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Asian Business School popularly known as ABS was established in 2004 with an objective of providing "Growth with Education". It has been established with support of Asian Academy of Film and Television - India's first ever ISO accredited media institution.

Asian Business School is one of the leading B-school in the country that offers full-time AICTE approved management programs, with dual specialization in marketing, finance, human resource and information technology and has intensive industry interface. The school also offers post graduate diploma course in Media Management and Event Management.

The core advantage of studying at ABS is to get an internationally recognized qualification, by the finest academic minds who impart holistic knowledge by deductive learning methodology. The support from the industry is immense in the form of internship and job placements. Asian Business school has international tie ups with various reputed universities like Oxford Business College, Oxford, UK, Winchester University, Universities of Central Lancashire, Northumbria University, Academy of Arts University, Deakin Universities; that tend to provide an edge to the its students.

Asian Business School Curriculum focuses to enhance its student's capabilities so that they can manage and lead, by ensuring that they learn to adopt a systematic approach in identification of Business problems and their solutions and use their analytical, problem Solving and decision making skills to deal successfully with management issues across a range of functional areas.
Understanding the process of new value creation is central to the helm of entrepreneurship. Extending this value creation logic to the realm of entrepreneurship has led to an emerging research stream of interest to researchers and scholars in management, strategic management, and entrepreneurship.

I appreciate the contribution of Asian Business School Research and Development Cell in the form of its 2nd issue of “ABS-Management Research-Article and Application” – a blend of constructive research-based papers that aims at nurturing a novel attitude towards traditional business models- a sincere effort by various academicians and corporate from all across the globe putting together their ideology to creep in sustainable growth thorough the concept of entrepreneurship.

“ABS -Management Research-Article and Application” outlines constructive and immaculate efforts of associated connoisseur as a momentous collaborative approach to contour present situation and evade future business mayhem.

Sh. Suman Jyoti Khaitan
The classic Darwin’s Theory of “Survival of the Fittest” still remains the truest of all theories propounded till date. Whether it was the ancient civilization or whether be it the modern day’s warfare like situation of the global economy.

The changing face of Indian continent has made the world take an edge seat & look up as to what is in the making. The Indian economy has proved everyone wrong with its capability to stand strong even in the worst of times. When the global economies are struggling to sustain, India is moving at a rapid pace now backed with a new & transformed political framework. There is a ray of hope in every nook & corner of the country. Each sector, whether it is Education, Retail, Energy, Infrastructure, Information Technology, Banking, Insurance is writing its own story of success, again strengthening the fact that India was once the “Golden Bird” of the world & will very soon again prove it for generations to come.

These conditions necessitate the need for research & development in every possible field & sector in India. The future of Indian economy will be influenced by how the country utilizes its human resource, pursue entrepreneurship, build resources & capitalize of the current strengths. It is not just a desire but the compelling need of the hour in the world where “Survival of the Fittest” still holds true.

“ABS Management Research-Articles & Applications” with an ISBN no 978-81-927282-0-9 Volume 1, Issue 2 is an outcome of initiative taken by Asian Business School Research & Development Cell as part of collaborative research efforts to propagate innovative and creative approach to traditional management practices. Research & Development cell at Asian Business School aims to provide an intellectual platform for high quality of research work encompassing various domains of management. The initiatives have culminated into a National Seminar on Business Strategies for Economic Evolution and Development- SEED 2012 on 12th October 2012 which provided innovative conceptualization of
further published in journal of the institute entitled ABS International Journal of Management with ISSN No. 2319-684X for circulation and further deliberation on emerging issues. The Research & Development Cell also organized an international conference on Innovation, Creativity and Ethics in Current Business Scenario on 15th March, 2013- ICE 2013 to spread further awareness about the need for business transformation in today's fast paced, dynamic and challenging business environment. The most recent initiative of the cell was IDEAL 2013 organized on 13th September on the theme of Integrating Development for Entrepreneurial Advancement & Leadership which culminated in divulging unique and unknown facets of entrepreneurship in India like Women Entrepreneurship, Social Entrepreneurship, Techno Entrepreneurship, Service Entrepreneurship, SME & Entrepreneurship, etc.

The second issue of “ABS Management Research- Articles and Application” is a compilation of qualitative research work contributed by various academicians and industry experts focusing upon transformation of current business scenario with their valuable contribution and development of pedagogy for fresh managers to cater to developing corporate world. This book is compiled of 18 papers poised on management domains and the importance of paradigm shift and change management.

ABS Research & Development cell seeks to endow all its readers through ABS Management Research- Articles & Applications- a perfect blend of knowledge, innovative & creative thought process that directly or indirectly can contribute toward the sustenance and development of current business scenario.
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FROM THE PRESIDENT’S DESK

We are living in an age where cutthroat competition exists in every sphere of life. The business environment has become very dynamic and throws a stiff challenge to the modern day managers. The modern day corporate leaders must be capable of adapting to the fast changing business scenario.

We at Asian Business School strive to attain the modern management concepts and approaches keeping in mind the challenges that the management confronts today. A lot of stress is being placed on the quality of research and consultancy so as to equip the young and budding managers with the necessary skill set which in the longer run ensures their success and sustainability.

The newly elected government is also placing a lot of emphasis on good governance and sustainable development which is clearly in line with our vision at ABS for future. The future managers are being nurtured in a manner to be able to think out of box

I take this opportunity to extend my wishes to ABS Research Management for bringing out the second issue of the ISBN no. book and enlightening the management fraternity with a new vision.

Prof. Sandeep Marwah
President
Asian Education Group
THE WORLD IS A CHANGED PLACE TODAY. THE CONTINUOUS TUG OF WAR BETWEEN THE PUSH & THE PULL FACTORS OF THIS DYNAMIC BUSINESS ENVIRONMENT ARE FORCING THE CORPORATIONS TO PERFORM TO THEIR MAXIMUM. IN SUCH A SITUATION, THE KEY DRIVERS ARE COMPETITIVENESS & SUSTAINABILITY WHICH WILL HELP THE COMPANIES TO SURVIVE.

TO BUILD COMPETITIVENESS IS TO MAKE THE COMPETITION REDUNDANT. THIS IS POSSIBLE THROUGH A COMBINATION OF DEVELOPING CORE COMPETENCIES, LEADERSHIP & STRATEGIC ENVISIONING. IN THE CURRENT SCENARIO, FOSTERING STRATEGIC THINKING TO ACHIEVE LONG TERM SUSTAINABILITY HAS BECOME THE MOST CRUCIAL ASPECT FOR COMPANIES.

HENCE, ABS MANAGEMENT RESEARCH- IS AN EFFORT FOR FORESEE & EVALUATE THE CURRENT & FUTURE BUSINESS PRACTICES TO DRAW OUT A PERFORMANCE CHART FOR ORGANIZATIONS TO FOLLOW. THIS BOOK WILL OPEN MANY AVENUES TO UNDERSTAND & UNEARTH CHANGING FUNDAMENTALS TO BUILD AN ORGANIZATION FROM COMPETITIVENESS TO SUSTAINABILITY BY ACQUIRING NEW KNOWLEDGE, STRATEGIES & LONG TERM THINKING.

FROM THE DIRECTOR’S DESK

The world is changing at a faster pace and the vision of the country like India is also changing. The new political system also promising a new vision for India. With all the initiatives taken up and planned by government of India, India is heading towards a newer and more developed country. I am very proud of the dynamic research team at ABS who are the main force behind the journal & book publication; who have bought together selected and high quality papers together to enlighten the various strategic thought process to develop the various industries in India. Till date the various views given by researchers, academicians and industry experts gives us a glimpse of the various challenges and managerial interventions to study issues like consumer perceptions, stock market imperfections and issues and challenges in other arenas.

In the conferences held at ABS various thought processes and key strategic extracts have come to be highlighted to enlighten & strengthen the academy-industry interface and broaden our vision to achieve our goal of Growth with Education.

I wish that this second issue of ABS Management Research - Article & Applications will showcase the strategic innovations to move towards an improved and growing Indian economy.
In the wake of cut-throat competition due to the massive upsurge in the global business environment, organizations, need to combat with innovative business strategies; proactively and sustainably. Every business caters to its own set of target market with varied expectations and diverse product requirements to strive competitive edge. Innovation turns out to be a necessary tool for the business houses that not only will delight the target market but will also cover untapped market.

The Master Card for the same is through a constructive research and development of old generic concept into innovative and creative outlook that can serve current scenario to the best possible way.

I feel that ABS Research & Development Cell has made an appropriate initiative in publishing ABS Management Research – Articles and Applications. This rich repository with perspectives, views, articles, and research from corporate and academia will help its reader to develop useful insights about the business requirements in the current dynamic environment.

I wish ABS Management Research – Articles and Applications a great success.
WITH the ever-changing business environment, finding the strategic fit for the various business situations had always been a challenge for the strategists. Over a period of time there had been major changes in Indian and global business scenario and world economies. The conventional business practices are no more applicable in this dynamic business scenario and thus requires a paradigm shift in the approach of handling the challenges of business for a sustainable growth.

Management Students should possess in them the ability to respond to this ever-changing business environment with dynamism and reciprocate proactively. ABS Management Research is such compilation of business events, researches and articles which deal with approaches, strategies and practices prevalent in this ever-changing business environment. The reader will benefit from these contemporary papers by getting a bird’s eye view of the current business environment.

I would like to congratulate ABS Research & Development Cell to compiling ABS Management Research – Articles and Applications.
India's "demographic dividend" — the window of opportunity that a large workforce creates to strengthen an economy — could add 2 percentage points to the country's annual growth rate over the next two decades, the International Monetary Fund said in 2011. Census 2001 data reveal 47.9% Indian are less than 21 years of age; and 30.5% are between 10 to 24; giving India its secret weapon - young workforce.

This workforce has two options — either to work for others (provided there are ample employment opportunities) or work for themselves. Various researches reveal empirically a strong positive correlation between availability of financial capital and economic growth (Degregorio and Giudotti, 1992; Gelb, 1989; Gertler and Rose, 1991). Economists like Goldsmith (1969), McKinnon (1973), and Shaw (1973) saw financial markets as playing a key role in economic activity. In their view, differences in the quantity and quality of services provided by financial institutions could partly explain why countries grew at different rates.

Financial capital is one of the most visible resources; it can create a buffer against random shocks and allow the pursuit of more capital-intensive strategies (Cooper et al, 1994). Cooper (1994) has indicated that financial capital along with human capital is considered as major determinants of probability of three possible performance outcomes – failure, marginal survival or high growth. However, financial sector distortions reduce the rate of economic growth by reducing the rate of innovation (King and Levine, 1993).

This paper attempts to propose a model between finance, entrepreneurship and economic growth with specific reference to...
Indian financial structure. The paper adopts a survey technique of 30 entrepreneurs and 10 credit appraisal officers to explore their interpretations of financial constraints as an impediment for entrepreneurial advancement.

Introduction

There is a large literature that suggests that finance is important for entrepreneurs. For both developing and developed countries, small and medium scale firms play important roles in the process of industrialization and economic growth. Apart from increasing per capita income and output, SMEs create employment opportunities, enhance regional economic balance through industrial dispersal and generally promote effective resource utilization considered critical to engineering economic development and growth. However, the seminal role played by SMEs notwithstanding its development is everywhere constrained by inadequate funding and poor management.

Liquidity constraints place important roadblocks before potential entrepreneurs; individuals with more assets are more likely to become self-employed and to succeed in small businesses. Evans and Jovanovic (1989), for example, find that individuals with more assets are more likely to become self-employed. Holtz-Eakin, Joufiaian, and Rosen (1994a, 1994b) find that individuals who have received large inheritances are more likely to succeed in running small businesses, and in Holtz-Ekin and Rosen (1999), they find that entrepreneurial activity in Germany is retarded relative to the United States by limited access to capital. Additionally, Hubbard and Gentry (1999a) report that entrepreneurial households hold a substantial share of overall household wealth, and that non-business assets helps predict the likelihood and success of entrepreneurial activity. Huck et al. (1999) find that new businesses rely heavily on credit from informal sources such as business contacts and family, and Avery et al. (1998) find that bank loans to small businesses tend to be personally guaranteed. Fairlie (1999) finds a lower level of minority-owned businesses, in part because of their lower levels of wealth.

While numerous studies have shown that new business creation is bounded by liquidity constraints, there has been little work focusing on how the structure of the financial sector affects entrepreneurship. The financial sector’s role for driving economic growth and development has received increasing attention in recent years, with several authors articulating a positive relationship between financial development and economic growth at the cross-country level (e.g., Beck et al. 2000; Levine 1997; Levine et al. 2000). This research argues that better financing environments are associated with higher economic growth, at least in part, because they facilitate better allocation of capital across investment opportunities, thereby promoting entrepreneurship and the Schumpeterian process of creative destruction (e.g., King and Levine 1993a,b; Rajan and Zingales 2003; Bertrand et al. 2007).

Review of Literature

This section has been divided into three sub-sections. They are
1) Availability of financial capital
2) Affect on Entrepreneurs and
3) Entrepreneurship in India.

Availability of Financial Capital

Financial capital is one of the most visible resources; it can create a buffer against random shocks and allow the pursuit of more capital-intensive strategies (Cooper et al. 1994). Cooper (1994) has indicated that financial capital along with human capital is considered as major determinants of probability of three possible performance outcomes – failure, marginal survival or high growth.

Comin and Nanda (2009) show how the difficulties faced by startups in raising capital might adversely impact the
commercialization of new technologies. Using historical data on banking-sector development and technology diffusion, they find that capital-intensive technologies are adopted much faster relative to less capital-intensive technologies in countries that are over a certain threshold in banking-sector development.

Similar research done by Stiglitz and Weis (1981) reveal that SMEs are unable to invest in profitable ventures owing to adverse selection and moral hazard problems. Adverse selection problems arise when potential providers of external finance cannot readily verify whether the firms have access to quality projects. Nonetheless, the liquidity ratio of the financiers plays a major role. Moral hazard problems are associated with the possibility of SMEs diverting funds made available to them to fund alternative projects or develop the propensity to take excessive risks due to some pervasive incentive structure in the system (Ogujiuba et al. 2004). The study further deliberates that SMEs do not have access to public capital markets; they naturally depend on banks for funding. Dependence on banks makes them even more vulnerable for the simple reason that shocks in the banking system can have significant impact on the supply of credit to SMEs. Thus, SMEs are subject to funding problems in equilibrium and these problems are exacerbated during periods of financial instability.

Shocks in the economic environment have a significant role in availability of financial capital for a start-up company. Berger and Udell (2001) further note that the willingness and capability of banks to lend to small and medium scale firms in influenced greatly due to economic turmoil. The financial sector responds to the shocks by developing stringent lending rules, risk-averse approach to handle the case etc.

The amount an individual can borrow to fund a new venture is a function of the collateral that he or she can post, which in turn is a function of personal wealth (Evans and Jovanovic 1989). If the amount the entrepreneur needs to borrow is sufficient to cover the capital required to start the business, then the entrepreneur is said to be unconstrained. On the other hand, if the entrepreneur needs to invest more than he or she can borrow, then a financing constraint leads to sub-optimal investment for the project at hand. Since returns to projects are a positive function of the capital invested, some projects that would have been profitable for an unconstrained entrepreneur become unprofitable for a constrained entrepreneur.

Affect on Entrepreneurs and Economy

Entrepreneurship plays a role in financial market development and economic growth (King and Levine 1993; Degregorio and Giudotti 1992; Gelb 1989; Gertler and Rose 1991). Financial sector distortions reduce the rate of economic growth by reducing the rate of innovation (King and Levine, 1993). This is based on the concept that a large fraction of the productivity growth in the economy may take place at the extensive margin (e.g., the birth of new firms, the closure of unproductive firms) rather than on the intensive margin (e.g., firms becoming more productive internally). Since most startups need to raise capital in order to implement their new ideas, cross-sectional differences in the ability of capital markets to select and finance the most promising entrepreneurs may lead to important differences in entrepreneurship and productivity growth across economies (Greenwood and Jovanovic 1990; Jayaratne and Strahan 1996; Levine 1997; Beck et al. 2000; Guiso et al. 2004).

Various researches reveal empirically a strong positive correlation between availability of financial capital and economic growth (Degregorio and Giudotti, 1992; Gelb, 1989; Gertler and Rose, 1991). Economists like Goldsmith (1969), McKinnon (1973), and Shaw (1973) saw financial markets as playing a
key role in economic activity. In their view, differences in the quantity and quality of services provided by financial institutions could partly explain why countries grew at different rates.

**Entrepreneurship in India**

India's "demographic dividend" — the window of opportunity that a large workforce creates to strengthen an economy — could add 2 percentage points to the country's annual growth rate over the next two decades, the International Monetary Fund said in 2011.

Census 2001 data reveal 47.9% Indian are less than 21 years of age; and 30.5% are between 10 to 24; giving India its secret weapon - young workforce (refer table 1).

<table>
<thead>
<tr>
<th>Age group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 4</td>
<td>10.7</td>
</tr>
<tr>
<td>5 to 9</td>
<td>12.5</td>
</tr>
<tr>
<td>10 to 14</td>
<td>12.1</td>
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<tr>
<td>15- 19</td>
<td>9.7</td>
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<tr>
<td>20 - 24</td>
<td>8.7</td>
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<td>25 - 44</td>
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<td>45 - 64</td>
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</tr>
<tr>
<td>65 - 79</td>
<td>4</td>
</tr>
<tr>
<td>80+</td>
<td>0.8</td>
</tr>
</tbody>
</table>

**Objectives of the Study**

The objectives of the study are:
1. To investigate the role of financial bodies (banks and NBFC) in providing start-up finance to entrepreneurs with reference to India
2. To analyse if the regulatory framework acts as an impediment for an entrepreneur with reference to India.

This workforce has two options – either to work for others (provided there are ample employment opportunities) or work for themselves. Also the growth story of India is gloomy.

**GDP growth rate of India 2004-13**

![Figure 2](image)

Source – Statistical department of India

**Need of the Study**

Literature provides ample evidence that entrepreneurship plays a role in financial market development and economic growth. These studies have also questioned that economies grow at different rates owing to the difference in the laws and policies of the country. India, which is already facing turbulent times with GDP at 3.7% and falling, will benefit in terms of economic growth, once the credit financing norms are relaxed.

Studies have revealed that the financing constraints are one of the biggest concerns impacting potential entrepreneurs around the world. However, a study to this effect is lacking in India. This study aims to address this gap and identify how the financing constraints are affecting entrepreneurs in India.
Research Methodology
Sources of Data

Owing to the complexity of the issue, the researchers framed two sets of questionnaires – one for the entrepreneurs and the other for the financing or credit appraisal officers. This enabled to get the perspectives of both the parties in question.

A sample size of thirty entrepreneurs and ten credit appraisal officers was selected using convenience and judgmental sampling. The technique followed for the entrepreneurs was survey based where written responses were solicited. On the other hand, for collecting the data from the credit appraisal officers, structured interview was conducted and leading questions asked.

Data Collection and Analysis

The analysis of data has been categorized in two sub-sections – Entrepreneurs’ response and Credit Appraisal Officers’ response

Entrepreneurs’ Response
1) Proportion of Cases sanctioned

Of the 30 entrepreneurs of this sample, 29 had applied for loans but only 7 applicants’ cases had been cleared. However, the respondents of this survey only included the current entrepreneurs. All the 29 cases are currently running successfully. We had only sampled existing businesses; how the results indicate that there may be cases wherein the loans were rejected and the applicant could not start the business. However, that is beyond the scope of this study.

2) Reasons for Rejection of Loan Files

The reasons which the banks/NBFCs offered to the entrepreneurs for rejecting their proposals basically fall under three categories. They are 1) Risk inherent in the Project, 2) Collateral and Guarantee and 3) The project does not meet bank standards.

The researchers had asked open-ended question and the reasons such as high working capital, unviable project, high risk of the project were offered by the officials for rejecting the loan. These fall in category 1. Category 2 – Collateral and Guarantee included those cases wherein the applicant seeking loan did not have supporting financials or collaterals. And, category 3 – Bank standards included certain internal standards like proprietary ratio, DSCR or report by CIBIL as reasons for rejecting the case. Figure 4 displays that there have been many 16 cases rejected due to risk, 13 due to collateral and 11 due to internal standards of the banks/NBFCs.

![Figure 4](image)

3) Composition of Bank and NBFC in Reserach

This table only illustrates that the sample of 30 had approached 18 different banks/NBFCs and the cases have been rejected by all alike.

![Figure 3](image)
Table 2

<table>
<thead>
<tr>
<th>Name of the Bank</th>
<th>Cases</th>
<th>Name of the Bank</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Bank</td>
<td>1</td>
<td>OBC</td>
<td>1</td>
</tr>
<tr>
<td>SBI</td>
<td>2</td>
<td>Bank Of Maharast</td>
<td>1</td>
</tr>
<tr>
<td>DFC</td>
<td>2</td>
<td>Pnb</td>
<td>2</td>
</tr>
<tr>
<td>IDBI</td>
<td>2</td>
<td>Punjab And Sindh Bank</td>
<td>1</td>
</tr>
<tr>
<td>RBS</td>
<td>2</td>
<td>Allahbad Bank</td>
<td>2</td>
</tr>
<tr>
<td>SIDBI</td>
<td>1</td>
<td>Yes Bank</td>
<td>1</td>
</tr>
<tr>
<td>STANDARD CHARTERED</td>
<td>1</td>
<td>Bank Of Saurashtra</td>
<td>1</td>
</tr>
<tr>
<td>KOTAK MAHINDRA</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4) Source of Initial Capital

The researchers wanted to understand that in case the loans are rejected by banks, how are these start ups financing their businesses. Figure 5 outlines the source of initial capital financing as procured by the respondents. Personal financing and family and friends account for 17 cases; which indicates that in those cases where personal wealth plays an important part in the growth story. Also, a choking revelation was that private money lenders approved 11 cases which were rejected by banks. This indicates that their mechanisms of scrutinizing a case are perhaps better than the formalised banking and NBFC structure.

Credit Appraisal Officers’ Response

We surveyed the credit officers of the following banks and NBFCs to get an unbiased view from the bank/NBFC’s perspective. The sample composition consists of Delhi Financial Corporation, Allahabad Bank, Bank of Baroda, Bank of India, IDBI Bank, Canara Bank, Yes Bank, Bank of Saurashtra and others. However, the respondents wanted anonyymy while agreeing to answer the questions. Also, in 2 cases, they did not yield the reasons that they see in a case before rejecting it.

5) Reasons for Rejecting a Case

An open ended question was put forth to credit appraising officers soliciting the reasons for rejecting a case. More than one response was received by the respondents. The reasons were clubbed and fall under three broad categories. They are 1) Financial Feasibility, 2) Market Feasibility, 3) Bank Standards and 4) CSR.

Financial feasibility includes Cost Management, Recovery of loans or servicing, Business risk, Margin of profits or rate of return, investment coverage ratio and sustainability. Market feasibility includes reasons like pricing strategy, product placement/positioning, quantum of expected sales, market planning. Standards were not shared by the officers. However, they mentioned CIBIL as one of the reasons. Lastly, officers also cited reasons such as environment protection and employment generation clubbed under CSR.
Reasons for rejecting a Case

21 respondents cited financial feasibility as the reason for rejecting a case, 6 as market feasibility, 3 as CSR related issue and 2 as bank standards. However, collateral and security, as reason of rejection cited by entrepreneurs did not feature in this survey.

6) Identification of Profitable Cases Rejected

The researchers asked the officers, that are they aware of any case which was rejected by their institution, but today it is a flourishing business. All the respondents were affirmative. The following files have been rejected which are now a successful business.

Conclusion

On the basis of the previous sections, the survey highlights can be listed as under –

• Availing finance from bank/NBFC for a start-up with an idea (which yields positive NPV) is difficult. The credit norms of Indian financial sector are stringent for sanctioning loans to new businesses.
• Cases rejected by banks/NBFCs are getting credit from informal sources or private money lenders.
• Cases rejected by banks/NBFCs could start the business and are successful business entities.
• Entrepreneurs without wealth (in the form of collateral, personal funds or family/friends) find it difficult to start business.
• The credit appraisal officers are also aware of cases where the loan was rejected but the entrepreneur was able to drive his business.

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• McKinnon, R.I., 1973, Money and capital in economic development
A Study to Analyze Opportunities And Challenges Faced By Women By Comparing Indian And International Women Entrepreneurs Success Stories

Women entrepreneurship is basically a firm, business or venture run by the women. Women entrepreneur is defined as an enterprise owned and control by a women having minimum financial interest of the 51% capital and giving at least 51% of the employment generated in the enterprise to women.

The paper focuses on some Indian and International women entrepreneur about their success journey and what factor encouraged them to be an entrepreneur, what challenges faced by them and what opportunities they got to be an entrepreneur by using their creativity, intelligence and strategies.

The paper would also throw light on what opportunities are available to Indian and International women entrepreneurs and challenges which they face to start a new business firm.

This would also help those women who have entrepreneurial quality and creativity to implement their ideas into a successful firm, but due to de motivation in their family they loose their confidence

"Women are naturally endowed with the quality of entrepreneurship.”

These skills lie in their blood. All the women have all the resources to manage an enterprise. Women entrepreneurship can only bring about women empowerment.

Bindu Sikarwar
Student, Asian Business School

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Introduction

Women Entrepreneurship

Women entrepreneurship is a skill that makes a woman see things clearer, further and earlier. It is set of skills that let woman apply and utilize woman’s skills, attitude and knowledge in a management based venture in order to add more success to the organization by leading from the fronts.

Women entrepreneurship is a rising topic in our society, participation of women in economic activities as self employed. Many of the traditional occupation open to women are based on cast and creed and self employment was based on the standard of living. Presently in current scenario women not only create employment for themselves but also generates employment for other. Women full of enthusiasms to balance their personal life and professional life, and they have locus of control to manage both the areas.

In India the educated women do not want to limit their lives in their houses, they want to open themselves and demand the equal respect from their partner and other family members. In India, the society is male dominated and women are considered as weaker sex always made to depend on the men and their family throughout their life, so the women are going a long way to achieve the equal right and positions in the family as well as in the society. In Hindu scriptures, woman has been described as the embodiment of SHAKTI but in real she is treated as ABLA.

Women’s enterprise is the broad term used to describe female self-employment and Business ownership. A woman-owned business is one that is wholly or majority Female-owned and managed. Because of differences in operating definitions and datasets, some caution must be exercised in drawing international comparisons in female business ownership rates, particularly between the UK and US. Self-employment and TEA1data are the most robust measures of women’s enterprise activity at an international scale.

In foreign, women are leader, assertive, persuasive and willingness to take risk they have an ability to survive in tough competition.

Generally, women are quick learner and they are persuasive have an ability to take risk and survive in tough competition. As an entrepreneur woman motivate their employees to reach their best, to think about the benefits of others to know how win and loss gracefully.

Women entrepreneurship is rising today because women herself today is motivated for themselves to become self dependent. Now Days women want independence from the household chores & domestic responsibilities. Under the influence they choose a profession to become an entrepreneur to take it as a challenge as urge to create or do something new.

“Women have a quality of entrepreneurship in their blood, because they perfectly manage their family so likewise they can perfectly manage the Firm/Business also.” Despite all social hurdles world is brimming with the success stories of women these are the things which make women different in the crowd & she is honored for their achievement.

Some Famous Indian Entrepreneurs

Kiran Mazumdar Shaw

Achievement: Chairman & Managing Director of Biocon Ltd; Felicitated with Padmashri (1989) and Padma Bhushan (2005).

Kiran Mazumdar Shaw is the Chairman & Managing Director of Biocon Ltd, India's biggest biotechnology company. In 2004, she became India's richest woman.

Kiran Mazumdar Shaw was born on March 23, 1953 in Bangalore. She had her
schooling at Bishop Cotton Girls School and Mount Carmel College at Bangalore. After doing completing her B.Sc. in Zoology from Bangalore University in 1973, she went to Ballarat University in Melbourne, Australia and qualified as a master brewer.

Kiran Mazumdar Shaw started her professional career as trainee brewer in Carlton & United Beverages in 1974. In 1978, she joined as Trainee Manager with Biocon Biochemicals Limited in Ireland. In the same year, Kiran Mazumdar Shaw founded Biocon India in collaboration with Biocon Biochemicals Limited, with a capital of Rs.10,000. She initially faced many problems regarding funds for her business. Banks were hesitant to give loan to her as biotechnology was a totally new field at that point of time and she was a woman entrepreneur, which was a rare phenomenon.

Biocon is recognised as India's pioneering biotech enterprise. Kiran Mazumdar Shaw held close to 40% of the stock of the company and was regarded as India’s richest woman with an estimated worth of Rs. 2,100 crore.

**Ritu Kumar**

She has developed a unique style of her own, reflecting the ancient traditions of Indian craftsmanship in a contemporary vocabulary.

Ritu, who began her work with four hand-block printers and two tables in a small village near Calcutta forty years ago, was the first woman to introduce the ‘boutique’ culture in India under the brand name ‘Ritu’. Today she has outlets in 14 cities in India. Ritu’s boutiques feature a multifaceted showcase encompassing the very best of Indian design, with specially produced range of high fashion garments and accessories using silk, leather and cotton. Ritu’s range of western and Indian apparel is all about traditions and individual talent, and women across the continents can easily identify with her vision of design She also is credited as being one of the first Indian designers who was catalytic in bringing a contemporary idiom to several ancient skills and has been a strong force in marketing them to a dynamic modern India.

To add to her achievements the French government has bestowed the prestigious award of "chevalier des arts et des lettres (knight of the order of arts and letters) on veteran designer and revivalist Ritu Kumar. Ritu Kumar, has also been awarded the Padma Shri Award 2013.

**Hina Shah**

Hina (Bhuptani) Shah was born to MR. Dilip Bhuptani ,metallurgical engineer working as the manager with TATA steel, and Mrs. Pushpa Bhuptani an artist and social worker. While she was born and brought up in Jamshedpur, she studied her MSc. at the Maharaja Sayajirao University (MSU) – Vadodara.Hina Shah is a Master of Science with further qualifications in HRD areas.

She learnt to take responsibility at an early age, while on the other she also experienced challenges in being a “girl”. But this played a positive role in her development, as she took it as a challenge and learnt to emerge a winner.

Ms. Hina Shah. She dares to be different. A home maker, a classical dancer, an entrepreneur and the director of International Centre for Entrepreneurship and Career Development (ICECD).

Hina Shah faced many an odds when she decided to become an entrepreneur in 1976Resistance from society, friction at emotional and economic levels, along with financial institutions refusing to give loans made it all the more difficult for her to initially take the plunge towards independence and empowerment. However, her determination and grit to achieve her goal, gradually converted these difficulties into opportunities.
While having experienced empowerment, when she saw a large number of deprived, poor and helpless women. This made them mainstream partners contributing to the national economy. Thus, she was the pioneer in starting “Entrepreneurship Development Program (EDP)” for women in Gujarat in 1982, with 25 women participants, of which 16 established their non-traditional businesses.

**Ekta Kapoor**

Ekta Kapoor is the daughter of actor Jeetendra and Shobha Kapoor. Her brother Tusshar Kapoor is also a Bollywood actor. She did her schooling at Bombay Scottish School, Mahim and attended college at Mithibai College.

She has produced numerous soap opera, television series and movies. Ekta is remembered best for giving television entertainment the most cataclysmic turn ever. Ekta is an example of a woman for young creative heads and entrepreneurs. She single handedly has earned her stature in the industry, be it television or cinema. And keeping all criticisms about her work aside, she has given television a stature that no one else before her could.

She has produced numerous soap opera, television series and movies. Her most popular path breaking soaps being Hum Paanch, Kyunki Saas Bhi Kabhi Bahu Thi, Kahaani Ghar Ghar Kii, Kasautii Zindagii Kay etc. She ventured into Bollywood movie production in 2001 beginning with Kyo Kii... Main Jhuth Nahin Bolta. Kuch To Hai and Krishna Cottage based on supernatural themes followed in 2003 and 2004.

**Shehnaz Hussain**

Shehnaz Hussain born in a royal Muslim family, Hussain was introduced to both modern schooling as well as traditions. She got married at a tender age of 16 and gave birth to a daughter within a year. She pursued it with great passion in many leading institutes like Helena Rubinstein, Arnould Taylor, Swarzkopf, Christine Valmy, Lancome and Lean of Copenhagen and supported her education by writing for the Iran Tribune.

She realized that chemical treatments are harmful and have long lasting negative effects. She was thus attracted towards the ancient treasure of Ayurveda.

She came up with many natural Ayurvedic chemical free products for beauty care. She firmly believes in the power of ‘care and cure’ of the nature than chemicals.

She started her saloon on a humble budget of Rs 3500/- in Delhi and soon she was booked for 6 months in advance. She stopped advertising her services thereafter as she believed firmly in the word of mouth publicity by satisfied customers.

Turning point came in her career when she was given an opportunity to represent India in London during The Festival of India in 1980. Her products created a huge stir and soon she captured a huge market there. Now, her company produces more than 400 different products which have a market in over 138 countries

### Major Achievements And Awards

Shahnaz has a long list of recognition in her kitty; a few of them are-

- She was awarded Padma Shree in 2006 from President Dr. Abdul Kalam.
- She has been honoured with two prestigious international awards for Quality Excellence and Outstanding Woman Entrepreneur 2002, by Global Quality Management, in London.

### Five Famous International Women Entrepreneurs

**Anita Roddick**

Anita Roddick was born Anita Perella in Littlehampton in Sussex on October 23,
1942. She was the third of four children to Gilda and Donny Perella who were the owners of the Clifton Cafe. It was in their parents business where these children would learn their strong work ethic.

She attended Maude Allen Secondary in Littlehampton and started her tertiary education to become a teacher. An opportunity to work in the Kibbutz presented itself and she took it and went to Israel in 1962. After an incident at the Kibbutz, she set out on the 'hippie trail' visiting places like Tahiti, New Hebrides, New Caledonia, Reunion, Madagascar, Mauritius, Australia and South Africa.

When she returned to Littlehampton, her mother introduced her to a fellow by the name of Gordon Roddick. The bond was instant and they got married in 1971 and ran their own restaurant and later hotel in Littlehampton. She opened a cosmetic shop in Brighton by the name of The Body Shop. The shop was painted green - "to cover the damp spots," in her words - and had a strong environmental flavour. They had 15 products that she had made herself. she says, "If you think you're too small to have an impact, try going to bed with a mosquito in the room."

Dame Anita Roddick passed away on September 10, 2007 at the age of 64. She contracted Hepatitis C from a blood transfusion during the birth of her latest child. This caused cirhosis of the liver. She lived a brave life and will be fondly remembered.

**Mary Kay Ash**

Mary Kay Ash of Mary Kay Inc. was born on May 12, 1918 in Hot Wells, Texas. When she was six years old, she had to look after her ill grandfather while her mother was the working to provide for the family. Throughout her life, Mary Kay's mother had a huge impact her daughter, and she attributed her indomitable spirit to her mother who encouraged her with the words, "You can do it."

She started studying as a doctor and selling part-time, but she proved so adept at selling that she soon did it full time. She sold products for Stanley Home products and went on to World Gift. At World Gift she eventually became a sales director, but was passed over for promotion so many times, that she decided to call it quits after 25 years of corporate sales.

She turned her attention to writing a book which turned out to be the plan for her business. On September 13, 1963, with $5,000 in savings, she opened her dream cosmetics business with her son Richard Rogers. In 1987 Mary Kay Ash retired and became chairman emeritus of the company.

Mary Kay Ash left the world a poorer place when she died on November 22, 2001. Her son, Richard Rogers, continues to build the company he helped to create with her.

**Stella McCartney**

She is talented, accomplished and successful fashion designer. Born in London on 13th September 1981, Stella McCartney, the second child of Paul McCartney and his late wife, Linda Eastman, had a pretty normal childhood.

She attended school with her siblings in the local state school in East Sussex, where she had to endure immense bullying on account of her social status. According to her father, the experience predictably turned her into a bully as well, for a brief period.

Stella McCartney's interest in designing clothes started early; she designed her first jacket at an age when most children are glued to their TV sets and video games - 13. Three years later, she interned with Christian Lacroix, honing her skills under his expert supervision. She went to Ravensbourne College of Design and Communication for her foundation studies and later, to Central Saint Martins.
College of Art and Design, where she studied fashion design.

Supermodels Naomi Campbell and Kate Moss were among the big names who modelled for her graduation collection in 1995 for the graduation runway show. Stella McCartney's brand operates sixteen stores - including New York, Mayfair, Los Angeles, Milan, Beirut and Hong Kong. She's married to British publisher, Alasdhair Willis and has three children - two sons and a daughter.

**Debbi Fields**

Debbi Fields was born on September 18, 1957 as Debra Jane Sivyer in Oakland, California. As a kid she loved making cookies as she enjoyed the sense of satisfaction from family and friends. So when she was 13 years old and got her first job at $5 per week, she used this money to buy 'real' ingredients to use for baking her cookies - vanilla, butter, chocolate chips.

She married Randy Fields, a Stanford graduate, when she was 19 years old and was relegated to the role of housewife. She found it difficult at social gatherings when friends would ask what she was doing for a life and then their patronizing looks when she had nothing to answer.

Then in 1977 she decided she will open a cookie shop and did just that - with, amazingly, the backing of a banker in this untried concept and inexperienced 20 year old. On August 16, 1977, Mrs Fields Chocolate Chippery first opened its doors in Palo Alto, California. Halfway through her first day she had not made a single sale, so she went outside and started handing out her cookies for free. Soon people were streaming in to the shop to buy more of her cookies.

Her company motto "Good enough never is", says all about her business philosophy. She worked hard and her customer satisfaction was a priority.

**Oprah Gail Winfrey**

(born January 29, 1954) is an American media proprietor, talk show host, actress, producer, and philanthropist. Winfrey is best known for her multi-award-winning talk show The Oprah Winfrey Show which was the highest-rated program of its kind in history and was nationally syndicated from 1986 to 2011. She has been ranked the richest African-American of the 20th century and the greatest black philanthropist in American history. She is also, according to some assessments, the most influential woman in the world.

Winfrey was born into poverty in rural Mississippi to a teenage single mother and later raised in an inner-city Milwaukee neighborhood. She experienced considerable hardship during her childhood; Winfrey landed a job in radio while still in high school and began co-anchoring the local evening news at the age of 19. Her emotional ad-lib delivery eventually got her transferred to the daytime-talk-show arena, and after boosting a third-rated local Chicago talk show to first place, she launched her own production company and became internationally syndicated. By the mid-1990s, she had reinvented her show with a focus on literature, self-improvement, and spirituality. Though criticized for unleashing a confession culture, promoting controversial self-help ideas, and an emotion-centered approach she is often praised for overcoming adversity to become a benefactor to others. From 2006 to 2008, her support of Barack Obama, by one estimate, delivered over a million votes in the close 2008 Democratic primary race.

At age 41, Winfrey had a net worth of $340 million and replaced Bill Cosby as the only African American on the Forbes 400. With a 2000 net worth of $800 million, Winfrey is believed to be the richest African American of the 20th century. Owing to her status as a historical figure, Professor Juliet E.K. Walker of the University of Illinois created
the course "History 298: Oprah Winfrey, the Tycoon." Winfrey was the highest paid TV entertainer in the United States in 2006, earning an estimated $260 million during the year, five times the sum earned by second-place music executive Simon Cowell. By 2008, her yearly income had increased to $275 million.

