

# Socialization and Nurturing Entrepreneurship Among Indian Women

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## Abstract

Women entrepreneurs cannot gain momentum if the ground for entrepreneurship remains uneven. Analysis of literature from the psychological and sociological perspective has deduced that childhood socialization is one of the most important determinants of entrepreneurship development. The paper discusses how self help groups can establish a link with women entrepreneurial development. This paper tries to show how access and control of resources for the development of the entrepreneurial mindset right from childhood is of great importance. Access and control of resources by women has been linked to the life cycle theory. The paper wishes to draw attention of the family, society, and the government towards a change in upbringing of the girl child, who later on in life can be helpful in changing the picture of women entrepreneurship in India. The paper shows that if the girl child is allowed to grow independently, then both male and female entrepreneurs can be created in the Indian society.

**Keywords:** women entrepreneurs, self help groups, empowerment, achievement, socialization

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Entrepreneurship refers to the process of starting and running one's own business with an objective of profit and being one's own boss. The development of entrepreneurship is directly related to the socioeconomic development of the society, and this is attained only when the society creates a large number of entrepreneurs from various strata of population (Singh 1985). In India, majority of the women community - though equal to men in population - is subject to a lot of deprivation with reference to business activity. A large number of woman are involved in fulfilling their domestic duties, as a result, their entrepreneurial skills and abilities are not properly utilized for the development of the nation (Sahoo & Das, 2012).

## Objectives of the Study

The present paper tries to draw the attention of the family, society, and government towards an equal, independent, and confident nurturing of the female child by providing equal access and control of resources, which can later on be honed to develop a personality suitable for being an entrepreneur. The paper also attempts to highlight that equal opportunity to access and control resources is a pre- requirement stage to produce successful and influential women entrepreneurs in India, who may take innovation and risks without the fear of failing or avoiding success. The present study is descriptive in nature, and the material for the same was collected between November 2012 - January 2013.

## Who is an Entrepreneur?

The Government of India declared the year 2000-01 as the women empowerment year, keeping in view the social and economic well being of the female community. There is a need to strengthen and streamline the role of women in the development of various sectors by proper nurturing of the female child so that when they grow up, they are confident enough to take risks and become successful entrepreneurs. An entrepreneur takes the challenges to initiate activities for the success and survival of a business by integrating his/her attitudes, values, behavior, and leadership abilities. Pareek and Nadkarni (1978) were of the view that an entrepreneur is one who initiates and establishes the economic activity of an enterprise. They are people who recognize the strengths, weaknesses, opportunities and threats of their enterprise and grab opportunities for its success. Moreover, an entrepreneur denotes a person who discharges the

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entrepreneurial functions of coordination, organization, supervision, risk bearing, high need for achievement, problem solving, setting goals, and reaching these goals by one's own efforts (McClelland, 1961).

## **Entrepreneurship Determinants**

To be a successful entrepreneur, one needs to have a panoramic view of determinants of entrepreneurship. Broadly speaking, entrepreneurship can be explained from a psychological as well as sociological perspective. McClelland (1961) explained entrepreneurial development from a psychological perspective; Weber (1947), Cochran (1967), and Hoselitz (1964) advocated a sociological explanation for the study of entrepreneurship. According to McClelland, need for achievement will induce entrepreneurial behavior, which in turn will be translated into higher economic growth. McClelland explained the rise and fall of a country with high and low score in achievement motivation, which in turn is related to socialization and child rearing practices in those countries. Different individuals possess entrepreneurial drive of different degrees. These differences are a result of the complex process of socialization in which psychological factors interact in a variety of ways with those of family and social classes. McClelland (1961) argued that one of the reasons for underdevelopment in India is low achievement motivation of its people, and he pointed out that Indian parents do not encourage the need for achievement; they do not train their children to set higher goals for excellence, and do not encourage children to strive to achieve them in an individualistic and competitive spirit. McClelland in this direction with Indian psychologists like Udai Pareek and Prayag Mehta developed a training package for entrepreneurs to foster entrepreneurship (Dalal, 2006).

