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**ISED Small Enterprise Observatory** 

Jointly with

**ISED Center for Enterprise Development** 

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## PREFACE

'Gender and enterprise' (G&E) is a critical theme in development debates today. It can be summarized in terms of two key aspects: 1) economic empowerment of women through the entrepreneurship route; and 2) creation of an appropriate ecosystem. Against the background of the fast changes that are on in the Indian economy, it is necessary to have a fresh look at the existing policies and strategies, and to have a futuristic approach in the coming days.

This study is based on a large research initiative at the ISED, on the theoretical and methodological aspects of 'Gender and Enterprise', as an evolving constituency. The field evidences, forming the backbone of this research, come from the State of Kerala, India.

As this title come out as a joint output of the Observatory and the ISED Centre for Enterprise Development, the Institute wishes to thank, without fail, the pains and efforts of the authors, and all who have supported it through inputs and suggestions.ISED has taken best efforts to ensure the quality and reliability of this paper. However, for the findings and views, the authors alone are responsible.

Cochin August 20,2021 P.M.Mathew Director, ISED

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#### Abstract

Gender is a focal area of the global 'Sustainable Development' debate today. The global agenda of economic empowerment of women, originally considered in terms of employment and livelihood opportunities, has gained a central position in mainstream economic development strategies today. The basic labor market issues have been discussed with focus on gender. The various international organizations look at it with focus on technology, trade and employment. 'Gender and enterprise', today, is a constituency in itself, by intention, or by merely chance. A review of the available key literature indicates that, policy implications, if discussed at all, are 'vague, conservative, and centered on identifying skills gaps in women entrepreneurs that need to be "fixed", thus isolating and individualizing any perceived problem' (Foss, Henry, & Ahl, 2014). It indicates that, chance, rather than intention, clouds the global agenda today. This calls for radical reforms, from the point of view of making gender and enterprise a meaningful constituency, and to align it with the spirit of the 'Sustainable Development' agenda. The attempt in this paper is to review of the existing thinking and practice in the subject area, to identify critical gaps, and to offer some perspectives and a strategic direction.

*KEY WORDS: Genderpreneurship, Sustainable Development debate, livelihoods, development constituency, Gender and Enterprise JEL:L10, L26,L53.* 

#### 1.0.Introduction

Looking at 'Entrepreneurship' from a gender perspective is a focal area of the global Sustainable Development debate today. The global agenda of economic empowerment of women got into its present stage through various steps. While the question of empowerment was essentially considered in terms of employment and livelihood opportunities to begin with, by now, it has gained a central position in mainstream economic development strategies. As such, the basic labor market issues today have been discussed with gender as an important component of it. The involvement of the various international organizations, such as the ILO,ITC, and the UNIDO have significant implications in shaping a global agenda, with varying implications, relating to technology, trade and employment. 'Gender and enterprise', of late, has gained the position of a constituency in itself so that, in strategies of enterprise and entrepreneurship promotion, this dimension has been seriously incorporated. Creation of a development constituency can be, by intention, or by merely chance. A review of the available key literature indicates that, policy implications, if discussed at all, were found to be 'vague, conservative, and centre on identifying skills gaps in women entrepreneurs that need to be "fixed", thus isolating and individualizing any perceived problem' (Foss, Henry, & Ahl, 2014). It indicates that, chance rather than intention clouds the global agenda today. This calls for radical reforms, from the point of view of making gender and enterprise (G&E), a meaningful constituency, and to align it with the spirit of the Sustainable Development agenda. What follows in

our discussion is a review of the existing thinking and practice in the subject area, to identify critical gaps, and to offer some perspectives and a strategic direction.

#### 2.0. Conceptual Framework

The neo-liberal and post-feminist ethos is reflected in the contemporary policy for women's entrepreneurship development. Such policy prescriptions for women's entrepreneurship development is a global, and growing, phenomenon, largely motivated by women's actual or potential contributions to economic growth (APEC, 2011; Henry, Orser, Coleman, & Foss, 2017;OECD, 2014). Research on women's entrepreneurship is also a growing field (Ahl, 2006; Jennings & Brush, 2013), but is, at large, only marginally concerned with policy. A review of the available key literature indicates that, policy implications, if discussed at all, were found to be 'vague, conservative, and centre on identifying skills gaps in women entrepreneurs that need to be "fixed", thus isolating and individualising any perceived problem' (Foss, Henry, & Ahl, 2014). Besides, the so-called stream of 'Development Studies' largely describe " success stories" in women enterprises and entrepreneurship, in support to political activism or journalistic interests. Evidences available from several countries, including India, indicate that , both the state and the market use 'gender and enterprise' as a safety valve, to escape from their respective responsibilities; evidence based-policy making in the case of

the former, and 'responsible business' practices in the case of the latter.