Forbes' international rich list has listed Winfrey as the world's only black billionaire from 2004 to 2006 and as the first black woman billionaire in world history.

**Literature Review**

Medha (1987) describes a woman entrepreneurship—"woman entrepreneur is an individual with an eye for opportunities, an uncanny vision, a commercial acumen, a capability for tremendous perseverance and above all, a willingness to take risks with the unknown because of the adventurous spirit she possess”

Women entrepreneurship is divides into two factors: pull & push. Pull factors are those which encourage a woman to achieve social recognition and financial independence. While push factors compels woman engaged in the business activities due to their family compulsion and responsibility they have (Buttner and Moore, 1997; and Alstete, 2002). (Das, 2000) performed a study on women entrepreneurs of SMEs in two states of India, Tamil Nadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women in western countries. However, Indian women entrepreneurs faced lower level of work family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for starting and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of business setup and operated by women is much lower than the figures found in western countries.(Bowen & Hisrich, 1986), compared & evaluated various research studies done on entrepreneurship including women entrepreneurship. It summaries various studies in this way that female entrepreneurs are relatively well educated in general but perhaps Not in management skills, high in internal locus of control, more masculine, or Instrumental than other women in their values likely to have had entrepreneurial Fathers, relatively likely to have first born or only children, unlikely to start business in traditionally male dominated industries &experiencing a need of additional managerial training.(Greene et al., 2003), evaluates the research & publication contribution in the area of women entrepreneurship. The study categorized various journal & resources of research on the basis of certain parameters concerned with women entrepreneurship Like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives(Shabbir, 1995) They have to work much harder to convince the customer, supplier, and even their employees that they have potential to run a business in effective and efficient manner. Rani, 1992 education is also the most important factor that affects the spirit of women entrepreneurship. Although it does not make a difference when a woman considers starting her own business, it definitely influence her own choice of business.(Goffee and Scasse, 1985) Family responsibilities often pose a choice between career and home which is an undesirable situation for any woman. The major support system for a woman is her family, but various studies concluded that women generally do not get the required support from their homes and are expected to fulfil all their household responsibilities at the cost of their business related responsibilities.

**Objectives Of The Study**

- To analyze the problems of women entrepreneurs starting their own business.
• To identify traits needed to be successful by drawing a comparison between Indian and foreign women entrepreneurs.
• To understand the strategies to be adopted by women to become successful business women.
• To understand the general opinion of people towards women entrepreneurship in India.

Research Methodology

• Research methodology is the way to systematically solve the research problem. Research methodology not only talks of the methods but also logic behind the methods used in the context of a research study and it explains why a particular method has been used in the preference of the other method.
• The research design adopted for the study is Descriptive.

Problem Faced By The Women

In India:

• The major problem which women face now days are their family and society. In India, women have to look after their family and after getting married they have to look after their husband and children and because of these responsibilities a small time is left for entrepreneurial activities. To become a successful entrepreneur they have to take approval from their husband and this way their success depends upon the hand of their husband and family. Because they have to manage both the things family and office so they cannot focus toward their dreams and desire.
• Those women who are creative, innovative and can do their best in their respective fields with more enthusiasm but because the pressure created by the family and restriction made by the traditionalistic thinking of the society. They have to be restricted in their family.
• General image of women in traditional sense is difficult to break.
• After getting too much criticism they give up to try so criticism become problem for these women to grow.
• The biggest problem they face that they do not have good networking skill.
• Marketing problem: to promote their product women often have to depend upon the middleman and for promoting the product a huge bunch of money required to invest in advertisement. Women often take help of men because this area is male dominated.
• One of the major problems of women entrepreneurs is lack of entrepreneurial aptitude. The entrepreneurial aptitude needs innovative, risk bearing skills etc. which often don't appear in women.
• Financial problem: women entrepreneur always suffers from inadequate financial resources and working capital. They are not able to afford external resources and working capital due to absence of intangible security and credit in the market. Women have less property and bank balances to their name. Male members want to escape from getting involved their money to that firm which run by the women because of lack of confidence in their ability because of complicated procedure of getting loan from the bank women face difficulties to get finance or capital for their business and day to day business operations. Because finance is life blood of every business.

In Foreign:

• Attitude problem- the women in developed nations
• Cultural values
• Social criticism
• Lack of investors’ confidence
• Stress due to competition and business routine
Opportunities For Women Entrepreneurs

Training And Grants: Government Schemes For Women Entrepreneurs

It is estimated that around 20 percent of the MSMEs in India are promoted by women. The Government of India has made special provisions for women entrepreneurs under the watch of the Ministry of Micro, Small and Medium Enterprises (MoMSME). Training and funding are provided pursuant to this. The government has traditionally focused on improving the base skill set, especially among first generation women entrepreneurs.

- Exclusive Entrepreneurship Development Programmes (EDPs) are regularly organized for the benefit of women. The National Institute for Medium, Small and Micro Enterprises, National Institute for Entrepreneurship and Small Business Development (NIESBUD) and the Indian Institute of Entrepreneurship – Guwahati all provide training to women entrepreneurs.

- The government also provides a wide range of schemes that are women oriented, and they are provided assistance in terms of benefits and concessions. Some important grant schemes initiated by the Central government are given below:

1. **Trade Related Entrepreneurship Assistance and Development Scheme for Women (TREAD)**

2. **Mahila Coir Yojana**

- Skill development is being done in women’s polytechnics and industrial training institutes. Under various schemes like World Bank sponsored programmed to upgrade polytechnics, separate institutes have been set up for woman.

- According to the budget (2012-2013)

Limitation Of The Study

- The study is restricted to the Delhi (NCR), hence finding cannot be generalized.
- The sample size is limited
- The study is done under the assumption that respondents are true and honest in expressing their views.
- Time constraints.
- People even women also were least interested to express their views.

Suggestion

- They have to take initiative and risk in their life to become self-independent and create their identity in the today’s competitive environment.
- They must believe in themselves and do what they want, if they have strong desire, no one can stop them.
- They should have proper mind set about their goals, aims, careers and, whatever they want to achieve in their life then only they can go for entrepreneurship.
- Women need to come out from their boxes and open themselves to compete with the upcoming environment and have faith in themselves.
- Women should build strong female network to promote women empowerment instead of criticizing each other.
- Start believing in them and should not easily loose the confidence after the criticism, try to be self motivated because nothing is impossible in this world.
- Women need to be more innovative in order to lead their business/firm toward success and should come out from their traditional way of working which they follow till now.
- They should create their own space to fulfill their dreams and should not think about what other say and should be assertive.
**Findings**

- Nation is growing toward modernization, but still the mentality of the people is traditionalistic about promoting a woman on a larger scale.
- The youth is interested toward the women entrepreneurship and they feel proud to encourage women to create their own identity.
- Some educated housewives are also not interested toward the women entrepreneurship. They are happy with their household chores and domestic responsibilities. And there is a further need to work wake women up toward the women empowerment.
- The growth of women entrepreneurship can only be seen in metropolitan city and developing city.
- Some old people are not interested to encourage women because of their mind set.

**Conclusion**

The study tried out to find out the difference among the Indian & International women entrepreneur what all opportunities they got & challenges faced by them, issues have been identified through various review of literature. It should be cross checked through concerned of various people what all they feel about the raise of women entrepreneurship. The factor may vary from place to place, in our study we find some of the women are also not interested to promote this. Self confidence is the key for the women to go towards the women entrepreneurship create an example like some famous women entrepreneurs which we included in our study. Anyways apart all factors women entrepreneurship is necessary for growth of any economy whether it large or small.

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In the wake of rapid evolution of Information Communication Technology (ICT), during the last three decades, much attention has been given to the introduction of ICT to the Agribusiness sector which contributes to 18.6 per cent of India’s GDP, and approximately 59 per cent Indians derive their livelihood from the agricultural sector which contributes to 18.6 per cent of India’s GDP, and approximately 59 per cent Indians derive their livelihood from the agricultural sector. Given its apparent ability to provide rich information to a large number of peoples, hopes have been raised about the role of ICT as a tool for diffusing innovations in the Agribusiness sector.

Information of the required quality always has the potential of improving efficiency in all spheres of Agribusiness. Information Communication Technology (ICT) has a major role to play in all facets of Indian Agribusiness. In addition to facilitating farmers in improving the efficiency and productivity of Agriculture and allied activities, the potential of ICT lies in bringing about an overall qualitative improvement in life by providing timely and quality information for decision making.

This article aims to highlight some of the good initiatives in Indian agricultural sector that use ICT for agricultural development.
Introduction

'ICTs can be harnessed to meet basic human needs of the poor and marginalized communities in rural and remote areas, and to create new structures for Governance and commerce in India.'

The emergence of the ICT revolution and its related innovations is so ubiquitous that there is perhaps no human activity that remains untouched by its profound influence. In general it has been argued that ICT is a key input for promoting competitiveness, economic growth and development; ICT offers opportunities for global integration while retaining the identity of traditional societies; can increase the transparency of the public sector, including the delivery of social sector. (World Bank, 2002). The experience of Agriculture development in India has shown that the existing system of delivery of Agriculture output have not been efficient in reaching the benefits of better linkages between Agriculture and Agro-processing industry to the farmers of the Agro-industry. The timely, quality and cost-effective delivery and adequate inputs still remains a distant dream despite the marketing attempts of the corporate sector and the developmental programmes of the Government of India. The farmers are not able to sell their produce remuneratively. There are frequent gluts in the markets, resulting in low prices and losses to the farmers. Processor and/or marketers face problems in obtaining timely, cost effective, and adequate supply of raw materials. Though various models are being attempted in India to build better linkages with farmers, there is no doubt that ICTs will play a decisive role in bringing about competitiveness in Indian Agribusiness Sector both for quality and cost reasons.

The role of ICTs in Agriculture development can be viewed in terms of information provision and its use for decision-making at the farmer level. The information asymmetries created by lack of information lead to market inefficiency and market failure and consequently sub-optimal outcomes for farmers both in input as well as output markets. From the production side, information can be used to increase the efficiency of extension input and there by improving the input use efficiency and returns. The provision of information is provided and used is critical as that determines the ultimate use of such information and its effect for wider Agriculture and rural development.

Role of ICT in Agriculture

Majority of Indian population still depends on agriculture for their livelihood, yet only few are in a position to withstand the demands of the seasonal changes. On the one hand the farmers need to be competitive to face import competition (need to be high productive low cost producers) and on the other hand it opens up avenues for them to market their produce world-wide. With the expertise of experienced farmers and the growing demand for several product categories, technical support to the sector could ensure world-class productivity. ITC has been quite successful in establishing the network through its e-Choupals across the agricultural belt in India.

Its primary objective is to offer the farmers of India all the information, products and services they need to enhance farm productivity, improve farm-gate price realization and cut transaction costs. The technology road map to support this phase was to have a secure, consolidated Farmers database with all information pertaining to their holdings and credit worthiness to be available online. This database, along with identification provided by smart cards would enable support for online transactions through the e-Choupal leading to integration with participating financial institutions such as banks, insurance and credit agencies.

ICT continues to be of growing importance with many organizations increasingly
conducting their business activities in the electronic environment. The use of technology has been playing a major role in many strategic initiatives where attempts have been made to capitalize the benefits of e-business to strengthen customer and supplier relationships and hence to establish new market. Agribusiness organizations worldwide have capitalized on the many advantages of e-business to improve the marketing of their products (Allen Consulting Group, 2000). In India, the agribusiness industry is regarded as a major contributor to the economy. The high reliance on accurate and timely information (such as weather and stock information) and large physical distances between producers and customers in this country have made this sector conducive to the benefits of e-business.

Developing the ICT framework is well accepted and initiated by different organizations in India but still there is no unanimity over the types of models available for adoption. While there is no single unique classification system for the types of B2B e-business models available. B2B e-business models are generally classified into four generic categories: merchant models; manufacturer models; the buy-side model; and brokerage models (Timmers, 1999; Rappa, 2001; Strauss and Frost, 2001). Each of these models offers different functional characteristics and they are more applicable to particular industries/markets. Based on these four categories, one of the important study has identified 10 specific e-business models as being used for conducting B2B e-commerce in the agribusiness industry. In addition to the complexity of the models, many factors are known to influence the strategic decision making process of organizations (Eisenhardt and Martin, 2000), which are also likely to impact on the choice of B2B e-business models.

Agriculture was identified by Goldman Sachs’ (2000) research as one of the seven most business to business inclined industries. The agricultural supply chain was described as full of imperfections that restrict efficiency. In these areas ICT had great possibilities for improvements. It does certainly appear that the traditional agribusinesses are beginning to view ICT as a business imperative. The traditional agribusinesses have strong market share positions as incumbents and some are determined to fight to retain their customers.

**ICT as a Catalyst of Growth and Development**

All countries whether developed or developing, are striving for fast economic development. The most productive and fastest growing economies are developing innovative capabilities as core corporate and public-sector strategies to continue their existing levels of long-term economic growth with new and dynamic competitors. Almost all countries became firmly convinced that the world economy is benefiting from the enormous investment in ICT and they are prioritizing their policy framework for ICT development. At the same time, potential capability of economic development of developing countries such as technological innovation and its effective management, effective usage and creation of online products and services, competitive capability under the global knowledge economy, and extensive experience in a range of firms has become ever widening.

Without the proper policy initiative for ICT and innovation, the possibility of leapfrogging of developing countries to catch up the developed counterpart would decrease. In this emerging knowledge economy, proper strategy and effective implementation of the innovation and ICT development policies and the creation and diffusion of knowledge in these areas would be increasingly important factors in economic competitiveness. India is a predominantly rural, agro-based country with about two thirds of its population based in villages. A Knowledge Revolution
coupled with ICT can bring about the next step phase of rural transformation.

**India: ICT Project Example**

1) **E-choupal:** e-choupal model comprises of installation of VSAT internet enabled computer terminals powered with solar batteries. To enhance trust and acceptability among rural consumers a local person is selected and given basic training in computers and is known as Sanchalak or Pratinidhi and he takes an oath to serve the rural community without any discrimination and to spend a part of his earning on community welfare. The computer is installed at his place and farmers of adjacent 5-6 villages can now use this facility. Between Sanchalak and ITC there is one more intermediary called as Sanyojak and he looks after 40-50 such choupal.

The e-choupal provides various tangible and intangible benefits to the farmers. Under tangible benefits the farmer may purchase various agricultural inputs (like seeds, fertilizers, pesticides etc) and other products (like cycle, tractors etc) ITC keeps 2-3 suppliers of each product to ensure fair price and competition. The Sanchalak also facilitates the selling of Agri produce by the farmers by apprising them of the prices in various markets and helping the farmers in selling their agri produce to ITC if they so desire. The intangible benefits results from getting information regarding weather, advance farming techniques and other inputs to boost the per hectare productivity to facilitate the flow of such information ITC has tied up with various agricultural universities.

Besides these tangible and intangible benefits various NGO’s and other developmental agencies are using this platform to reach to various previously unserved villages and increase the pace of development in rural areas.

This digital infrastructure can also be used for channelizing services related to credit, insurance, health, education and entertainment, in addition to serving as a strong foundation for creating a vibrant futures market to facilitate farmer risk management. This model thus enables a quantum improvement in the cost and quality of extension services. The earlier models were limited by the capability of individual extension worker. The e-choupal model on the other hand confers the power of expert knowledge on even the smallest of individual farmers.

Starting with just 6 choupals in June 2000, this model has become rural India’s largest internet based initiative and as on May 2007 e-choupal services reach more than 4 million farmers in about 40,000 villages through more than 6500 choupals in Uttar Pradesh, Madhya Pradesh, Rajasthan, Maharashtra, Karnataka, Andhra Pradesh and Kerala. ITC’s objective over the next decade is to create a low cost IT based interactive transaction and fulfillment channel to cover 1,00,000 villages representing 1/6th of India's villages reaching out to millions of farmers.

ITC is extending its business model to other Indian States including West Bengal, Himanchal Pradesh, Punjab and Haryana. The human and the digital infrastructure at the village is complemented and completed with a physical infrastructure in the form of Choupal Saagars. These choupal saagars offer multiple services under one roof a marketing platform, store front for agri equipment and personal consumption products, insurance counters, pharmacy and health center, agri extension clinic, fuel station and a food court. Kumar and Ali(2006) in their study on e-governance systems (E-choupal ) and decision making processes in Agriculture provided empirical evidence that farmers can
take significantly better qualities of decision of various decision made by user group of ITC’s e-choupal than non users.

The problems encountered while setting up and managing these e-Choupals are primarily of infrastructural inadequacies like power supply; telecom connectivity and insufficient bandwidth and also imparting skills to the first time users in remote and inaccessible areas of rural India. Several alternative and innovative solutions are deployed to overcome these challenges e.g. power backup through batteries charged by solar energy; installation of VSAT equipments and mobile e-Choupals for similar queries and support.

2) **Gyandoot:** Gyandoot is an intranet based, e-Governance (government to citizen) project, connecting a chain of rural cybercafés or computer kiosks in the district of Dhar in Madhya Pradesh. Each kiosk is connected to the intranet server of Gyandoot either through dial up telephone lines or through Wireless in Local Loop (WILL – an indigenous technology from n-Logue Communication, India).

The computer kiosks or Soochnalayas as they are called have two models of ownership namely:

a) The Panchayat model and

b) The entrepreneurial model.

In the former as the name suggests, the investment in hardware and other infrastructure is made by the Gram Panchayat and the facility is housed in a space provided by the Gram Panchayat. Apart from the electricity bill, all the other day to day expenses including the telephone bills are borne by the trained operator called the Soochak, who runs the kiosk and carries home whatever profit is earned, remitting 10% of the profit to the Panchayat. No salary or stipend is paid to the Soochak. In the local entrepreneur model the ownership of the kiosk belongs to the local entrepreneur, who registers as a soochnalaya owner and makes all the investments in hardware and other infrastructure. Such Soochaks are expected to pay Rs. 5000 to the Gyandoot Samiti annually as registration charges.

A wide range of information and services are provided by Gyandoot network viz. mandi prices, employment news, rural news paper, online registration of applications for driving license/domicile/caste/income certificates, application formats for villagers applying for various government schemes, village auction site, rural Hindi e-mail facility, matrimonial site, astrology services, online board exam results, Sawaliram se puchiye (career guidance and questions regarding other fields. The site is essentially for school children to inculcate a spirit of enquiry among them). A team of experts at the district headquarters provides answers to queries on subjects like new farming practices and related problems, animal husbandry, health, legal opinions etc. There is a site for registration of grievances also. The basket of services offered by Gyandoot is vast and aims to provide equal access to all the segments of society to a wide range of government departments (Zila Panchayat, Civil supplies, Regional Transport office, Education department etc.)

For each service there is a prescribed charge and a delivery time frame (displayed / made available on request by the service seeker). Usually, the service seeker submits his/her application online through the Soochak and has to come back to the Soochanalaya to collect the response received from the concerned Government department. In case the
service sought pertains to a certificate or document (to be given from a government department) then he/she has to collect it by visiting the concerned department or make a request to have it sent through post. The service delivery time is stipulated to be one week, but is seldom adhered to.

The Gyandoot services are managed by 'Gyandoot Samiti,' a registered society. "The District Collector is the President of the Samiti. The CEO of Zila Panchayat assists the President as Secretary and the various departmental heads as members of the Samiti. The operational team of Gyandoot Samiti consists of a Project Manager, an Assistant Project Officer, a Technical Head (the District Information Officer) and four computer operators." (Centre for Electronic Governance, Indian Institute of Management, Ahmadabad; Rural Cybercafés on Intranet, Dhar, Madhya Pradesh, India; A Cost Benefit Evaluation Study).

The stakeholders of Gyandoot services were identified as the Soochaks or the kiosk managers, the village community consisting of users and non-users (including farmers and non-farmers) of the facility. The non-users have been identified as stakeholders for the purposes of this study because it is felt that these poor and marginalized citizens also have a right to participate in all developmental activities of their village; and have been treated as potential users of the facility.

The following services are currently offered at the Gyandoot kiosks:

- **Agricultural Information:** Prevailing rates of prominent agricultural commodities at auction centres around the country.

- **Copies of Land Records:** Farmers require these at every cropping season to obtain loans from banks for purchasing seeds and fertilizers. Major Banks have agreed to accept these kiosk documents.

- **Online Registration of Applications:** Villagers had to make several visits to the local revenue court to file applications for obtaining income/caste/domicile certificates. Now, they may send the application from a kiosk and receive notification by e-mail when the application has been processed.

- **Online Public Grievance Redress:** A complaint can be filed and a reply received via e-mail. These can include complaints regarding drinking water, quality of seed/fertilizer, functioning of schools or village committees, etc.

- **Village Auction Site:** Allows farmers and villagers to advertise and sell land, agricultural machinery, equipment, and other durable commodities.

- **Transparency in government:** Updated information regarding beneficiaries of social security pension, beneficiaries of rural development schemes, information regarding government grants given to village committees, public distributions, data on families below the poverty line, etc. are all available on the Intranet.

Some other useful initiatives in this regard are enumerated below:

3) **Agricultural Marketing Information Network (AGMARK-NET):** AGMARK-NET ensures the farmers with prompt and reliable information about what is happening in the market, what quantities are arriving and what prices are quoted for different commodities considerably improve the decision-making capability of the farmers and strengthen their bargaining power. The improved communication system enables the producers to know about probable markets where they can
dispose of their produce more profitably. The traders and consumers can also derive maximum advantage out of their purchases at low communication cost. The modernization of market information system, lead to the efficiency in the markets and increased participation of the farmers. This efficiency of the markets and farmers participation in the markets is increased. This increases the income of the farmers, which in turn, activate them to increase the agricultural production.

4) **Warana Wired Village:** Warana Wired Village Project in Maharashtra is a very recent experiment that provides Internet connections using satellite communication to rural India. This experiment leverages the relative prosperity gained by the region over the past few decades through a Sugar Factory. Spreading over 70 villages, the project attempts to use Web technology for self-improvement through skills development and employment generation. The Warana Group of Co-operatives (WGC) is using ICT to streamline operations connected with sugar cane growing and harvesting. It also intended to simplify other business operations of the co-operative.

5) **Akshaya:** On 18th November 2002, H.E. The former President of India, Dr. APJ Abdul Kalam, launched Akshaya, an initiative powerful enough to transform the lives of 65 lakhs in the state. Under this project, one person from every family in Kerala will be familiarized with the basic use of computer and empowered to access innumerable services that Information and Communication Technology offers. The project involves setting up around 3000 multi purpose community technology centres called Akshaya e-Kendra’s across Kerala. Run by private entrepreneurs, each e-kendra set up within 2-3 kilometers of every household, will cater to the requirements of around 1000-3000 families to make available the power of networking and connectivity to common man. Akshaya is a social and economic catalyst focusing on the various facets of e-learning, e-transaction, e-governance, information and communication.

The project piloted in the district of Malappuram is being replicated all over the state in phases making Kerala the foremost knowledge society in the country and model in development for the whole world.

The Wireless broadband connectivity infrastructure that has been established through project Akshaya affords several value added services in the district of Malappuram. Since the locations of this e-Kendra are strategically planned and spatially distributed to cater to the people in even the remotest part of the district, they form a powerful network to bring the benefits of all e-governance initiatives to common man.

The e-Kendra’s have the potential to provide G2C, G2G, C2C, B2B and G2B services and act as decentralized information access hubs and service delivery points. Collection of utility bills and taxes done through FRIENDS centre is integrated with Akshaya e-Kendra’s thereby minimize transaction costed and time to citizens. A variety of corporate services like Business Process Outsourcing, hardware sales and services, travel and tour arrangements, multimedia aided training programmes, IT enabled vocational training, product selling and financial services including rural e-banking have been made available to rural population through e-kendra.

6) **Drishtee:** Drishtee is a software platform for enabling governance, commerce, education and health services. It facilitates communication and information interchange within a
localised intranet between villages and a district centre. Drishtee services are delivered via Information Kiosks that are owned by local villagers. Each kiosk, located at a prominent central location in its district, caters to the needs of the surrounding villages. Typically, the kiosks are financed through a Government-sponsored loan scheme. User fees are charged at the kiosks for the services provided. Kiosk owners are trained to operate the Drishtee system.

Drishtee Ltd was established following the success of The Gyandoot Project in Dhar, Madhya Pradesh. The Gyandoot project began in December 1999. The goal of Drishtee is to replicate the Gyandoot model throughout India.

7) Bhoomi Project: Bhoomi project is an attempt made by Karnataka State Government for Computerization of Land Records. This project is sponsored jointly by Ministry of Rural Development, Government of India and State Government of Karnataka.

Under the Bhoomi E-Governance project all 20 million land records of 6.7 million land owners in 176 taluks of Karnataka have been computerised. This system works with the software called "BHOOMI" designed fully in-house by National Informatics Center, Bangalore.

Important Features of BHOOMI

- This software provides for printing of land records as and when required.
- It incorporates process of online updation to ensure that the RTCs provided to the farmers are in sync with the time.
- All the mutations to the land records database are done on the computer itself so as to ensure that data on computer remain current with time.
- It incorporates the state of the art biologon metrics system from Compaq, which authenticates various users on the Bhoomi software on the basis of fingerprints. This ensures that no body can hack the system by imitating other users.
- This software also has the provision of scanning of original mutation orders of the revenue inspector (who is the authorized person to pass orders in the mutations in the field) and notices served on interested parties. Both documents are scanned to ensure that not only responsibility can be fixed on Officials by showing the original documents signed by them but also to ensure that the intestered parties do not claim in the court that they were not served with the notice before effecting the mutation.
- The software enables the administrators to generate various reports based on type of soil, land holding size, type of crops grown etc. This information would enable administrators to take informed policy decision.

Components of Bhoomi

There are 3 main components in Bhoomi system –

- The computer centre where mutation and updation are done in online fashion. It includes finger print authentication and scanning of important documents to ensure robust and secured system. Most of the components of the Computer Centre are funded under the Central Scheme.
- Land Records kiosk from where the farmers can collect the copy of their record by paying Rs.15. They can also lodge request for mutation to their land records. The Kiosk is fully funded by State Government.
• Touch Screen Kiosk where farmers can see their land related information without anybody’s intervention or help.

Benefits of Bhoomi

Farmers: Farmers can quickly get their land records from Kiosks and are protected from harassment and extortion. As against time delay of 3 to 30 days they now get their records in less than 2 minutes. No overhead cost is to be incurred. No application is required to be submitted at the kiosk. The records are authentic and legible. Use of biometrics authentication system for updation of records have freed farmers from the worry of probable manipulation of their records by some times some unscrupulous officials.

Reduction in processing time for mutation: Farmers can lodge application for mutation (change in land title) to their land records at the mutation kiosks, get acknowledgement for the same and can monitor the progress using touch screen kiosks available in some Bhoomi centers. They would then get their updated land record in a fixed time frame without the need of approaching any authority. As against earlier time of 70-200 days, mutation would now require less than 35 days.

Online tracking of mutation status: Farmers can also get the official status report of their request for mutation which would let them know the stage at which their request is pending. This status report would help them in enforcing their right of getting the record mutated in the prescribed time.

Easy access to Farm Credit: Online connectivity to banks would ensure farm credit to farmers in less than 5 days as against 25-30 days in manual system.

Ease in case of legal matters: It would be easier for the farmers to pursue land related litigation in the court.

Administrators: Ease of maintenance and updation of land records documents. In manual system land records updation used to get delayed by as high as 1-2 years in some cases. Now it would always be in sync with time.

For Financial Institutions, Online Farm credit related activities: Online connectivity to financial institutions would help banks in planning for their farm credit related activities. In manual system they worked on 2 years old data or just guessed the farm sector requirement.

Information availability for Private Sector: Private sector had complained of absence of crop and land data for their planning purpose. Bhoomi data would help supplier of various agricultural Details of irrigated lands and pattern of land holding could be used by private sector for more informed decision making. In manual system such data was just not available.

8) N-Logue: n-Logue was launched to fulfill the need for Internet and voice services in every underserved small town and village in India. The potential demand for Internet services in these areas is huge and largely unfulfilled. n-Logue proposes to service this demand throughout the country. n-Logue was established to serve the information and communications needs of people living in small towns and rural areas of India. To rapidly scale its operations, the company employs a three-tiered business model based on the belief that delivery and management of Internet services should devolve to the level of the supply chain that comes closest to the user of the service. This decentralized model of operation draws, in large part, from the success of cable TV operations in India.

At the top level is n-Logue, which provides equipment, training and
support to the LSPs and kiosks, and also takes care of regulatory and connectivity issues. At the second level, n-Logue identifies and partners with a local entrepreneur (also called a Local Service Provider or LSP) in every area it wishes to operate. These LSPs find subscribers, provide services and collect payments. At the bottom level is the village kiosks, which provide services and information aimed at the rural market. With the help of n-Logue, the LSPs recruit the local entrepreneurs who set up the kiosks.

**Challenges in the adoption of ICT in Agribusiness:**

The basic purpose of ICT is to help business to cut cost and cycle times, raise efficiency and provide more information, choice and value to consumers. Agriculture sector in India can avoid isolation from mainstream business by deploying ICT and thus can gain competitive advantage. But implementation of ICT in India is not so easy and it suffers due to many barriers such as:

a) **Haphazard Development:** It is observed that some initiatives have already been made to provide IT based services to rural community. However, duplication of efforts is witnessed as most of the services revolve around limited subjects. Keeping in view the giant task involved, it is necessary to form a coordination mechanism to strive for a concerted effort to support farming community in the country. Such a coordination agency may only have advisory powers such as user interface, broad design, and delivery mechanism of the content, standards for setting up kiosks.

b) **User Friendliness:** The success of this strategy depends on the ease with which rural population can use the content. This will require intuitive graphics based presentation. Touch screen kiosks are required to be set up to encourage greater participation.

c) **Local Languages:** Regional language fonts and mechanisms for synchronization of the content provide a challenge that needs to be met with careful planning.

d) **Restriction:** Information content based on remote sensing and geographical information systems can provide timely alerts to the farmers and also improve the efficiency of administration. These applications can have a major impact on the farmers and help them to appreciate the potential of information technology. However, government’s map restriction policies often threaten to stifle the optimal utilization of these tools.

e) **Power Supply:** In most of the rural India, power supply is not available for long hours. This will reduce the usefulness of the intended services. Since almost entire country receives sunshine for most part of the year, it is useful to explore solar power packs for UPS as well as for supply of power. The Ministry of Non-conventional Energy Sources may pay special attention in this area which can be a major contributor to the growth of IT in villages.

f) **Connectivity:** Despite the phenomenal progress made in the recent years, the connectivity to rural areas still requires to be improved. Reliable connectivity is a prerequisite for a successful penetration of IT into rural areas. Many private ISPs are setting up large networks connecting many major towns and cities. Since some of these networks pass through rural areas, it is possible to provide connectivity to a large number of villages. Several technologies exist that can be utilized for connecting rural areas. Cable network is a possible medium for providing the last mile connectivity to villages.

g) **Bandwidth:** Even in areas where telephone and other communication services exist, the available bandwidth is a
major constraint. Since internet based rural services require substantial use of graphics, low bandwidth is one of the major limitations in providing effective e-services to farmers. As already stated, networks with high bandwidth are being set up by several companies passing through rural segments which can be utilized. Until this materializes, a two pronged strategy of storing static information at the kiosks and providing dynamic information from remote locations can be examined. The graphic oriented content which does not change frequently, such as, demonstration clips for farmers, can be stored on the local drives at the kiosks and arrange for periodic updation of this information over the network during non-peak hours. The dynamic information which changes more frequently can be accessed from remote locations to obtain the latest status.

h) **Dissemination Points:** Mass deployment of information kiosks is critical for effective use of the Internet based content and services. In order to ensure that the information kiosks are economically feasible, it is necessary to make the proposition sustainable and viable. This requires a major focus on a viable revenue model for such kiosks. In the new information era, the kiosks should be designed to become electronic super markets that can, in addition to being information sources, handle other services of use to the people living in rural areas.

**Conclusion**

The Indian farmer and those who are working for their welfare need to be e-powered to face the emerging scenario of complete or partial deregulation & reduction in government protection, opening up of agricultural markets, fluctuations in agricultural environment and to exploit possible opportunities for exports. The quality of rural life can also be improved by quality of information inputs which provide better decision making abilities. ICT can play a major role in facilitating the process of transformation of rural India to meet these challenges and to remove the fast growing digital divides.

The rapid changes in the field of information technology makes it possible develop and disseminate required electronic services to rural India. The existing bottlenecks in undertaking the tasks need to be addressed immediately. A national strategy needs to be drawn for spearheading IT penetration to rural India. A national coordinating agency with an advisory role can act as a catalyst in the process.

No single institution or organization alone can succeed in the task of e-powering farmers and rural India. At the same time, scattered and half hearted attempts can not be successful in meeting the objective. Industries with major stake in villages, such as fertilizer sector, should come together to provide the initial impetus.

The success of any ICT based service to rural India hinges on evolving a proper revenue model for the dissemination points. The ‘clicks & mortar’ rural kiosks should be integrated with the ‘bricks & mortar’ industry to make them sustainable ventures by making them a business gateway to rural India. The information kiosks can draw revenue from the industry by providing and disseminating required services. Once these dissemination points prove to be economically viable, the ICT revolution in rural India will require no crusaders.

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Aiesec's strategic approach applicable to innovative SMEs of the Guadalajara metropolitan area

Competency Management

Abstract

This paper shows the successful case of an strategic management model based in competences, used by the organization AIESEC to be implemented in small and medium enterprises located in Guadalajara’s metropolitan zone, all this, with the main purpose of improving in those areas where the firm has the opportunity to grow and become more competitive.

Introduction

The use of the strategy dates from ancient times. From one of the earliest studies of the universal rules to run a war, SunTzu (Galvany, 2012) emphasizes the importance of strategic decisions as the key to defeating the enemy without using force. Just as Darwin's natural selection, nowadays, companies face a selection process in which it is necessary to go through a process of evolution at some point, and this evolution is necessary to have something to help them master the market, or in the more austere, to survive being profitable.

The current requirements of analysis, formalization and rigor is raised by the increasing complexity of the company and its environment itself, while the requirements of adaptability or flexibility to changes resulting from the high degree of dynamism and uncertainty which are subject relations between the company and the environment, an attempt to reconcile an innovative approach to management which we know as strategic direction.

Keywords
Strategic Management, Competence Management, PYME, AIESEC.
The objective of this research is to analyze how the models are applied to analyze the strategic direction, emphasizing skills management in the operation of the organization.

Association internationale des étudiants en sciences économiques et commerciales (AIESEC, International Association of Students in Economic and Commercial Sciences).

This is an innovative approach applicable to small and medium enterprises in the Guadalajara Metropolitan Area to improve their competitiveness in the market. It is noteworthy that Penrose (1959) mentions in her theory of the firm’s growth and the company value creation rather than value appropriation. Her unbalanced approach does not focus on rent-seeking, but optimal growth pattern of the management team of a business (Rugman, and A., 2002), which will be one of the important issues in this investigation.

Background

Over the years it has gone from an economic revolution to another.

These "revolutions" are based on trends in emerging markets or sudden drastic changes in the conditions under which it performs the processes of production, distribution and/or consumption of goods and services.

Many authors agree that we have a new economic model based on knowledge (Moreno, elayoandVargas2004), i.e. today, unlike what happened in the agricultural age or industrial age the current knowledge era. Thus, this looms as the main element of survival and competitiveness for a company, so they are being forced to promote this intangible in order to remain in uncertain environments and increasingly complex due to the accelerated speed that technology and knowledge change (Ronda y Marcané, 2004).

A Human Resource Management competency-based (or skills) addresses comprehensively the strategic dimension of business, the human dimension and the behavioral (Mamolar, 2001a, p.21). In order to maintain this constant flow of updated information, it is certainly necessary to carry out a series of activities that help to create, share and implement this knowledge in their respective companies. Given the above, the executive now has realized that certainly for the existence of this process is required the staff intervention of the firm. It has started giving more importance to the human capital of the companies as a key, which is acquiring a strategic differential value and great importance for the growth and development of the company itself (Guerras y Navas, 2008).

About three-quarters of employers globally have lack of experience, ability or knowledge as the main cause which creates difficulties in filling positions in any firm. Despite the uneven and slow recovery that has been following the economic recession that hit the world and exist in high unemployment in many markets, in international organizations still show disagreements with no access total ent to their firms need in a timely manner (Nelson, Winter, S. 1982).

Returning to the "Penrose effect" (Rugman and A., 2002), indicates the limit to the growth rate of the company, due to the limitations of management, and the importance of the elements of behavior and learning processes growth there of. Her views on the growth process are noteworthy, especially the enactment of the environment and the discovery of productive opportunities through a dynamic learning process.

It is for this reason that it has been decided to take a strategic management approach based on knowledge management taken by the international organization AIESEC. AIESEC is a youth organization founded in 1948 in Europe, non-profit, fully managed by young,
independent, a political and non-discriminatory. Since 1922, AIESEC credited UNESCO as "World Youth Voice". Originally named for "International Association of Economic and Commercial Sciences", by its French acronym, today, AIESEC covers different careers and areas of study, so that AIESEC is used as a proper name and not an acronym (AIESEC Internacional, 2011a).

AIESEC is the largest student organization in the world, present in more than 113 countries. It is focused on providing a platform conducive to leadership development and provides young people the opportunity to participate in international practice, experience leadership and participate in a global learning environment. It also worked with more than 4,000 companies and organizations in 113 countries, who prefer AIESEC candidates for the added value they can provide (AIESEC International, 2011a, 2011b).

Departing from this, after Mexico City, Jalisco is the second place with the highest concentrations of small and medium enterprises (SMEs) in the country. More however, one of the major problems facing the SMEs is not having the culture to provide a continuous learning environment for human capital, generating that this competitive advantage must be affected in a market in constant motion. Because of this situation, the case of AIESEC is taken as an object of study that allows highlighting the good strategic management model implemented by the organization itself. This model can be applied to small and medium enterprises in the (Guadalajara Metropolitan Area) GMA that certainly have potential for obtaining an increased competitive advantage by giving their addresses a management approach by competencies.

The Secretary for Small and Medium Enterprises of the Ministry of Economy announced in June of this year, delivering a fund of 100 million pesos to support small and medium enterprises in the state of Jalisco. This announcement highlighted the need to support entrepreneurs not only with funding but also with training and technical assistance (Ministry of Economy, 2013). Enhancing the above mentioned, is the focus on human capital for growth and consolidation of the firm. The importance of these governmental programs to support SMEs in the GMA (GMA-SMEs) is that micro, small and medium enterprises nationwide are representing 98 percent of economic units in the country. Therefore, it is necessary to generate strategic support schemes (SE2013).

It was not until 1985 that the Ministry of Commerce and Industrial Development (SECOFI), now the Ministry of Economy, officially established the criteria for classifying industries according to their size and this is how it is currently sorting under the following strata (INEGI, 2011):

- a) Micro-Industry: Companies that occupy up to 15 people and net sales value is up to 30 million pesos a year.
- b) Small Industry: Companies that occupy up to 100 people and net sales remained within the amount of 400 million pesos a year.
- c) Medium Industry: Companies that occupy up to 250 people and the value of its sales did not exceed the amount of one thousand 100 million pesos a year.