From a sociological perspective, Weber (1947), Cochran (1967), and Hoselitz (1964) advocated that a good proportion of entrepreneurs emerge out of families with business or entrepreneurial background as the parents tend to train their children towards self reliance and independence. It is said that early socialization in the family plays a significant role in 'pushing' (inspiring) a person towards entrepreneurship. According to the sociological approach, social institutions, cultural attitude, family background, practices, and values play an important role in shaping and developing a future entrepreneur. Thus, it is apparent that both psychological and sociological perspectives emphasize upon importance of early childhood social learning and training as a major determinant of entrepreneurship development.

## **Women Entrepreneurs in India: A Historical Perspective**

The term "Women Entrepreneurship" means an act of business ownership and business creation that empowers women economically, increases their economic strength as well as position in the society. In India, emphasis for the promotion of women entrepreneurship started in the late 1970s. The shift from "welfare to development" of women took place in the 6th five year plan (1980-85). Looking through the different five year plans, it was found that in the 8th, 9th, 10th, and 11th five year plans, major efforts were put to change the face of women entrepreneurs. In the 8th five year plan (1992-97), it was ensured that the benefits of development from different sectors do not bypass women. The Rashtriya Mahila Kosh was set up in 1993 to meet the credit needs of the poor and assetless women. The 9th five year plan (1997-2002) made significant changes in strategy of planning for women that was to empower and attempt to converge the existing services available both in women specific and women related sectors. The 10th five-year plan (2002-07) aimed at empowering women by translating the National Policy for Empowerment of Women, which was adopted in 2001 for ensuring the survival, protection, and development of women through rights based approach. Similarly, the inclusive growth programme of the 11th five year plan (2007-2012) focused on "empowering women as the agents of socioeconomic change and development" (Rao 2011). The 12th five year plan (2012- 2016) recognizes that economic independence is the key to improve the position of women within the family and in the society. This plan focuses on enhancing women's access to and control over resources (GoI, Ministry of Women and Child Development, n.d.). Thus, the realization of women empowerment in the different five-year plans demands social empowerment, economic empowerment, and gender justice, which did not meet in full pace as it is estimated that presently, women entrepreneurs in India are significantly low, that is, only 10% as compared to the total entrepreneurs in India.

Traditionally, women in India were associated with tiny enterprises called 3Ps – Pickles, Pappads, and Pepper. However, now, in urban cities of India, more and more women are successfully running day-care centers, placement services, floriculture, beauty parlors, and fashion boutiques among other businesses. Of late, technically and

professionally qualified women are launching their small and medium enterprises (SMEs) in click and portal areas like information technology, multimedia, telecommunications, and some have become very successful knowledge entrepreneurs. In rural areas, self-help groups (SHGs) are empowering women to start their own business enterprises. An SHG is a small voluntary association of poor people preferably from the same socioeconomic background. The loan given to them through the specific procedure makes them enterprising. It can be an all women group, all-men group, or even a mixed group. However, it has been a experience that women's groups perform better in all the important activities of SHGs (Panda, 2009). SHGs elect their leaders democratically from among themselves. They are member-owned and are controlled financial service enterprises providing savings and credits services, and they usually distribute their profits to their members. They facilitate member's access to education and training, cooperate with other SHGs, and are agents for community development and improvement (Harper, Berkhof, & Ramakrishna, 2005). Thus, one can find that the pattern of working and organizing of SHGs is very similar to the pattern of a business enterprise. Most of the women in India have the capacity and talent to work, but they are not able to work because of unavailability of jobs, due to time constraints, role overload, or financial problems. Indian women, after recognizing their own talents and capabilities with their entrepreneurship skills and qualities, can help themselves by engaging in income generating activities as is being done by the SHGs of our country. The concept of SHGs can prove to be a helpful instrument for the development of entrepreneurship among Indian women.

The case of Self Employed Women's Association (SEWA) is a good example in empowering rural women. Self Employed Women's Association is an organization of poor women who struggle to support themselves and their families through hard labor and with a great deal of resourcefulness. SEWA was initiated by Ela Bhatt in Ahmedabad, one of the leading industrial cities of India in 1971. Ela Bhatt was a lawyer who joined the Textile Labor Association (TLA) in Ahmedabad in 1955, and was heading the women's wing of TLA by 1968. SEWA was born when a group of poor and mostly illiterate women head-loaders and cart pullers decided to join forces and fight against exploitation and their rights. They approached Ela Bhatt for advice and support. Already familiar with the difficulties of the poor, self employed women because of her work with the wives and daughters of textile mill workers, Ela Bhatt provided the necessary leadership and guidance to translate the felt need of the head-loaders and cart pullers into what eventually became the SEWA movement. The major objective of SEWA is to attain self-reliance and strengthen the economic status of women. The total membership has grown steadily from 1070 in 1972 to 9,59,698 in 2006 (Aggarwal, 2008).

