

Journal of Asia Entrepreneurship and Sustainability

Refereed Edition



Editors:

Jens Mueller, New Zealand (Managing)
Rosel Fonacier, Philippines
Dennis Lee Poh Wah, Singapore
Manlio del Giudice, Italy

© 2020, The Editors

Print: ISSN 1177-4541

On-Line: ISSN 1176-8592

www.asiaentrepreneurshipjournal.com

ROS ROSSISMITH
ACADEMIC PUBLISHING

Volume XVI, Issue 2, May 2020

Influence of Gender and Academic
Qualification on Entrepreneurial
Intentions among Students

Kalaa Chenji, Raghavendra Sode, Laila Memdani

Factors influencing the success of
women entrepreneurs in Emerging
Markets: A Study of Indian women
entrepreneurs

Amandeep Dhaliwal, A.Sahay

Sustainable rice business:
A survey for strategic implication

Muslima Zahan, Shaquaat Rafiul Alam

Role of social entrepreneurs in
women empowerment and
indigenous people development:
A cross-case analysis

Gaitri Kumari

Social Entrepreneurship as a
Cluster Concept: Is a Cricket
Farming Start-Up a social enterprise?

*Hanna Lehtimäki, Ville-Veikko Piispanen,
Subhanjan Sengupta*

Table of Content

Volume XVI, Issue 2, May 2020

<p>Influence of Gender and Academic Qualification on Entrepreneurial Intentions among Students <i>Kalaa Chenji, Raghavendra Sode, Laila Memdani</i></p>	<p>Page 3</p>
<p>Factors influencing the success of women entrepreneurs in Emerging Markets: A Study of Indian women entrepreneurs <i>Amandeep Dhaliwal, A.Sahay</i></p>	<p>Page 21</p>
<p>Sustainable rice business: A survey for strategic implication <i>Muslima Zahan, Shafquat Rafiul Alam</i></p>	<p>Page 74</p>
<p>Role of social entrepreneurs in women empowerment and indigenous people development: A cross-case analysis <i>Gaitri Kumari</i></p>	<p>Page 106</p>
<p>Social Entrepreneurship as a Cluster Concept Is a Cricket Farming Start-Up a social enterprise? Hanna Lehtimäki, Ville-Veikko Piispanen, Subhanjan Sengupta</p>	<p>Page 162</p>

Influence of Gender and Academic Qualification on Entrepreneurial Intentions among Students

Kalaa Chenji, Raghavendra Sode, Laila Memdani
ICFAI Business School, Hyderabad, Telangana, India
chenjikala@gmail.com

Abstract

The purpose of this paper is to study the impact of gender and academic qualifications on entrepreneurial intentions of students as a career choice. The data was collected from 257 students at undergraduate and postgraduate levels in a leading business school in India. Chi square test and t-test were used to examine the influence of gender and academic qualification on intentions of entrepreneurship of students. The results reveal three key outcomes, firstly, it establishes that substantial minority of graduates consistently hold entrepreneurship intentions. Secondly, despite the considerable effort put in by authorities in minimizing gender gap, bias amongst men and women in intentions of entrepreneurship continues to exist. Women seem to lag behind in their efforts to intent to start their own

business and resort to other occupational choices. The paper attempts to unearth the gender gap in the intentions of entrepreneurship. Finally, the paper highlights the importance of educational qualification on entrepreneurial intentions.