From this, the course of this research focuses only on small and medium enterprises.

**Problem Delimitation**

Given the issues discussed above, is that it comes to the question: How to improve the competitiveness of SMEs in the metropolitan area of Guadalajara, applying the innovative
model used by AIESEC strategic management with a focus on management skills?

This question will help to channel the good decisions made by the organization AIESEC in its strategic management, toward areas of opportunity for the SMEs in the ZMG. Thus, this strategy aims to counter the decline existing in knowledge and training regarding human capital, and focusing efforts on management by competency that will lead to improve competitiveness in the market.

**Assumption**

Arriving with the above to a theoretical assumption in the following terms: AIESEC has a strategic management based on competency management that can be implemented by SMEs in the Guadalajara metropolitan area in order to improve their competitiveness in the market orientation, emphasizing the importance of on going training and investment in updating of knowledge for human capital within your company.

**Contextual Framework**

As it was mentioned above, AIESEC is the worldwide largest international youth organization. It is present in over 113 countries and in the Mexican republic it has local committees distributed as follows in figure 1 below. According to INEGI (2011) the 7.18% of MSMEs are in Jalisco. These economic units are distributed mainly in the fields of manufacturing, trade and services. At national level, Jalisco’s MSMEs that have greater weight in Mexico are small and medium manufacturing in 2003, representing 13.21% and 9.69% respectively. Besides manufacturing, small businesses happens to be also of some national importance (9.08%). This pattern reflects a traditional economic vocation to these trade and manufacturing sectors.

Besides the above, it was also found that one of the most worrisome problems in this industry is that 31% have trouble finding qualified personnel. It is because of this that it is taken these two items: Strategy approach to competence management AIESEC and the SME in the GMA. This research report is concerning the strategic management of SMEs in the GMA (GMA-SMEs).

**Method of study**

To make the development of this research, it was made purely qualitative approach; although it was used statistical data that have helped us to visualize the current status of state economic unit sand their importance while most was only made within tend to have a frame of reference for the dimensions in which we are working. This is because the qualitative approach will help to see the objective reality of the study problem. It is not intended in this case, to measure in which way this strategic management approach is affecting this type of competency-based economic units in question.

**Theoretical Framework**

The theories considered as a precedent for the development of the same investigation are the resource-based theory and the theory of capabilities and transaction costs. These theories help to understand how the SMEs-AIESEC strategy can capitalize on the capabilities of human capital and how it is important to have corporate governance interested in
thecapacity building of its staff rather than on their own gains and benefits.

It has been included the theory of transaction costs, as mentioned by Mahoney (2005). The human information processing limitations are further compounded by the potential for deliberate non-disclosure information, deliberated obfuscation, and performing statements that are not self-believed, all of them as forms of opportunism. These behaviors are very marked in economic units such as SMEs given to the profiles that are regularly driving on management and general levels of human capital, that, given the prevailing trend in the composition of small businesses starting from a family structure, for example.

The firm is then seen as a mechanism to account for bounded rationality, but also to mitigate opportunistic behavior.

**Development of the Assumption**

AIESEC is working on four different levels of hierarchy. It has an international committee based in the city of Rotterdam, which handles scenarios of a general nature and international, committees by region (Asia, Latin ...), national committees and finally a stepping stone to the local level, which can be focused to a specific college or cities. This research focuses the analysis on the local committee of AIESEC in Guadalajara, its organizational structure and strategic direction.

AIESEC has the following areas where youth can develop leadership skills to carry out all the necessary processes that are necessary for the organization and specifically to fulfill the goals of the local committee:

In any of the levels mentioned in figure 2, AIESEC aims to always create change agents who can develop the skills that are an essential part of its strategic management, which are according to

**Figure 2: Structure of local committee in Guadalajara.**

Source: Own elaboration based on data from AIESEC Internacional (2011a, 2011b)

AIESEC International (2011a, 2011b) the following shown on figure 3 below.

**Figure 3: Competencies in AIESEC**


**a) Global minds et**

Fostering diversity, openness and respect for different cultures, working effectively with people from different countries than have a culture other than their own, with different lifestyles and skills, making appropriate use of the ideas and views to the achievement of goals.
b) Business Outlook

Develop and implement new ideas, organize and manage resources and opportunities, while engaging influence other people, and increase performance by taking risks and adopting innovative solutions to problems that come to inspire.

According to information retrieved from the Ministry of Economy, it can be seen that the biggest problems faced by entrepreneurs to start a micro, small or medium business, are as follows (PROMEXICO 2013)

a) No profits are reinvested to improve equipment and production techniques.

b) It's difficult to recruit skilled and trained staff or inability to pay competitive salaries.

c) The production quality has some shortcomings because quality controls are minimal or nonexistent.

d) They cannot absorb the costs of staff training and updating, but when they do, they face the problem of leakage of trained personnel.

e) Some other problems arising from the lack of organization.

These five competencies outlined above, not only are important to develop for an organization such as AIESEC, but according to the current problem of the lack of sufficiently qualified human capital to manage SMEs in the Guadalajara metropolitan area. AIESEC has an option highly competitive for process improvement in a continuous and constant updating of knowledge in the firm.

Now, for an individual within AIESEC can generate these skills and develop a strategic role within the same organization, it has a global learning system, which for the purposes of this analysis is the core of this research, as through various learning environments is that it achieves a management strategy based on competency management used in an innovative way to what has been implemented regularly by micro entrepreneurs.

From these problems it can be possible to salvage for the purposes of the research, that there are at least two points of which to give the firm a turn based on competency management. Using a model like the one used currently by AIESEC, will reduce, if not eradicate such problems as the difficulties to recruit trained personnel and the leak once having invested in it. Counting then economic structures of small and medium enterprises in the Guadalajarametropolitan area, it is possible to analyze how these learning environments work for such firms.

It is noteworthy that in the interesting case of AIESEC, it is found a global network of young students and recent graduates who are working even standard
hours of working days (in some cases) for a cause that does not generate any profit. Thus, a comparison of this type of model can be implemented for SMEs located in the aforementioned area of Guadalajara, where the financial remuneration is low or even occasionally also limited. Then it is referred to global learning environments of AIESEC and how come a focus on SMEs in the ZMG according to the problems discussed above.

AIESEC offers a unique global learning environment that helps the membership of its committees to develop and enhance their leadership skills among other skills. Such environments are ranging from online discussions, virtual experiences teamwork, coaching key executives, among others as shown in figure 4.

**Figure 4**

*Global Learning Environment*

(AIESEC International, 2011a, 2011b)

a) **Individual Discovery**

The working staff provides tools to gain a better understanding of what they can achieve on their own, it will increase their performance at work, and increasing self-esteem will be the same, thus raising their level of satisfaction and loyalty to their job.

b) **Team Experiences**

The teams are based on the organizational structure of AIESEC, which allows them to have relevant planning which assist the achievement of goals or objectives, within a specified period of time and constant evaluation and recognition of success.

Peng (2006) mentions in his book "Global Strategy", that there is a board of directors that oversees as an intermediary between owners and managers, ratifies strategic decisions and evaluates, rewards, and if necessary penalize senior managers. The main features of the board are its composition, leadership structure and interlocks. It is very important that each of the members of the firm; however small is that economic unit, he or she feels part of a team, and to know that his/her work contributes to a goal that work will be recognized. The members of the board will remunerated such recognition with loyalty to their company and join efforts to achieve the objectives. It will be a situation whereusal emphasized, that "to wear the shirt of the team" and have a sense of belonging that will be reflected in results.

c) **Mentoring**

AIESEC handles mentoring in the following terms in this field:

Mentoring relationships provide an important source of external feedback. With other members and allies of AIESEC, about the decisions inside and outside AIESEC. We create friendly relations between our stakeholders and powerful networks (AIESEC International, 2011a, 2011b).

In this case, mentoring could have implications for the GMA-SMEs preparedness projects and technological support, not just financial, offered by the state government periodically and that many entrepreneurs are not aware of it (Secretaría de Economía, 2013a, 2013b).

Even cooperation programs, as *Innocámaras*, a program whose main objective is to contribute to improving the competitiveness of SMEs in the province by integrating the culture of innovation in their business strategies) handled by the Chamber of Commerce of the State of Jalisco. On this program, successful business entrepreneurs are giving support to those through direct coaching or training for better resource management. It is consider ed as an option that facilitates the development of new ideas without having to make mistakes like anyone else.
has already done (Cámara de Comercio, 2013).

d) Virtual Spaces

The technology certainly is a fundamental part of the business world today. AIESEC has a global virtual platform (myaiesec.net) which is a unique platform of resources, contact information, forums, news, classifieds and constant promotion of exchange and leadership opportunities, locally, nationally and internationally. Likewise also have major Internet channels such as YouTube, Flickr, and Facebook to stay connected to your AIESEC friends in all parts of the world.

No doubt, for a company to be competitive today, it is necessary to kept up to date and following the competitive world trends. This is why it is advisable for SMEs ZMG that has one or more of the above resources mentioned to be given a "plus" to their daily activities, thus achieving not only be informed, but likewise it helps the positioning and growth of business.

e) Conferences and Seminars

These conferences and seminars support the activity of the organization. They become planning or restructuring periods, raise new strategies, share ideas and discuss issues that are likely to affect the performance or achievement of organizational objectives. In addition, the conferences and seminars help to raising the level of motivation and empathy for the values of the organization.

f) Learning Circles

Finally, within AIESEC learning circles features, which are communities aimed to discuss and share information on topics that are common to all members, partners or sponsors. These learning circles, both virtual and physical, are formed by AIESEC members who have a common interest to gain experience, knowledge and networks in a sector or common theme.

If adopted the latter as an SME strategy for personal and professional growth of personnel and staff, it would be in a work environment that will foster on going collaborative potential growth for the company in question.

Results

The assumption raised at the beginning of the paper, is found by noting that AIESEC has a strategic management based on competency management in global learning environment. These principles of strategic management can be implemented by SMEs in the Guadalajara metropolitan area in order to improve their level of competitiveness in the market orientation, emphasizing the importance of ongoing training and investment in the upgrade of knowledge for human capital within your companies was discussed above.

Conclusions

There are as of opportunity in the GMA-SMEs that can be covered by management strategies based on skills, implemented by AIESEC in order to make the same more competitive in today's market.

There were detected as well as programs with little diffusion to support the growth of these economic units in the metropolitan area of Guadalajara.

One ZMG-SMEs has the opportunity to be more competitive by implementing successful management models based on competencies that do not generate high costs for their business unit and simultaneously drive the development and growth of the same at high levels.

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Indian industry may not be the best in technology in comparison to developed countries. But the companies in India do understand the market trends and operate accordingly. The Indian consumer has his own beliefs and attitudes. Recently, the concern about environment has been growing rapidly in many of the developing countries, such as, India, Maldives, Bangladesh, and Sri Lanka etc, who are already threatened by the global warming. In India, the customer has always been used to using minimum resources for a livelihood because of the inherited lifestyle and beliefs and many entrepreneurs have understood and started ‘green products’ marketing. The Indian customer base in rural areas cannot afford many of the luxurious products. This has given rise to various levels of customer differentiation for ‘green’ and eco-friendly products which are affordable, even in urban areas. There is a need for more entrepreneurs to take the initiative to market green products and there is a world of opportunity in ‘green’ products

Going Green

The green initiatives by the community, governments and the companies, today represents the world’s attitude towards nature. Some of the automobile companies which used to produce gas guzzlers are now getting bankrupt and depends on the government plans to bring them back to life, as it happened with the US auto industry. Earlier they did not envisage the threat that their products pose to the environment and did not raise their R&D levels to address the environmental factors. The developed countries are used to their way of living and would not like to change them. In developing countries, still people use...
traditional products and keep the environment safer. In India, many companies are turning towards eco-friendly products, green buildings etc. and marketing them to the changed mindsets of the customers. Today, the customers are well aware of the threat to the environment and they prefer to buy products that are environment friendly. This changes the way in which products were introduced earlier in India and the new environment which is environmentally conscious requires a new range of products.

**The Indian Story Of Going Green**

Indians always loved being ‘green’ and now this has been proved beyond doubt. A global survey of 17 countries conducted by the National geographic society and Globe scan, an international opinion research consultancy, after a survey of 17,000 customers said that India not only retained its first position from 2009, but increased its lead over other nations.

Green initiative by a compost plant managed by public/private partnership initiative became the first to get a cheque in India for INR 5 lacs as carbon credit. This unit is situated in Delhi in Okhla industrial estate. There was also a newspaper report on the same day that the Delhi secretariat does not buy files, but recycles waste paper and has been doing it for 5 years. The process has been found to be not only eco friendly but also economical reducing the cost of the file. The research report also mentions some interesting points. India’s preference for small cars, its low vehicle density, which is at 12 cars per thousand (US has 765 per thousand) and its penchant for fruits, vegetables, and locally grown foods over imports contributes to the score of India being the greenest. The use and throw mentality has not yet set in.

**Indian Foods – Ecofriendly**

The ecofriendly nature of Indian agricultural products and systems offer a vast scope for new entrepreneurs to start marketing of ecofriendly green products. India has been known for green products from ancient times.

The meaning of ‘satavic’ is mentioned in Ayurvedic literatures about the Indian agriculture. Satavic is a Sanskrit word which means and signifies anything that is pure, positive and beneficial. The term finds considerable usage in ayurvedic texts where body constitutions, foods, personalities, etc. have been divided into three classes - satavic (or satvik or sattvik, signifying positive), rajasic (neutral) and tamasic (negative). Indian agricultural tradition goes back many thousands of years and a number of ancient agricultural texts (such as Vrkshayurveda, literally meaning plant or tree ayurveda) were written in Sanskrit. This means that organic farming has been the very early concept, and the subsequent use of chemicals etc. have now brought us to the current status where we have to be worried about the earth’s Indian farmers were basically organic farmers before the advent of inorganic fertilizers and chemical pesticides. Over time the use of these synthetic inputs has come to the level of causing a concern to the environment and human health. Consequently, it is felt necessary to advocate the use of the age-old practice of organic farming not only to ensure uncontaminated food production but also to sustain the agriculture by keeping the land in a healthy condition. In the recent past, this has become a major concern where the consumers started demanding produce grown organically by not using chemicals. To make organic farming successful, it is essential that eco-friendly technologies, which can maintain or increase the agricultural productivity, have to be developed and made available to the farmers.

**The Good News**

More than 60 % of India’s arable land is under traditional agriculture, where no synthetic inputs are being used, though
the common perception is that Indian farmers use lot of insecticides. Although, the products grown under such systems have so far not been defined as organic products officially, but by all means they are genuine organic products. In view of their wide availability there is an urgent need to ensure premium prices for the produce grown in these regions. Unfortunately, these farmers are so involved in their struggle for survival that they have no time to figure out what is organic and what is not. Many do not understand that organic produce can give them better prices. These organic products are sold to the middleman and are being marketed along with other chemically grown products. It is the lack of awareness among the consumers in our country that sometimes the chemically grown products which look healthy and attractive, in spite of having alarmingly high level of pesticide residue fetches higher prices than the poorly looking organic products. There is neither subsidy for organic cultivators or incentives to practice organic cultivation.

Agricultural heritage status by the United Nations for Koraput, Orissa, India

Very few would have even heard the name of the place, known as Koraput. But UNESCO has found that this place deserves an agricultural heritage status.

Green initiatives have a lot to do in preserving age old traditional agriculture systems. The farmers of Koraput are tribal people who have understood climate, diversity, green farming so well that now they figure in the international heritage systems. There were four sites in the world identified and the other three sites are in Peru, China and Philippines. The following headlines on dailies in India talks about recognition of Indian farmers who understand what is ‘green’ and environment friendly

**Bhubaneswar:** After the famous sun temple of Konark and biodiversity hotspot of Similipal have catapulted Orissa to world’s heritage map, Koraput region has started evoking similar feelings among agriculturists, conservationists and agronomists for its unique blend of biodiversity with cultural wisdom.

Koraput has been identified by Food and Agriculture Organization (FAO) as the global agricultural heritage site, which has been a rare distinction as there are only four agricultural heritage sites in whole world. Others are in Peru, China and Philippines. No other site from India has so far been qualified into the category. Now about applications for 20 sites from different parts of the globe are pending with FAO which is reviewing their agricultural biodiversity. “Koraput will soon be recognized as globally important agriculture heritage site. It will be on the lines of world heritage sites declared by UNESCO,” said renowned scientist and father of green revolution M. S. Swaminathan addressing consultation on “Effective community management of biodiversity in an era of climate change” here on Saturday.

Executive Director of M. S. Swaminathan Research Foundation (MSSRF) Ajay Parida said, “After Koraput’s inclusion in globally important agricultural heritage system, its every biological aspects would be studied in detail and crop varieties would be documented thoroughly.’ He said more than 70 per cent of the total population of Koraput belonged to 52 ethnic groups such as Khond, Bhatada, Paroja, Bhumia and Bondas. As per the MSSRF’s research, rice is predominant crop in the Jeypore area – both in terms of the land as well as in terms of production. More than 40 per cent of the land is under paddy cultivation.

Koraput region has rich assembly of unique floral and faunal diversity. The genetic repository of the region is of great significance in the global context. The region is a reservoir of rich floristic diversity consisting of about 2500 species of flowering plants, angiosperms, well known gymnosperms and 30 species of
ferns. The Jeypore tract (undivided Koraput district) is conceived by rice researches as center of genetic diversity and secondary center of origin of rice. Mr. Swaminathan said the recognition would encourage them to carry forward the rich agricultural practices. “The Kalajeera, a lowland scented rice variety, has been conserved by tribal community for years. Now it has become Kalinga Kalajeera. Tribal farming practices in this rich reservoir of biodiversity can help the country feed its millions.

A decade ago, Chandra Pradhani, a Paraja tribal of Nuaguda village in Kundra block of Odisha's Koraput district, used to migrate to neighboring Andhra Pradesh to work at a brick kiln. The 42-year-old no longer does this. Today, he is feted by the nation — he was one of the two tribal farmers honored by Prime Minister Manmohan Singh at the 99th Science Congress in Bhubaneswar. A farmer in Koraput, Pradhani is a natural farmer in every way. As he says, “Earlier we used a lot of chemical fertilizers, now we utilize the cow dung and vermin compost of our ancestors. To protect crops from getting infected, we prepare insecticides using neem leaves and other medicinal plants found in the forest. In this way, for the last few years, our annual yield has risen almost three-fold and profits have increased several times over.” With an annual income exceeding Rs 50,000, Pradhani can now send his children to school and meet the basic needs of his family. Sridhara Jani of Lima village has a similar story to relate. Helplessly dependent on a fickle monsoon to cultivate his small, four-acre plot — with paddy grown on one acre — life was a constant struggle. Yields were minimal — the 1-1.5 quintal food grain harvested couldn’t feed his six-member family through the year. The situation is different now.

A heritage bio-reserve

The hard work and traditional agricultural techniques of tribal farmers such as Pradhani and Jani have helped put Koraput on the world agriculture map. The Food and Agriculture Organization (FAO) of the United Nations recently accorded the district the status of Globally Important Agricultural Heritage System (GIAHS).

Koraput — a highland plateau in the Eastern Ghats — ironically tops the list of poverty-prone and food-insecure districts in Odisha despite its extremely rich biodiversity. According to studies by the Botanical Survey of India and the National Bureau of Plant Genetic Resources, Koraput is a veritable arbour — with 2,500 species of flowering plants, angiosperms, gymnosperms and ferns. Its agro-biodiversity includes 340 landraces (ancient or primitive cultivated varieties of a crop) of paddy, eight species of minor millets, nine species of pulses, five species of oilseeds, three species of fibrous plants and seven species of vegetables.

For Dr M.S. Swaminathan, considered the father of India's green revolution, this ancient reservoir of biodiversity is testament to the wisdom of local farmers. “These farmers are the pride of our nation. Their farming practices are more than 3,000 years old and they have been able to conserve genes, seeds, grains and water, and fight against hunger and food insecurity by using traditional practices,” he says.

Tribal farming families have, over several generations, successfully domesticated and conserved rice genetic resources. This tract is famous for the genetic diversity of Asian cultivated rice and is also considered the center of origin for the aus ecotype of rice (Oryza sativa). What's more, the landraces of traditional varieties are believed to harbour genes that protect against ecological stress such as lack of water or too much of it — which could help scientists develop improved varieties of rice that are resistant to natural disasters. If only the tribal farming culture which uses traditional methods which are green can be promoted to the urban metros all over the world, we would be
able to solve the problem of food security. This great news for India and can open up a new sector for entrepreneurs to market ‘ecofriendly products. However, only a few have realized this as in the examples given below. If all the shop keepers and merchants in India take this type of initiative, there will be more organic agricultural and other green products in the Indian market and there will be a new generation of entrepreneurs making and marketing ‘green products’

**Eco-friendly Initiatives in a metro, Mumbai, India.**

Some of the stores in Mumbai are specializing in eco-friendly products which source their wares directly from the craftsmen dotting the villages of India.

**Bombay Paperie**

Bombay Paperie at Fort is the one-stop store for all kinds of paper and paper objects. It sources the handmade paper from craftsmen in Daulatabad. "We are the only mill in the country which makes paper entirely by hand," says Kinjal Shah, executive commercial officer (creative), Bombay Paperie. Each paper is made by craftsmen who are descendants of the original paper makers from Samarkhand; which has a rich tradition of paper making. The paper is made with waste fabric pulp and objects include books, cards, flowers, figures, gift bags, lamps and photo albums. The paper is known for its thinness and strength. The printing on it is done using hand carved wooden blocks by block makers in Ahmedabad (Gujarat). Cards are priced between Rs60 to Rs80, gift bags between Rs35 to Rs85, gold printed paper at Rs50 and lampshades at Rs450.

**Reeth**

A search for the perfect fabric led Rita Rebello and her sister Aneela Jasuja to the craftsmen who produce hand woven fabric. Thus started Reeth -- a store selling hand woven cotton silk and khadi kurtas, kaftans, salwars, churidars and dogris. The store, located at Andheri, has a tie up with several NGO’s in different states like Gujarat, Rajasthan, Andhra Pradesh and Tamil Nadu and source the fabrics from craftsmen spread across these regions. The price for kurtas begins at Rs400; tops are Rs275 to Rs600 and stretch churidars start from Rs290 onwards.

**Navdanya**

Navdanya, situated at Andheri, was started as a participatory research initiative founded by scientist and environmentalist Dr Vandana Shiva. This food shop sells organic products that are procured from farmers from 16 states in the country. The products include several varieties of rice and wheat, millets, traditional pulses, legumes, oilseeds, virgin oils, natural sweeteners, spices, breakfast cereal, dry fruit and herbal tea. "We believe in fair trade and offer all the farmers a premium over the market price. There is no middleman involved," explains Reetha Balsavar at Navdanya. You can pick up a litchi squash for Rs100 per 500ml bottle, ragi biscuits for Rs75 or vegetable snacks for Rs10.

**Fabindia**

Fabindia is the one stop shop for anything Indian and eco-friendly. The handloom textiles, cotton fabrics and materials are all handmade with natural materials like cotton and silk and use indigo dye. It provides employment to traditional artisans. It also sells organic food and bodycare products like pickles (Rs 90), palm sugar (Rs40) soap (Rs90), avocado body wash (Rs200) as well as home made pastas which are quite a hit.

**Dhoop**

Situated at Khar, this store is a haven for eco-friendly kitschy products sourced from various states in India. Its vast array of products include metal ware, stoneware tea sets, beaded throw pillows, a
menagerie of colourful lanterns, jasmine candles, wind chimes, tablemats and runners made from natural fibres like banana, hyacinth and jute. Not to forget the papier mache snakes and ladders board game (Rs480), coconut shell coasters (Rs380) and coir craft (Rs150).

Green and also low cost:

**Mitticool**: refrigerator and frying pan from clay.

**Mr. Manshuk Lal Raghavjibhai Prajapati** (born 1965, village wankaner, Gujarat).

He started the journey as a supervisor in roof tiles manufacturing company of Gujarat.

At the year of 1989 he started making tavdi (tawa) from the taraquta mud he got unbelievable response from market. Then he started to develop at 1997 launched mitti cool water filter successfully then after at 2002.He launched mitti cool refrigerator. In 2004 mitti cool (nonstick tawa) 2005 he got award from national and state rural development now he is roaming all over India with his different artistic products. Nowadays he gets orders from abroad and people like to use the natural refrigerator/ filter. His aim is to provide all luxurious things to country wide peoples who can't imagine even to afford electronic goods.

**The Mitticool Story**

In the fateful earthquake of January 2001, Mansukhbhai suffered huge loss, as most of his stock got broken. He distributed the stock that escaped the quake to the quake affected people of Kutch. In February 2001, Sandesh Gujarati Daily had a photo feature on the earthquake where at one place it showed a broken water filter of Mansukhbhai with the caption 'the broken fridge of poor'.

This caption ignited a thought in him to work on a rural fridge that did not need electricity and could be used by masses. Though he started thinking about it after the Gujarat earthquake of 2001, it was 2002 when he actually started his work. Almost the same time, Mansukhbhai came into the contact of Gujarat Grassroots Innovation Augmentation Network (GIAN), Ahmedabad. After a painstaking journey of three years during which he tested all sorts of soils and fridge designs, he finally came out with Mitticool fridge in 2005. A civil engineer saw the fridge and looking at its applications gave him the order of 100 pieces and an advance of Rs. 2 lakh. This news was also covered by local dailies. Then the success story started

Water purifier with natural materials and at low cost.

Tata chemicals introduced a water purifier at a cost of Rs. 1000/- INR with natural filters such as, rice husk ash, infused with cutting-edge technology (silver nano particles), which enabled the company to introduce this water purifier at a cost never dreamt of. The body has been designed to be in knocked down condition for least costs in transportation. Hindustan lever, a multinational, also reacted with a model that competes with them at a cost of Rs.1200/- (introductory price Rs. 1000/- INR).

**Conclusion**

The developing countries were ecofriendly in nature by their ancient customs and traditions. The advent of technology and westernization, ‘en bloc’ have had adverse impact on the environment. The developing countries need to retrieve the old practices which are ecofriendly and even challenge the western technology, which driven by Multinationals for profits. The Koraput recognition by a world organization is the first step towards that direction. The developing countries need to realize that they are secure on the food front if they realize their potential. The merchants and traders should recognize green and environment friendly product and promote them. This will also enable them to earn better. At the farm front, the
farmers need to be educated about the marketability of organic and green products so that they can start labeling them at their end, instead of mixing all the produce.

The opportunity for entrepreneurs opens up with the whole world, being worried about climate deterioration and the call for ecofriendly products increasing. Indian entrepreneurs are at an advantage to promote green products to the world.

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The growth in information technology, employee mobility, competitive work environment, and various demographical changes have led to the development of various organizational strategies focusing on attracting, retaining and engaging employees. Employee engagement leads to effective goal attainment at individual as well as organizational level. Employees’ values, goals, and aspirations when aligned with those of the organization, lead to the achievement of sustainable employee engagement. Work-life balance strategies of an organization can be positioned as an influential factor towards employee commitment and retention. Work-life balance is about living a satisfied life inside and outside paid work, having control over one’s time so that it can be achieved. If the employees feel that they are not able to get adequate time for their personal life, they might feel distracted from their work as well, which may have a spill over effect on the organizational effectiveness. This article focuses on the conceptual framework of employee engagement and work-life balance, increasing importance of maintaining work-life balance in the organizations, impact of work-life balance policies on employee engagement and suggesting ways for the organizations for further improvement in their work-life balance policies in order to enhance the employee engagement.

**Introduction**

Attracting, engaging and retaining employees, is becoming a top priority of organizations across the world. The organizations are focusing on various parameters in order to retain employees and keep them engaged. One of the important drivers for attracting and retaining top talent is providing employees...
with an appropriate combination of compensation and benefits. Also, work-life balance initiatives by various organizations have been identified as a factor leading to attracting and retaining valued employees, providing them job satisfaction, improved levels of organizational productivity, lower levels of absenteeism and turnover. As the need for engaging employees has increased, more and more attention is being paid on identifying the factors or drivers of employee engagement. This paper will focus on the concepts of work-life balance, employee engagement, and various drivers of employee engagement with a special focus on the impact of work-life balance on employee engagement.

**Work-Life Balance- Concept**

The concept of work-life balance is based on the belief that the paid work and personal life are complementary elements of one’s life and must not be seen as competing priorities. It is defined as an employee’s perception that multiple domains of personal time, family care and work are integrated and sustained with a minimum of role conflict. As per the work foundation: work-life balance is achieved when an individual’s right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business, and society.

In the past few years, the growth in information technology, competitive work environment, intense pressures and constant deadlines have led to a substantial increase in the performance pressures at the workplace. The need to maintain work-life balance has gained momentum due to growing globalization and the changing nature of work. Also, a rise in the women workforce has led to a tremendous increase in the number of dual career couples, which has further led to an increase in the average income of the families thereby, raising the standards of living. The individuals, irrespective of their demographics are striving not only for better work atmosphere but also improved family and personal life.

Work-life balance concept refers to ‘the extent to which individuals are equally involved in- and equally satisfied with — their work role and family role (Greenhaus and Singh, 2003, p. 2). Work-life balance refers to the flexible working arrangements that allow both parents and non-parents to avail of working arrangements that provide a balance between work responsibilities and personal responsibilities. Work-life balance involves “adjusting work patterns so that everyone, regardless of age, race or gender can find a rhythm that enables them more easily to combine work and their other responsibilities and aspirations” (Pillinger, 2001).

By putting work-life at the heart of an organizational strategy, and reflecting wider social shifts towards a 24X7 society and employee needs, organizations can use work-life balance as a powerful lever for change on a range of levels. Organizations that can catch up with the 21st century, with women being in paid work, and with the fact that a 24X7 life doesn’t have to mean 24X7 working, can gain competitive advantage.

But these policies are also about social equity, and future work-life balance debates in organizations need to shift the focus away from proving the business case towards recognizing importance of the social benefits (Jones, 2003). It is important to reveal the benefits that employers can derive from employment policies and practices supporting work-life balance. The work-life balance contributes to employees’ job satisfaction, mental health, organizational engagement and commitment, which in turn contributes to higher productivity and lower turnover.

Work-life balance policies are often referred to in practice as ‘flexible working’, and include the following different ways of working:
• **Part-Time Working:** A part-time job is a form of employment that carries fewer hours per week than a full-time job. Workers are considered to be part time if they commonly work fewer than 30 or 35 hours per week.

• **Job Sharing:** It is an employment option that lets two people share the responsibilities of one full-time position.

• **Flexitime:** It is a variable work schedule, in contrast to traditional work arrangements requiring employees to work a standard 9am to 5pm day.

• **Shift Working:** It is an employment practice designed to make use of the 24 hours of the clock. As per the International Labour Organization, it is a method of organization of working time in which workers succeed one another at the workplace so that the establishment can operate longer than the hours of work of individual workers.

• **Annualised Hours:** A form of compressed work schedule or reduced hours, in which employees (either full or part-time) work a certain number of hours per year rather than per week. Employees can take advantage of their seasonal interests, by taking certain parts of the year off.

• **Compressed Week:** It enables employees to work full-time in fewer than five days a week. Scheduling can take different forms.

• **Tele-Working / E-Working:** It refers to the use of home computers, telephones, etc., to enable a person to work from home while maintaining contact with colleagues, customers, or a central office.

• **Career Breaks:** It is a short period of time when an employee decides not to work in profession due to some reasons.

• **Study Leave:** It refers to the leave allowed by the employer so that the employee can take up further studies.

• **Zero Hours Contracts:** They are the contracts of employment that do not specify the number of hours an employee would be required to work. S/he may be called up for work whenever requirement arises and is paid only for the time when work is being actually done.

• **V-Time:** It refers to voluntary reduced work-time and is a type of alternative work arrangement which allows employees to work fewer hours according to a prearranged schedule, with a corresponding reduction in salary and benefits. After a specified time limit, the employees may return to their full time status.

**Employee Engagement - Concept**

Employee engagement is a concept that has become increasingly mainstreamed into management thought over the last decade. It is generally seen as an internal state of being – physical, mental and emotional – that brings together earlier concepts of work effort, organizational commitment, job satisfaction and ‘flow’ (or optimal experience). Typical phrases used in employee engagement writing include discretionary effort, going the extra mile, feeling valued and passion for work.

The CIPD has defined employee engagement as “being positively present during the performance of work by willingly contributing intellectual effort, experiencing positive emotions and meaningful connections to other”.

This definition gives three dimensions to employee engagement:

• **Intellectual Engagement:** thinking hard about the job and how to do it better

• **Affective Engagement:** feeling positively about doing a good job
• **Social Engagement:** actively taking opportunities to discuss work-related improvements with others at work.

Employee engagement is an employee’s intent to stay with the current organization and willingness to do more than what is required on the job.

**Figure 1**

<table>
<thead>
<tr>
<th><strong>Employee Engagement</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intent to Stay (Retention)</strong></td>
</tr>
<tr>
<td>Desire to stay based on intent to look for a new job or actions taken towards looking for a new job</td>
</tr>
<tr>
<td><strong>Willingness to do more (Performance)</strong></td>
</tr>
<tr>
<td>Willingness to exceed expectations by helping colleagues with heavy workloads; volunteering for additional duties; looking for ways to perform the job more effectively</td>
</tr>
</tbody>
</table>

**Source:** (Deloitte, 2011)

**Elements of Employee Engagement**

Engagement is most often demonstrated when people exhibit behaviors associated with speaking positively about the organization (Say), having a desire to be a part of the organization (Stay), and willingness to make extra effort that contributes to organizational success (Strive).

**Figure 2**

- **Say:** Consistently speak positively about the organization to co-workers, potential employees, and customers
- **Stay:** Have an intense desire to be part of the organization
- **Strive:** Exert extra effort and engage in behaviors that contribute to business success

**Source:** (Aon Hewitt, 2012)

**Impact of Employee Engagement on Organizational Performance**

In a 2009 meta-analysis (Harter, Schmidt, & Keyes, 2002) examining more than 150 public- and private-sector organizations, findings illustrated a direct link between employee engagement and nine types of performance.

**Figure 3**

**Work-Life Balance And Employee Engagement**

**Need for Employee Engagement**

In today’s competitive scenario, employee engagement has emerged as one of the key drivers in determining business success. Engaged employees contribute effectively towards the business strategy, are highly committed to the organization, are more involved, and strive to give their best. Striving to maintain a higher level of employee engagement not only contributes toward short-term survival during economic volatility, but is also a key factor for longer-term business performance and better positioning when market conditions become favorable.

The companies that get engagement “right” will enjoy a source of competitive advantage in talent strategy and business results that is hard for others to replicate (Aon Hewitt, 2012). Employees are said to be engaged when they are cognitively vigilant and get connected to other individuals in the organization.

Employee engagement is influenced by the opportunities employees have for personal growth and development, liking towards their work, being excited about their work and support from the organizations for maintaining work-life balance.
Drivers of Employee Engagement

It is important to have valuable insights about the organization’s workforce in order to develop appropriate programs with essential engagement levers to enhance the human resources’ intent to stay in the organization and willingness to do more. Some of the important drivers of employee engagement are:

a) Career Opportunities
Engagement continues to be first and foremost about employees’ career paths. This has been challenging for many organizations that have seen delayed retirements and lower turnover (stagnant career advancement). Nonetheless, companies have significant opportunity to communicate a clear career path, prepare employees for the next role, and provide lateral growth opportunities for key employees. It is important to note that the line manager is typically the owner of this critical engagement driver.

b) Recognitions and Rewards
Employees need feedback and positive reinforcement to consistently go above and beyond. Through rewards and recognitions, the management communicates the kind of activities and accomplishments that are valued by the organization. It helps in reinforcing the efforts, outcomes and behaviors as depicted by an individual or a team. The rewards given to the employees invoke a sense of satisfaction and the employees feel engaged in the organization. The rewards and recognitions can be monetary as well as non-monetary such as engaging employees in self-development, providing them training, giving opportunities for career growth, friendly working atmosphere etc.

c) Organizational Reputation
People want to be part of a winning team. Employees want to be a part of organizations that have a reputation as a best employer. This driver is about connecting employees to the company, the mission, and the work beyond financial business performance, and offering them a value proposition backed by rewards, recognitions, and a kind of work experience that may not be replicated elsewhere easily.

d) Communication
In order to keep the employees engaged, it is important for an organization to maintain consistency and commitment in messages. Effective and engaging communication resonates with the employee in rationally, emotionally, and behaviorally relevant ways. The communication from managerial levels about business objectives, upcoming changes in the organization, and what is expected of employees in terms of performance helps to keep the employees connected with the organization. Corporate communications is the primary connection point between the majority of employees and executive leadership. Messages usually break down at the mid-management or immediate manager level.

e) Employee Involvement
In this current turbulent and competitive environment, organizations require such employees who are creative, innovative, are ready to take initiatives and welcome positive changes in order to cope up with the uncertain environment. The concept of employees’ involvement and participation has now evolved into a broader perspective of employee empowerment which refers to the level of freedom and flexibility given to the employees at the workplace without the interference of the top management. When the employees are involved in important decision-making processes of the organization, they get a sense of belongingness which leads to higher levels of employee engagement.

f) Work-Life Balance
Organizations that build and sustain culture valuing a balanced life of their employees, and assisting employees in maintaining the work-life balance will be rewarded with highly engaged employees. When the employees are able to balance their work-life and other aspects of life
well, they feel satisfied and content and thus, are able to contribute positively to the organization.

A study conducted by Aon Hewitt in 2012 identifying trends in global employee engagement has identified following as the key drivers of employee engagement.

**Figure 4**

![Source: Aon Hewitt (2012)](image)

When the management knows and understands the factors that drive employee engagement, they will be able to create suitable conditions for engaging employees and thus, driving higher levels of organizational performance.

**Role of Work-Life Balance in Employee Engagement**

The priorities of employees have shifted over time from materialistic goals only towards values emphasizing on freedom to express, empowerment at workplace and most importantly maintaining a balance between work and life. Changes in the demographic trends, increased participation of women in the workforce, has led to a need of increased focus on achieving a better work-life balance. In order to engage employees emotionally, cognitively, and physically, the employers need to create an environment wherein the employees are satisfied and content not only with their jobs but also are able to split their time and energy effectively between the work and other important areas of their life. The absence of work-life balance will result in burned out and demotivated employees which is bound to have an adverse impact on the employee engagement. The management is required to understand the balancing needs of the diverse groups of the organization while designing and implementing work-life balance policies and practices in order to engage such diverse employee groups. Work-life initiatives have been identified to be a predictor of attracting and retaining employees (Equal Employment Opportunities Trust, 2007; Konrad & Mangel, 2000). Support for work-life balance has also become a way of enhancing corporate image and attracting or retaining best talent (Sverko, Arambasic & Galesic, 2002). The employees want to be a part of the organizations that care for their well-being. Many family-friendly organizations feel the need for work/life balance which include recruitment and retention of valuable work force, reduced absenteeism, reduced employee stress, health benefits, job satisfaction, and better life balance (Susi and Jawaharrani, 2011). In order to enhance employee engagement, the organizations need to provide flexible work opportunities to their employees, which may be achieved through following strategies (Aly, 2011):

**Figure 5**

Providing alternative work options for employees
Recognizing and respecting work life balance as an important trend
Supporting virtual teams to minimize employee stress levels

Following ways may be adopted to accomplish the above strategies:

**Allow Employees to Work from Home Once a Week:** Being more flexible with employees means exhibiting a high level of trust regardless of where they are working from. Allowing employees to work from home once a week also means that they no longer start off their day with the hassle and stress of a commute and they can work in a comfortable environment.
This helps to strengthen the employee-employer relationship.