The changing role of women is being gradually acknowledged, in the examples of SHGs and SEWA at rural places, and the urban population also has the success stories of women entrepreneurs like Chanda Kochhar, managing director of Industrial Credit and Investment Corporation of India (ICICI) bank, the country's largest private sector lender. Her achievement in stabilizing ICICI bank, which had a high proportion of non-performing assets during a period of rapid growth in the first decade of the century, has been remarkable. She was among the first women to try the strategy of moving from corporate banking to retail banking about ten years ago (Radhakrishnan, n.d.). She was awarded the Business Leader of the Year Award in 2011 by The Economic Times. Kiran Majumdar Shaw is a pin-up woman for women entrepreneurs of India. She is the founder of the hugely successful Biocon, a biotech firm in India leading a movement of innovation and growth within India's biotechnology sector. Biocon's strong manufacturing capabilities and its global scale have helped it become one of the world's leading biotech companies. Much of its \$900 million worth can be attributed to Ms. Shaw's vision of affordable, yet innovative healthcare products.

These examples depict that the efforts taken for the empowerment of the rural as well as urban women are commendable, but still, much is required to foster the growth of women entrepreneurs as there are many hindering factors in their path of entrepreneurship.

## **Challenges Faced by Women Entrepreneurs**

The journey of development of a women entrepreneur is still fraught with immense challenges. Some of the challenges faced by entrepreneurial women are inequality, lack of self-confidence, will power, protected life, shortage of finances, male dominance, limited mobility, lack of education, requirement of motherly duties, and a lack of achievement motivation (Goyal & Prakash, 2011; Kumar, 2006). In the feminine entrepreneurship model, Chaganti (1986) demonstrated that females prefer to be small in their shared value of business as compared to successful entrepreneurs who want their businesses to expand. Rao (2011) said that family discouragement in form of

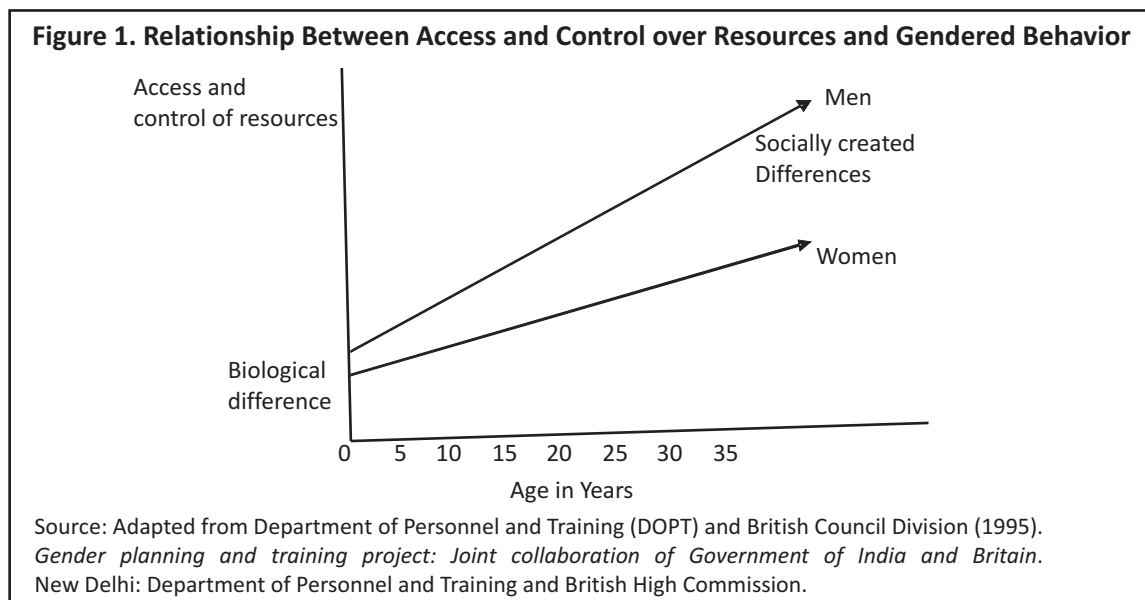
restrictions and psychological factors - like women are less efficient than men - creates hesitation in taking risks among women and thus, act as barriers in the entrepreneurship development of women.