For a realistic understanding of the scope and leading issues in the context of women entrepreneurship development, it is important, at the outset, to set the conceptual framework.

## 2.1. Women Enterprise

'Women entrepreneurship' refers to a business organization started by a woman or a group of women. 'Women enterprise' has been defined in development policy and practice, as those entrepreneurial activities initiated and managed by women. As such, women entrepreneurship is the process in which women initiate a business, mobilize all resources, undertake risks, , and manages it independently. According to the definition given by the Government of India, "a women enterprise' is an enterprise owned and controlled by women, having a minimum financial interest of 51% of the capital, and giving at least 51% employment generated to women". Here, the two defining criteria are: a) participation in equity; and b) employment structure.

While an enterprise can be a business, not all businesses are enterprises. An enterprise is usually a venture that reflects an initiative or high risk-taking ability of the entrepreneur. 'Enterprise' connotes something bigger, sustainable, and far-reaching than a simple livelihood activity. In many States of the country, it is promotion of such simple activities, often accompanied by substantial publicity, which has been described as "women enterprise development". As a matter of fact, such activities do not often contribute to the expansion of sustainable capabilities.

### 2.2. Women Entrepreneurship

An 'entrepreneur' is generally defined as a person, driven by some vital capabilities, identifies new opportunities and establishes and manages an enterprise. Unlike the above academician's definition, this research discusses the semantics from a development practitioner's point of view. For this study," women entrepreneurship" is an abstract concept. It needs to be made concrete according to the norms of Development Practice. 'Enterprise' and 'entrepreneurship' are not synonymous. Enterprise is a physical entity; entrepreneurship, on the other hand, is a capability. In order to nourish a capability, there needs to be the interplay of three key factors: a) achievement motivation (AM); b) role of actors; and c) effective delivery system (economic governance system). These three factors

are not mutually exclusive.

## 2.3. Gender Gap

Gender Gap Index(GGI) is a useful indicator for measurement. In terms of the Gender Gap Index, India's rank is 108. The only way to bridge the space is by economically empowering women by providing them income opportunities.

### 2.4. Characterisation and Functional Categories

Goffee and Scase (1985) attribute some unique characteristics for women entrepreneurs and characterise them under four groups:

a).The Conventional Group: This group is made up of women entrepreneurs who believe in the natural superiority of men, although they have lofty entrepreneurial ideals. They have high attachment ideals and an equal attachment to patriarchal ideals. They possess high attachment to conventional gender roles.

b) The Innovative Group: This group has a high attachment to entrepreneurial ideals, but a low attachment to patriarchal ideals. They reject prevailing / conventional notions and are not afraid to compete with men. They are often more educated than the conventional.

c) The Domestic Group: This group has high attachment patriarchal ideals and very low attachment to entrepreneurial ideals. They are strongly attached to the conventional female role. Very often they are unwillingly self-employed entrepreneurs.

d) The Radical Group: This group has a very low attachment to both entrepreneurial and patriarchal ideals. They have no commitment to conventional female roles and no commitment to entrepreneurial ideals. They became entrepreneurs due to various reasons.

On the basis of the situation in which women turn to the role of an entrepreneur, they can be classified in to three:

a) Natural Entrepreneurs: Natural or pure entrepreneurs possess basic entrepreneurial talent and are often good managers too. They are motivated by economic rewards (make profit or generate income) or psychological factors such as independent employment, social status etc. On getting a chance, they will start their career. Majority of them will establish without much external support and assistance

b) Created Entrepreneurs: Created or motivated entrepreneurs are prop up through incentives, training or such other schemes. Even though they are not self-starters, if someone gets them started, they keep going all right. Entrepreneurship Devel-