**Adopt Emailing Hours:** It is more difficult for workers to draw a line between work and home given technologies that provide 7/24 access. In the same way that employees have set working hours (i.e. 9-5) employers should introduce emailing hours and refrain from contacting their staff past a mutually agreed upon time. This will make it easier for employees to create a division between work and home.

**Equip Employees with Stress-Relief Tools:** Stress is inevitable. Rather than trying to eliminate it, it is important to help employees manage it. Managers and leaders should equip their staff with tools to deal with stressful situations. It means encouraging organization’s staff to take a few minutes at the start of each day to walk through a guided meditation or sending them a funny cartoon, video, quote or story to get them laughing and relaxing. What is most important is to show employees that the organization is interested in their wellbeing.

**Conclusion**

On the basis of this study, we conclude that the engaged employees lead to achieve higher productivity, retention, customer loyalty and profitability. In addition to knowledge about the critical managerial information in organizations related to finances, productivity levels, customer data etc., the managers also need to be aware about the engagement levels in their organization and should work continuously to enhance it further. The organizations should conduct regular employee surveys in their organization in accordance with their strategy, values and human resources. In order to achieve higher levels of employee engagement, it is essential to be aware of its key drivers and to work upon them. The work of the managers and business leaders does not end with the conduct of surveys, rather the results need to be identified and analyzed. The real challenge for the organizations lie in embedding the changes in the culture in order to keep the workforce focused and aligned to organizational strategies.

In this paper we have identified various drivers of employee engagement and discussed work-life balance as one of the important factors contributing towards employee engagement. By implementing work-life balance strategies, the organizations will be able to attract and retain valuable employees, create a sense of belongingness, instill a level of job satisfaction and motivate them to perform the job to best of their abilities. When employees feel that they are being cared for by the organization, they tend to be more engaged and thus, leading to higher organizational performance.

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As economic challenges and pressures for businesses mount, marketing teams are faced with major decisions. While widespread consumer anxiety results in dwindling businesses, marketing budget allocations are hit by cutbacks and marketers face the challenge of better market performance in a restrained economy.

Investments and organizational objectives have been reframed. While retention of market share appears the biggest thought, equally important is to continue to build the product or service's customer base and avoid losing brand value during constrained times. The need of the hour is to reorganize brand portfolios, rethink spending approaches, generate more fine-grained customer insights, overhaul pricing and segment management and restructure sales, service, and channel strategies. Better brand positioning and appropriate use of technological tools enables shrinking the budgets for marketing resource allocation.

In this context, brand positioning gains importance as a strategic marketing function. It further becomes vital for organizations to recognize the consumer as a significant dimension in evaluating and positioning organizational brands. This can be achieved through adoption of appropriate brand management strategies. Our previous studies, as part of our research in the domain of Branding have indicated that building customer centricity in a brand is a significant strategic thought which organizations can explore in the wake of the rising vulnerabilities of brands, in the face of rising consumer empowerment. It creates new opportunities for brand-customer dialogue, knowledge creation, and, critically, provides a new context in which...
the interests of a corporation and those of its customers can be more closely aligned. Our research further shows that Consumer Brand Knowledge is an important contributor in the customer centricity of a brand. In this paper, we explore the use of organizational blogs for increasing consumer brand knowledge.

The collaborative version of the internet, termed Web 2.0, as coined by Tim O'Reilly in 2005, has altered the manner in which information is published, consumed and utilized on the internet resulting in a paradigm shift in the way interactions take place within the organizational workspace as well as between the organization and the external customers. Web 2.0 is a collection of open-source, interactive and user-controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. Blogging is shaping into a useful organizational tool for brand propagation and interaction with consumers with several corporates having effectively launched Corporate Blogs, thereby shaping consumer perception, by adding to consumer knowledge about organizations, brands and products. Blogs are no longer a subculture of the Internet; they have become a mainstream information resource. As blog audiences grow and persist over hundreds of posts, more of the ‘back story’ is contained in an archive or across conversations throughout the community and more and more is taken for granted as known.

In this paper we analyse the improvement in Consumer brand knowledge by exposure of the consumer to a corporate blog. A simulated lab environment is created where a set of consumers are exposed to a brand blog for a period of ten minutes. The variation in levels of consumer brand knowledge is calculated. Future scope of work is outlined in measuring the variation in consumer sentiment pertaining to a brand before and after increase in a consumer’s knowledge pertaining to a brand.

Subsequently Brand knowledge maps will be developed to measure the results empirically.

In the era of consumer empowerment, the average consumer is faced with numerous product and brand choices. In a fiercely competitive environment, organizations who want to retain their consumers and increase consumer-brand loyalty need to focus on increasing the consumer’s knowledge about the brand. Increasing consumer-brand knowledge contributes to increased consumer perceived value in the brand, which is directly linked to greater consumer-brand loyalty.

**Introduction**

The dictionary meaning of a blog is a frequent, chronological publication of personal thoughts and links. As millions of people use blogs as personal diaries on the internet, they are emerging as collaborative spaces that can be put to multiple uses and have emerged as the latest mode of computer mediated communication (Herring, 1993). This concept has found widespread acceptance in the corporate world with the emergence of ‘corporate’ or ‘organizational’ blogs.

These are people who blog in an official or semi-official capacity at a company, or are so affiliated with the company where they work that even though they are not officially spokespeople for the company, they are clearly affiliated and endorsed explicitly or implicitly by the company. Also termed as a hybrid of the personal blog (Smudde, 2005), they are increasingly being explored by public relations practitioners and feature the insights, assessments, commentary, and other discourse devoted to a single company. Organizational blogs seem to appear at the intersection of personal reflection and professional communication. They have evolved from both online and offline modes of communication and have characteristics of both personal and professional communication (Kelleher and Miller,
Posts in blogs are tagged with keywords, allowing for content categorization and also for gaining access to the content through tagging as a theme based classification system. Linking is also an important part of the blogging activity as it deepens the conversational nature of the blogosphere and its sense of immediacy (Anderson, 2007).

An effective blog fosters community and conversation, drives traffic to the product website, and serves as a medium for interaction with consumers thereby shaping consumer perception, eliciting responses, and through a two way thought exchange process, aids in fostering a connection with the consumers. Blogs have a comparative advantage of speedy publication-they have a first mover advantage in socially constructing interpretive frames for current events (Kolari, et al, 2007). Blogs are no longer a subculture of the Internet; they have become a mainstream information resource. They further provide a tremendous opportunity for forward-thinking companies and management to have a significant positive impact on their public perception. People who read organizational blogs perceive an organization’s relational maintenance strategies as higher than those who read traditional web content only, thereby making a blog a useful tool for creating and maintaining value laden relationships with current and potential customers. Launching a corporate brand blog is representative of an organizational desire to share information and engage in a conversation. This is especially true when the blog allows visitors to post their own comments.

The informality of communication helps companies build trust, converse with people and even manage public perception by posting suitable responses. The ability of a blog to induce consumer participation by making consumers comment on the posts hosted by the organization creates a dialogue and helps the organization achieve consumer engagement. These web based interactions can aid in reducing the level of perceived indifference of a company, and at the same time reinforce a customer purchase decision, by offsetting the feeling of cognitive dissonance (Dwyer, 2007).

While the ability of a blog to achieve higher volumes of engagement in terms of volume of comments is significant, of greater importance is the knowledge capital created through exchange with consumers which can be mined to extract explicit information which can be leveraged by the organization as a decision support system for consumer segmentation and strategy formulation.

The advantage of blogs is that posts and comments are easy to reach and follow due to centralized hosting and generally structured conversation threads. Currently, all major browsers support RSS technology, which enables readers to easily access posts without actually having to visit the blogs. From a blogging perspective, benefits to users are social as well as informational, and that connecting with their community is an important value sought by all types of users and heavy users of the system realize the greatest benefits (Daniel and Hair, 2007). Corporate Blogging is primarily about three attributes-Information, relationships and knowledge management. Although there are many different types of corporate blogs, most can be categorized as either Internal or External. For the purpose of this study we focus on External Blogs being used by organizations to build brand relationships with consumers and induce participation and engagement.

**Literature Review**

The challenges and complexities of the modern marketplace make efficient and effective marketing an imperative. The concept of brand equity has been put forth as a means to focus marketing efforts. The businesses that win in the twenty-first
century will be those that have marketers who successfully build, measure, and manage their brands. Marketing has had two roles in companies.

The first is to influence customer demand using the marketing mix toolkit. The second is to take a leadership role in helping companies develop a stronger focus on customers – to create a customer orientation. Out of several brand aspects, the brand-customer relationship (Aaker, 1995) dimension has been the focal point of this research study.

In this context, we explore the dimension of Customer Relationship Management. CRM advances marketing’s mission on both fronts. CRM supports the effort to become more customer focused and enables companies to create and share deep customer insight within and beyond the company.

Properly implemented, this new intimacy will ensure that the right value propositions are created and the right customers are recruited, retained and developed. CRM is an enterprise wide approach to understanding and influencing customer behavior through meaningful communication to improve customer acquisition, customer retention, customer loyalty, and customer profitability.

CRM can be viewed as an application of one-to-one marketing and relationship marketing, responding to an individual customer on the basis of what the customer says and what else is known about that customer (Peppers et al., 1999). It is a management approach that enables organizations to identify, attract, and increase retention of profitable customers by managing relationships with them (Hobby, 1999) and further identifying strategically significant customers (Buttle, 2001).

In the academic community, the terms “relationship marketing” and CRM are often used interchangeably (Parvatiyar, 2002). The heart of marketing is relationships and nurturing long term relationships should be the goal of marketing practice.

**Brand Customer Centricity**

Increased competition reduces brand loyalty making the job of the marketers more complex. Further, customers also become indifferent to the myriad marketing messages being thrust upon them. As a result, marketing needs to be more well directed and specific, because customers, whether consumers or businesses, do not want more choices. Customers have hidden or overt preferences which marketers can reveal by building a learning relationship.

An increasing number of organizations have specialized in meeting the increased complexity of the individual needs. As more and more consumers gain access to powerful new media and information tools to compare brands, products and services (Pitt et al., 2002; Hagel and singer, 1999; Wind and Rangaswamy, 2001; Prahalad and Ramaswamy, 2000), organisations in a range of industries are responding by developing advocacy-based strategies and practices (Achrol and Kotler, 1999; Sawhney and Kotler, 2001; Mitchell, 2001: McKenna, 2002; Urban, 2004). As Urban (2004) observes, the strategy behind customer advocacy is simple. By assisting consumers to find and execute their optimum solution in a given market, it will be easier for an organisation to earn their long-term trust, purchases and loyalty.

In the meantime, in the highly competitive business climate, developing and maintaining unique product features has become hard and costly. Technical progress does not necessarily assure commercial success or sustainable competitive advantages. Products are becoming more and more like commodities. According to Naomi Klein, author of the much debated book “No Logo”, leading companies like Nike, Microsoft and Tommy Hilfiger put brands
before products claiming that they no longer produce things, but images of their brands.

What consumers know about a brand will influence their reaction when confronted with brand-related stimuli (e.g. a branded product, a brand user, a category). Managing consumer brand knowledge hence becomes a crucial task for brand managers (Aaker, 1996; Kapferer, 2004; Keller, 2003). In this context, we explore the concept of a brand, from a consumer’s perspective. A brand is the perception of value that a customer believes he receives in purchasing a particular product, service or experience from a particular organization.

Consequently, a great brand effectively retains customers while simultaneously attracting new ones. Branding is the process by which companies distinguish their product offerings from competition. Hence it is vital for organizations to establish a healthy and purposeful consumer-brand relationship. This can be achieved by building strong customer-centric brands. Companies need to have a thorough understanding of the customer beliefs, behaviors, product or service attributes, and competitors. According to Keller (2003), consumer-brand knowledge can be defined in terms of the personal meaning about a brand stored in consumer memory, that is, all descriptive and evaluative brand-related information. Different sources and levels of knowledge such as awareness, attributes, benefits, images, thoughts, feelings, attitudes, and experiences get linked to a brand and its understanding by the consumer. To be effective, a brand needs to resonate with customers (Aaker and Joachimsthaler, 2000).

When brand faces aggressive competition in the marketplace, brand personality and reputation of the brand help it distinguish from competing offerings. This can result in gaining customer loyalty and achieve growth. A strong brand identity that is well understood and experienced by the customer helps in developing trust which, in turn, results in differentiating the brand from competition.

A company needs to establish a clear and consistent brand identity by linking brand attributes with the way they are communicated which can be easily understood by the customers. The brand can be viewed as a product, a personality, a set of values, and a position it occupies in people's minds. Brand identity is everything the company wants the brand to be seen as.

A brand tries to establish a coherent perception of the company for its different stakeholders and reflects a good corporate reputation in the eyes of the general public (Hatch and Schultz, 2003).

Nevertheless, the single most important public of a brand is its end consumers, who are drowning in the overwhelming abundance of brands and brand communication. Brand identity and image significantly contribute to the degree of customer centricity of a brand.

This is where we draw our research objective-to analyze the improvement in Consumer brand knowledge by exposure of the consumer to a corporate blog. A simulated lab environment is created where a set of consumers are exposed to brand blog for a period of half an hour. We use the methodology of Brand Concept Mapping, whereby a focus group of consumers is asked to create brand concept maps prior to and after the exposure to the blogs. The variation in the consumer brand knowledge, as mapped subsequently, is then, empirically measured.

Consumer Brand Knowledge can be defined in terms of the personal meaning about a brand stored in consumer memory, which is all descriptive and evaluative brand-related information. (Keller, 2003). These refer to a product’s characteristics or attributes associated to occupy a greater mind space and a
stronger association thus leveraging the value of the brand in the consumer mind space.

**Consumer Brand Sentiment**

The brand that makes a connection with the consumer, wins their confidence and their business. Emotionally connecting consumers to a brand is essential. Without it, relationships are not formed, and loyalty can never develop. The consumer has to be touched emotionally more than intellectually today. The key here is to fulfill consumers' desires over their basic needs. That is, to appeal to consumers' emotions over their reasoned, intellectual needs.

Consumer sentiment score will be used for developing a conceptual consumer knowledge map for the respective brands.

Another set of questions (Screen II) was created exhibiting the attributes of consumer brand knowledge. These attributes were elicited as part of our previous research study (Sinha, Ahuja and Medury, 2010). The objective here is to study the sentiment of a consumer with respect to a brand and the impact of variation in CBK levels on consumer sentiment. The respondents will be asked to pick one word for each attribute listed on the screen, before and after exposure to the corporate blog of a product.

Each word pertaining to each attribute under the consumer Brand Knowledge function had a well defined sentiment Score. These words were lifted from sentiwordnet 1.0, a lexical resource used for sentiment mining. Each synset of Wordnet 2.0 is associated with three numerical scores- obj, pos and neg. The pos scores were used for our study. For instance the word 'like' has a score of 0.5. In this paper we describe SENTIWORDNET (version 1.0), a lexical resource in which each synset of WORD-NET (version 2.0) is associated to three numerical scores Obj(s), Pos(s) and Neg(s), describing how Objective, Positive, and Negative the terms contained in the synset are.

The assumption that underlies our switch from terms to synsets is that different senses of the same term may have different opinion-related properties. Each of the three scores ranges from 0.0 to 1.0, and their sum is 1.0 for each synset. This means that a synset may have nonzero scores for all the three categories, which would indicate that the corresponding terms have, in the sense indicated by the synset, each of the three opinion-related properties only to a certain degree. The synset SENTIWORDNET is freely available for research purposes, and is endowed with a Web-based graphical user interface.

Screen II will be available to the respondents before and after their exposure to the four blogs for a period of 10 minutes, the variation in the responses of the consumers will be mapped and will be subsequently used to develop consumer brand knowledge maps. The brand maps thus drawn can be used by the organizations for improving the scores. This will find wide range application in the domains of segmentation and effective targeting.

**Customer Centricity and the Brand**

As part of the previous study, an evaluation grid was developed to extract the Brand Customer centricity determinants as a function of the various attributes listed. Six functions of a brand, with respect to a consumer’s perspective were identified from the literature review. The following attributes were loaded on to this function: Active Engagement, Advertising and Jingle, Appealing, Attitudinal attachment, Behavioral Loyalty, Believable, Captivating, Cheerful, Empathy, Excitement, Intense, Likeable, Mesmerizing, Sensorial Experience, and Spirited. To build an emotional connection with the brand favorable consumer evaluations needed to be drawn from the brand as they are essential in developing
The Previous Study

A previous study focused on analyzing the improvement in Consumer brand knowledge by exposure of the consumer to a corporate blog. The objective of the study was to demonstrate that Corporate Blogs can be used by organizations for increasing the level of Consumer Brand Knowledge. A focus group of consumers was subjected to a set of blogs. The corporate blogs used for the purpose of the study were HP, ICICI, Levi’s and McDonald’s.

We calculated the pre and post consumer brand knowledge scores (Table 1), with a focus group of 10 respondents for these blogs. An experiment (Screen 1 and 2) was developed for the purpose.

Subsequently ∆ CBK (Table 1) was calculated as the variation between the pre and post Consumer Brand Knowledge levels, divided by the pre level of Consumer Brand Knowledge.

**Table 1**

<table>
<thead>
<tr>
<th>CBK</th>
<th>HP</th>
<th>ICICI</th>
<th>LEVIS</th>
<th>MC DONALDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre</td>
<td>7.5</td>
<td>7.2</td>
<td>8.0</td>
<td>7.4</td>
</tr>
<tr>
<td>Post</td>
<td>9.7</td>
<td>8.0</td>
<td>9.5</td>
<td>8.1</td>
</tr>
<tr>
<td>∆ CBK</td>
<td>2.2</td>
<td>0.8</td>
<td>1.5</td>
<td>0.7</td>
</tr>
</tbody>
</table>

Methodology of the Study

**Experiment Design, Data Collection and analysis**

A pre-test was conducted to measure baseline levels of Consumer brand knowledge (CBK) and scores were tabulated. It has been observed that a time lag between pre-test and post-test makes subjects more responsive towards various information avenues that supply similar information. This results in an increase in Consumer brand knowledge (CBK) from sources other than the blog.

To ensure that the blog is the sole source of information that affects the change, the pre-test is immediately followed by the blog exposure. A stimulated lab experiment which involved a timed exposure to the blog for duration of ten minutes was conducted. There was a strong focus towards maintaining uniformity in human computer interaction factors. The following two screens were developed for the purpose and the results
were subsequently tabulated and analyzed.

**SCREEN I**

The above screen was created to map the consumer brand knowledge (pre score) for the given corporate blog. Similar screens were created for the remaining three blogs for the purpose of calculation of the consumer brand knowledge score.

**Conclusions**

The variation in the consumer sentiment scores is indicative of change in the consumers emotions pertaining to a brand. The cognitive associations between consumer and brand are a function of the consumer’s assimilation of knowledge pertaining to the brand and hence it is in the organisation’s interest to focus on areas whereby the consumer knowledge levels can be enhanced.

**Implications for Organizations**

A higher assimilation of brand related knowledge results in improvement of Consumer sentiment pertaining to the brand. It is in the organizational interest that ways and means are developed to increase the consumer’s knowledge with regard to product or brand. Organizations can successfully leverage brand blogs to engage consumers, build a bond with them, and then subsequently increase their knowledge about organization/product/brand. Developing higher levels of blog interactivity will be useful in this context. Subsequent improvements in consumer sentiment pertaining to the brands will result in faster product adoption by the consumers.

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The literature on industry cluster shows that research on industry cluster have moved rapidly from academic to policy formulation. For improving the innovativeness of industry clusters, it is required that firms should concentrate on the process of networking and cooperation. Recently, however, industrial clusters in India are facing the problem of inefficient internal research and development process, limitation of technological innovation capability, incomprehensive inter firm cooperation and networking process. The present paper focuses on networking and innovative activities within the industrial clusters and tries to explore the benefits of contribution of networking in enhancing the innovativeness of the clustered firm.

**Introduction**

An industry cluster can be defined as group of related firms, industries or suppliers and various institutions located at a particular place. Alfred Marshall gave the first clear description of industry clusters and conducted a study of the Lancashire Cutlery Industry and Sheffield Steel Industry and noted down that there was a tendency among the specialized companies to cluster together in such a way that it produced geographic concentration of activities which he called Industrial Districts. Marshall observes how “...... great are the advantages which people following the same skilled trade get from near neighboring to each other...”. The agglomeration of similar or related firms generates a number of external economies which lead to decrease in the cost for cluster producers.

However, it was only in 1990’s that the interest in concept of clusters was
enlightened when Michael E. Porter conducted a global study of world's most successful businesses and found that firms from one or more nations achieved astonished success in particular industries.

The author explained cluster as a geographic concentration of interconnected companies and institutions in a particular field. Porter (1998) elucidated that clusters include:

a) Linked industries and other entities such as suppliers of specialized inputs, machinery services and specialized infrastructure.

b) Distribution channels and customers, manufacturer of complementary products and companies related by skills, technology or common inputs.

c) Related institutions such as research organizations, universities, standard setting organization, training entities and others.

Baptista (2000) stated that clusters has existed extraordinary energy in the economic systems throughout the world now a days and the innovation process of member enterprises takes advantage of a cluster innovation networks. Cluster provides a framework for inter firm interaction and knowledge sharing. This concept of information sharing helps in generating and disseminating new ideas and innovation within the firms located in the cluster.

The present study focuses on innovation and networking activities of the firms located in the sports goods cluster at Jalandhar and explore the contribution of social networking in enhancing the innovativeness of the firms located in the cluster.

**Theoretical Framework**

Hakansson (1987) found three basic concepts within the networks, behavior actors, activities and resources. According to the author, behavior actors consists not only the individual firms within the cluster but also cover Government agencies, training and education institutions. Activities include exchange of knowledge and information between behavior actors and resources within the networks consists of assets, financial resources and human resources. Hakansson defined network as the flow of information and knowledge between the formal and informal institutions and has the ability to innovate new ideas within the cluster.

Tijssen (1998) defined network as an evolving mutual dependency system based on resource relationship in which their systematic character is the outcome of interaction, processes, procedure and institutionalization. The author defined various activities within the network which involve creation, exchange, combination, absorption, transformation and exploitation of the resources within a wide range of formal and informal resources.

Vicedo et al (2007) analyzed the factors affecting innovativeness of the firms located in the cluster. The research was carried out in Valencia textile cluster of Spain. It was found that the firms could have improved their ability to innovate by establishing relationships with other firms and various external agents. The firms enhanced their productivity by sharing information with other firms located in the cluster.

Bahlmann et al (2008) investigated whether clustering of firms help in innovation of new ideas. The study was conducted in Amsterdam Media cluster. It was found that linkages between the entrepreneurs within cluster helped in the generation of new ideas and knowledge. International events such as trade fairs and conferences increased the interaction between the entrepreneurs and helped in transmission of information.

Chiu (2009) examined the effect of networking on the innovativeness of firms located in the optoelectronics cluster of
Southern Taiwan Science Park. The author found that innovativeness of firms which were part of networks was more than the firms which were low in networking. The author suggested that the firm should enhance its network in order to succeed in a cluster.

Mitra (2000) investigated the learning process in innovation and factors affecting the process of innovation among small and medium enterprises (SMEs). It was found that the firms which were a part of cluster were more likely to innovate because of creation of strong network among them. Innovation occurred due to interaction of technologies, people, associations, organization and research institutions.

Keeble and Nachum (2002) conducted a survey in small and medium enterprises engaged in engineering and management consultancies in Central London and South West England to find out the benefits enjoyed by the firms which were a part of cluster and compared them with those which were not part of cluster. It was found that clustered firms learn new things from each other by sharing knowledge and had a global access to the network of clients than the firms which were not a part of the cluster.

Sports Goods Cluster Of Jalandhar

The origin of sports goods Industry of India can be traced back to Sialkot, Pakistan. In 1947, after partition, the entrepreneur belonging to one community decided to shift from Sialkot. The workers belonging to that community also migrated along with the entrepreneurs.

As per the resettlement plan of Government of India, initially these migrants settled in Batala but later on shifted from Batala to Jalandhar. (UNIDO, 2001, p.3). At Jalandhar, the raw material required was easily available. Some of the migrants shifted to Meerut where also the raw material required was available. Punjab and Meerut have emerged as the leading centers for sports goods manufacture and the only industry which appears to offer some prospects is sports goods industry of Punjab. Meerut is yet to become powerful (Chandra Mohan, 2002). Jalandhar has grown as the major centre of Indian sports goods industry. Meerut in Uttar Pradesh is the second and Gurgaon in Haryana is the third largest cluster of sports goods manufacturing. (NPC, 2009, p.1).

The sports goods cluster of Jalandhar has contributed significantly to the exports of India. It is found that 50 per cent of all India sports goods export is from Jalandhar alone (Annual reports, Sports Goods Export Promotion Council). But it is seen that since last few years, the performance of the cluster has been uneven, while many of the units in some segments like footballs have done normally well, a lot others have not performed to a satisfactory level in terms of growth, technology up-gradation and manpower development. The cluster faces a number of problems which inhibit its growth and may threaten its existence. The need of the day is to undertake various cooperative initiatives and strategies so that performance of the cluster can be improved.

Database And Methodology

At primary level, the data was collected through a specially designed structured questionnaire. Before designing the questionnaire, it was proposed to visit the cluster to understand the present status of cluster. Ten firms were visited, three were exclusively serving domestic market, three were exclusively serving foreign market and four firms were dealing in both domestic market as well as foreign market. The visit provided a lot of information on their production process as well as functioning of the cluster. To have a broader outlook of the cluster, the office bearers of the local associations (SGMEA, SGFI, Sports Forum, AISGI) and support institutions (UNIDO) were also contacted.
This interaction with the firms and associations provided an insight to frame the questionnaire.

The questionnaire consisted of various questions to study the pattern of inter firm cooperation within the cluster and benefits derived from such cooperation. The universe of the study was the sports goods units registered with District Industries Centre, Jalandhar i.e. 734 (As per figures given by District Industries Center, Jalandhar). A sample of 150 units (i.e. 20% of the total population) was taken to represent the universe. Here convenience sampling was used to draw the sample and collect the data. Here personal investigation method was applied to collect the data.

**Result and Discussion**

The element of information sharing is also found in the Jalandhar cluster. Table 1.1 shows the distribution of firms on the basis of sharing of information.

### Table 1.1
**Information Sharing among the Firms**

<table>
<thead>
<tr>
<th>Information Sharing</th>
<th>No. of Firms</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>88</td>
<td>58.7</td>
</tr>
<tr>
<td>No</td>
<td>51</td>
<td>34</td>
</tr>
<tr>
<td>No and not even intention to share</td>
<td>5</td>
<td>3.3</td>
</tr>
<tr>
<td>No and never thought about it</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

(Source: Based on Field work)

Table 1.1 depicts that 58.7 per cent of the firms share information with the competitors located in cluster while 41.3 per cent of the firms do not share information. Out of these firms, five firms even do not have the intention to share information and six firms had never thought about sharing information. The entrepreneurs find themselves in an environment, where constant change is required; there is strong need of interaction among various shareholders located in the cluster. The entrepreneurs experience strong need to analyze the environment, identify possible opportunities and generate ideas.

It is found that the information is shared among the firms at both formal and informal level. At the formal level, various meetings are organized by the industry associations where all the members of association discuss industry related matters. At informal level, the entrepreneurs of various firms, who are friends or inmates exchange industry related information with each other. Gulati (1995) stated that ‘firms create relationships with other firms with whom they are interdependent with regard to resources and with similar others with whom they are connected through direct or indirect ties.’ Table 1.2 shows the distribution of firms by sharing of information.

### Table 1.2
**Level of Information Sharing**

<table>
<thead>
<tr>
<th>Level of Information Sharing</th>
<th>No. of Firms</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainly at informal, social level</td>
<td>32</td>
<td>21.3</td>
</tr>
<tr>
<td>Mainly at formal, business level</td>
<td>17</td>
<td>11.3</td>
</tr>
<tr>
<td>At both formal and informal</td>
<td>39</td>
<td>26</td>
</tr>
<tr>
<td>No sharing</td>
<td>62</td>
<td>41.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

(Source: Based on Field work)

A perusal of table 1.2 reveals that 21.3 per cent of the firms share information at informal level, 11.3 per cent of the firms share only at formal level and 26 per cent
of the firms share information at both levels.

The Jalandhar cluster is not active in cooperating with the competitors. Though firms in cluster share information with the competitors but there is absence of cooperation among them. Table 1.3 shows the distribution of the firms by kind of cooperation with other firms.

**Table 1.3**

<table>
<thead>
<tr>
<th>Kind of Cooperation</th>
<th>No. of Firms</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sharing of machines</td>
<td>5</td>
<td>3.33</td>
</tr>
<tr>
<td>Collective marketing</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Collective purchase of raw material</td>
<td>16</td>
<td>10.67</td>
</tr>
<tr>
<td>Development of a new product</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Training of manpower</td>
<td>2</td>
<td>1.33</td>
</tr>
<tr>
<td>Sales promotion through trade fairs/exhibitions</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Share latest information</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Up-gradation of technology</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>No cooperation</td>
<td>131</td>
<td>87.33</td>
</tr>
</tbody>
</table>

(Source: Based on Field work)

A perusal of Table 1.3 shows that 87.33 per cent of the firms do not cooperate with the competitors while 10.67 per cent of the firms reported that they purchase raw material along with the competitors. Only four per cent of the firms reported sharing of latest information and development of new product. From the field survey, it is observed that few firms located in Jalandhar cluster cooperate with the other firms only upto limited extent i.e sharing of machines, training of manpower, collective purchase of raw material but firms do not cooperate with regard to marketing related activities. The information obtained out of personal contacts is not shared with the competitors. Every firm considers the information obtained about its client and the export prices as a top secret.

The presence of industry association helps in overcoming the resistance of firms in sharing information. Industry associations are important forums for the firms located in a cluster. In Jalandhar cluster, five industry associations are located. Table 1.4 shows the membership profile of the sample firms.

**Table 1.4**

<table>
<thead>
<tr>
<th>Membership</th>
<th>No. of Firms</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member of association</td>
<td>136</td>
<td>90.7</td>
</tr>
<tr>
<td>Not member of association</td>
<td>14</td>
<td>9.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

(Source: Based on Field work)

A perusal of Table 1.4 shows that 90.7 per cent of the firms are the members of association while 9.3 per cent of the firms are not member of any association. It is found that some firms are member of more than one association.

The associations are actively working in the cluster. They provide lot of information to the firms with regard to new technology, innovation etc. These associations act as a mediator between the Government and the cluster. It provides information to the firms regarding new Government policies and on the other hand, provides information to the Government about the problems and requirement of cluster. The literature on cluster also supports this result. Yamawaki (2001) examined the structure of industrial clusters in Japan and found that
‘the local trade associations coordinate member firms’ activities, facilitate the communication between them and disseminate technological and product information.’ Table 1.5 shows the benefits obtained by the firms out of the membership of the association.

**Table 1.5**
**Benefits Obtained by the Firms out of Membership**

<table>
<thead>
<tr>
<th>Benefits of Membership</th>
<th>No. of Firms</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information about new technology</td>
<td>86</td>
<td>57.3</td>
</tr>
<tr>
<td>Information about identity and location of new customers/suppliers</td>
<td>5</td>
<td>3.33</td>
</tr>
<tr>
<td>Information about trustworthiness of customers</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Information about new government policies and schemes</td>
<td>80</td>
<td>53.33</td>
</tr>
<tr>
<td>Information about innovation</td>
<td>95</td>
<td>63.3</td>
</tr>
<tr>
<td>Information about sales promotion measures</td>
<td>30</td>
<td>20</td>
</tr>
<tr>
<td>Any other benefits</td>
<td>4</td>
<td>2.67</td>
</tr>
</tbody>
</table>

(Source: Based on Field work)

A perusal of Table 1.5 depicts that 63.3 per cent of the firms reported that these associations provide information about innovation; 57.3 per cent accepted that these associations provide them information about new technology while 53.33 per cent of the firms reported that they get information about new Government policies and schemes. 63.3 per cent of the firms reported that knowledge sharing among the members of the industry association helps in keeping up to date with current developments as well as making sense of future development and visionary ideas.

**Conclusion**

In the present paper, the concept of inter-cluster knowledge linkage is considered with an aim of conceptual understanding of intra and inters cluster knowledge sharing. The research shows that inter cluster linkages among the entrepreneurs are powerful carriers of new knowledge. The information sharing process involves the exchange of mission, vision and opinion with regard to important development taking place in the industry.

But sharing of information in Jalandhar cluster is limited as the information obtained out of personal contacts is not shared with the competitors. One can not pressurize others to work in collaboration with the competitors but the firms in the cluster can be convinced by providing information about the benefits which they can enjoy by becoming a part of the network. Various seminars, conferences can be organized to provide information regarding benefits of the networks. Apart from it, various associations can enhance the cooperation between the firms. Organizing regular meetings, participation of the cluster in various trade fairs and exhibitions can increase the level of cooperation within the cluster. It is seen that the firms become members of the associations but they do not actively participate in the working of the association. Role of each member of the association should be clearly defined so that each member participates in the working of the association.

It is found that there are too many associations in the cluster. Many firms are member of more than one association. It is advisable that all the associations should be merged to formulate a single association which will cater to the demands of the sports cluster. It can help
in providing a single platform for the cluster as well as Government to discuss various issues. Further a regular communication system should be developed by the associations i.e. schedule for meeting should be fixed so that regular interactions between the members can be enhanced. Further, regular meetings should be organized by the associations with the Government to discuss their problems and convince the Government to take remedial action.

It is found that the associations do not have enough staff to work on various issues. The office bearers of the associations are the entrepreneurs who are busy in their normal course of work within their firm and do not have much time for the activities of the cluster. There is an immediate need of the full time professionals to be appointed within the associations for enhancing the activities of association and in turn that of the cluster.

References


ME sector of India is considered as the backbone of economy contributing to 45% of the industrial output, 40% of India’s exports, employing 60 million people, create 1.3 million jobs every year and produce more than 8000 quality products for the Indian and international markets. With approximately 30 million SMEs in India, 12 million people expected to join the workforce in next 3 years and the sector growing at a rate of 8% per year but there still a lot of potential which needs to be tapped. The owners or Entrepreneurs face lot of problems like the limitation of resources, the marketing know-hows, and the knowledge about the industry, the lack of infrastructure and logistics and marketing support in building up the value of their SME’s.

This paper talks about the importance of Marketing orientation and Entrepreneurial orientation should go hand in hand for the longevity and sustainability of any small and medium enterprise and how alternative marketing strategies can be used to overcome these hurdles. All the past research work and articles have just airbrushed this most important issue tackled by Entrepreneurs. The paper will focus on these issues and will give background to the subject that will define SME’s and entrepreneurs, the current marketing strategies used by the owners and the main body of the paper will focus on the main marketing challenges faced by the entrepreneurs, their ways of adapting to the environmental pressures, the aids given to them by the different government bodies and how they can develop their marketing competencies to develop innovative marketing so as to sustain the plethora of pressure which mounts upon them.
**Introduction**

"If we acquire even 10% of the SMEs customer base we can build a billion-dollar venture. By targeting large enterprises we will not be able to scale up so rapidly". Mr. Ambarish Gupta of Knowlarity communications easily sums up the role of Small Medium Enterprises in Indian Economy. (Management Canvas team, March 2013).

Small Medium Enterprises are the building blocks of any economy and this statement can easily be justified by looking at their humungous growth. SMEs contribute to 17% to GDP of India. SMEs help in the sustainable development of the economy and acts as the second largest employment generator in the country after Agriculture sector.

Despite the fact that various government aids and measures have been taken to help SMEs, still they face lot of challenges in creating a strong foothold for themselves in our economy. The need of the hour is to empower this sector so that it can propel our country's growth in the right direction. How this can be done, what are the major bottlenecks and what could be the alternate forms of viable marketing strategies which the Entrepreneurs can use so that they can focus on the plinths while constructing the lofty buildings in thin air. As we move ahead we will be evaluating all these points.

**Objectives of the Study**

The main objectives of this study are:

1. To understand the bottlenecks faced by Entrepreneurs with a special focus on the marketing issues.
2. The role played by Government and other institutions in empowering Entrepreneurs.
3. To study the viable alternative marketing strategies which, can be used by SMEs.

**Literature Review**

Before setting up the premise of this paper lets first fathom the two basic words which are the basis of this article: SMEs i.e. Small Medium Enterprises and Entrepreneurs.

**Small Medium Enterprises**

The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 in terms of which the definition of micro, small and medium enterprises is as under:

(a) Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

(i) A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakh;

(ii) A small enterprise is an enterprise where the investment in plant and machinery is more than Rs. 25 lakh but does not exceed Rs. 5 crore; and

(iii) A medium enterprise is an enterprise where the investment in plant and machinery is more than Rs.5 crore but does not exceed Rs.10 crore.

In case of the above enterprises, investment in plant and machinery is the original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide.

(b) Enterprises engaged in providing or rendering of services and whose investment in equipment (original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006 are specified below.

i. A micro enterprise is an enterprise where the investment in
equipment does not exceed Rs. 10 lakh;

ii. A **small enterprise** is an enterprise where the investment in equipment is **more than Rs. 10 lakh but does not exceed Rs. 2 crore**; and

iii. A **medium enterprise** is an enterprise where the investment in equipment is **more than Rs. 2 crore but does not exceed Rs. 5 crore**.

### Table 1
**Definition of SME**

<table>
<thead>
<tr>
<th>Manufacturing Enterprises – Investment in Plant &amp; Machinery</th>
<th>Description</th>
<th>INR</th>
<th>USD($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro Enterprises</td>
<td>upto Rs. 25 Lakhs</td>
<td>upto $ 62,500</td>
<td></td>
</tr>
<tr>
<td>Small Enterprises</td>
<td>above Rs. 25 Lakhs &amp; upto Rs. 5 Crores</td>
<td>above $ 62,500 &amp; upto $ 1.25 million</td>
<td></td>
</tr>
<tr>
<td>Medium Enterprises</td>
<td>above Rs. 5 Crores &amp; upto Rs. 10 Crores</td>
<td>above $ 1.25 million &amp; upto $ 2.5 million</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service Enterprises – Investment in Equipments</th>
<th>Description</th>
<th>INR</th>
<th>USD($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro Enterprises</td>
<td>Upto Rs. 10 Lakhs</td>
<td>upto $ 25,000</td>
<td></td>
</tr>
<tr>
<td>Small Enterprises</td>
<td>above Rs. 10 Lakhs &amp; upto Rs. 2 Crores</td>
<td>above $ 25,000 &amp; upto $ 0.5 million</td>
<td></td>
</tr>
<tr>
<td>Medium Enterprises</td>
<td>above Rs. 2 Crores &amp; upto Rs. 5 Crores</td>
<td>above $ 0.5 million &amp; upto $ 1.5 million</td>
<td></td>
</tr>
</tbody>
</table>

Source: Europe India SME Business Council

**Entrepreneurs**: As stated correctly in the Forbes Magazine, Entrepreneurs are the ones who organize and manage any enterprise, especially a business, usually with considerable initiative and risk. (Dictionary.com)

Awodun(2008) described Entrepreneurship as a combination of the following activities:

![Figure 1: Awodun’ explanation of Entrepreneurship](image)

According to the developmental stage of Economy, the World Economic Forum classified Entrepreneurs in three different ways:

a) **Factor Driven**: These types of Entrepreneur hails from the developing country like India and are generally driven by the lack of employment and funds. They foray in any business so as to generate employment for themselves and for others.

b) **Efficiency driven**: Due to high level of Industrialization the Entrepreneurs are driven by results. Already big players are there which gives little room for Small firms to operate. The highlight of efficiency driven entrepreneurs is scale.

c) **Innovation driven**: Only USP’s work in this type of economy and that’s what drives the Entrepreneurs. Every company big or small has to focus on the development of new and improved products.
According to economist Joseph Alois Schumpeter (1883-1950), entrepreneurs are not necessarily motivated by profit but regard it as a standard for measuring achievement or success. The key success factors of entrepreneurs are their personal characters, skills, management plan, workable idea, knowledge, networking and experience and for this he/she requires the adequate amount of resources and a strong business plan.

