiency by pursuing business activities and choosing particular type of businesses due to different reasons.

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