Cromie (1987) believed that women are less concerned with making money and often choose their own business due to career dissatisfaction. Women indeed are motivated to achieve, but that the areas of achievement are different from males because of cultural definitions of femininity. Women are motivated to develop skills for which women are valued, that is social skills. Women express their achievement motivation by achieving in social settings where they receive praise, rather than in traditional masculine areas, where they may experience negative reactions (Stein & Bailey, 1975). Thus, it is believed that the first and foremost step towards the development of women entrepreneurs would be to eliminate these barriers to bring women in the mainstream.

Government jobs are decreasing in numbers, hence, to overcome unemployment and underemployment, entrepreneurship is what our country needs to focus upon. Women's entrepreneurship needs to be focused upon separately as it has been recognized during the last decade as an important untapped source of economic growth.

## Encouraging Entrepreneurship Among Indian Women

It has been made clear from the preceding section that childhood socialization and independence play an important role in the development of an entrepreneur. A woman entrepreneur requires access to resources and a role in decision making. Division of activities and tasks in family and society for girls and boys results in different access and control of resources. As shown in the Figure 1, the impact of access and control over resources can be considered as one of the most important factors in determining gendered behavior as depicted in the life cycle theory (Singhal, 2003). The life cycle theory emphasizes that the gap in access and control over resources between men and women are minimal at birth, but increase as they grow older.



Women's access and control over resources such as education, health, food, property and land, and so forth reduce with an increase in age in comparison to men. It is important to recognize that this gap is socially created and, therefore, can be changed if the society desires. Nature has been supportive to the girl child by making her biologically stronger (Isalkar, 2011) but the family and society pull down the girl child. This suggests that any serious effort to reduce this gap requires a conscious effort right from early-childhood - socialization practices and by creating equal space and conditions for both girls and boys right from their childhood. Thus, to increase the pie of women entrepreneurship, the women have to be groomed independently and the role of parents, the government, and society has to be recognized in this process.



## Managerial Implications : Leading Change Through Women Entrepreneurs

A women entrepreneur acts as an agent of change or as a catalyst for change in society. Enhancement of women entrepreneurship would lead to better future generations, would improve the socioeconomic status of the society, and thus, would contribute towards more happiness and satisfaction in the society.

### Case Studies

↳ **Case I:** This is the case of a dairy entrepreneur, Mrs. Anusayabai Raghunath Shinde from Tadborgaon village of Pathri block, Parbhani district, Maharashtra State. Anusayabai is 33 years old, illiterate, has two sons, and lives in a nuclear family. She owns a small piece of land where she works, and is also engaged in dairy entrepreneurship. Her husband is engaged in tailoring and farming. He is more interested in politics. So, all the responsibilities of running the household are taken care of by Anusayabai. Due to economic constraints, her brother suggested that she should undertake a dairy enterprise as she was experienced in this field (as her father also had a dairy business). From her savings and after borrowing some money from a moneylender, she purchased two buffaloes in the year 2000. After one year, she again purchased a cow. In the year 2002, she had 2 buffaloes, 1 cow, 1 male calf of cow, and 2 female calves of buffalo. Her husband was not at all involved in the dairy management. She, through her own efforts, succeeded in dairy production. She produced green fodder on her farm to feed the milk animals. She was the only person in her family who looked after all the animal management and cared to prepare the dairy products as well as also looked into the sales and marketing aspects. She employed one boy for grazing the animals for a fixed amount per year. She had been shouldering responsibilities of marketing dairy products, borrowing loan, and refunding it. She was not only taking care of the animals, but was diligently performing all activities related to child and home care. She was involved in fodder management, purchase of fodder, feeding of animals, sale of produce, pre and postnatal management of animals, and consultation with veterinarians regarding sick animals. She devoted 4-5 hours daily on managing this enterprise. Her son helped her to sell the products. Her total income during the year 2000 was ₹ 19,200/, of which she spent ₹ 3000 on her house, ₹ 5000 on children's education, ₹ 7 000 and ₹ 3000 on purchase of livestock and a plot of land. With the surplus income, her spending on children's education improved, her standard of living improved, the livestock increased, and her house got renovated. This shows that her quality of life improved drastically due to dairy entrepreneurship undertaken by her (Ekale, Bellurkar, & Jadhav, 2006).