**How Entrepreneurship And SMEs Are Intertwined**

Although Entrepreneurship takes place in both Small and Large firms, SMEs represent an excellent vehicle for the entrepreneurship activities. They give a brilliant platform for entrepreneurs to perform and generate new ideas and act as a key element for regional development and social cohesion. In any SME an entrepreneur plays a pivotal role right from the conception of idea to its execution and then in the end taking the onus of its success or failure.

The personality, skills, capability, attitude and motivation of any entrepreneur can make or mar any SMEs growth. India has immense scope in this field and an environment conducive to it has to be created for new business to operate and prosper. When any Government body or institution plans any policy or program they should keep SMEs and their entrepreneurs in their mind.

**Contribution Of SME To The Economy**

A glimpse at the thriving economies around the world and we will be able to understand that they are riding high on the growth and success of their SMEs. In India also SMEs play a substantial role in the sustenance of the economy. The government talks about the shining economy and owes its success to the large companies while in reality it’s the SMEs that are creating bulk employment opportunities for the masses, thrusting noticeable purchases, supplying raw materials and goods at a reasonable price to the companies and helping them in maintaining their EOQ and in the entire process still acting as revenue generators and pay time to time taxes.

**Table 2**

**Distribution of Employment by Sector**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Employment (Lakh)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>65.34</td>
<td>70.19</td>
</tr>
<tr>
<td>Small</td>
<td>23.43</td>
<td>25.17</td>
</tr>
<tr>
<td>Medium</td>
<td>4.32</td>
<td>4.64</td>
</tr>
<tr>
<td>All</td>
<td>93.09</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Census, 2008, Ministry of Micro, Small and Medium Enterprises

The SME sector produces a wide range of industrial products such as food products, beverage, tobacco and tobacco products, cotton textiles, wool, silk, synthetic products, jute, hemp & jute products, wood & wood products, furniture and fixtures, paper & paper products, printing publishing and allied industries, machinery, machines, apparatus, appliances and electrical machinery. SME sector also has a large number of service industries.

SMEs sector plays a major role in India’s export performance. Approx. 40-45% of the Indian export is contributed by this sector. Direct exports from the sector account for 27.47% and indirect exports account for 13.61%. Indirect exports takes place through Trade houses, export merchants and other trading sources.

SMEs export lot of products like woolen garments, sports goods, leather products, handicraft items, readymade garments and processed food items. The SMEs are showing a lot of promise in this sector and if given the right infrastructure, helping aids and government policies they will be able to generate more employment and foreign exchange for the country.
There are a few common characteristics of SMEs:

1. They are born out of a person’s initiative, knowledge and skill sets and are either started by one single person or set of entrepreneurs with a unique skill set.
2. Due to the flat hierarchy the decision making is faster and there is direct involvement of the owner.
3. The production cost of is low.
4. Ease in adopting technology
5. Urge to innovate.
6. High job creation.
7. Use of easily accessible resources which leads to the less product cost and ultimately to market specialization.

(United Nations Economic and Social Commission for Asia and Pacific, 2012)

The Ministry of Micro, Small and Medium Enterprise sector conducted its 4th All India census in May 2008 with 2006-07 as reference year. The census shows how this sector has emerged as the jewel in the crown of the Indian Economy and acts as the breeding ground of entrepreneurs at the grass-root level.

### Table 3
**Distribution of Exporting Enterprises by channel of Export**

<table>
<thead>
<tr>
<th>Channel of Export</th>
<th>Total No. of Exporting Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directly</td>
<td>12,821</td>
</tr>
<tr>
<td>Indirectly</td>
<td>6,352</td>
</tr>
<tr>
<td>Both</td>
<td>27,902</td>
</tr>
<tr>
<td>Total</td>
<td>46,675</td>
</tr>
</tbody>
</table>

### Table 4
**Composition of SME**

<table>
<thead>
<tr>
<th>Table 4 Composition of SME</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total No. of Enterprises (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Number of Rural Enterprises (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Number of Women Enterprises (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Number of Enterprises by type (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Micro Enterprises</strong></td>
</tr>
<tr>
<td><strong>Small Enterprises</strong></td>
</tr>
<tr>
<td><strong>Medium Enterprises</strong></td>
</tr>
<tr>
<td><strong>Enterprises by type of Activity (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Manufacturing Enterprises</strong></td>
</tr>
<tr>
<td><strong>Repairing &amp; Maintenance Enterprises</strong></td>
</tr>
<tr>
<td><strong>Services Enterprises</strong></td>
</tr>
<tr>
<td><strong>Employment (Lakhs)</strong></td>
</tr>
<tr>
<td><strong>Micro Enterprises</strong></td>
</tr>
<tr>
<td><strong>Small Enterprises</strong></td>
</tr>
<tr>
<td><strong>Medium Enterprises</strong></td>
</tr>
<tr>
<td><strong>Gross output (Crores)</strong></td>
</tr>
<tr>
<td><strong>Number of Exporting units (Lakhs)</strong></td>
</tr>
</tbody>
</table>

Census, 2008, Ministry of Micro, Small and Medium Enterprises

**Glitches Faced by SMEs**

Despite the fact that approximately 16 lakhs SMEs employ 40% of India’s workforce, and accounts for 40% of India’s total exports which is a magnanimous number and their number is also growing every year but still it’s only...
able to contribute 17% to GDP. Why? What is going wrong? Let’s further delve in this matter. The SME sector is blatantly unorganized and the percentage of organized players is just the tip of the iceberg. This is done so as to avoid taxes and rules and regulations but this in turn ensures that the schemes, subsidies and aids reach to only handful of people.

Figure 2

SME led growth

Source: Economic Times, June, 2013

SMEs across the world face similar set of problems in making the ends meet. The major challenges which they come across are:

- Financial constraints.
- Inadequate Infrastructure.
- Ineffective marketing strategies.
- Manpower problems.
- Undermined role of Entrepreneurs.
- Competition from big players.
- Export barriers.

Financial Constraints

Even though SMEs have shown tremendous growth and have lot of potential still they face problems in generating finances for themselves. Out of 16 Lakhs SMEs only about 5% are accessing banks for loans. Government help also remains futile because of their past poor credit history and that’s the main reason why they don’t get investors and even if they do get it then they have to give an interest which is always higher than the market rate, which in turn increases their overall cost. Entrepreneurs can take loan easily but their repayment becomes very difficult for them. Another problem which they face is that in India there are handful of credit rating agencies like ICRA, CRISIL etc., so the investors don’t even get to know the credit worthiness of any SME in which they want to invest which increase the level of risk for them.

According to the Working Group on Rehabilitation of Sick Units set up by RBI (Kohli Committee) A Small scale Industry is considered sick when

“If any of the borrowal accounts of the unit remains substandard for more than 6 months i.e. Principal or interest, in respect of any of its borrowal accounts has remained overdue for a period exceeding one year will remain unchanged even if the present period for classification of an account as substandard is reduced in due course.” Or

“There is erosion in the net worth due to accumulated losses to the extent of 50% of its worth during the previous accounting year, and the unit has been in commercial production for at least two years.”

As per the census, conducted by Ministry of Micro, Small and Medium Enterprises the two main reasons of any SME to report sick is the lack of demand of their product and the non-availability of funds, which ultimately leads to the closure of the firm.

<table>
<thead>
<tr>
<th>Major Reasons reported by sick/incipient units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason for sickness of incipient units</td>
</tr>
<tr>
<td>-------------------------------------------</td>
</tr>
<tr>
<td>1. Lack of demand</td>
</tr>
<tr>
<td>2. Shortage of working capital</td>
</tr>
<tr>
<td>3. Non-availability of raw material</td>
</tr>
<tr>
<td>4. Power shortage</td>
</tr>
<tr>
<td>5. Labour problems</td>
</tr>
<tr>
<td>6. Marketing problems</td>
</tr>
<tr>
<td>7. Equipment problems</td>
</tr>
<tr>
<td>8. Management problems</td>
</tr>
</tbody>
</table>

Source: Census, 2008, Ministry of Micro, Small and Medium Enterprises
Inadequate Infrastructure

In the Rural or backward areas where most of these SMEs are located there is a lot of power and water shortage. It becomes difficult for these small time players to have their own power back up. The lack of good roads adds to the woes of these industries which lead to underutilisation of their capacity.

Ineffective Marketing Strategies

It is rightly said that if any company does not understand the right art of selling then even if their products is the best and has some Unique Selling Proposition then also they will not be able to make their venture a profitable one. When it comes to SMEs they don’t even know the basics. Most of the SMEs don’t even have a marketing department. Even if the world is changing, the basic rule of marketing remains the same. If the company does not understand their Segmentation, Targeting and positioning then how will they make sure that they are reaching the right set of customers. 4Ps of marketing still holds relevance.

Let’s try to understand the marketing mix issues in reference to the SME sector.

1. **Product Issues:** The use of outdated technology, old techniques and lack of innovation in product design development leads to low quality of products which has a direct implication on the profit margins and leads to stunted growth of any SME. Entrepreneurs don’t have the required capital to build their brand as a large portion of their capital is used for the day to day working of their company. For a steady flow of foreign exchange they need to maintain their export standard which unfortunately does not happen due to the unskilled staff. Thousands of SMEs in India reportedly lose million of revenues due to their unawareness about Intellectual Property rights. They don’t take patents or trademark their products and let the competitors copy or counterfeit their product. According to Patent Office Delhi, "India is way behind in IP applications globally. In 2010, about 490,226 patent applications were filed in the USA; 391,177 in China; 344,598 in Japan; 170,101 in Korea; 150,961 in the European Patent Office, and 59,254 in Germany, compared with a mere 39,400 in India along with 7,589 design applications and out of that as well 80% of these were filed by MNC’s and not SMEs.”

2. **Price Issues:** The low bargaining power, both for raw materials and end products leads to a decrease in their profit margins. At the same time the dearth of investors and a high interest rate add to their troubles. There is not even enough support from the government bodies.

**Figure 3**

Marketing Mix of SME

<table>
<thead>
<tr>
<th>Product Issues</th>
<th>Price Issues</th>
<th>Place Issues</th>
<th>Promotion Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lack of Technological advancements</td>
<td>1. High debt structure.</td>
<td>1. Weak market access.</td>
<td>1. Reliance on only word of mouth.</td>
</tr>
<tr>
<td>2. Little innovation in product development.</td>
<td>2. Low bargaining power.</td>
<td>2. Unavailability of raw material.</td>
<td>2. Weak management with less training.</td>
</tr>
<tr>
<td>3. Outdated packaging of export goods.</td>
<td>3. Inadequate Institutional support.</td>
<td>3. Inadequate Infrastructure.</td>
<td></td>
</tr>
<tr>
<td>4. Lack of brand development</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Authors compilation
3. **Place Issues**: Selection of proper location of workshops and plant depend upon various parameters like cost of land, availability of raw material, infrastructure support, skilled labour availability and closeness to the markets but the Entrepreneurs are not skilled enough to take the right decision because of their financial constraint, emotional attachment to their ancestral property, family business and cheap land etc. The deplorable conditions of roads makes it difficult for the SMEs to have a proper network be it for the procurement of Raw material or for reaching their right target segment. Along with this the crunch of financial resources does not allow them to use middlemen which in turn lead to either the inadequate supply of raw material or compromise in the quality or an increased cost.

4. **Promotion Issues**: When any enterprise relies only on one mode of communication then they are not able to attain their goal. SMEs only use word of mouth and do not have money to advertise or publicise their product in the market which restricts their reach to the market. These units suffer from a complete disadvantage vis-à-vis their larger counterparts. As per Google- FICCI report only 5% of SMEs in India have a website which means a large number of enterprises are not even aware of online marketing. The potential of Internet is not even tapped by them as the entrepreneurs are not trained and skilled enough. Neither do they have any knowledge of computers nor do they have the required skilled staff.

**Manpower Shortage**: Manpower in number is not a problem; the problem is to find the right set of skilled labour. Weak HR base with low level of compensation leads to inadequate human resources planning. They face high attrition also and have to depend on the current set of employees for reference as they cannot use external agencies because of the cost constraints for the right search of candidates.

**Undermined role of Entrepreneurs**: Apart from their own personality Entrepreneurs need to have the basic requisite information for starting up a venture. The different financial sources which are available to them, need to continuously upgrade their technology, the government policies know-hows and desired amount of knowledge and skill sets. Limited capital availability and lack of expertise are the main factors affecting modernization and expansion plans for a SME. Unfortunately in India the role of Entrepreneurship is much undermined and not much is done to foster their role.

**Competition from big players**: SMEs are lone survivors, whereas big players are the darlings of the financial firms who go head over heels to support them with funds and schemes. The big players have all the support from these firms. Large industries have all the necessary resources to make their voice heard whereas SMEs due to their constraints are not even able to create their brand awareness. Large firms create entry barriers for SMEs and it’s always very difficult for these small enterprises to rebound.

**Export Barriers**: There are two types of Export barriers: Internal and External. Internal barriers are mainly related to the company and its products. The lack of market knowledge, compromising product quality, inadequate infrastructure, resource constraints and market intelligence etc. are some of the factors which constitute the Internal export barriers whereas loopholes in legal and regulatory frameworks, technological advancements, exchange rate fluctuations, export policies, competitors and knowledge about foreign market are the major external export barriers.
Initiatives of the Government

Government of India is formulating new policies and programs almost every year to foster the development of these Small scale enterprises. As per Micro, Small and Medium enterprises of India government’s support measure can be classified in three periods:

1948-1991

In 1954 Micro, Small and Medium Development Organisation was set up as an apex body for sustained and organised growth of SMEs.

In 1956 The National Small Industries Corporation, The Khadi and Village Industries Commission and the coir board was set up.

In this period, lot of supportive measures were taken. Priority credit access through Priority Sector Lending Program, Reservation under government purchase program, infrastructure development was some of the measure.

MSME Development Institutes were set up all across the country to give training to young entrepreneurs.

1991-1999

So as to face the fierce foreign competitors a policy was laid for Small, Tiny and Village Enterprises in August, 1991.

Quality Control test centres were also set up during this time.

To accelerate Finance and Technical services The Small Industries Development Bank of India (SIDBI) and a Technology Development and Modernisation fund was created.

A delayed payment act was facilitated for prompt clearance of dues.

1999-2013

For development and promotion of the sector, in 1999, Ministry of Micro, Small and Medium enterprise came into picture.

A credit linked Capital subsidy scheme was launched to encourage technology upgradation.

A credit-guarantee scheme was started to provide collateral-free loans to these enterprises.

The Exemption limit for excise duty was raised to 1 crore Rs.

A market Development Scheme was also launched at the same time.

In 2006, The MSME Act finally came into picture which helped in defining MSMEs in a more clear and precise way. For development and growth of these enterprises it was very important to define them and remove the ambiguity of their role and through MSME Act it happened for the first time.

Credit Rating Scheme for manufacturing enterprises was launched in 1995 with the objective of attracting more and more investors towards a high rated enterprise.

To enhance the competitive strength of MSEs, the Government introduced a scheme to incentivise technological upgradation, quality improvement and better environment management by the SMEs.

For holistic development of this sector, a Micro and Small Enterprises Cluster Development programme is implemented.

A program for developing global competitiveness was initiated in 2007-08 and this was known as National Manufacturing competitiveness
 programme. There are 10 main features of this programme:

2. Incubator support for entrepreneurial and management development of SMEs.
3. Giving edge to manufacturing sector through Quality management standards and Quality Technology Tools.
4. Rs.135 crore for Mini Tool Rooms.
5. Promoting Bar code Certification.
6. Reduction of manufacturing cost through Lean Management programme.
7. To generate awareness of SMEs amongst the buyers by the use of Information and Communication Tools.
8. To provide expert advice and solution to real life problems through Design Clinic Scheme.
9. Marketing assistance and Technology upgradation scheme for SMEs.
10. Technology and quality upgradation schemes to SMEs.

Setting up of Export Promotion Council.

In September, 2006, Outreach Programme for Skill Development in Less Developed Area was launched under which special short-term skill development courses were introduced.

Source: (Ministry of MSMEs in India)

Findings

A quick recapitulation of the data, facts and figures clearly indicates that SMEs which are the growth engines of this country and are showing tremendous potential still needs lot of policies and programmes for their upliftment.

Table 6
Percentage share of leading capitals with working and closed enterprises

<table>
<thead>
<tr>
<th>Name of State/UT</th>
<th>Working</th>
<th>Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tamil Nadu</td>
<td>14.95</td>
<td>16.72</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>12.00</td>
<td>16.24</td>
</tr>
<tr>
<td>Karnataka</td>
<td>8.71</td>
<td>9.39</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>5.54</td>
<td>8.43</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>6.84</td>
<td>7.35</td>
</tr>
<tr>
<td>Gujarat</td>
<td>14.70</td>
<td>7.04</td>
</tr>
<tr>
<td>Kerala</td>
<td>9.60</td>
<td>7.03</td>
</tr>
<tr>
<td>Punjab</td>
<td>3.08</td>
<td>4.95</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>3.51</td>
<td>3.49</td>
</tr>
<tr>
<td>Bihar</td>
<td>3.20</td>
<td>3.29</td>
</tr>
<tr>
<td>Total</td>
<td>82.13</td>
<td>84.13</td>
</tr>
</tbody>
</table>


The above table clearly indicates that the number of closed enterprises is more than the working enterprises in almost all the major capitals of India. The main reason of this is that even though government is showing lot of concern but still the right information regarding technological advancements, innovation and new world rules is not reaching the right set of people. Entrepreneurs are not skilled and trained enough to take a viable decision.

For this differentiated policies and mechanisms are needed for different SMEs in different sectors, on the basis of their stages development and nature of operations. Proactive policies are required so as to strengthen the base of this sector and offer new avenues of growth. Along with Government agencies, other private organisations and institutes also need to contribute in this matter.

Suggestions and Recommendations with main emphasis on Marketing challenges

The most important question which arise after understanding the issues and problems faced by SMEs is that
how to unlock the potential of this sector. Globalisation has opened many avenues for SMEs all over the world but India unfortunately with a huge base of 16 Lakhs SMEs is still not able to make a mark on the global players. Government of India need to create an environment where SMEs can flourish. A healthy business environment is vital for the economy to grow. Such an environment must include

**Figure 4**

*Business Environment for SME*

- **Government Regulations and Economic Policies:** There are many policies and programmes which have been started by the Government of India and various organizations and councils like SIDBI, Technological Development funds etc. are working diligently for the enterprises but still their reach is poor. Maximum no. of enterprises are not even familiar with any of the policies or schemes, the awareness is very poor. There are overlapping agencies and programmes for development which are for the assistance of SMEs but still they continue to remain weak in those areas. Government need to reach the rural sector which is the hub of these SMEs and where the know-hows of the schemes are almost negligible.

Unlike other countries where there is a single dedicated Export Agency to help SMEs, In India this creates lot of confusion as there is no single agency to make SMEs aware of concessional government market promotion schemes provided through different agencies. There should be one dedicated agency to perform the role. Taxation incentives should be implemented. Loan repayment should be made easy which will give financial strength to the entrepreneurs. In India the major reason most new and small businesses fail is not lack of profits but a lack of cash. Credit limit should also be extended.

- **High Quality Infrastructure:** It is very difficult for Indian SMEs to compete globally as the quality of infrastructure over here is the worst. Government needs to take initiatives for the same and the best possible alternative for this would be to join hands with private sector for the betterment of conditions.

- **IT Support:** A study conducted by Google pointed out that out of the 30 million SMEs, 8 million SMEs have the potential to do online business but only 5% of them have websites. The reason behind this is very simple hardly entrepreneurs are familiar with the online world and internet. They are not even aware of computers, and the IT support staff is beyond their capacity as they are always given a fat package by the big players. IT adoption is required in every area so as to harness the full potential of SMEs. Proper training and guidance should be given by the Institutes and government bodies and time to time workshops should be conducted to make these enterprises aware of the global changes which will give them an edge.

- **Entrepreneurship Culture:** To foster the growth of SMEs, it is vital for our country to hone the skills of our existing as well as budding entrepreneurs. Government needs to
have a favourable attitude towards entrepreneurs, in providing them with right financial support, making them more technologically aware, building the required infrastructure and last but not the least developing entrepreneurial traits in them. The trait development can happen through more education and training. Institutes like Entrepreneurship Development Institute of India should be given special aids wherein they can impart education to the underprivileged sector as well. Vocational programmes should be introduced and more and more women entrepreneurs should be encouraged to enter in this field.

**Marketing Support:** In this Era of Globalization Marketing is the key to success for the growth and development of any SME. It is the backbone of any organization. In the fast growing economies, with the influx of so many foreign brands it’s the brand which helps in creating an emotional bond between all the entities of an organization. The need of the hour for SMEs is to make customers, buyers, government, suppliers, investors and competitors aware about their presence and for this they need to manage their brand. Brand Management includes developing a promise, making that promise, and maintaining it, such as defining the brand, positioning the brand, and delivering the brand.

**Branding The SME:** A Brand is a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods or services of a seller and to differentiate them from those of competitors. (Kotler) **A brand gives:**

- Recognition to the product.
- Easier for seller to process orders.
- Provide legal protection.
- Helps in attracting a profitable segment for the company.
- Builds corporate image.

For SMEs so as to have a strong foothold in the market it’s imperative to achieve all the objectives, they need to have a connect with their buyers. For that, they need to understand their right segment of buyers. SME owners do not pay any heed to the most important activity in the organization. Some of them have brand names but don’t want to work on that and feels that if money is spent in advertising or any other brand building exercise then it’s not a wise utilisation of resources. The truth is that building a brand only helps in earning them big margins at a later on stage. It’s important for SMEs to do **STP (Segmentation, Targeting and Positioning)** of their product and if this is done properly then half of the battle is won automatically.

SMEs need to differentiate their product well in the market. Any USP of the product needs to be highlighted. Entrepreneurs need to focus on creating the right image of their brand in the mind of consumers. One success story which can be elucidated rightly over here is the story of DFM Foods which have products like Crax and Natakhat in their kitty. They clearly understood the demand of packaged food products and made it their USP; their target segment was kids and they positioned their brand well in their consumers mind by creating a fun and frolic image.

**Brand Identity** is created when a brand is positioned in the best possible way in
the mind of the consumers. Brand identity is the outward expression of a brand including its name, logo, and visual appearance. It reflects how the owner wants the consumer to perceive the brand. The owner always tries to reduce the gap between brand identity and brand image. For SME Entrepreneurs having a Brand identity is all the more crucial if they want to foray their way in the global arena. Patenting, licensing or taking trademarks for their products avoid the nuisance of counterfeiting, helps in quality control, and reduces the chance of losing on their royalty amount.

Once your product is differentiated well, a **Brand Image** is developed in the mind of consumers. Brand image is the impression in the consumer’s mind of a brand’s total personality. Brand image is developed over time through **Integrated Marketing communication** with a consistent message and is authenticated through the consumer’s direct experience. SMEs need to understand the power of Internet for promotion and building the image of their brand. To unleash the potential of this medium it is important for Entrepreneurs to have the know-hows of Information Technology. Putting an advertisement online gives an enterprise a considerable leap over the ones which are not able to use this medium. It also helps in marking SMEs presence in front of the global buyers. SMEs can easily upload photos or videos of their products and can interact freely with the potential global buyers well without relying on any intermediary.

**Brand Integrity** is the most crucial elements of 3i model. It is the point at which an enterprise achieves its desired Brand image while meeting its business objectives as well. It occurs when all the entities of the organization and its customers understand, believe and experience the promise. Brand integrity helps in creating trust within and outside any organization. SMEs have to ponder more on this element as having a name which sells automatically means

- Increase in the sales volume because of more trust of buyers on quality of the product. SMEs need to focus on creating Advocates of their product who will not shift to any other brand under any circumstance.
- Helps in creating strong foothold in the market.
- Would be able to charge price as per the features and quality of their product.
- High level of satisfaction and desired amount of motivation will help in retaining the employees for a longer duration.
- The production time will automatically decrease as the raw material would be available on time, the suppliers would be happy to give more credit period and the efficiency of motivated workers will also increase.

But for sustenance of Brand Integrity it’s important for SMEs to continuously upgrade their technology, remain abreast with new advancements in their field and never let their urge to innovate die.

**Marketing Process Outsourcing** All said and done, still the limited resources of finance restrict the movement of SMEs. Even small firms want to grow but they don’t have the required amount of money to create a buzz in the market. At that time the firms can take help of the organizations which are offering Marketing Process Outsourcing. In this case the SMEs don’t need to have a proper marketing department, instead of that they take services of these organizations. They help in Segmenting their market, targeting the right set of customers, differentiating or positioning their products. Along with this they help in
developing the required communication mix also for these SMEs.

Conclusion

SMEs are the life force of any economy. If given the right conditions they have the potential to sail through these shaky times and take many more along with them. To empower this sector, it is the need of the hour to support them, to train them and give them the much desired environment in which they can contribute more to the economy. Government is taking lot of initiatives but they need to be directed towards the right set of people. Entrepreneurs need to be given training and more and more Institutes and private organizations should get involved in giving the right skill sets to the budding Entrepreneurs. Academic and R&D organizations need to be modernized and should be in tune to the emerging needs. Foreign collaborations, FDI and cross border bundling represent the new viable ways to create a vibrant atmosphere for SMEs to strengthen their International Business strategies.

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Constraints and Opportunities facing Women Entrepreneurs in Developing Countries: A case of Indian Economy

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HOD, PGDM, Associate Professor  
Neelkanth Vidyapeeth  
Meerut, U.P


text

Propose of this study is intended to find out various motivating and de-motivating internal and external factors of women entrepreneurship. It is an attempt to quantify some for non parametric factors to give the sense of ranking these factors. It will also suggest the way of eliminating and reducing hurdles of the women entrepreneurship development in Indian Context.

Introduction

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to
create something new and an activity which creates value in the entire social eco-system. It is the psyche makeup of a person. It is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which makes him/ her think about life and career in a given way.

The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during the last two decades, increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be.

The first part of this paper deals with the ideas why to boost the women entrepreneurship and what are the reasons that propel women to undertake such profession. This part also depicts the factors of hindrance of women entrepreneurship and also the likely measures to be taken for removing such obstacles that are affecting women entrepreneurship. The second part deals with a review of various research studies done on women entrepreneurship along with study on their impact on various economies. The third part deals with objectives and research methodologies. The fourth part concentrates on analysis of data collected through questionnaires to establish motivating and de-motivating internal and external factors of women entrepreneurship. The attempt has been made to rank these factors in regard to their severity of impact on women entrepreneurship. The last part of this study includes the suggestive measures for eliminating and reducing the hurdles for the women entrepreneurship development in Indian context.

**Reasons for Boosting Women Entrepreneurship**

The role of women entrepreneurs in the process of economic development has been recognized from nineties in various parts of the world. Today, in the world of business, women entrepreneurship has become an essential movement in many countries and has been accepted in all areas of working. The United Nations report has also concluded that economic development is closely related to the advancement of women. In nations where women have advanced, economic growth has usually been steady. By contrast, in countries where women have been restricted, the economy has been stagnant. The data on correlation between Gender related development index and GDP per capital reinforces the above fact.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Gender related development index</th>
<th>As a per % of HDI</th>
<th>GDP per Capital (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Australia</td>
<td>0.966</td>
<td>98.9</td>
<td>34923</td>
</tr>
<tr>
<td>2</td>
<td>Norway</td>
<td>0.961</td>
<td>99.6</td>
<td>35433</td>
</tr>
<tr>
<td>3</td>
<td>Iceland</td>
<td>0.959</td>
<td>99.0</td>
<td>44613</td>
</tr>
<tr>
<td>4</td>
<td>Canada</td>
<td>0.959</td>
<td>99.2</td>
<td>35812</td>
</tr>
<tr>
<td>5</td>
<td>Sweden</td>
<td>0.959</td>
<td>99.3</td>
<td>36712</td>
</tr>
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<td>6</td>
<td>France</td>
<td>0.956</td>
<td>99.4</td>
<td>33674</td>
</tr>
<tr>
<td>7</td>
<td>Netherland</td>
<td>0.956</td>
<td>98.9</td>
<td>38694</td>
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<tr>
<td>8</td>
<td>Finland</td>
<td>0.954</td>
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<td>34526</td>
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<tr>
<td>9</td>
<td>Spain</td>
<td>0.954</td>
<td>99.4</td>
<td>31560</td>
</tr>
<tr>
<td>10</td>
<td>Ireland</td>
<td>0.949</td>
<td>98.2</td>
<td>44613</td>
</tr>
<tr>
<td>114</td>
<td>India</td>
<td>0.594</td>
<td>97.1</td>
<td>4102</td>
</tr>
</tbody>
</table>
TABLE 2

<table>
<thead>
<tr>
<th>Country</th>
<th>Business Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nepal</td>
<td>Women Entrepreneurs Association of Nepal (WEAN)</td>
</tr>
<tr>
<td>Malawi</td>
<td>National Association of Business Women (NABW)</td>
</tr>
<tr>
<td>Russia</td>
<td>Novgorod Women’s Parliament, Perm Business Women’s Club, St. Petersburg Institute for International Entrepreneurship Development, Archangelsk Women Entrepreneurs, Novosibirsk Association of Women Entrepreneurs</td>
</tr>
<tr>
<td>US</td>
<td>Business and Professional Women, National Association of Women Business Owners (NAWBO)</td>
</tr>
</tbody>
</table>

Sources: Jalbert, E. Susanne, Women Entrepreneurship in the Global Economy.

As shown in the above table, Gender related development index is significantly correlated with GDP per capita. The value of correlation coefficient comes 0.857371. Therefore, it can be treated as one of the parameter to show the economic condition & growth of the country.

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**Business Association And Women Entrepreneurship**

Structural association and group of people also promote women entrepreneurship. A vital link to economic decision-making processes, the business associations has made their members’ visions and priorities a part of the national political and economic agenda. Around the globe many more organizations are contributing in similar ways. Table 2 depicts some of the business associations of some countries. These associations undertake wide varieties of activities encompassing credit, business skill training, technical and technology training, employment creation, marketing services, legal assistance, psychological counseling and some social welfare trade programs. These associations have also played a positive and vital role in promoting international trade for women entrepreneurs. (Jalbert, 2000)

**Reasons For Women Opting For Entrepreneurship**

Self determination, expectation for recognition, self esteem and career goal are the key drivers for taking up entrepreneurship by women (Moore & Buttner, 1997). Sometimes, women chose such career path for discovering their inner potential, caliber in order to achieve self satisfaction. It can also provide a mean to make best use of their leisure hours. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities.
Obstacles For Women Entrepreneurship:
The entrepreneurial process is same for men and women. Successful men and women entrepreneurs undergo similar motivations and thus achieve success in largely same way under similar challenges. They are also found to have access to fund from the same sources. The same condition both men and women can be successful entrepreneurs. (Cohoon et.al. 2010). However, in practice most of the upcoming women entrepreneurs face problems that are of different dimensions and magnitudes than that faced by their male counterparts. These problems, generally, prevent these women entrepreneurs from realizing their potential as entrepreneurs. The major hurdles that the women face during starting and running a company generally come from financing and balancing of life. The balancing of life is caused due to lack of family support for the women. The other hindering external factors include gender discrimination, inaccessibility to information, training opportunities, infrastructure etc. Some internal factors like risk aversion by women, lack of confidence, lack of vision of strategic leader etc. can also create obstacles for the women entrepreneurship development.

Table3 Snapshot Of Key Factors

<table>
<thead>
<tr>
<th>S. N.</th>
<th>Country</th>
<th>Factors</th>
</tr>
</thead>
</table>
| 1     | United States | • access to capital  
          |     | • access to information  
          |     | • access to networks     |
| 2     | Korea       | • financing  
          |     | • the effort to balance work and family                                |
| 3     | Indonesia  | • exporting their product overseas  
          |     | • increasing the volume of production                                 |
| 4     | Vietnam    | • the prevailing social and cultural gender-based inequalities and biases  
          |     | • accessing credit from formal institutions in view of their limited access to formal education, ownership of property, and social mobility  
          |     | • unequal access to opportunities and markets  
          |     | • include business experiences, limited knowledge of marketing strategies, weak business associations, lack of networking facilities  
          |     | • Poor access to education and training programmes.                     |
| 5     | Bangladesh | • Inadequate financing  
          |     | • Competition  
          |     | • Obtaining quality raw materials, and balancing time between the enterprise and the family |
| 6     | Uganda     | • lack of training and advisory services  
          |     | • lack of managerial and technical skills, weak infrastructure  
          |     | • difficulties in accessing loans, and complicated company registration processes. |
| 7     | Rwanda     | • restricted mobility  
          |     | • security                                                             |
| 8     | Morocco    | • lack of operational and managerial skills  
          |     | • Cultural constraints  
          |     | • Inefficient production mechanisms  
          |     | • lack of managerial skills                                             |
| 9     | Kenya      | • lack of technical skills, confidence, strong individual involvement  
          |     | • the willingness to take risks                                        |
| 10    | Africa     | • Constraints and barriers to obtaining money to start and grow their own business.  
          |     | • Women’s inexperience of negotiating with the banks  
          |     | • their lack of financial confidence  
          |     | • access to the essential abilities, skills and experiences for business  
          |     | • their dual (household) and triple (community) roles and responsibilities  
          |     | • lack of key dedicated “time” to be able to explore and nurture their own resources  
          |     | • Lack of abilities, skills and expertise in certain business matters.  
          |     | • lack of exposure to the world of business                             |
| 11    | Mauritius  | • the hassle of getting permits;  
          |     | • the lack of market;  
          |     | • the ability to raise capital;  
          |     | • not being taken as seriously as men.                                  |
Above table depicts the various internal and external factors that affect the development of women entrepreneurship in various countries.

**Literature Review**

Darrene, Harpel and Mayer, (2008) performed a study on finding the relationship between elements of human capital and self employment among women. The study showed that self employed women differ on most human capital variable as compared to the salary and wage earning women. The study also revealed the fact that the education attainment level is faster for self employed women than that for other working women. The percentage of occupancy of managerial job is found to be comparatively higher in case of self employed women as compared to other working women. This study also shed light on similarity and dissimilarity of situations for self employed men and self employed women. Self employed men and women differ little in education, experience and preparedness. However, the main difference lies in occupational and industry experience. The percentage of population holding management occupation is lower for self employed women as compared to self employed men. Also the participation levels of self employed women are found to be less than of self employed men in industries like communication, transportation, wholesale trade, manufacturing and construction. The analysis is based on data from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) from 1994 to 2006.

Jalbert, 2000 performed a study to explore the role of women entrepreneurs in a global economy. It also examined how women’s business associations can strengthen women’s position in business and international trade. The analysis is performed on the basis of facts and data collected through field work (surveys, focus groups and interviews) and through examining the existing published research. The study has shown that the women business owners are making significant contributions to global economic health, national competitiveness and community commerce by bringing many assets to the global market. As per the analysis of the research study, women entrepreneurs have demonstrated the ability to build and maintain long-term relationships and networks to communicate effectively, to organize efficiently, to be fiscally conservative, and to be aware of the needs of their environment and to promote sensitivity to cultural differences. Researchers contend that women business owners posses certain specific characteristics that promote their creativity and generate new ideas and ways of doing things. These characteristics include focus, high energy level, personal motivations, self employed father, social adroitness, interpersonal skills etc. There is a worldwide pool of economically active persons, known as the Women’s Indicators and Statistical Data Base (WISTAT), from which one can extrapolate the general number of women entrepreneurs. WISTAT titles the category “employers and own-account workers,” but the category could be termed as well as self employed or business owners. The category describes those who are economically independent and who could be entrepreneurs. The number of women to 100 men in each region is represented for three decades spanning 1970 to 1990. The study revealed that the gap between men and women business owners has narrowed significantly. In 1970 women numbered 26 for each 100 men, but by 1990 women numbered 40 for each 100 men who were self employed.

Tambunan, (2009), made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining
overwhelming importance; more than 95% of all firms in all sectors on average per country. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study revealed that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes.

Das, 2000 performed a study on women entrepreneurs of SMEs in two states of India, viz, Tamilnadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women in western countries. However, Indian women entrepreneurs faced lower level of work-family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for starting and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of business setup and operated by women is much lower than the figures found in western countries.

Singh, 2008, identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. The study advocates for ensuring synergy among women related ministry, economic ministry & social & welfare development ministry of the Government of India.

Lall & Sahai, (2008), conduct a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship, & family business. The study identified Psychographic variables like, degree of commitment, entrepreneurial challenges & future plan for expansion, based on demographic variables. Through stratified random sampling & convenience sampling the data have been collected from women entrepreneurs working in urban area of Lucknow. The study identified business owner’s characteristics as self perception self esteem, Entrepreneurial intensity & operational problem for future plans for growth & expansion. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business, but they still have lower status and face more operational challenges in running business.

Bowen & Hisrich, (1986), compared & evaluated various research studies done on entrepreneurship including women entrepreneurship. It summaries various studies in this way that female entrepreneurs are relatively well educated in general but perhaps not in management skills, high in internal locus of control, more masculine, or instrumental than other women in their values likely to have had entrepreneurial fathers, relatively likely to have frts born or only children, unlikely to start business in traditionally male dominated industries & experiencing a need of additional managerial training.

Women network report on Women in Business & in Decision Making focus on women entrepreneurs, about their problems in starting & running the business, family back ground, education, size of business unit. Some interesting facts which came out from this report are
less educated women entrepreneurs are engaged in micro enterprises, have husband & children but have no help at home. Most of the women establish enterprises before the age of 35, after gaining some experience as an employee somewhere else. The motivational factors were desire for control & freedom to take their own decision as well as earning handsome amount of money. Dedication of more than 48 hours in a week with the family support to their enterprises gave them a sense of self confidence. However, to maintain balance between family & work life is a major challenge before women entrepreneurs especially for those who have children & working husband.

Cohoon, Wadhwa & Mitchell, (2010), present a detailed exploration of men & women entrepreneur’s motivations, background and experiences. The study is based on the data collected from successful women entrepreneurs. Out of them 59% had founded two or more companies. The study identifies top five financial & psychological factors motivating women to become entrepreneurs. These are desire to build the wealth, the wish to capitalize own business ideas they had, the appeal of startup culture, a long standing desire to own their own company and working with someone else did not appeal them. The challenges are more related with entrepreneurship rather than gender. However, the study concluded with the requirement of further investigation like why women are so much concerned about protecting intellectual capital than their counterpart. Mentoring is very important to women, which provides encouragement & financial support of business partners, experiences & well developed professional network.

Greene et.al., (2003), evaluate the research & publication contribution in the area of women entrepreneurship. The study categorized various journal & resources of research on the basis of certain parameters concerned with women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives.

Damwad, (2007), describes the experiences, initiatives & obstacles faced at five Nordic countries like Finland, Denmark, Iceland, Norway & Sweden towards women entrepreneurship. It broadly identifies few obstacles like financing, lack of knowledge & skills in business life, markets & entrepreneurial activity, work life balance including lack of growth & wishes to grow and most importantly women as other groups are heterogeneous. The study compares early stage entrepreneurial male & female activity among Nordic countries with the same of USA. It also compares various programme & schemes developed by Nordic countries & agencies that provide support to them. OECD & European Commission are focusing on methodologies in analyzing quantitative & qualitative women entrepreneurship. The Nordic countries need a framework for policy learning develop a proper policy mix towards promoting women entrepreneurship.

**Objectives Of Study**

- To identify the reasons for women for involving themselves in entrepreneurial activities
- To identify the factors of hindrance for women entrepreneurship
- To determine the possible success factors for women in such entrepreneurial activities.
- To make an evaluation of people’s opinion about women entrepreneurship.

**Methodology**

The research is based on secondary & primary data. It’s an exploratory & descriptive in nature. The secondary data is collected from review of past researches and other reports. The factors have been identified then classified into three categories factors responsible for hindrance, reasons for starting the
business & reasons for success in women entrepreneurship. Then these factors with their sub-classification rated on likert scale of 1 to 5, where 1 denotes least important & 5 denote most important. Then these factors have been further analyzed through Chi square test to check the difference between opinions collected from different sets of people. PSW 18 has been use for calculation purposes.

The data has been collected from the female PGDM students & faculty members only. It is just have common areas of concerns in both the sample group. All the three forms of factors analyzed from the view points of marital status & occupation. Results show that one basis of marital status we find major differences of opinion at significance level of 5. These are need for Money & others factors on which these two sets of people have different opinion. However in hindrance reason we could not find any significant difference. When it comes on success factors Marketing skills & Preservation also have significant difference. (Refer hypothesis test summary for marital status in annexure)

On the basis of occupation differences are more because two sets have difference in generation also. Students & faculty members have significant differences on various issues almost in every set of factors. Starting from hindrance factors they significantly differ on Raising Capital, Information & advice, skills & expertise, Gender discriminations & others. In the second category of factors i.e. reasons for starting business factors for significant difference are passion; need for money, to become independent, self satisfaction & others. In the category of success factors difference are on the issues like quality of product & service, uniqueness of design & services, management skills & marketing skills & preservation.

**Measures To Remove The Obstacles**

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitudinal changes, training, supportive services. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic growth and development of country.

The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise.

Adopting a structured skill training package can pave the way for development of women entrepreneurship. Such programmes can train, motivate and assist the upcoming women entrepreneurship in achieving their ultimate goals. Various schemes like the World Bank sponsored programmes can be undertaken for such purposes. The course design should focus on imparting input on profitability, marketability and practical management lessons. Besides, there should be consideration in helping the women entrepreneurs in balancing their family life and work life. As a special concern, computer illiterate women can be trained on Information Technology to take the advantage of new technology and automation.

The established and successful women entrepreneurs can act as advisors for the upcoming women entrepreneurs. The initiatives taken from these well established entrepreneurs for having interaction with such upcoming women entrepreneurs can be proved to be beneficial in terms of boosting their morale and confidence. It may result in more active involvement of women entrepreneurs in their enterprises.
Infrastructure set up plays a vital role for any enterprise. Government can set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities. However, precautionary measures should be undertaken to avoid the misuse of such facility by the men in the name of the women.

Even in today’s era of modernization the women entrepreneurs depend on males of their family for marketing activities. This is simply because they lack the skill and confidence for undertaking such activities. Women development corporations should come forward to help the women entrepreneurs in arranging frequent exhibitions and setting up marketing outlets to provide space for the display of products or advertisement about services made by women.

**Conclusion**

The study tried to find out the difference among various set of people of the crucial factors which are concerned with the women entrepreneurial opportunities at large. Issues have been identified through various review of literature. It should be cross checked with the real entrepreneurs. These factors may vary from place to place business to business but women entrepreneurship is necessary for the growth of any economy weather it large or small.

**Reference**

- Ayadurai, Selvamalar , (2005), An Insight into The “Constraints” Faced by Women Entrepreneurs in A War-Torn Area: Case Study of The Northeast of Sri Lanka, presented at the 2005 50th World Conference of ICSB Washington D.C.
- Singh, Surinder Pal, (2008), An Insight Into The Emergence Of Women-owned Businesses As An Economic Force In India, presented at Special Conference of the Strategic Management Society, December 12-14, 2008, Indian School of Business, Hyderabad


• Women in Business & Decision Making – A survey on women entrepreneurs, women network, euro chambers Association of European Chambers of Commerce and Industry

• Women in Business: A Demographic Review of Women’s Business Ownership, Office of Advocacy U.S. Small Business Administration, August 2006
The aim of this study is to discuss the issues regarding women entrepreneurship in rural India. This paper is mostly based on secondary data and some observations; for the identification of these issues the author has reviewed various research articles and reports. Findings of this study reveal that absence of definite agenda of life, absence of balance between family and career obligations of women, poor degree of financial freedom for women, absence of direct ownership of the property, no awareness about capacities, low ability to bear risk, the paradox of entrepreneurial skill & finance in economically rich and poor women, problems of work with male workers, negligence by financial institutions, lack of self-confidence, lack of professional education, mobility constraints and lack of interaction with successful entrepreneurs are major problems of women entrepreneurship development in India.

Introduction

Entrepreneurship refers to the act of setting up a new business or reviving an existing business so as to take advantages from new opportunities. Thus, entrepreneurs shape the economy by creating new wealth and new jobs and by inventing new products and services. However, an insight study reveals that it is not about making money, having the greatest ideas, knowing the best sales pitch, applying the best marketing strategy. It is in reality an attitude to create something new and an activity which creates value in the entire social eco-system. It is the psyche makeup of a person. It is a state of mind, which develops naturally, based on his/ her surrounding and experiences, which
makes him/her think about life and career in a given way.

Last ten years of Indian economy make it evident that the structure of ownership in the industrial sector, in agriculture, in the trade and commerce sectors has changed. Many women entered the world of business, of trade commerce and they have become successful entrepreneurs in various business activities. However, the rate of participation or rate of their inclusion in the business world is very low, in spite of its increase during the last ten years. This growth rate of women's participation in economic activities is much lower than the expected rate. If we look at the developed countries we see that women are actively participative in the business and trade activities, including agriculture, without any social or other restrictions. But in India, there are still many social and cultural restrictions on women. Hence, women participation in entrepreneurial activities is less than the requirement of the fast growth of India.

The women have achieved immense development in their state of mind. With increase in dependency on service sector, many entrepreneurial opportunities especially for women have been created where they can excel their skills with maintaining balance in their life. Accordingly, during the last two decades, increasing numbers of Indian women have entered the field of entrepreneurship and also they are gradually changing the face of business of today, both literally and figuratively. But still they have not capitalized their potential in India the way it should be.

Reasons for Women Opting for Entrepreneurship

Self-determination, expectation for recognition, self-esteem and career goal is the key drivers for taking up entrepreneurship by women (Moore & Buttnner, 1997). Sometimes, women chose such career path for discovering their inner potential, caliber in order to achieve self-satisfaction. It can also provide a mean to make best use of their leisure hours. However, dismal economic conditions of the women arising out of unemployment in the family and divorce can compel women into entrepreneurial activities.

Obstacles for Women Entrepreneurship

The entrepreneurial process is same for men and women. Successful men and women entrepreneurs undergo similar motivations and thus achieve success in largely same way under similar challenges. They are also found to have access to fund from the same sources. The same condition both men and women can be successful entrepreneurs. (Cohoon et.al. 2010). However, in practice most of the upcoming women entrepreneurs face problems that are of different dimensions and magnitudes than that faced by their male counterparts. These problems, generally, prevent these women entrepreneurs from realizing their potential as entrepreneurs. The major hurdles that the women face during starting and running a company generally come from financing and balancing of life. The balancing of life is caused due to lack of family support for the women. The other hindering external factors include gender discrimination, inaccessibility to information, training opportunities, infrastructure etc. Some internal factors like risk aversion by women, lack of confidence, lack of vision of strategic leader etc. can also create obstacles for the women entrepreneurship development.

Objectives and Data

A major objective of this article was to identify the critical issues of women entrepreneurship in India and discuss the various issues regarding to problems of women entrepreneurship in India. The present article is purely based on secondary data collected through literature survey. All facts and problems
discussed in this article are opinions of the respective authors. However, the present author criticizes some of these opinions and makes analyses based on the observations and experiences regarding women entrepreneurship in India.

**Problems of Women Entrepreneurship in India**

Definitely, there are a number of problems regarding women entrepreneurship in India, researchers having identified issues relating to social aspects, economic life, skill problems, problems of family support, courage etc.

**Absence of Definite Agenda of Life**

The educated women do not want to limit their lives in the four walls of the house (Cf. Babaria and Chheda, 2010). The educated women demand equal opportunity and greater respect from their partners as well as from society and they are struggling for equal opportunities and respect from their partners as well as from society in India. However, some women with a definite agenda acquired good positions in the business world in India i.e. Indra Nooyi (CEO of PepsiCo); Dr. Kiran Mazumdar-Shaw (Chairman & Managing Director of Biocon Ltd.); Anu Aga (Chairperson of Thermax Engineering); Sulajja Firodia Motwani (Joint Managing Director of Kinetic Engineering Ltd); Ekta Kapoor (Head of Balaji Telefilms); Priya Paul (Chairperson of Appeejay The Park Hotels chain of boutique hotels). Yet, in rural India, most of the women are either illiterate or semi-literate and they have not a proper idea of self-esteem and self-respect. Therefore, the question that immediately arises is how they can try to get self-respect and have a definite agenda in order to acquire good positions in society.

**Absence of Balance between Family and Career Obligations**

As Indians, most of the women are very serious about family obligations but they do not equally focus on career obligations (Cf. Mathur 2011; Singh N.P. 1986). Indian women devote their lives to take care of their family members but they are not concerned with their self-development. Many women have excellent entrepreneurial abilities but they are not using their abilities to create additional income sources for their families, which would go hand in hand with boosting their self-reliance. Sometimes they are not even aware of the concept of self-reliance. Moreover the business success depends on the support the family members, extended to women, in the business process and management (Cf. Lathwal 2011).

**Poor Degree of Financial Freedom**

In Indian families, the degree of financial freedom for women is very poor, especially in lower educated families and rural families. In these families women can't take any entrepreneurial decision without the consideration of the family members as well as considering social ethics and traditions. Due to the financial dependency, a woman can't start any business or any economic activity to become independent. Therefore, this has become a vicious circle of dependency for women in India.

**No Direct Ownership of the Property**

No doubt, the right of property is given as a legal provision in India, but it raises one of the most important questions regarding the right to property for women. There are very few women having on paper the right of property because, firstly, they are not aware of this right. They only become aware when problems are created in their families due to family disputes. Otherwise, women are not enjoying their right of property, being treated as second-class citizens, which keeps them in a “pervasive cycle of poverty” (Mehta and Mehta, 2011).
**Paradox of Entrepreneurial Skill & Finance**

There is paradox of “have and haven’t” skills of entrepreneurship in Indian women belonging to economically poor and rich families. Women belonging to economically rich families have the capital support but they may not have good entrepreneurial skills, therefore outsourcing the activities. At the opposite side of society, many women from economically poor families have consistent entrepreneurial skills, but they have not any financial support from their families. We therefore believe that the problems of women entrepreneurship are hanging in the trap of this paradox.

**No Awareness about Capacities**

An increasing level of education should create awareness regarding an individual’s capacities. But, unfortunately, our educational system has not succeeded in creating awareness about woman’s capacities and their hidden powers to handle economic activities. According to Shruti Lathwal (2011), India faces an increase in the education level of women and an increased social awareness as to the role women play in society, but this is not a widely acceptable truth because it applies only in urban India and not in rural India too. Urban environment is favourable to identifying and creating awareness regarding women’s self-capabilities. However, in the rural area this type of attitude has not developed yet.

**Low Ability to Bear Risk**

According to Mehta and Mehta, 2011, women in India live protected lives. A woman is taught to depend on the male members of her family from birth. She is not allowed to take any type of risk even if she is willing to take it and has ability to bear it as well. However, this is not entirely true because many great women proved that they have risk bearing capacities and attitude to take risks in entrepreneurial activities. They have become aware of their rights and potential situations and therefore entered different fields of businesses (Cf. Singh and Raghuvanshi 2012). However, most of the women are not performing entrepreneurial activities because they are not having the proper capacities. Therefore, we should try to make them aware of their risk bearing capacities.

**Problems of Work with Male Workers**

Many women have good business skills but they do not want to work with male workers and sometimes male workers are not ready to work with women entrepreneurs. According to Shruti Lathwal, 2011, most of women entrepreneurs argued that semi-educated or uneducated class of workers cannot visualize a “female boss” in their field of work.

**Negligence by Financial Institutions**

Banks and financial institutions are important financers of entrepreneurs in developing countries because small and medium size firm operators are not borrowing from the capital market. But these banks and financial institutions are not ready to provide credit to women entrepreneurs because of their traditional mind set. They think that, this may become cause of nonperforming asset in future. However, according to a report by the United Nations Industrial Development Organization (UNIDO), "despite evidence that woman’s loan repayment rates are higher than men's, women still face more difficulties in obtaining credit".

**Lack of Self-Confidence**

A strong mental outlook and an optimistic attitude amongst women create a fear of committing mistakes while doing their work (Cf. Goyal and Parkash 2011). The family members and the society are not willing to stand by women with entrepreneurial development potential. In such a situation women should develop
their self-confidence to handle this type of barriers, in spite of the fact that Indian women prefer a protected life to the development of their self-confidence. They are neither mentally nor economically self-reliant. Therefore, we should try to develop their confidence through moral support from society and family members.

**Lack of Professional Education**

Rao (2007) observed in his study that poverty and illiteracy are the basic reasons of the low rate of women entrepreneurship in our country. The educational level and professional skills also influence women participation in the field of enterprise. We are providing education to the women but not providing professional education. If we look in the professional schools we find that there is a very few number of women students. If we analyse rural - urban ratio of enrolled women in professional education we realize that there are very few rural female students enrolled it this type of education. Even parents are not ready to send their daughters for undergoing professional education. If it happens, however, that many women taking the training by attending the entrepreneurial development programme do not have an entrepreneurial bent of mind.

**Mobility Constraints**

According to Ghani et al. (2011) mobility is one of the important problems in women entrepreneurial development. They are not ready to leave their place for business activities and prefer staying only in their residential areas. These traits are important as entrepreneurs tend to start their businesses in their current local area and are thus disproportionately found in their region of birth (Dahl and Sorenson 2007).

**Lack of Interaction with Successful Entrepreneurs**

Singh (2008) mentioned that the lack of interaction with successful entrepreneurs is also one of the problems in women entrepreneurship in India. Successful entrepreneurs always play the role of model in the society for women who have the ability of entrepreneurial activities and lead to undertaking economic activities to prove their ability. But unfortunately there is no sufficient provision of such type of interaction to inculcate knowledge and provide experiences of successful women entrepreneurs. Many economists argue that this is a main obstacle in the growth of women entrepreneurship.

**Measures To Remove the Obstacles**

The elimination of obstacles for women entrepreneurship requires a major change in traditional attitudes and mindsets of people in society rather than being limited to only creation of opportunities for women. Hence, it is imperative to design programmes that will address to attitudinal changes, training, supportive services. The basic requirement in development of women entrepreneurship is to make aware the women regarding her existence, her unique identity and her contribution towards the economic growth and development of country.

The basic instinct of entrepreneurship should be tried to be reaped into the minds of the women from their childhood. This could be achieved by carefully designing the curriculum that will impart the basic knowledge along with its practical implication regarding management (financial, legal etc.) of an enterprise.

Adopting a structured skill training package can pave the way for development of women entrepreneurship. Such programmes can train, motivate and assist the upcoming women entrepreneurship in achieving their ultimate goals. Various schemes like the World Bank sponsored programmes can be undertaken for such purposes. The course design should focus on imparting input on profitability, marketability and practical management lessons. Besides,
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The established and successful women entrepreneurs can act as advisors for the upcoming women entrepreneurs. The initiatives taken from these well-established entrepreneurs for having interaction with such upcoming women entrepreneurs can be proved to be beneficial in terms of boosting their morale and confidence. It may result in more active involvement of women entrepreneurs in their enterprises.

Infrastructure set up plays a vital role for any enterprise. Government can set some priorities for women entrepreneurs for allocation of industrial plots, sheds and other amenities. However, precautionary measures should be undertaken to avoid the misuse of such facility by the men in the name of the women.

Even in today's era of modernization the women entrepreneurs depend on males of their family for marketing activities. This is simply because they lack the skill and confidence for undertaking such activities. Women development corporations should come forward to help the women entrepreneurs in arranging frequent exhibitions and setting up marketing outlets to provide space for the display of products or advertisement about services made by women.

Conclusion

Women are an important human resource of the nation and every state should try to utilize them as mediators of economic growth and development. Encouragement for women entrepreneurship is one of the ways for that. But unfortunately it is seen that the traditional mind set of the society and negligence of the state and respective authorities are important obstacles in the women entrepreneurship development in India. Apart from the responsibility of the state and society, absence of a definite agenda of life, absence of balance between family and career obligations of women, poor degree of financial freedom for women, absence of direct ownership of the property to women, paradox of entrepreneurial skill & finance in economically rich and poor women, no awareness about capacities, low ability to bear risks, problems of work with male workers, negligence by financial institutions, lack of self-confidence, lack of professional education, mobility constraints and lack of interaction with successful entrepreneurs are major problems of women entrepreneurship development in India. Therefore, there is need of continuous attempt to inspire, encourage, motivate and co-operate with women entrepreneurs, awareness programmes should be conducted on a mass scale with the intention of creating awareness among women about the various areas to conduct business.

References

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Social and economic development of women is necessary for overall economic development of any society or a country. Entrepreneurship is the state of mind which every woman has in her but has not been capitalized in India in way in which it should be. Due to change in environment, now people are more comfortable to accept leading role of women in our society. The educated Indian women have to go a long way to achieve equal rights and position because traditions are deep rooted in Indian society where the sociological set up has been a male dominated one. Despite all the social hurdles, Indian women stand tall from the rest of the crowd and are applauded for their achievements in their respective field. The transformation of social fabric of the Indian society, in terms of increased educational status of women and varied aspirations for better living, necessitated a change in the lifestyle of Indian women. She has competed with man and successfully stood up with him in every walk of life and business is no exception for this. These women leaders are assertive, persuasive and willing to take risks. They managed to survive and succeed in this cut throat competition with their hard work, diligence and perseverance. Woman constitutes the family, which leads to society and Nation. Our increasing dependency on service sector has created many entrepreneurial opportunities especially for women where they can excel their skills with maintaining balance in their life. The present paper endeavours to study the concept of women entrepreneur. It strives to explain the reasons women become entrepreneurs. The authors also attempt to find out the problems faced by women entrepreneurs and the solutions to such problems.
Introduction

Entrepreneurs play a very important role in socio-economic welfare of the country. They identify the needs of the business, purchase the other factors of production and coordinate them for some productive purposes. They are the innovators, researchers and risk-takers of the company. Due to the mixed economy in India, both public and private entrepreneurship exists here. Large scale sectors are under the public entrepreneurship. The middle and small scale sectors are under the private entrepreneurship. In order to develop entrepreneurship in this sector, Government of India has stepped towards the Entrepreneurship Development Programmes.

The origin of the basic word “Entrepreneurship” is from a French word “Entreprendre”, where it cradled and originally meant to designate an organizer of certain musical or other entertainments. The Oxford English Dictionary (of 1897) defines the term “Entrepreneur” in similar way as the director or a manager of a public musical institution, one who gets-up entertainment arranged, especially musical performance. Initially in the early 16th century, it was applied to those who were engaged in military expeditions. In 17th century. It was extended to cover civil engineering activities such as construction and fortification. Since then, the term “Entrepreneur” is used in various ways and various views.

An entrepreneur can be defined as one who initiates and establishes an economic activity or enterprise. Entrepreneurship thus refers to the general trend of setting up new enterprises in a society. The International Labour Organization defines an entrepreneur as a person with a set of characteristics that typically includes self-confidence, result-oriented, risk taking, leadership, originality and future oriented.

Some refer to women entrepreneurs as those who innovate, imitate or adopt a business activity. Given that entrepreneurship is the set of activities performed by an entrepreneur, it could be argued that being an entrepreneur precedes entrepreneurship. In any case, the entrepreneurial definitions described above highlight the aspects of risk-taking, innovating and resource organizing.

In modern era, when women are showing their capabilities in various walks of life, the entrepreneurial classes of women are playing an increasingly prominent role in various sectors of industrial growth and economic development. Entrepreneurship amongst women is a relatively recent phenomenon, which is gradually changing with the growing sensitivity of the roles, responsibilities and economic status of women in the society in general and family in particular.

At the same time, it is also recognized that their challenges are immense and complex. For women entrepreneurs, starting and operating a business involves considerable risks and difficulties, because in the Indian social environment women has always lived as subordinate to men. There have been noticeable changes in the socio-psycho-cultural and economic norms of our society due to liberalized policy of the government of India, increase in the education levels of women and increased social awareness in respect of the role women plays in the society. It has now been recognized that to promote self-employment and to reduce the incidence of poverty, some drastic efforts have to be made to accelerate self employment of women in various sectors.

Literature Review

Bowen & Hisrich (1986) compared & evaluated various research studies done on entrepreneurship including women entrepreneurship. It summaries various studies in this way that female entrepreneurs are relatively well educated in general but perhaps not in management skills, high in internal locus
of control, more masculine, or instrumental than other women in their values likely to have had entrepreneurial fathers, relatively likely to have first born or only children, unlikely to start business in traditionally male dominated industries & experiencing a need of additional managerial training.

Jalbert (2000) performed a study to explore the role of women entrepreneurs in a global economy. It also examined how women’s business associations can strengthen women’s position in business and international trade. The analysis is performed on the basis of facts and data collected through field work (surveys, focus groups and interviews) and through examining the existing published research. The study has shown that the women business owners are making significant contributions to global economic health, national competitiveness and community commerce by bringing many assets to the global market.

Das (2000) performed a study on women entrepreneurs of SMEs in two states of India, viz, Tamilnadu and Kerala. The initial problems faced by women entrepreneurs are quite similar to those faced by women in western countries. However, Indian women entrepreneurs faced lower level of work-family conflict and are also found to differ from their counterparts in western countries on the basis of reasons for starting and succeeding in business. Similar trends are also found in other Asian countries such as Indonesia and Singapore. Again the statistics showed that the proportion of business setup and operated by women is much lower than the figures found in western countries.

Greene et.al. (2003) evaluate the research & publication contribution in the area of women entrepreneurship. The study categorized various journal & resources of research on the basis of certain parameters concerned with women entrepreneurship like gender discrimination, personal attributes, financing challenges, business unit, context and feminist perspectives.

Darrene, Harpel and Mayer (2008) performed a study on finding the relationship between elements of human capital and self employment among women. The study showed that self employed women differ on most human capital variable as compared to the salary and wage earning women. The study also revealed the fact that the education attainment level is faster for self employed women than that for other working women.

Singh (2008) identifies the reasons & influencing factors behind entry of women in entrepreneurship. He explained the characteristics of their businesses in Indian context and also obstacles & challenges. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social unacceptance as women entrepreneurs, family responsibility, gender discrimination, missing network, low priority given by bankers to provide loan to women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional frame work, projecting & pulling to grow & support the winners etc. The study advocates for ensuring synergy among women related ministry, economic ministry & social & welfare development ministry of the Government of India.

Lall & Sahai (2008) conducted a comparative assessment of multi-dimensional issues & challenges of women entrepreneurship & family business. The study identified Psychographic variables like degree of commitment, entrepreneurial challenges & future plan for expansion, based on demographic variables. Through stratified random sampling & convenience sampling the data have been collected from women entrepreneurs working in urban area of Lucknow. The study identified business owner’s characteristics as self perception
self esteem, Entrepreneurial intensity & operational problem for future plans for growth & expansion. The study suggested that though, there has been considerable growth in number of women opting to work in family owned business but they still have lower status and face more operational challenges in running business.

Tambunan (2009) made a study on recent developments of women entrepreneurs in Asian developing countries. The study focused mainly on women entrepreneurs in small and medium enterprises based on data analysis and review of recent key literature. This study found that in Asian developing countries SMEs are gaining overwhelming importance; more than 95% of all firms in all sectors on average per country. The study also depicted the fact that representation of women entrepreneurs in this region is relatively low due to factors like low level of education, lack of capital and cultural or religious constraints. However, the study revealed that most of the women entrepreneurs in SMEs are from the category of forced entrepreneurs seeking for better family incomes.

Cohoon, Wadhwa & Mitchell (2010) present a detailed exploration of men & women entrepreneur’s motivations, background and experiences. The study is based on the data collected from successful women entrepreneurs. Out of them 59% had founded two or more companies. The study identifies top five financial & psychological factors motivating women to become entrepreneurs. These are desire to build the wealth, the wish to capitalize own business ideas they had, the appeal of startup culture, a long standing desire to own their own company and working with someone else did not appeal them. The challenges are more related with entrepreneurship rather than gender. However, the study concluded with the requirement of further investigation like why women are so much concerned about protecting intellectual capital than their counterpart. Mentoring is very important to women, which provides encouragement & financial support of business partners, experiences & well developed professional network.

Objectives

- To study the concept of women entrepreneurship in India
- To explain the reasons women become entrepreneurs
- To find out the problems faced by women entrepreneurs and the solutions to such problems

Women Entrepreneurship In India

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. The Government of India has defined women entrepreneurs as —an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women. Women entrepreneurs engaged in business due to push and pull factors which encourage women to have an independent occupation and stands on their on legs. A sense towards independent decision-making on their life and career is the motivational factor behind this urge. Saddled with household chores and domestic responsibilities women want to get independence. Under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do some thing new. Such a situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

Two main streams of thoughts have influenced the promotion of women entrepreneurship in India by the government as well as by various other agencies. The first stream is employment centered. It has been argued that
considering their weaker bargaining power in the market as well as society, women should be given higher priority in various entrepreneurial schemes. The second most stream of thought relates to the argument for autonomy of women. There are three broad stages for this which are Conceptualization, Analysis of internal aspects and Analysis of external aspects

**Reasons For Women Becoming Entrepreneurs**

The glass ceilings are shattered and women are found indulged in every line of business. The entry of women into business in India is traced out as an extension of their kitchen activities, mainly 3P’s, Pickle, Powder and Pappad. But with the spread of education and passage of time women started shifting from 3P’s to modern 3E’s i.e., Energy, Electronics and Engineering. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures. ‘Women Entrepreneur’ is a person who accepts challenging role to meet her personal needs and become economically independent.

A strong desire to do something positive is an inbuilt quality of entrepreneurial women, who is capable of contributing values in both family and social life. With the advent of media, women are aware of their own traits, rights and also the work situations. The challenges and opportunities provided to the women of digital era are growing rapidly that the job seekers are turning into job creators. Many women start a business due to some traumatic event, such as divorce, discrimination due to pregnancy or the corporate glass ceiling, the health of a family member, or economic reasons such as a layoff.

But a new talent pool of women entrepreneurs is forming today, as more women opt to leave corporate world to chart their own destinies. They are flourishing as designers, interior decorators, exporters, publishers, garment manufacturers and still exploring new avenues of economic participation. The following diagram shows the reasons for women becoming entrepreneurs

![Diagram](image)

**Problems Associated With Women Entrepreneurs**

Basically all women entrepreneurs almost suffer from two main categories of problems viz. Specific Problems and General Problems. The first category of problems affect women specifically in their smooth operations of enterprise, while the other category of problems have a general or over-all affect on the enterprises owned by such group of women entrepreneurs. Over-all these problems can be summed up as under:

**Problem Of Finances Arrangement**

Finance is said to be the “life blood” of every business undertaking, be it large or medium or small scale enterprise. Usually women entrepreneurs face the problems of shortage of finance on two important grounds. Firstly, women do not generally have property on their own names to use that as collateral securities for obtaining loans/funds from banks and other financial institutions. Thus their access to external sources is very limited. Secondly, the banks also consider women less credit worthy and discourage women borrowers
on the belief that they cannot repay back the amount of loans taken by them.

**Scarcity Of Raw Materials Required For Productive Capacities**

They have to even face the problems of scarcity of raw-materials and necessary inputs. On the top of this are the high prices of raw materials on one hand and getting raw materials at minimum discount rates in the other.

**Cut-Throat Competition With Other Group Of Men And Established Self-Sufficient Entrepreneurs**

Women entrepreneurs do not have a proper organizational set-up to pump in a lot of money for canvassing and advertisements. Thus they have to face a stiff competition with the men entrepreneurs who easily involve in the promotion and development area and carry out easy marketing of their products with both the organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women entrepreneurs.

**Limited Mobility Factor In Case Of Women Entrepreneurs**

Unlike men, women mobility in India is highly limited due to many factors. A single women asking for room is still looked with suspicion. Cumbersome exercise involved in starting with an enterprise coupled with officials humiliating attitude towards women compels them to give up their spirit of surviving in enterprise altogether.

**Family Responsibilities, Ties As Well As Commitments**

In India, mainly a woman’s duty is to look after her children and manage the other members of the family. Man plays a secondary role only. In case of married women she has to strike a fine balance between her business and family. Her total involvement in family leaves little or almost no time or energy to be diverted for the business activities. Support and approval of husbands seems to be necessary condition for women entry into business. Accordingly, the educational level and family background of husbands also influences women participation in the field of enterprise.

**Lack Of Education And Prevalent Levels Of Illiteracy Amongst Women**

In India, around 3/5th (60%) of women are still illiterate. Illiteracy is the root cause of socio-economic barriers or hurdles. Due to lack of education and that to qualitative education, women are not aware of business, technology and market knowledge.

Also lack of education causes low achievement motivation amongst women. Thus lack of education creates problems before women to set up competitive enterprises.

**Domination By Male And Ideology Of Male Dominated Society**

Male chauvinism is still prevalent in many parts of the country yet. The constitution of India speaks about the equality between both the sexes, i.e. men and women.

But in practice, women are looked upon as “abla” i.e. weak in all respects. Thus women suffer from a number of problems, in a nutshell in a male dominated society, women are not treated equal to men. This in turn, serves as a barrier to woman’s entry into business.

**Lesser Risk And Uncertainty Bearing Attitude**

Women in India lead a protected life. They are even less educated and economically not stable neither self-dependent. All these factors reduce their ability to bear risks and uncertainties involved in a business unit, which is the most important criteria of every business activity.
Lack Of Self-Confidence And Optimistic Attitude Amongst Women

Today all the women are suffering from one major problem of lack of self-confidence, will-power, strong mental outlook, optimism etc. They always fear from committing mistakes while doing their piece of work, more over there is limited initiative of taking risk and bearing uncertainty in them. Thus all these psychological factors often obstruct their path of achieving success in the area of enterprise.

Old And Outdated Social Outlook To Stop Women From Entering In The Field Of Entrepreneurship

Also one of the dominant reasons for their failure is the attitude of society people towards their modern business prospects and developing attitude. Women nowadays have low risk taking ability because of the number of questions put forward by the conservative society people. Thus they are under a social pressure which restrains them to prosper and achieve success in the field of entrepreneurship.

Absence Of Proper Support And Back-Up For Women By Their Own Family Members And The Outside World People

Many a times their own family members are not supporting and cooperating as well as having encouraging attitude to dare to enter into the entrepreneurship field. They are always making many pessimistic feelings to be aroused in their minds and making them feel that family and not business is a place meant for them. Due to such limited scope of help and cooperation from family and other people, they drop the idea of excelling in the enterprise field.

Apart from the above discussed problems there may occur other serious problems faced by women entrepreneurs such as improper infrastructural facilities, high cost of production, attitude of people of society towards the women modern business outlook, low needs of achievement and socio-economic constraints often puts women behind in the field of enterprise.

Solutions To The Problems Of Women Entrepreneurs

The problems faced by women entrepreneurs may be solved by using a number of measures to overcome them. Such solutions or remedies can be well understood as under:

- There should be a continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs.
- Attempts should be there to enhance the standards of education of women in general as well making effective provisions for their training, practical experience and personality development programmes, to improvise their over-all personality standards.
- Attempts to establish for them proper training institutes for enhancing their level of work-knowledge, skills, risk-taking abilities, enhancing their capabilities.
- Attempts to bring about a society attitude change, generation of awareness and consciousness on the policy of self-development of women entrepreneurs.
- Attempts by various NGO’s and government organizations to spread information about policies, plans and strategies on the development of women in the field of industry, trade and commerce.
- Establishing various policies to offer easy finance schemes for economically strengthening the position of women.
- Forming a cooperative association of women entrepreneurs to mobilize resources and pooling capital funds, in order to help the
women in the field of industry, trade and commerce.

- Offering seed capital, up-liftment schemes, women entrepreneurs fund etc. to encourage them economically.
- To extend confessional rates facilities and schemes for women entrepreneurs to prosper in the field of enterprise.
- To establish all India forum to discuss the problems, grievances, issues, and filing complaints against constraints or shortcomings towards the economic progress path of women entrepreneurs and giving suitable decisions in the favour of women entrepreneurs and taking strict stand against the policies or strategies that obstruct the path of economic development of such group of women entrepreneurs.

Thus by adopting the aforesaid measures in letter and spirit, the problems associated with women can be solved.

**Conclusion**

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate, efforts are being taken at the economy as well as global level to enhance woman’s involvement in the enterprise sector. This is mainly because of attitude change, diverted conservative mindset of society to modern one, daring and risk-taking abilities of women, support and cooperation by society members, changes and relaxations in government policies, granting various up-liftment schemes to women entrepreneurs etc. Thus, what else is required is to continue with the above changed trend, emphasizing on educating women strata of population, spreading awareness and consciousness amongst women to outshine in the enterprise field, making them realize their strengths, and important position in the society and the great contribution they can make for their industry as well as the entire economy. If every citizen works with such an attitude towards respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservative and rigid thought process which is the biggest barrier in our country’s development process. We can promise ourselves and make a sincere commitment of contributing to the field of women entrepreneurship at individual level which un-doubtedly bring drastic positive change in growth and development of women entrepreneurship at country and even at a global level.

**References**

In today’s turbulent times, many changes are taking place across the globe and the most prominent change, which comes to notice, is the changing role of women in today’s society. The traditionalistic role of women is a thing of the past. Now women are exploring new and innovative avenues to prove their self worth to themselves and to the society. With the rise of education statistics for women, they have more power in their hands. Hence they are taking multiple roles of corporate professional, entrepreneurs, businesswomen, homemakers, teachers, etc. But their success story is not as glamorous as it sounds. They have had their share of problems, challenges, prejudices, failures, and pressures from home front, which are not allowing them to contribute significantly to the overall development of women entrepreneurship in India. Hence the paper would try to understand the current status of women entrepreneurship in India and the world, would highlight success mantras, challenges and opportunities, role models, and develop a framework which would give out strategies to be implemented in order to promote women entrepreneurs at a more serious level. The paper would also divulge various efforts that could be made both at the elementary level and economic level, which would ultimately lead to a scenario where India can be called equivalent to other developed nations on the statistics pertaining to women entrepreneurship.

Introduction

The concept of Women Entrepreneurship pioneered in India around 1970 with the
celebration of the Women decade from 1975 to 1985. In 1980s and 90s, an increasing number of women started to enroll for engineering and management programs. Many of them entered various fields like software, technology, management, banking, telecom, consulting, hospitality and other industries.

However, the number of women reaching the top management grade is still low. There are a lot many social and cultural factors which act as impediments for women to stay on the top.

The traditional set-up of women is now breaking down, and there is an emergence of new class of women who are much more empowered than before. They are willing to go the extra mile and beat the competition by being independent, confident, sacrificing their personal goals to meet their professional aspirations, willing to step into the shoes of “powerful men” and also outperform them. The age-old shackles of being burnt in the fire called as “Sati” is no longer accepted and a new era of women ruling the world has come up.

Even the Companies Bill (which just got passed in Lok Sabha and Rajya Sabha and is waiting for the President of India’s approval to replace the age old Companies Act, 1956) recognizes this fact and has laid down provisions for Women Directors which states that there needs to be an appointment of at least one women director on the Board of the Company.

Across the globe, women have succeeded to join businesses and it’s high-time that India also moves on the progressive path and ensures equal role for men and women.

The facts look impressive but still the gender disparities and inequalities in India are a stark comparison to the other nations. A mammoth task lies ahead to be taken up and resolved.

The figure shows that while India’s scores around the mean gender gap index overall (horizontal axis), its score for women’s economic participation and opportunity is below the 5th percentile of the distribution (vertical axis). This again throws light on the fact that a lot needs to be done in India per say to fill this gap and remove inequalities.

Efforts are being made both at economy level and individual bodies level to introduce many programmes and opportunities where women can participate in a big way. Organizations like Federation of Indian Women Entrepreneurs, smallB (a SIDBI initiative), Consortium of Women Entrepreneurs, Self Employed Women’s Association are conducting landmark activities and programmes to promote women entrepreneurship in India.

**Literature Review- Women Entrepreneurs**

The government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital, and giving at least 51% of employment generated in the enterprise to women (Bhargava, 2007).
There could be many reasons as to why women would like to be an entrepreneur. Some of the most accepted notions for this have been – need for financial security, supporting their families, pursuing their hobbies, to follow their ambition and chart out their growth story. Even after initiatives of the government and autonomous bodies, the growth story is far from being positive.

The status of India of women entrepreneur is not very encouraging if we look at the world figures:

**Figure 2**
**Gender comparison**

Source: Global Entrepreneurship & Development Institute.

Women tend to choose different industries to work then men, as it is being considered that women entrepreneurs belong to a different breed and they need to work in less important industries than men do. Why is this discrimination?

Mostly women are entering into certain businesses like: handicrafts, jewellery, textiles, designing. There is still a lot of scope for them to enter the male-dominated sectors like construction, engineering, automobile, etc.

Starting a new business venture is not easy. There are a number of hurdles which one needs to cross in order to survive and grow in business. And if you are women, you might have to bear an additional hurdle of facing the cultural and societal factors, which demotivate her to sustain in the business. There may be lack of education, skills, training, money to continue the business, but it would take courage to continue and beat the society and tell the world – I have it in me and I am going to be a “successful” women entrepreneur against all odds.