↳ **Case II:** This is the case of Saundarya Rajesh, who started Avatar Career Creators, a recruitment firm in 2000 in Chennai. Saundarya did her bachelor's degree in literature and then went to pursue an MBA from School of Management, Central University, Pondicherry. She was placed in Citi Bank through a campus placement. She worked at Citibank for three years, but had to quit her job after the birth of her son. In between, she did some part time work but due to severe infection in her vocal cords, she had to take break from the part time work also. She started Avatar Career Creators - from a seed capital of ₹ 60,000, which was given to her by her mother-in law - in a rented office with 4 employees. She believed that for women, designation and resignation can change. In 2005, she composed a flexi career Avatar interim women manager interface network (Avatar I WIN) first career service for women. Avatar I WIN provided sustainable career options for women who wished to balance career and family by way of flexi work. She found that India was booming with the service sector, and 50,000 women quit their jobs every year in metros to look after their families. She felt that this was a complete waste of resources. Avatar I win network helped 2500 women find jobs. She is providing a second innings to all those women who wish to balance career with family. As of 2011, Avatar had 40 employees and had clocked in a turnover of ₹ 30 lakhs. Saundarya targets to provide jobs to one lakh women who want to start the second innings of their career.

These cases revealed that the Indian social system needs a transformation from the very roots of upbringing the child. Childhood socialization practices (family and parental influence), more gender sensitive policies like (do's and don'ts in bringing up the children) training and counseling will be helpful in grooming the personality of the children which will root the seeds of an entrepreneur. There is a need for the collaborative working of the family, society, and the government for nurturing the women entrepreneurs in the Indian arena. The window of opportunity should be open to all. In this regard, the family, society, and the government should identify their critical role in grooming the girl child, which may be helpful in creating balanced (men and women) entrepreneurs in India. If they all work towards it, we will surely come up with more cases of Anusayabai Raghunath and Saundarya Rajesh, where women

single handedly take the shoe of risk and prove their efficiency in an innovative way. The change in society and grooming of children cannot be brought in a day or two. This needs strong planning and change in the institutional structure of the society.

## Conclusion

The paper has outlined and has examined the theoretical approach relating to nurturing of women and entrepreneurship. It has also analyzed the multiple and dynamic meaning of women entrepreneurship and its linkages with economic growth and development of our country. To undertake any business or venture requires self efficacy with the ability to take a lot of risks. Skill, knowledge, and adaptability in business are the main traits to emerge into business ventures. Thus, an independent nurturing and strengthening the values in the female child by giving them equal opportunities to exploit their potential from childhood is what is suggested in this paper. The unique changes that are happening in the society are amply depicted by the two cases discussed in the previous section. To provide a different approach to women entrepreneurship from the perspective of nurturing, it was necessary to link it with the life cycle theory.

The definition of success for women has changed to “being their own boss”. In this evolutionary process, some important trends need to be acknowledged, for example, women entrepreneurs can be recognized as common actors in the growth of a country, gradual increase of women workforce, and multi scalar policy process. On the whole, the article suggests that to achieve the objectives of development, multi pronged strategies are needed, whereby besides policy, a gap between policy and practice needs to be reduced. The roots of lack of social acceptance of policies and programmes by women and men lie in many traditional practices relating to division of work. They are often regarded and justified as natural, as though they were determined by biological differences between men and women and were, thus, unchangeable. It is important to recognize that this gap is socially created and, therefore, can be changed if society desires. This suggests that any serious effort to reduce this gap requires a conscious effort right from early childhood by creating space and conditions for girls that are at par with the ones created for the boys. In India, although women constitute the majority of the total population, the entrepreneurial world is still a male dominated one. Women in advanced nations are recognized and are more prominent in the business world.

Thus, at this juncture, it is required that the girl child should be nurtured and molded properly with entrepreneurial traits and skills to meet the changes in trends and challenges of the global markets, so that she is competent enough to sustain and strive for excellence in the entrepreneurial arena.

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