The combination of pull and push motives and effective mentoring, personal characteristics such as risk of failure, educational level, creativity, innovativeness, ambitiousness and marital status are important for the encouragement of women entrepreneurship to start up a new business (Nicholas and Victoria, 2010; Nan and Maria, 2007).

Rajeswari and Sumangala state that “the quest for economic independence and better social status and sometimes sheer need for the family’s survival, force women into self-employment and entrepreneurship” (Pillai and Anna, 1990).

**Major Challenges And Difficulties Faced By Women Entrepreneurs In India Are**

- Financial problems
- Limited access to good networks
- Work-life balance
- Gender inequality
- Lack of proper training and relevant experience
- Domestic competition
- Lack of confidence

**There Could Be Various Types Of Women Entrepreneurs, Which Can Be Summarized As Follows**

- Women entrepreneurs in organized & unorganized sector
- Women entrepreneurs in traditional & modern industries
- Women entrepreneurs in urban & rural areas
- Women entrepreneurs in large scale and small-scale industries.
- Single women and joint venture entrepreneurs.

Women are entering varied fields of business and are not restricted to only small scale and services. This again proves the outward shift happening at their front. The latest trends clearly depict that women are becoming a part of almost all the industries and not just the traditional ones like teaching, services, small scale, etc. The figure depicts the composition of women entrepreneurs across industries in various Indian cities.

**Figure 3**
**Analysis by city and industry.**

This change of occupational pattern is a positive sign of situation changing in India. The reasons can be many, but what needs to be seen is the status of India in terms of women entrepreneurship figures. Positive and concrete growth has taken place in the last two decades is various areas of Indian society. Be it housewives becoming MD’s, marketing wizards, chefs, PSU’s heads, media barons, social activists, the list is endless. Infact, women entrepreneurs are making their presence felt in so called “male industries” like tractors, plastic, cement, automobile.

**Growth Of Women Entrepreneurship Through Women Empowerment**

“The Corporate Gender Gap Report, 2010, of the World Economic Forum reveals that out of a sample of 30 member-countries of the OECD and BRIC, India had the lowest percentage of female employees (23%), followed by Japan (24%), Turkey (26%) and Austria (29%), in Representation of Women in Business.” (Economic Times, 2013)

Hence, there is all the more need to empower the women of today in order to lead to more opportunities for income and employment generation. There is a close relationship between women empowerment and the level of social and economic development of any country. Women represent half of the human resource of a country. If they are neglected and not treated well, then almost half the development of the country is at stake.

The government of India is also undertaking measures to empower the Indian women. There has been a shift from “welfare” oriented approach in the First Five Year Plan to “development” and “empowerment” of women in the consecutive Five Year Plans. Also, there have been various schemes for assistance provided by Ministry of Women and Child Development; Central Social Welfare Board (CSWB); Ministry of Human Resource Development, Department of Education; Ministry of Rural Development; Ministry of Social Justice and Empowerment; Ministry of Labor & Employment, etc for the empowerment and development of women. The National Policy for the Empowerment of Women with the objective of bringing about advancement, development and empowerment of women in all walks of life has been formulated. These schemes aim to work on certain critical areas like:

- Women and poverty
- Education and training of women
- Women and health
- Violence against women
- Women and armed conflict
• Institutional mechanism for advancement of women
• Human rights of women and many other initiatives

Some indicators depicting the progress in the situation of Indian women are given in the table below:

### Table 1
**Progress of Indian Women, 2008**

<table>
<thead>
<tr>
<th>Development Indicators</th>
<th>Women</th>
<th>Men</th>
<th>Total</th>
<th>Women</th>
<th>Men</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demography</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Population (in million in 1971 &amp; 2001)</td>
<td>264.1</td>
<td>284.0</td>
<td>548.1</td>
<td>455.7</td>
<td>531.2</td>
<td>1027.1</td>
</tr>
<tr>
<td>- Decennial Growth (1971 &amp; 2001)</td>
<td>24.9</td>
<td>24.4</td>
<td>24.5</td>
<td>21.7</td>
<td>20.9</td>
<td>21.34</td>
</tr>
<tr>
<td><strong>Vital Statistics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sex Ratio (1971 &amp; 2001)</td>
<td>930</td>
<td>-</td>
<td>-</td>
<td>933</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Expectation of Life at Birth (1971 &amp; 2001-06)</td>
<td>50.2</td>
<td>50.5</td>
<td>50.9</td>
<td>66.9</td>
<td>63.87</td>
<td>-</td>
</tr>
<tr>
<td>- Mean Age at Marriage (1971 &amp; 1991)</td>
<td>17.2</td>
<td>22.4</td>
<td>-</td>
<td>19.3</td>
<td>23.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>Health and Family Welfare</strong></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>- Birth Rate (1971 &amp; 2008)</td>
<td>-</td>
<td>-</td>
<td>36.9</td>
<td>-</td>
<td>-</td>
<td>22.8</td>
</tr>
<tr>
<td>- Death Rate (1970 &amp; 2008)</td>
<td>15.6</td>
<td>15.8</td>
<td>15.7</td>
<td>6.8</td>
<td>8.0</td>
<td>7.4</td>
</tr>
<tr>
<td>- Infant Mortality Rate (1978 &amp; 2008)</td>
<td>131</td>
<td>123</td>
<td>127</td>
<td>55</td>
<td>52</td>
<td>53</td>
</tr>
<tr>
<td>- Child Death Rate (2007) (0-4 years) (2007) (5-14 years)</td>
<td>-</td>
<td>-</td>
<td>16.9</td>
<td>15.2</td>
<td>16.0</td>
<td>-</td>
</tr>
<tr>
<td>- Maternal Mortality Rate (1980 &amp; 2006)</td>
<td>468</td>
<td>-</td>
<td>-</td>
<td>254</td>
<td>-</td>
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<td><strong>Literacy and Education</strong></td>
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<tr>
<td>- Literacy Rates (1971 &amp; 2001)</td>
<td>7.9</td>
<td>24.9</td>
<td>16.7</td>
<td>54.28</td>
<td>75.96</td>
<td>65.38</td>
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<tr>
<td>- Gross Enrolment Ratio (1990-91 &amp; 2006-07) [%]</td>
<td>85.5</td>
<td>113.9</td>
<td>80.1</td>
<td>107.8</td>
<td>114.4</td>
<td>111.2</td>
</tr>
<tr>
<td>- Drop-out Rate (1990-91 &amp; 2006-07) [%]</td>
<td>47.8</td>
<td>76.6</td>
<td>62.1</td>
<td>69.5</td>
<td>77.4</td>
<td>73.6</td>
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<tr>
<td>Classes I-V</td>
<td>46</td>
<td>40.1</td>
<td>42.5</td>
<td>26.6</td>
<td>24.4</td>
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<tr>
<td>Classes I-VIII</td>
<td>-</td>
<td>-</td>
<td>45.3</td>
<td>46.6</td>
<td>46.0</td>
<td>-</td>
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</table>

The Main Factors Thus Contributing Towards Empowerment Of Women Are

- Increased literacy and education levels across states
- Change in social and economic development of the country
- Better government initiatives to motivate women to work well
- Growing cost of living to meet the daily needs of life
- Need for women to support the family financially
- Entering of more MNCs and development of private sector, providing better opportunities for women to work
- Fostering of new concepts in the organization like work-life balance, flexi-timings, equal opportunity at the workplace, diversity of the workforce, etc.
- Coming up of nuclear families, wherein the concept of DINK (Double Income, No Kid) is gaining importance
- Increased participation of women in day-to-day decision making
- Availability of new types of products and services like instant foods, crèches, which enable women to spend more time working.

The empowerment of women will depend both on the current status of women in the society and also the expected role the society wants the women to play in the long run. This will in turn shape up the women entrepreneurs of India.

**Initiatives By Government & Corporates**

Also, to promote women entrepreneurs, many companies are taking initiatives to mutually benefit, in terms of helping the women to start their own businesses and in turn they benefit by building their reputation and contributing socially towards the community and the society. One such example is of “Project Shakti” undertaken by Hindustan Unilever Limited. (HUL).

HUL in this project build a distribution system through a network of women micro-entrepreneurs to get the product directly to consumers. This helped women entrepreneurs to start their own businesses and improve upon their standard of living. The company benefitted by extending its reach into rural areas and has tapped the interior parts of the country. The basic belief was that by giving additional income to women, it would lead to greater benefits for the household as a whole and enhance the livelihood for the family.

Government help is also forthcoming by the means of Microfinance facilities available (Self-Help groups) where women can come together for some business and work for their independence.

Shashi started the Consortium of Women Entrepreneurs of India (CWEI) in Delhi in 1996 and has trained women in the embattled country known for its anti-women extremist group, Taliban. The soft-spoken lady is also a member of the national board of the Ministry of Micro, Small and Medium Enterprises and an international consultant on enterprises development with a specialisation in gender in business. The sectors where the organisers were unable to find women entrepreneur partners for the Afghan all-woman business delegation in India include pharmaceuticals, cargo and shipping, heavy tractors, road construction and information technology.

**Success Story Of Successful Women Entrepreneurs**

Whatever has been said about the issue, women Entrepreneurship is still not a reality. Equal opportunity between men & women is not the truth.

This is barring the fact that it has been proven that women can be better managers & leaders. They are a perfect blend of task & people orientation. There is also going to be some difference in the kind of culture that a women entrepreneur would cultivate in her organization based on strong fundamental values and concern for all.

India can have more women entrepreneurs, if the position of women in the society improves further and proper training programs are initiated for their long term sustainability. The support from family members will also play an important role for their success.

Recent surveys conducted in several countries by the National Foundation of Women Business Owners (NFWBO) indicate that women-owned firms involved in the global marketplace have greater revenues, are more optimistic about their business prospects and are more focused on business expansion than women-owned firms that are domestically oriented.

Some progress has taken place in this direction. We have Ms. Sunita Choudhary, the first female auto rickshaw taxi driver...
in North India. Some other examples follow.

Some Of The Famous Women Entrepreneurs, Who Have Earned Respect Internationally, Are

Oprah Winfrey: She is the founder three times over: Founder of Harpo Productions, the Oprah Winfrey Network (OWN) and founder of the Oprah Winfrey Leadership Academy for Girls.

Kiran Mazumdar-Shaw: India’s first biotech entrepreneur Kiran Mazumdar-Shaw founded Biocon in 1978 when she was 25 by partnering with an Irish firm to make industrial enzymes.

J.K. Rowling: It was wizardry that transformed J.K. Rowling from a destitute single mother on welfare into a best-selling billionaire. Her adventures of teenage magician Harry Potter and his classmates at Hogwarts became a children’s literary sensation in 1998 with the U.S. publication of Harry Potter and the Sorcerer’s Stone. It and the six subsequent books have now sold 500 million copies worldwide. A film franchise and theme parks have kept the profits rolling in, making J.K. Rowling far more than just an author by anyone’s measure.

Cher Wang: She and CEO Peter Chou cofounded HTC in 1997, and have remained as its leaders as it developed from a manufacturer for other smartphone companies to a leading Android brand.

Diane von Furstenberg: The Belgian-born von Furstenberg may have begun designing clothing in 1970 with $30,000, but has since risen to the top of the industry, now wielding the power of the president of the trade association of the country’s top 350 designers.

(Source: Forbes “The World’s Most Powerful Female Entrepreneurs, 2013” 22 May 2013)

Some of the famous Women entrepreneurs in India are:

Kanika Dewan: After doing her Masters in Finance from Wharton Business School, Dewan decided to become an interior designer. And recently her company ‘Bramco’ has designed the floors of IGI’s Terminal 3 airport.

Nidhi Saxena: The person behind Karmic Lifesciences is a contract research organization. It specializes in Oncology Cardiovascular, Neurology and Diabetes. Karmic conducts clinical trials and provides clinical data management to pharma companies, like Novartis International, Bayer AG and Cipla.

Vijaya Pastala: Her enterprise has a Rs 60 lakh turnover from selling honey! The packaged products are sold online, delivered to over 100 shops in Mumbai and Bangalore, as well as to a lot of B2B partners like Taj Hotels.

Sneha Roy & Sananda Misra: Toptomato.in by Sneha Roy & Sananda Misra is an online platform for ordering all household items. TopTomato was launched in the month of September, 2012 by Sneha Roy and Sananda Misra, graduates from Indian Institute of Technology, Kharagpur, with varied experience of working in the FMCG sectors. The venture is self-funded and the seed capital was about Rs 5 lakhs.

Mitali Kalra: She has started a chain of health food cafes in India by the name of Zao Foods. She pumped in Rs 14 lakh from her personal savings. A year into operations, her turnover is Rs 25-30 lakh. Till date, she has invested Rs 30 lakh, but expects to earn Rs 35-40 lakh by end of 2013.

Uniza Tasneem: She is the founder and director of Koramangala-headquartered Daria System, a hospital management solution enterprise. They manage the financials of healthcare sector mainly superspeciality & multispeciality, large &
medium hospitals, nursing homes, diagnostic centers, laboratories, multispecialty clinics and pharmacies by providing customized software solutions.

(Source: Economic times “Success stories of six inspirational women entrepreneurs” 4 July 2013)

They have been successful to break the myth that women-led businesses are unable to grow beyond a certain limit. In fact, women have been endowed with natural qualities to be an entrepreneur. They are better than men in certain areas and they are able to take up multidimensional roles with ease.

**Figure 4**

*Entrepreneurial Women And Multidimensional Roles*

Source: a research study on work life balance for women, [www.moneychat.com](http://www.moneychat.com)

Infact, this success can be attributed to many characteristics that women possess that is not the forte of the men. Both nationally and internationally, women have proved that they have an edge over their counterpart because of certain peculiar and desirable traits.

**Some Strong Traits Of Women, Which Make Them Successful**

- To care for and be sensitive to everyone’s needs
- To communicate effectively
- Using intuition and rationale both in decision-making
- To be organized and systematic in their dealings
- Building long-term and sustainable relationships
- To treat everyone as equal
- Considering the cultural differences and adapting to it

**Conclusion**

There needs to be a radical shift in the attitude of the society as to how it perceives women. The traditional male-dominated attitude of the society cannot hold longer. There is a dire need to provide appropriate training and development for women entrepreneurs. This will change the way people view role of women in the society.

There has been a sudden rise of women entering the workforce with better amenities for women to fulfill their professional dreams and aspirations. This can be attributed to higher education levels, better medical facilities, higher standard of living, better economic development leading to increased demand for new types of products and services. This has further contributed to the notion that the income of just the male counterpart is not sufficient to meet the entire family needs. Mostly women are joining the workforce to support the husband and contribute towards the family growth and development due to the rising cost of living and to ensure a comfortable living for the entire family.

At this critical position, self-employment is the safer way to generate income and empower the women of today. In addition, self-employment also changes the position of women from being job-seekers to job givers. And being 49% of the of the population, they can provide massive impetus to the economic development of the Indian economy if proper and concrete measures are undertaken. Infact, it would not be wrong to say that in certain areas, women can prove to be better entrepreneurs than men because of their innate qualities.

As said by some famous women entrepreneurs, now it’s the time for women entrepreneurs to fly high:
“Whatever you do, be different – that was the advice my mother gave me, and I can’t think of better advice for an entrepreneur. If you’re different, you will stand out.” Anita Roddick, founder of The Body Shop.

“A woman with a voice is by definition a strong woman. But the search to find that voice can be remarkably difficult.” Melinda Gates, philanthropist, co-founder and co-chair of the Bill & Melinda Gates Foundation.

“My philosophy is that not only are you responsible for your life, but doing the best at this moment puts you in the best place for the next moment.” Oprah Winfrey, American television host, actress, producer, and philanthropist.

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In today’s world with rapid advancement and changes all around we are witnessing visible transformation at workplaces matched with rising expectations of both employees and employer. With revolution in employee satisfaction and transforming employees into leaders the complete way of leadership has undergone a sea change.

We have learned about Baby boomers, Builders and other generation through which the present day workforce popularly called as Gen Y, Millenials, and Google generation and also i-generation has evolved. Unlike the traditional work practices, functions, polices and centralized way of leading the workforce today’s organization adopt and implement strong employee centric, talent focussed and leadership building culture at their workplaces. With expansion in technology, privatization, dispersed growth of service sector, rising standards, role of foreign investment in service sector like education, changing mindset of common man and a high rising professional attitude along with high awareness of customers the complete scene of competition and expectation leading to satisfaction has changed.

The characteristics attitude, expectations and work style of this generation is entirely different from the earlier generations. This generation is the most recent, competent risk takers, creative and expect job autonomy and friendly relationship. At times organization find it difficult to manage this Gen who works along with managers belonging to earlier generations. HR department needs to realign the expectations, capabilities and future goals of organization in a way to

Keywords
Gen Y, workforce management, competitive advantage, workplace, practices Work life balance
improve the HR deliverables. Organizations cannot ignore or postpone tapping the potential of this highly dynamic workforce and need to manage the performance and sustain them for long to yield competitive advantage.

The purpose of present paper is to focus on changing mindsets and workplace practices based on Gen Y, their key characteristic aligned with betterment of organization and rejuvenating the workplaces to suit to the need of this Generation. Based on a detailed conceptual overview based on practices adopted in different organizations it can be said that organizations need to be proactive and passionate along with being creative to best utilize this immense potential. The paper helps in getting insights for organization to understand the distinct role that Gen Y plays and rethinking over more contemporary ways to manage this vigorous workforce who will build talent base for future successions, career planning, and leadership position thus create a sustainable leadership advantage for the organizations.

Introduction

A lot is been talked and is been done at government level about the way entrepreneurship is been initiated. Today when generating employment and need of skilled workforce all over the globe is the concern we cannot ignore the role the recently entered Gen Y or Millennials. This is the most recent generation in which India is younger and thus has wider scope of sustaining itself in future also exists. Talking about this for organization the biggest benefit and potential lies in utilizing and creating workplaces suitable to Gen Y as it is a generation that is highly innovative, creative, enthusiastic, autonomous and has a high sense of accountability and expects an open, congenial, comfortable and flexible work environment where it does not hesitate to perform at its best. Thus through this paper an effort is been made to understand how by building talent pipeline through effective management of Gen Y a highly self dependent, innovative and advanced culture can be created thus building future leadership pipeline and successors.

Witnessing today’s competitive work environment and increased competency amongst the available workforce today’s workplace are no longer employer centric where employees are bounded by principles of limited rationality and defined work procedures and defined specified skills and resulting rewards. There is a wide “Demographic Metabolism” which can be defined as change in workforce when new successive generation enters as workforce and this gives rise to “cohort effect” which means when there are clashes, tensions, conflicts which ultimately leads to transformation after the differences in the generation finally settles. Today’s changing workforce (known as GenY) is entirely different. They have their own ways of working, expecting, performing, leading, directing and getting controlled, the expectations in terms of autonomy, work pressures, loving the job and ways of feeling committed are also beyond the traditional ways of management. Today’s Gen Y wants creativity at work, own devices to work with, informal environment to work in high interaction and participation matched with lowest interference and highly innovative work culture. With so different mindset, diversity, expectations ensuring right person, right work in right way, consistent performance and aligning their goals with goals of organization is the most challenging task.

The very purpose of this paper is to understand the competencies of this Gen Y the Millennial and how by understanding their mindsets the chances of conflict between the managers and millennial can be reduced for the organization well being and different initiatives and strategies to create work friendly practices for this dynamic and energetic workforce and also
understanding the differences that they can bring for organization to yield sustainable competitive advantage in future.

The basic objectives of the present paper is on-

1. Understanding the ‘Gen Y’ and their basic characteristics

2. Understanding different work practices adopted to create flexible and Gen-Y friendly environment

3. Focussing on improvement areas required to improve compatibility between expectations of Gen Y and work practices

Core Competencies required to manage today’s workforce

After understanding the basic traits of Gen Y it is quite evident that in order to manage these millennial few important orientations as perceived by Millennials to be understood in managing them, the nine different perceived orientations are-

Autonomous, Entitled, imaginative, self absorbed, defensive, abrasive, myopic, unfocussed and indifferent

and each of these orientations have their own intrinsic values that help managers to devise plans, engagement and retention policy accordingly to manage this workforce in most effective manner

Friendly practices for managing Gen Y

The internal communication should be highly enriched

The concept of Reverse mentoring the older folks should be initiated to strengthen their loyalty, involvement and engagement

Introduce innovative concept to make this generation feel informal environment or home like in performing their best like BYOD(Bring your own device, Pizza Hut ringing the bell, Wrist band concept in IT –Ites to generate informal working, no defined structural barriers rather having comfortable sofas or relaxing chairs etc)

Make each day informal and special to celebrate along with working like leaving free space for people to play and enjoy, Mazaddar Mondays, Fun Fridays, Home shanty Home concept, Hobby clubs and classes etc.

Encouraging social work and fostering the spirit by encouraging volunteers

Providing best trainings to update their skills and investing in their skills

Connecting socially through social network and realizing the potential of social media in this even within the organization

Adopting more transparency and two way communication for effective results

Appreciating and giving credit as they expect more appreciation and recognizing the talent

Giving challenging assignments and listening to innovative and different ideas and even operationalize if feasible to strengthen loyalty

Believe more in cash prizes as they believe in this more

Compensate in different ways right from recreational facilities to sponsored holidays and practicing open communication channels

Developing young leadership talent for the benefit of organization by creating a sustainable leadership pipeline

Being more techno savvy and investing in e-learning or blended learning to ensure quick learning
Identifying the improvement areas in Gen Y

Based on the research findings of Ashridge Business School from 2009 the following areas requires improvement in Gen Y-

**Generating self awareness** - This generation seems to be low on understanding the impact of their behaviour and action on others and thus are becoming more self centre, thus focussing on developing the skill of self awareness or emotional competence is a must for them to become complete leaders.

**Improving self management** - This generation also needs to be taught about self management whether with respect to time manageme, reflexive learning so that as initiators and self starters they should be able to manage themselves and bring difference in others as well.

**Sharpening their communication skills** - It was also found in the study that at times this generation lacks in written communication, grammatical errors thus consistent training in communication is required.

**Developing more independent thought** - It is seen that though this generation are risk takers but at times are also seen to be risk averse, thus either through training, feedback, assessment care should be taken to make them think independently and create difference.

**Developing problem solving skills** - It is also important that this generation should learn more problem identification, analysis and interpretation skill to come to rational and more vigilant solutions so that they are able to perceive situations in different manner and ensure sure success.

**Developing Team spirit** - Because it is commonly seen that this gen y believes more on meritocracy and individualism where most of the times they do not like sharing their credit with others this may create problem in organizational setting where team work or consensus may be required thus training the millennials and designing suitable work policies and work structures in a way where by setting super ordinate goals team spirit can be generated.

**Developing customer and business awareness** - One drawback commonly seen in this generation is lack of awareness about customers, business, its foundation due to which their attachment and involvement in organization is hampered. Thus it is important to brief this generation about the rituals, beliefs, success stories of the organization and thus building loyalty towards organization.

**Generating Risk awareness** - It is commonly seen that risk taking ability is still comfortable but analyzing risk and judging poor and good risk in business so that their employability skills can be made better.

**Key characteristics of Gen Y**

This workforce is extremely articulate and are well aware about what is happening in their surrounding.

They possess high entrepreneurial attitude and a defined and focussed vision behind every move.

They believe and desire such jobs or challenging task that involves entrepreneurial autonomy along with varied learning opportunities.

They love interacting with their seniors, leaders and understand an effective leadership pattern that in long term may help them to become leaders.

They believe in transparency and quick assessment, they are highly demanding and expect a logic or rationale behind every move.

High level of self assertiveness, ambitious attitude, self confidence and
a spirit of doing things right irrespective of all circumstances exists in this generation

They do not believe in organic growth are multi-taskers and do not have confined or specialized thought process rather have and reflect generalist approach

They believe more on creating a work life balance rather than on stability thus the believe on job mobility is an important belief

They believe in enriched work styles thus the threshold of boredom and monotony is low and believe in making work life more and more flexible

They are highly tech savvy and believe in immediate satisfaction of needs may be that is the reason this generation is also known as Google generation

Less focus on others and more on others

This generation prefers on-line learning or virtual learning rather than classroom session and quick justification and rational arguments

The level of feeling of engagement is low in comparison to other generation They believe more in discussion rather than one way learning

They believe in inspirational leadership and respect managers who can treat them as human beings employees rather than as employees

They are motivated by managers who are ready to work with them and is one amongst them rather than as big hierarchical silos

Strategies for creating flexible workplace to enhance GenY effectiveness:

Rigorous pre-employment testing should be conducted so that if any gaps exist between learning and behaviour exist can be understood and worked out

- Clarity in interviews and transparency should be adopted so that commitments and expectations should not be different
- Understanding the expectations and learning should be understood so that better retention strategies can be operationalized and the myth that this generation has low stability level is possible to work out
- On-line coaching and two way mentoring in a consistent way is the key for developing their present and making them feel comfortable with their job
- Develop new learning strategy suitable for organization and engage employees as facilitators also to refrain them to avoid learning
- Identify new ways to evaluate learning so that change in behaviour can be noted and new behaviour acquired can be judged for the well being of organization
- A supportive environment is required to be developed in which new ideas, creativity, innovation, a positive attitude through constructive feedback can be provided.
- Mentoring on regular basis is important to be adopted that too from a manager who can understand their feeling an respects young people
- Good opportunities to get trained with most up to date technology should be initiated
- Challenging traditional ways of management like work time flexibility and focus on performance rather than on timings and sitting should be avoided this will work as a wonderful retention strategy
HR strategies required to utilize Gen Y

In order to maintain and ensure availability and right utilization of Gen Y it is important for organization to see that HR tenets in order to prepare the value chain is ready to utilize them. The following initiatives may help-

**Attracting the Gen Y** - Because this generation may hesitate posting their resumes in recruitment cell for organization other options like through social networking sites and referrals procuring right person with right energy can be identified. Similarly a flexible workplace culture may also help in attracting right talent.

**Focus On Professional Growth And Development** - Regular training programs focussing on updating skills and developing right attitude should be focussed where the millennial feel that organization bothers about them

**Managing The Rewards** - Gen Y believes more in cash rather than other form of compensation also they believe in quick and prompt recognition and morale boosting. They are open for positive criticism in a constructive way so HR has to think beyond the conventional ways of performance and focus on making this talent effectively utilized

**Thinking Beyond Employee Engagement** - Organizations need to adopt entirely different approach and there are multiple ways by which they can be managed. Apart from routine ideas out of the box process is required to keep them engaged. For example at Google20% of time employees spend in generating innovative ideas, similarly creating social communities to interact with one another is also a welcoming approach. Similarly engaging them in CSR activities, engaging their voluntary participation in different social activities is also welcomed.

**Creating Work Life Balance** - This Gen believes in equally participating in social, cultural, religious, educational and entrepreneurial activities. The policy of flexitime, compressed work weeks work from home compulsory leaves, day care facilities, and gym can also help to motivate and create a balance in personal and professional life.

**Deploying Best IT Skills** - Best IT and collaboration tools have to be utilized through a highly collaborative tool called integrated workforce experience (IWE), this helps employees to connect the right people with right expertise, resources and content at the right time, regardless of geography. This also helps employees to communicate more effectively whether they are anywhere.

**Organizational Strategies For Managing Gen Y And Building Future Leadership Pool**

**Shadow Boards** - This is a strategy to give young managers(selected ones) to give opportunity to interact with group of executives .Boards have 7-9 members who rotate every 2 years so that large pool of talented youngsters in form of talent pool can be created to interact with top management. This is a badge of honour for them and strategy for effective talent management. This also helps in generating creative thinking to the organization.

**The Mahindra War Room**-This program was initiated in 2007 whose focus is to identify and provide opportunity to the brightest of brain of top student of business school in India to teach them to strategize themselves. Under this program the Mahindra business leaders share challenges that keep them awake at night which are then developed into case lets and is been disseminated to different business schools. After evaluating by a team of experts of Mahindra panellists the top team are been given opportunity for National finals. Thus best of young talent
is been identified and the experience helps in developing leadership potential.

**Mahindra Auto Quotient** - This quiz is a highly motivating opportunity for all automobile lovers to get an opportunity since 2006. In 2008 this was extended to all employees of Mahindra group and later on launched in different engineering colleges all India and the winners of this quiz are been given projects and internship opportunities.

**Fireside Chats** - The fireside chats at M&M is a platform top open direct line of communication between the top management and young managers. This platform allows open communication informally between the top management and the young managers. It helps in removing the hierarchical silos and helps in discussing informal ideas. It is conducted on quarterly basis and attended by participants in age group of 25-35 across Mahindra group. These chats are telecasted live on the intranet and are available for all to see.

**Mahindra ESOP’S** - Employee social option plan is a structured process of catalysing and facilitating large scale employee volunteerism in community activities which focuses on girl child education from disadvantaged section with special emphasis on green cover. Many employees voluntarily participate every year in developing leadership abilities and connecting with their own selves in a deeper sense and this is voluntary for all entry level employees.

**At Tata Chemicals** when organization realized people are spending more time in tour, travel, meetings rather than interacting with others in order to manage the talent and the Gen Y the following initiatives were taken-

**Year of the people** was a program started in 2008 as a medium to foster people interaction and creating a conducive work environment the purpose is to keep the employees informed what is going in the company and through this involvement and attachment to the company can be initiated.

**Friday Talkies** - In this the first and fourth Friday of month is declared as Home station days. Care is been taken to avoid any travel, meetings or extended touring so that they can spend time with their families.

**Home Shanti Home** is a concept that makes employees to leave from offices in time. Lights are off once the office time is over except in urgent schedules this helps in creating an excellent work life balance.

**Fun @ work- Oorja** is an annual cultural festival aimed at enhancing learning and development and developing culture of responsiveness and teamwork within a 3,500 strong family of TCL employees spread across India. Similarly **Mood Monitor** is acute bright yellow device that allows every employee to indicate his or her mood by simply moving a hand. The idea is to lift the spirits of a sad or angry colleague and help them when they are puzzled. **Cheer Ring**- is a brass bell that is hung at offices at TCL all across India. All good, bad, achievement or fun announcement can be made to share excitement; fun, festive mood and thus a sharing platform can be created .this helps in creating a vibrating and exciting place to work in. Similarly several **Hobby clubs** are there based on interest like **HOPE** (Harnessing opportunities for people empowerment), **XPLORES** is another club at TCL Mumbai adventure to help employees with a passion for the outdoor and adventures. Similarly TCL face book helps in connecting people through social media and through this employee also connected with other that help them to interact with next generation.

**Rejuvenating Culture** - Another important strategy adopted at Zensar to utilize the talented Gen Y .They believe in creating a culture based on five 'F' - focussed ,fast flexible, friendly and
fun. This helps in creating a collaborative environment which helps in fostering encouragement and employees give their best.

Similarly at Zensar identifying 10-15% of the associate base as critical talent with special care provided to draw up comprehensive development action plan, engage this identified talent base and frequent leadership patterns and behaviour for the right utilization of resources.

**Conclusion**

Based on the discussion it can be inferred that organizations cannot imagine and keep themselves isolated from the changes happening and the way workplaces are getting transformed.

In context to effective talent management and building sustainable leadership patterns the need is to focus on changing perspectives faced by present day workplace. With emergence of Gen Y the complete realignment of HR polices, work culture, work environment, surrounding pressure and rising expectations it is important to redesign the culture and prepare people to be aware of ways and means to contribute in creation of collaborative work culture. Because this generation cannot be defined by chronological age but by their need and ability to connect with large universe and social media, gadgets and technology has made it possible.

Gen Y has made people believes that doers and thinkers are not different and what is required is to develop an ability to listen and act carefully and in a participative manner as correctly said by Franklin Roosevelt “we cannot build future for our youth but can prepare our youth for future“. It is important for the organization to think and rethink the best ways to capitalize on this Gen Y ability and competence as a competitive advantage to build tomorrow’s leaders or leadership pipeline.

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In the sphere of finance, every company finances its asset through some combination of equity, debt or some hybrid securities. Many theory has suggested different measures for firms capital structure, sometimes use of debt and equity both, assuming no other costs (Modigliani & Miller) and thus having no impact on the profitability of the firm. Sometimes, it is said there is an influence of many factors affecting its decision (Pecking order & Agency Theory). Other, theories suggested that the risk pertaining to liquidity and bankruptcy should be well evaluated before the inclusion of debt in the capital structure. The other theories also suggest that there is a relationship between the stock prices, the earnings and the payouts of the company. Development of various ratios like ROCE, ROI, RONW, etc.

However, there was one thing common to all these theories i.e., providing adequate source of finance for the firms and every effort was made to optimize the Cost of capital or increasing the profitability of the firm. This paper tries to show that how the mix of different capital structure elements affects the profitability of the firm. The paper suggests a linear model to explain this anomaly. The tools used for the study is a typical ordinary least squares (OLS) time series model. We have taken three equations under consideration for our study. The First equation is based on absolute value of earnings on different variables. On the other hand, the second and third equations were used to calculate the impact of different ratios on return, whereas, the second equation determines the impact of capital structure on profitability, while the third equation establishes the effect of working capital on return on assets. The study shows the impact of loan fund on the profitability of
IFCI and the possible measures we can take to reduce this calamity.

**Review of Literature**

**Capital Structure: Theory**

A basic model of capital structure determination has derived from the with-taxes Modigliani and Miller (1958, 1963) model with expansion to incorporate the financial distress costs of debt. This traditional static trade-off theory can be characterised by the assumption that capital structure is optimized with management weighing up the relative advantage of the tax-shield benefits of debt against the increased likelihood of incurring debt-related bankruptcy costs (Myers, 1984).

However, in seeking to model the wide diversity of capital structure practice, a number of additional factors have been proposed in the literature. First, the use of debt finance can reduce agency costs between managers and shareholders by increasing the managers’ share of equity (Jensen and Meckling, 1976) and by reducing the ‘free’ cash available for managers’ personal benefits (Jensen, 1986). It may also encourage managers to perform better in order to reduce the likelihood of bankruptcy, which is costly for managers (Grossman and Hart, 1982). Conflicts between debt-providers and shareholders arise because the debt contract gives shareholders an incentive to invest sub-optimally in very risky projects. This implies an agency cost of using debt finance. Jensen and Meckling (1976) argue that an optimal capital structure can be obtained by trading off the agency costs of debt against the benefit of debt, in what might be termed an extended trade-off model.

Second, Myers and Majluf (1984) argue that, under asymmetric information, equity may be mispriced by the market. If firms finance new projects by issuing equity, under-pricing may be so severe that new investors gain more of the project NPV to the detriment of existing shareholders. This may lead to an ‘underinvestment’ problem since such projects will be rejected even if the NPV is positive. This underinvestment can be reduced by financing the project using a security that is less likely to be mispriced by the market. Internal funds involve no undervaluation and even debt that is not too risky will be preferred to equity. Myers (1984) refers to this as the pecking order theory of capital structure. The description follows earlier empirical work by Donaldson (1961), in which he observed that managers preferred to fund investment initially from retained profits rather than use outside funds. This preference led firms to adopt dividend policies that reflected their anticipated need for investment funds, policies which managers were reluctant to substantially change. If retained profits exceeded investment needs then debt would be repaid. If external finance was required, firms tended first to issue the safest security, debt, and only issued equity as a last resort.

Under this model, there is no well-defined target mix of debt and equity finance. Each firm’s observed debt ratio reflects its cumulative requirements for external finance. Generally, profitable firms will borrow less because they can rely on internal funds. The preference for internal equity implies that firms will use less debt than suggested by the trade-off theory. Further, firms are more likely to create financial slack to finance future projects.

Other factors that have been invoked to help explain the diversity of observed capital structures include: management behaviour (Williamson, 1988); corporate strategy (Barton and Gordon, 1988); firm-stakeholder interaction (Grinblatt and Titman, 1998, Ch. 16); and corporate control issues (Harris and Raviv, 1988, 1991). A significant strand of the empirical literature has sought to distinguish which of the two main theories best explains capital structure practice (e.g. Shyam-Sunder and Myers, 1999;
Fama and French, 2002; Adedeji, 2002; Frank and Goyal, 2003). Implicit in such testing is that the theories have elements that are mutually exclusive. While the theories in their basic form do lead to a set of ‘precisely opposite’ predictions (Barclay and Smith, 1999), there is increasing recognition that neither theory is able, independently, to explain the complexity encountered in practice. This is particularly true when seeking a unified theory to explain the broader array of corporate financial policy choices (Barclay and Smith, 1999).

**Capital Structure: The Impact Of Institutional Differences On Financial Decisions**

La Porta et al. (1997, 1998) consider that a country’s legal system is the main determinant of external finance availability. They identify common law countries (such as the UK, US) as affording good legal protection to shareholders with French-civil-law countries affording less protection. Legal protection for creditors against managers, usually relevant in situations of financial distress, is also typically strong in common law countries (including the UK). However, the US is an important exception in this respect and is identified as one of the most anti-creditor countries. Both the UK and the US are typified by good law enforcement and relatively low concentration of company ownership. However, Demirgüç-Kunt and Maksimovic (2002) suggest that any deficiencies in the legal system can be compensated, at least partially, by a combination of banking system administration and regulation.

In their study of international capital structures, Rajan and Zingales (1995, p. 1422) argue that it is important to test the robustness of US findings in different environments. They identify as potentially important the cross-country differences in tax and bankruptcy codes, in the market for corporate control and in the historical role played by banks and security markets. Demirgüç-Kunt and Maksimovic (1996) confirms that the level of financial markets development has a significant impact on companies’ financing policies. Further, while capital structure decisions in developing countries are affected by the same factors as in developed countries, Booth et al. (2001) argue that the persistent cross-country differences suggest that our understanding of the impact of different institutional features remains incomplete.

As context for the present study, the UK can be characterised as having a broadly similar financial and legal environment to the US. It has a common law legal system with good investor protection, well-developed financial markets and an active market for corporate control. Bank finance and inter-company ownership relationships play relatively smaller roles than in some countries. The most obvious differences between the UK and US relate to tax and bankruptcy codes and the size of the corporate bond market (Rajan and Zingales, 1995).

**Capital Structure: Empirical Evidence**

In the main, two empirical approaches have been used to obtain evidence on factors that affect corporate financing decisions. The first approach, adopted in the majority of studies, seeks to explain observed capital structures in terms of factors felt likely to be important, usually using cross-sectional regression methods. Based on an informal meta-analysis of twenty papers across several countries, Thomson (2003) identifies several key features of firms that seem to be related to debt ratios across a wide range of environments and through time: size, earnings variability, asset tangibility, profitability, investment opportunity set and industry.

The evidence on tax influence is weak, perhaps reflecting the endogeneity between tax rates and financing choice (Graham et al., 1998). With a few exceptions, UK cross-sectional studies
(Bennett and Donnelly, 1993; Lasfer, 1995; Adedeji, 1998; Bevan and Danbolt, 1998) and panel regression studies (Ozkan, 2001; Antoniou et al., 2002; Bevan and Danbolt; 2004) generally find similar relationships to those found in the US and elsewhere. Two of the robust observations cause specific difficulties for theory: the negative relationship between debt ratio and profitability is consistent with the logic of pecking order theory but inconsistent with trade-off theory; the negative investment opportunity set observation supports trade-off theory but not pecking order theory.

Other UK studies include an early one by Marsh (1982), who investigated security issues and found that companies are heavily influenced by market conditions and the past history of security prices in choosing between debt and equity. He also provided evidence that companies appear to make their choice of financing instruments as if they have target levels of debt in mind. These debt levels are themselves functions of company size, bankruptcy risk and asset composition. The related study by Walsh and Ryan (1997) found both agency and tax considerations were important in determining debt and equity issues. Lasfer (1999) investigated the determinants of debt structure, maturity and priority structures and found significant differences across company size; in particular, the relationship between debt and agency costs only applies to large companies whereas small company debt appears to be driven by profitability.

Bevan and Danbolt (2002) focused on the difficulties in measuring gearing and found that debt determinants appear to vary significantly between short-term and long-term components of debt. The pecking order theory prediction that there should be a negative relationship between the dividend payout ratio and investment was confirmed by Adedeji (1998). In a UK replication and extension of the Shyam-Sunder and Myers (1999) test of pecking order against trade-off theory, Adedeji (2002) found mixed evidence, with neither theory dominant. Overall, the evidence for the UK (as for the US) is somewhat inconclusive. While various individual factors can be identified as important, neither of the two major theories is capable independently of adequately explaining the outcomes of firms’ financing decisions in practice. Recent studies have begun to focus on dynamic aspects of capital structure such as whether, as implied in the trade-off theory, firms engage in capital structure rebalancing. Ozkan (2001) provided evidence that UK firms do have target ratios and adjust to the target ratio relatively quickly. Antoniou et al. (2002) showed that firms in three European countries (including the UK) adjust their debt ratios to attain target structures, but at different speeds, suggesting that environmental and traditions are also important determinants. Baker and Wurgler (2002) and Welch (2004) suggested that US firms fail to rebalance in response to changes in leverage resulting from equity issues, or market changes in equity values, respectively. By contrast, Leary and Roberts (2003) argued that frictions in the capital markets encourage firms to adjust capital structure, but that this adjustment is relatively infrequent, leading to ‘extended excursions away from their targets’ (Myers, 1984).

They found that US firms behave as if they follow a dynamic trade-off policy in which they actively rebalance leverage to stay within an optimal range. Flannery and Rangan (2003) extended this idea by developing a model that allowed firms’ target capital structures to vary over time and for firms to adjust gradually towards the target. They confirmed that US firms operate with a target leverage ratio, and more than halve the distance to the target within two years. Finally, one of the major observations contrary to the trade-off theory, the strong inverse relationship between profitability and leverage has been shown to be reconcilable by consideration of mean reversion in
earnings (Sarkar and Zapatero, 2003). While the evidence is far from conclusive, on balance it seems that some form of target or target range is employed by firms, consistent with the logic of trade-off theory.

However, using the large-scale regression approach invariably involves identification of the average behaviour of firms and does not measure its diversity. In particular, it does not allow for the possibility that some firms may choose to adopt a hierarchical ‘pecking-order view’ of finance while others, perhaps the majority, adopt a target capital structure. Further, its focus on the outcomes of the financing decision-making process necessarily limits our understanding of the process itself. An alternative approach is to ask company managers directly about their attitudes and behaviour regarding corporate financing using the survey method.

This allows both the process and diversity of practice to be investigated, offering a richer understanding of practice. Prior surveys of general capital structure issues have been mainly US-based (e.g. Donaldson, 1961; Scott and Johnson, 1982; Pinegar and Wilbricht, 1989; Norton, 1989; Graham and Harvey, 2001). However, there is one published study on Australia (Allen, 1991) and a few cross-country comparisons, including the two recent European surveys, which have typically incorporated a small sample of UK companies (Stonehill et al., 1975; Allen, 1999; Bancel and Mittoo, 2004; Brounen et al., 2004). To the best of our knowledge, there is only one prior UK study (Fawthrop and Terry, 1975).

This paper efforts to show how capital structure decisions affect the profitability of the firm, here we have taken the example of IFCI Ltd. Research study shows that the level of debt, payout decisions, the level of equity exposure and income earned on assets affects the profitability of the firm.

**Objective of the Study**

The main purpose of the study was to investigate the financial structure of IFCI, to study the impact of loan funds on IFCI’s health. In additional we also tried to identify the short coming and inadequacy of the fund to raise profit for the period of study.

**Research Methodology**

The study is based on secondary sources however I have used trend analysis to predict the current year’s data. The main source of information for the study was annual reports, RBI Bulletin, Information available from manuscripts of various articles and information available on internet. The universe under study is Indian economy. The sample taken under study was IFCI Ltd.; the study was conducted on standalone results of IFCI for the period (2007-2013). Software used for performing the study is MS Excel 2013. The statistical techniques used are linear trend analysis and multiple regression analysis.

**Empirical Results**

Table 1 depicts that the share capital of IFCI Ltd increased during 2007 to 2008 due to the issue of new equity share, but in the next year, a decline is noticed in the share capital value, which was caused by the redemption of Preference share in 2008-2009, which the equity share remained the same, while the equity share capital remained the same. In the year 2009-2010, the reduction in the share capital is noticed again, but it was caused due to the re-conversion of equity share into loans. Increase in reserve & surplus in year 2007-2008 was primarily contributed through the securities premium account, which increased by 1200.25 crores during the year, which was also a major cause of change.

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1 The data for the year 2013 has been forecasted using trend analysis technique.
### Table 1: Share Holder’s Fund of IFCI Ltd.

<table>
<thead>
<tr>
<th>Year</th>
<th>Share Capital</th>
<th>Reserves &amp; Surpluses</th>
<th>Shareholder’s Fund</th>
<th>Changes In Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1067.95</td>
<td>873.84</td>
<td>1941.79</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>1190.32</td>
<td>2134.55</td>
<td>3324.87</td>
<td>71%</td>
</tr>
<tr>
<td>2009</td>
<td>1108.29</td>
<td>2632.47</td>
<td>3740.76</td>
<td>13%</td>
</tr>
<tr>
<td>2010</td>
<td>1001.68</td>
<td>3608.12</td>
<td>4609.8</td>
<td>23%</td>
</tr>
<tr>
<td>2011</td>
<td>1001.68</td>
<td>4001.72</td>
<td>5003.4</td>
<td>9%</td>
</tr>
<tr>
<td>2012</td>
<td>1001.68</td>
<td>4534.3</td>
<td>5535.68</td>
<td>11%</td>
</tr>
<tr>
<td>2013</td>
<td>961.55</td>
<td>4086.09</td>
<td>5107.39</td>
<td>-8%</td>
</tr>
<tr>
<td>Average</td>
<td>1047.592</td>
<td>3124.398</td>
<td>4180.527</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source: Annual Report and author’s own work.

### Table 2: Loan Funds of IFCI Ltd.

<table>
<thead>
<tr>
<th>Year</th>
<th>Loan</th>
<th>Foreign Currency Loan</th>
<th>Loan Fund</th>
<th>Changes In Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>11452.5</td>
<td>1471.78</td>
<td>12924.28</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>9595.91</td>
<td>627.08</td>
<td>10222.99</td>
<td>-21%</td>
</tr>
<tr>
<td>2009</td>
<td>9042.49</td>
<td>631.29</td>
<td>9673.78</td>
<td>-5%</td>
</tr>
<tr>
<td>2010</td>
<td>10328.27</td>
<td>534.19</td>
<td>10862.46</td>
<td>12%</td>
</tr>
<tr>
<td>2011</td>
<td>18737.72</td>
<td>526.85</td>
<td>19264.57</td>
<td>77%</td>
</tr>
<tr>
<td>2012</td>
<td>4467.06</td>
<td>540</td>
<td>5007.06</td>
<td>-74%</td>
</tr>
<tr>
<td>2013</td>
<td>9982.39</td>
<td>719.25</td>
<td>11321.50</td>
<td>126%</td>
</tr>
<tr>
<td>Average</td>
<td>10515.192</td>
<td>721.491</td>
<td>11325.235</td>
<td>16%</td>
</tr>
</tbody>
</table>

Source: Annual Report and author’s own work.

### Table 3: Total Capital Structure of IFCI Ltd.

<table>
<thead>
<tr>
<th>Year</th>
<th>Shareholder’s Fund</th>
<th>Loan Fund</th>
<th>Capital Employed</th>
<th>Changes In Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1941.79</td>
<td>12924.28</td>
<td>14866.07</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>3324.87</td>
<td>10222.99</td>
<td>13547.86</td>
<td>-9%</td>
</tr>
<tr>
<td>2009</td>
<td>3740.76</td>
<td>9673.78</td>
<td>13414.54</td>
<td>-1%</td>
</tr>
<tr>
<td>2010</td>
<td>4609.80</td>
<td>10862.46</td>
<td>15472.26</td>
<td>15%</td>
</tr>
<tr>
<td>2011</td>
<td>5003.40</td>
<td>19264.57</td>
<td>24267.97</td>
<td>57%</td>
</tr>
<tr>
<td>2012</td>
<td>5535.68</td>
<td>5007.06</td>
<td>10542.74</td>
<td>-57%</td>
</tr>
<tr>
<td>2013</td>
<td>5107.39</td>
<td>11321.50</td>
<td>16428.90</td>
<td>56%</td>
</tr>
<tr>
<td>Average</td>
<td>4180.527471</td>
<td>11325.23491</td>
<td>15505.76</td>
<td>-6%</td>
</tr>
</tbody>
</table>

Source: Annual Report and author’s own work.

---

2 2013 figures are calculated using trend analysis.

### Financial Analysis

The table 4 show the difference financial ratio, which help in determining the financial position of IFCI Ltd. Debt ratio show the participation of loan fund in total assets. On an average, debt ratio is 0.72 times, which is higher than the standard.

Highest debt ratio was 0.79 times in year 2007, and the lowest was 0.65 in 2009, which is not an ideal situation. As proprietary ratio is also calculated on basis of total asset, it does not depict the ideal position. Higher and lower proprietary ratio were 0.25 times in 2009, and 0.12 times in 2007 respectively.

Debt equity above analysis does not show good solvency position of the company, as capital mix of IFCI Ltd. is mainly contributed by loan fund, whereas participation of shareholder fund is comparatively less. Average current ratio was 5.62 in 2009, 2010, 2011, current ratio become higher than the standard - 5.61 times, 7.67 times and 9.52 times respectively.

This situation of current ratio shows that the company had blocked its capital unnecessary in current assets rather than investing it in portfolio opportunities.

Current assets took a bigger portion in total asset in the last three years, which was more than 50 percent. The company also does not depict a sound profitable position as its return on assets had been between 0.03 times to 0.07 times during the study period and earning per share were 11.27.
Impact of Capital Structure on Profitability of IFCCI Ltd.

The main objective of this study is to analyse the impact of capital structure on the profitability of IFCCI Ltd. To determine the effect of working capital management on corporate profitability, the researcher used the following equation:
Synergizing Efforts- “A Long Run Strategy For Success And Survival For Entrepreneurs”

Entrepreneur is a person who organizes and manages an enterprise, especially a business, usually with considerable initiative and risk. He/she should be able to look at the environment, identify opportunities to improve the environmental resources and implement actions to maximize those opportunities.

Entrepreneurship has been on the rise as a global phenomenon much before India began becoming sensitive to the development of entrepreneurs. However, the awareness towards the path of entrepreneurship is now picking up a quick pace in our own country.

Today, however, the unprecedented level of complexity and change posed by the competitive environment makes a unitized approach to innovation increasingly difficult, and creates opportunities for new idea generation and knowledge sharing. Thus, there arises the need of collaborative innovation. The world needs to think it would be easy for entrepreneurs to achieve success without anybody’s help? Can a single mind develop the best idea alone? Then how can synergy help anyone and therefore the words said by Stephen R. Covey as "The combined effect of individuals in collaboration always exceeds the sum of their individual effects." turns out to be false.

A common myth propagates the phenomena of synergy stating that, collaboration along with innovation leads to enhanced growth. But every coin has
its two sides, will it be expedient to cease that collaborative efforts will surely generate success? Why would an entrepreneur amalgamate his idea?

This research paper focuses upon tracing out the impact of unitized approach toward success and survival of entrepreneurs in the long run and thereby gaining an overall growth outcome in the long run.

**Synergy Effect**

The concept of synergy effect here relates to the combined influence of two or more innovative ideas to collaborate together and give out a better result.

**Keywords:**
- Entrepreneurship,
- Innovation,
- Synergy,
- Resistance.

**Objective of the study**

1. To trace out the implication of unitized/synergized efforts for entrepreneur's survival and growth.

2. To study snag's resulting resistance towards amalgamation of ideas. Many of the entrepreneurs are not comfortable in sharing their ideas which leads to birth of many small entrepreneurs who could have instead started a full-fledged venture with multiple branches.

**Research Methodology**

- Qualitative Research
- Sample size- 100 (Mumbai, Kanpur, Kolkata, Punjab, Delhi/NCR, Jaipur etc.)

- No of Respondent- 30 (Tridot Enterprises, Sahitya Prakashan, Abhishek Enterprises, Subh Yatra, Fastro Cab)
- Our research is based on convenient sampling.
- Data Collection Tools: Questionnaire through mails & telephonic communication.
- Data interpretation:- Pie-chart wherever required

**Limitation of Study**

- Less number of respondents
- Time constraint
- Lack of understanding i.e. there is no specific qualification required for being an entrepreneur, therefore a small tea vendor and a garment businessman both stand to be an entrepreneur but there is always a lack of understanding in their concepts.

**Introduction**

An entrepreneur is an individual who organizes and operates a business on his/her own. Entrepreneur is commonly seen as an innovator — a generator of new ideas, and business processes. Management skill and strong team building abilities are often perceived as an essential leadership attributes for successful entrepreneurs. Robert B. Reich considers leadership, management ability, and team-building to be essential qualities of an entrepreneur.

**Entrepreneurship** is the quality of being an entrepreneur, i.e. one who "undertakes an enterprise". The term puts emphasis on the risk and effort taken by individuals who both own and manage a business, and on the innovations resulting from their pursuit of economic success.
Entrepreneurship and innovation are positively related to each other and interact to help an organization to flourish; entrepreneurship and innovation are complementary, and a combination of the two is vital to organizational success and sustainability in today's dynamic and changing environment; entrepreneurship and innovation are not confined to the initial stages of a new venture; rather, they are dynamic and holistic processes in entrepreneurial and innovative organizations; and organizational culture and management style are crucial factors affecting the development of entrepreneurial and innovation behavior in organizations.

Synergy is the interaction of multiple elements to produce an effect greater than the sum of their individual effects. The term synergy comes from the Greek word "synergo", meaning "working together".

In the current scenario, collaborative innovation will lead to enhanced success rather than a single innovative plan. Thus focusing on its need currently due to increased competition and reduced employment opportunities.

Literature Review:

Synergizing Efforts- “A Long run Strategy for success and survival for Entrepreneurs”

What is Entrepreneur?

Entrepreneur is someone who exercises initiative by organizing a venture to take benefit of an opportunity and, as the decision maker, decides what, how, and how much of a good or service will be produced (BusinessDictionary.com).

An entrepreneur supplies risk capital as a risk taker, and monitors and controls the business activities. The entrepreneur is usually a sole proprietor, a partner, or the one who owns the majority of shares in an incorporated venture. According to economist Joseph Alois Schumpeter (1883-1950), entrepreneurs are not necessarily motivated by profit but regard it as a standard for measuring achievement or success. Schumpeter discovered that they are

- greatly value self-reliance,
- strive for distinction through excellence,
- are highly optimistic (otherwise nothing would be undertaken),
- always favor challenges of medium risk (neither too easy, nor ruinous).

Most people desire to be an entrepreneur. Becoming your own boss and creating your own career is very attractive to most people. Additionally, many movies glorify people who found a way to make a living on their own. However, not everyone has an entrepreneurial mindset. If you ever desired to be an entrepreneur, you need to examine yourself.

Characteristics of entrepreneurs (http://www.iplanner.net).

- **Strong leadership qualities**
  Leaders are born not made. A leader is someone who values the goal over any unpleasantness the work it takes to get there may bring. A leader has strong communication skills and the ability to amass a team of people toward a common goal in a way that the entire team is motivated and works effectively to get there as a team.
**Highly self-motivated** Nobody makes progress by sitting back and waiting for it to find them. Successful people go out into the world and invoke change through their actions. They adapt well to changing situations without unraveling and are typically expert of helping their teams change with them by motivating them toward new goals and opportunities. They are also often very passionate about their ideas that drive toward these ultimate goals (http://www.mbda.gov/node/337).

**Strong sense of basic ethics and integrity** Business is sustainable because there is a common, understood code of ethics universally that underpins the very fabric upon which commerce is conducted. While cheaters and thieves may win in the short term, they invariably lose out in the long run. You will find that successful, sustainable business people maintain the highest standards of integrity because, at the end of the day, if you cannot prove yourself a credible business person and nobody will do business with you, you are out of business (http://www.mbda.gov/node/337).

**Willingness to fail** Successful entrepreneur are risk takers who have all gotten over one very significant hurdle: they are not afraid of failure. In fact, entrepreneurs are often successful because they are calculating and able to make the best decisions in even the worst of cases (http://www.mbda.gov/node/337).

**Serial innovators** Entrepreneurs are almost defined by their drive to constantly develop new ideas and improve on existing processes. Successful people welcome change and often depend on it to improve their effectiveness as leaders and ultimately the success of their businesses as many business concepts rely on improving products, services and processes in order to win business (http://www.mbda.gov/node/337).

**Competitive spirit** Business is a constant war with competition to win business and grow market share. It's also a personal challenge to use all of this to focus inward and grow a business from nothing into a powerhouse that either makes a lot of money or is so effective that it is sold or acquired for a profit as well (http://www.mbda.gov/node/337).

**Creative** When creating a business idea, many entrepreneurs have to be very creative. There is a good chance that someone else has already established himself as the authority for the niche that a new entrepreneur chooses. However, with a little creative
twist, new entrepreneurs can take old ideas or business models and revolutionize them, making them attractive to potential clients or customers (http://www.mbda.gov/node/337).

**Why Entrepreneurs**

(http://under30ceo.com/16-awesome-reasons-why-you-should-be-an-entrepreneur/)

- **Most industries and businesses are changing:** Now is a high time to find opportunities in the chaos and destruction of changing industries. Provide a product or service that will enable you to earn a living despite while others struggle.

- **To pursue your passion:** Part of the goal in starting your own business is to actually make a living doing what you love.

- **You will be your own boss:** As an entrepreneur you will work for your clients, but you have the ability to replace and fire difficult clients. Owning your own business will enable you to experience being in control of your own workday.

- **There is no ceiling on your professional potential:** When you own your own business, your creativity and skill growth can evolve and be used as you need them to for the success of your company.

- **You are the captain of the ship:** All of the responsibility falls upon your shoulders, but with that you have the freedom to steer your small business in whichever direction you see fit. You can even start your business part-time.

- **You enjoy having multiple roles in business:** If you excel at multitasking, then being an entrepreneur is definitely a way to use those skills for the benefit of your own business.

- **Security:** Business is changing. Fast. No business has the same security level as it did before the economic downturn. Don’t let the usual fear of lack of security hold you back as it may have done in more economically secure times.

**Synergy Effect**

The term synergistic effect refers to an increased intensity caused by the combination of two substances on an organism. For example, two medications taken together might have a more potent effect on the body than either would alone, which is a synergistic effect. Another illustration of synergistic effect can be seen in the concept of teamwork. In most cases several employees working together on a project results in increased productivity and more efficient use of resources. This is another example of the synergistic effect.

**Combination of Synergy and Entrepreneur**

Being an entrepreneur is a tough task alone. But when you try to amalgamate your idea with someone else it becomes quite easy. This is because when two minds work together the probability of success becomes more as the synergy effect gives you better results than being gained singly.

Thus, nowadays people should try to mingle their innovative ideas together and then start a full–fledged new entrepreneurship with advanced results.
Strategies of Entrepreneurship:
The Duke Entrepreneurship Manual: A Resource for Entrepreneurs

1. Idea Generation: every new venture begins with an idea. In our context, we take an idea to be a description of a need or problem of some constituency coupled with a concept of a possible solution. (A characterization of this phase is still work in process on this site.)

2. Opportunity Evaluation: this is the step where you ask the question of whether there is an opportunity worth investing in. Investment is principally capital, whether from individuals in the company or from outside investors, and the time and energy of a set of people. But you should also consider other assets such as intellectual property, personal relationships, physical property, etc.

3. Planning: Once you have decided that an opportunity, you need a plan for how to capitalize on that opportunity. A plan begins as a fairly simple set of ideas, and then becomes more complex as the business takes shape. In the planning phase you will need to create two things: strategy and operating plan.

4. Company formation/launch: Once there is a sufficiently compelling opportunity and a plan, the entrepreneurial team will go through the process of choosing the right form of corporate entity and actually creating the venture as a legal entity.

5. Growth: After launch, the company works toward creating its product or service, generating revenue and moving toward sustainable performance. The emphasis shifts from planning to execution. At this point, you continue to ask questions but spend more of your time carrying out your plans.

Data Interpretation & Analysis:

Question 1:- Do you consider yourself as an entrepreneur?

Interpretation:- Almost 96.67% people out of the sample considered themselves as an entrepreneurs and only 3.33% denied the fact. The one denying the fact of being an entrepreneur stated that it will be too early for him to be called as an entrepreneur as he is still at the learning phase and has a long journey ahead to tag himself as an entrepreneur. To become an entrepreneur is a very tough task, arranging all the resources and all facilities.
takes lot of time and energy. Therefore considering oneself as an entrepreneur is yet to take much more time.

**Question 2:** Characteristics that an individual must have to be an entrepreneur.

An entrepreneur is a complete package of characteristics like leadership qualities, initiator, risk taker, motivator, innovator, financer etc. The best responses we got during our research were:
- A Vision to choose a professional team and to be able to implement them,
- Maintain informal relations involving human behavior besides a motivational approach,
- Become a shameless self-promoter,
- Constant updation of ideas,
- Innovation & creativity.

**Question 3:** Is it difficult or easy to establish yourself as an entrepreneur?

**Interpretation:** The response was strange but yet interesting, we found 100% of the respondents found it difficult to establish themselves as an entrepreneur. It is not an easy task to combine all your capabilities and direct them towards attainment of one goal but still many of us want to become a successful entrepreneur. But the question arises how?

**Question 4:** What are the different snags faced by you during starting your venture?

**Interpretation:** Setting up a new venture in a well established market is troublesome. The most common problem faced by individuals is the finance issue because at the initial stage no banker or other financial institution is ready to give loan or any other help. The various other hurdles faced by entrepreneurs to start their venture are:
- Resources serve the major issue, but at the present scenario understanding your customer is a difficult task.
- Legal proceedings.
- Arrangement of Working Capital at initial stage was also a hurdle.
- Already established market.

**Question 5:** Do you think collaborative efforts can reduce these snags?

**Interpretation:** Collaborating effort means combining your own idea with someone else so as to gain a better result. All the respondents agreed that collaborative efforts will help them in overcoming the hurdles faced except 1 who denied the fact stating that it would be difficult to collaborate.
**Question 6:** If yes, how collaborative efforts of individuals put together help in overcoming these snags?

**Interpretation:** Collaborative effort will always help creating a competitive edge over the other players and thus succeed. During the research the responses we got were:

- Better generation and execution of idea
- Enhancement of complementary skills which would help in enhancing overall productivity
- Also there will be delegation of work and responsibility. Thus, the task is completed in the best possible manner.
- Last but not the least, Entrepreneurship is not a “one man show”, it requires combined efforts of all forces.

**Question 7:** If not, why collaborative efforts are not feasible to adopt in entrepreneurship?

**Interpretation:** Only 1 person denied the efficiency of collaboration. He replied that collaborative efforts would not help in survival and growth on the ground that there may be a difference in opinion between the individuals, also at the initial stage there may be lack in nurturing of ideas.
And the most appropriate reason was an entrepreneur would never want to share his profits with anyone i.e. he has zeal to taste his success solely.
**Question 8:** If given how feasible will it be for you to amalgamate your ideas with someone else?

**Interpretation:** Ideas are man’s own creation which cannot be easily shared or cannot be followed by others. The response which we received was unexpected but still the truth. All the respondents agreed to the fact that it is very tough to share your own thoughts with others and thus finding out a midway to satisfy their own perspective and that of other’s also is a tough task.

**Finally the conclusion of the research was,**
- Respondents found it hard to establish themselves in a well established competitive market
- Almost all the entrepreneurs accepted the fact that collaborative efforts would prove beneficial for them.
- But, it was strange to notice that all agreed to the fact that it is not at all feasible to amalgamate or merge your idea with someone else.
- This was due to conflict of idea and thus there should be proper match in the conceptualization of the amalgamating entrepreneurs.
- Also, the trust and honesty towards the purpose will prove its benefits.
- Diversified fields should be selected so that larger market can be catered.
- There should be win-win situation for both the parties.
- And therefore a midway should be chosen to overcome all the snags and prove the study that “Synergizing Efforts will help in long run success and survival of Entrepreneurs”

**References & Bibliography:**
- BusinessDictionary.com
This paper uses the ‘lens’ of integrated and sustainable waste management to provide opportunities to potential entrepreneurs by showing them a direction in this challenging field of waste management to start their own venture by collecting wastes from industries and households, converting them into biogas and finally supplying them to the households. The objective of this paper is not only to provide direction to management student to start their own venture in waste management but also to the women to manage their household waste and become entrepreneurs. To understand the scope of waste management in India the research will be conducted through collection of primary and secondary data. Secondary data will be collected from government websites, journals, and publications. Primary data will be collected through questionnaire (filled by companies and households). The purpose of collecting primary data at two levels is to understand the demand and opportunities for waste management at both levels. This research paper will contribute by giving direction in waste disposal and also help in reducing improper solid waste management that deteriorates public health, causes environmental pollution, accelerates natural resources degradation, causes climate change and greatly impacts the quality of life.

This research will highlight new fields for potential entrepreneur but it will also help in avoiding huge investments in waste collection and disposal by government and companies and will help in developing a win-win solution for both with environment sustainability.
Introduction

With a population of over 1.2 billion, rapid urbanization and modernization of India is simply inevitable. India has a large and increasingly wealthy population producing 68.8 million tons per year of Municipal Solid Waste or 188,500 tons per day. With the growth trend set to continue urban India will generate 160.5 million by 2041 and over the next decade some 920 million tones of solid waste will need to be properly managed. The per capita waste generation rate in India has increased from 0.44 kg/day in 2001 to 0.5 kg/day in 2011, fuelled by changing lifestyles and increased purchasing power of urban Indians. Urban population growth and increase in per capita waste generation have resulted in a 50% increase in the waste generated by Indian cities within only a decade since 2001. There are 53 cities in India with a million plus population, which together generate 86,000 TPD (31.5 million tons per year) of Solid Waste at a per capita waste generation rate of 500 grams/day. The total Solid Waste generated in urban India is estimated to be 68.8 million tons per year (TPY) or 188,500 tons per day (TPD) of Solid Waste. Such a steep increase in waste generation within a decade has severed the stress on all available natural, infrastructural and budgetary resources.

The present citizens of India are living in times of unprecedented economic growth, rising aspirations, and rapidly changing lifestyles, which will raise the expectations on public health and quality of life. Remediation and recovery of misused resources will also be expected. These expectations when not met might result in a low quality of life for the citizens. Pollution of whether air, water or land results in long-term reduction of productivity leading to a deterioration of economic condition of a country. Big cities collect about 70 - 90% of Solid Waste generated, whereas smaller cities and towns collect less than 50% of waste generated. More than 91% of the Solid Waste collected formally is land filled on open lands and dumps. It is estimated that about 2% of the uncollected wastes are burnt openly on the streets. About 10% of the collected SW is openly burnt or is caught in landfill fires. The pollutants include carbon monoxide (CO), carcinogenic hydro carbons (HC) (includes dioxins and furans), particulate matter (PM), nitrogen oxides (NOx) and sulfur dioxide (SO2).

It is aesthetically unattractive; and it fills up landfill sites, which are becoming more difficult and costly to establish and maintain waste management is one such service where India has an enormous gap to fill. Proper waste disposal systems to address the burgeoning amount of wastes are absent.

The current Waste Management services are inefficient, incur heavy expenditure and are so low as to be a potential threat to the public health and environmental quality. Waste materials can originate from a variety of sources and include industrial, agricultural, commercial and domestic activities. Effective waste management strategies assist in minimizing or avoiding adverse impacts on the environment and human health, while allowing economic development and improvement in the quality of life.

Waste Management has become a matter of great concern to most city corporations, and there have been some instances of management collapse even in metropolitan cities in the year 2012. All this build-up took place within a single decade, which is why many corporations have awakened to the rude shock.

There has been an unpredictable increase in both industrial and domestic wastes. The government and corporations have now taken cognizant of things that require immediate attention, and a lot of funds have been diverted to various waste management projects.

Waste Management was conveniently done by dumping waste in rural areas,
which then gave rise to a bigger menace of ‘pollution sinks’. Residential and commercial wastes are mostly in semisolid and solid forms. Even the bio-medical wastes, which have been treated fall into this category. Industrial waste on the other hand is not included in this category. Industrial waste management is quite a complex process, which clearly means a lot of investment in infrastructure, technology, and planning.

Without an effective waste management program on waste generated from various activities both industry and domestic can result in health hazardous and have impact on environment. India, primarily lacks the space in the cities to dispose off the waste. Secondly, though we have a waste management policy, the existing players don’t have the required technological capabilities and hence there hasn’t been an effective implementation of the same. Apart from the obvious environmental hazards, there are direct and indirect economic costs to this – while the healthcare costs go up due to the air and water pollution happening in the vicinity of the populace, so do the remedial costs for mitigating the contamination of water table due to the seepage of the waste into it.

Fundamentally collecting garbage and dumping them in the outskirts of the city is a multi – thousand crore business. While no investment is made in the scientific disposal of these wastes, the profit margins for these businesses are extremely high.

We don’t have some sustainable solution, option that let us meet our current needs and provide for future generation as well. Our most promising alternatives are waste reduction and recycling. Appropriate waste management system can be developed by understanding the type of waste generated. The activities associated with managing waste from generation point to final disposal normally includes generation, reduction, reduce, recycle, handle, transfer, transport & transformation & disposal.

On the part of industry, industrial waste management is also indispensable from the view point of both the social responsibility of business corporation & ISO 14000 which will influence their survival in global market.

Entrepreneurship is being practiced at every big and small level in our country but no one is aware about the opportunities of entrepreneurship in waste management. It has been observed that the utilization of waste in the form of biogas is becoming very popular as many of new entrepreneur have entered into it. But the scope is not limited to the biogas creation but this concept gives lot many opportunities like collection, dumping, reselling by further processing, and creating raw material for other companies. One of the waste management company in also in top 500 companies ranked by fobes and in India 3 students of IIM also started their venture into wastemanagement which is accepted by people and running successfully. All these success story have given a new direction in the field of entrepreneurship. This is an opportunity for us if we realize it and work on it we will be able to convert our weakness and problem of huge waste into strength by starting new venture.

**Literature Review**

Waste generation in India has direct proportion in term of development and progress of the state/cities and showed significant variation among the Indian cities. The solid waste amount is expected to increase significantly in the near future as the country strives to attain an industrializes nation status by the year 2020. The government of India has taken many initiatives and implemented new technologies and methods by giving loans for setting up composting plants to encourage proper management of solid waste since the 1960s (MoEF, 2005). Due to increased public awareness of MSWM, a
public litigation was filed in the Supreme Court, which resulted in the Municipal Solid Wastes (Management and Handling) Rules, 2000. Government, for the first time, now has included private organizations in providing this public service. New methods of storage, collection, transportation, processing and disposal are being explored and implemented.

In Mumbai, Stree Mukti Sanghatana (SMS), a non-governmental organization, started the Parisar Vikas (PV) program to train informal recyclers as "parisar bhaginis," or "neighborhood sisters." The bhaginis are taught the principles of zero waste, how to sort and handle waste from multi-family dwellings, composting and biogas plant management, gardening, and how to organize as worker cooperatives and negotiate contracts. Through SMS programs, a total of 600 women work in almost 150 locations in Mumbai, ranging from institutional campuses to housing apartments. They bundle the dry, recyclable waste for sale to industry recyclers. Residuals and organics are either picked up by the city for disposal at dumpsites, or by SMS to be processed in composting and biogas facilities that produce manure and biogas for industry and domestic end uses. (www.no-burn.org by Virali Gokaldas and the Global Alliance for Incinerator Alternatives)

The cooperatives enter into recycling contracts with institutions, apartment complexes, businesses, and the municipality. The snack bar generates 25 – 30 kg of clean, source-separated, organic waste per day. Supplemented with outside sources, this feeds the 100 kg/day capacity biogas plant. Gas from the plant meets a quarter of the canteen’s cooking gas needs. The operation has been so successful that the institute added another 500 kg/day plant at its larger canteen, and is constructing a third plant to service their new 1,000-student hostel.

For a biogas plant handling five metric tons per day of wet waste, the environmental benefits are significant. On an annual basis, the plant saves greenhouse gas emissions equivalent to 4,197 tons of CO$_2$ from recycling wet waste. The same plant creates, annually, biogas equivalent to 55,000 kg of liquefied petroleum gas and 10,000 kg of organic compost. This is in addition to the reduced impact of transportation on Mumbai’s crowded streets.

SMS has successfully demonstrated the viability of decentralized waste management in one of the world’s largest and most crowded cities. Although this approach takes more time to roll out than a one size-fits-all city-wide strategy, its greater flexibility and customization is important to its success. Waste picker cooperatives are instrumental in managing source separation, and the small-scale biogas and compost pits have generated higher-paying employment for women waste pickers while significantly reducing the waste burden on the municipality. (www.no-burn.org by Virali Gokaldas and the Global Alliance for Incinerator Alternatives)

Similarly, the pilot project, titled "Decentralized Solid Waste Management through Community Participation: A Pilot Programme in Purdilpur Ward of Gorakhpur City", was undertaken in 2010 following preparation of and informed by a city vulnerability assessment. This pilot program was part of the city engagement phase of the Rockefeller Foundation Asian Cities Climate Change Resilience Network (ACCCRN) program and has led to ongoing work in this sector under the ACCCRN implementation phase. For the Gorakhpur solid waste management project, 200 households were engaged in implementation of a decentralized, community based solid waste management program. The project provided livelihoods creation and ecosystem benefits in the form of greater recycling and composting of waste, while reducing waste collection in drains, which exacerbates flooding and water logging. This project was complemented by a solid waste awareness building pilot project,
the “Polyethylene No More” campaign. In this project, GEAG produced and distributed a series of four page leaflets to communicate challenges associated with sanitation and waste in Gorakhpur, encouraging citizens to change their habits regarding waste and recycling and to actively participate in community solicitation of better services from city government. The solid waste management pilot project was informed by a sector study, also funded by ACCCRN and also undertaken after completion of the city vulnerability assessment. The sector study, which produced a report titled “The Role of Indiscriminate Use and Disposal of Plastics in Enhancing Climate Change Induced Vulnerability in Gorakhpur”, assessed usage patterns relative magnitude and problems related to indiscriminate disposal of plastic bags in the city of Gorakhpur including their impact on the environment and role in increasing city vulnerability to climate change impacts. The study also focused on sensitizing stakeholders and decision makers and encouraging exploration of possible solutions through multi stakeholder and multidisciplinary partnership.

**Objective**

- To understand the opportunities for the new entrepreneurs in waste management.
- To analyse new ways of disposing waste so as to maintain sustainable environment

**Methodology**

**Sampling Design**

- Sampling Area: Delhi, Noida and Gurgaon
- Sample Size: 20 households

**Methods**

- The study is based on Random Sampling Method.

**Research Design**

- Data Source: Primary & Secondary data
- Research Method: Qualitative Method
- Research Technique: Questionnaire, Personal Interview
- Type of Questionnaire: Structured
- Type of Questions: Closed & Open ended
- No of Questions: 7-8

**Sources of Data**

The data collected from these sources

**Primary Data**

The findings and recommendations are based on primary data collected directly from the factory and households.

**Secondary data**

Company history, its details about products and competitors are based on secondary data collected from various sites.

**Data Interpretation And Analysis**

**Types of waste released by household**

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solid</td>
<td>25%</td>
</tr>
<tr>
<td>Liquid</td>
<td>5%</td>
</tr>
<tr>
<td>Gaseous</td>
<td>5%</td>
</tr>
<tr>
<td>Solid &amp; Liquid</td>
<td>70%</td>
</tr>
</tbody>
</table>

**Interpretation**

Among 20 households 14 have mentioned solid as their answer, 5 selected both as solid & liquid as their answer. Only 1 respondent selected Liquid as their
answer. No one have mentioned gaseous as their answer.

This shows that maximum households releases solid waste, some of them also have liquid as their waste but no household is involved in releasing gaseous waste.

<table>
<thead>
<tr>
<th>Frequency of waste disposal by households</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dialy</strong></td>
</tr>
<tr>
<td>75%</td>
</tr>
</tbody>
</table>

**Interpretation**

15 the responded answered that they dispose their waste on daily basis, 4 households mentioned that they dispose their waste on alternative basis, only one household mentioned that they dispose their waste on weekly basis.

This is being analysed from this that maximum of the household dispose their waste on daily basis, few of them dispose alternatively and negligible of them dispose their waste weekly.

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**Amount of waste released per day**

- 250 gm: 7%
- .5 kg: 7%
- 1 kg: 7%
- 3-9 kg: 6%
- 20-30 kg: 6%
- 30-60 kg: 6%
- Don’t know: 5%

**Interpretation**

Maximum of the respondent i.e 40% mentioned 1 kg as their answer, 20% of them don’t know the amount of waste released. And different amounts were mentioned by different respondent.

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**Nature of waste released by households**

- Durable: 65%
- Non-Durable: 30%
- Both: 5%
Maximum household mentioned that they release non-durable waste, 30% mentioned both durable and non-durable as their answer. Only 5% mentioned that they release durable waste.

It can be interpreted that maximum households don’t reuse their waste.

It was interesting to know that 10% of the households reuse their waste instead of disposing by making manure. 50% of the household give their waste to rag-pickers for disposal, and 40% of them dispose their waste in public dustbins.
Limitations

1. The response in some of the organizations was given by subordinate, who may not have full information about the waste disposal.
2. Due to entry restriction we were unable to approach more factories for filling questionnaire.
3. 40 questionnaires were sent to companies and factories through e-mail but only 20 of them responded.
4. The household was not interested in filling questionnaire.

Results & Discussion

1. The per capita waste generation rate in India has increased fuelled by changing lifestyles and increased purchasing power of urban Indians.

2. Waste Management was conveniently done by dumping waste in rural areas, which then gave rise to a bigger menace of ‘pollution sinks’

3. More than 91% of the Solid Waste collected formally is land filled on open lands and dumps. It is estimated that about 2% of the uncollected wastes are burnt openly on the streets. About 10% of the collected SW is openly burnt or is caught in landfill fires.

4. In Mumbai, Stree Mukti Sanghatana (SMS), a non-governmental organization, started the Parisar Vikas (PV) program to taught the principles of zero waste.

5. Residuals and organics are either picked up by the rag pickers for disposal at dumpsites.

6. It is found that maximum waste produced by household is solid and non-durable in nature.

7. 80% of the household don’t reuse or recycle their waste and some of them use it as manures.

This huge amount of waste and its improper management gives a new way to potential entrepreneur to enter into this field of waste management. And with this a new model of entrepreneurship can be developed.
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