Introduction

Significant harmony subsists about the magnitude of endorsing entrepreneurship in both developed as well as developing countries. In developed countries entrepreneurship has been accepted as a means to incite modernization and industrial progress, stimulate competition and generate employment leading to growth and affluence (Holmgren and From 2005). In developing countries governments see entrepreneurship as a way to kindle economic development and tackle serious economic and social challenges. So, how can young people be encouraged to become entrepreneurs? The answer requires understanding of factors that determine intentions of entrepreneurship. Entrepreneurial intentions has, therefore, been a topic of substantial research for several years fueled. The investigation on entrepreneurship has widely taken its respectable place worthy of intellectual pursuit at education level in research and learning (Rushing, 1990). In the present day arena, higher educational qualification plays a crucial role in producing huge number of graduates who seek to endorse self or small business employment as a sensible livelihood

opportunity (Nabi and Holden, 2008). Further, academicians endeavor to prepare students for a dynamic scenario by broadening learning beyond educational boundaries. (Shinnar, R.Pruett,M and Toney B). The Global Entrepreneurship Monitor, Turkey, 2010, Report, 2011) expressed that the young generation have attained higher levels of education to prosper in the opportunity-driven entrepreneurship environment and better career choices. The survey revealed people with high educational qualifications aim at choice-driven entrepreneurship and not necessity-driven entrepreneurship. A study conducted by (Ettl and Welter, 2010), (Greer and Greene, 2003); (Langowitz and Minniti, 2007) suggested that research on women entrepreneurship has gained more importance in 1990s. Further, empirical research reveals that women entrepreneurship is remarkably lower than that of men and the proportion of women entrepreneurs is half of that of men (Acs et al., 2005, Gupta et al, 2014). In the light of this typology, the present paper focuses on the impact of gender and (K. Ettl (2010),)academic qualification on entrepreneurship intentions.

The aim of the study is to examine the influence of gender and academic qualification on entrepreneurial intentions among undergraduates and postgraduates in a leading business school. The paper proceeds with review of literature addressing entrepreneurial intentions comprehensively. The methodology used and estimation of results are elaborately explained. The

study concludes with the discussion of the results analyzed and scope for future research.

Literature Review

The study of entrepreneurship intentions has been one the most sought after topics of research among students. Many researchers conducted enormous research on demographic factors influencing entrepreneurship (Wang and Wang, 2004). Of the demographic factors, it is observed that gender and academic qualification play a crucial role in influencing an individual's intention towards entrepreneurship. Gupta et al. (2008, 2009) studied the role of gender on entrepreneurial intentions and found no significant differences between overall potential of men and women. The study of 5000 adolescent students conducted by Kickul et al., (2008) revealed significant difference in entrepreneurial intention between male and female students and the mean score of male students was observed to be higher than that of female students. In a study on Indian university students Bhandari (2006) established that lead and luck are the significant factors for entrepreneurial intentions. Gurol and Atson (2006) found that qualities like higher risk taking propensity, internal locus of control and higher need for achievement and innovativeness were required for higher entrepreneurial intention. Lee et al., (2006) pointed out entrepreneurship education depended on custom-made advances based on exclusive cultural

framework. Wilson, Kickul and Marline (2007) explored the influence of gender on entrepreneurial career choice and self-efficacy. The results of the study proved that the influence of entrepreneurial education in MBA programs on self-efficacy is stronger for women than men. Gerry, Marques and Nogueira (2008) in their study identified profound impact of gender and academic training on entrepreneurial intentions. Koellinger et al., (2007) suggested that perceptual factors play an important role in elucidating the differences in the entrepreneurial intentions of men and women. Though gender gap is said to persist in entrepreneurial intentions, recent empirical research has not found significant differences in men and women (Trevelyan, 2009). Yordanova and Tarrazon (2010); Wilson et al., (H.Zhao 2005) found that perceptual factors may play a crucial role in determining the relationship between gender and entrepreneurial intentions. Fisher et al., (1993); Yordanova and Tarrazon (2010) explained the influence of social feminist theory (SFT) on entrepreneurial intentions as the perspective of men and women differs as per their socialization processes and experiences. The SFT suggests that the decisions taken by men and women differ on the basis of experiences, socialization and elements of psychological and philosophical theories about differences in men and women (Greer and Greene, 2003). Research reveals that women tend to focus on work-family balance and contribution to economic growth may shrink to that extent (Jennings and McDougald, 2007; Kepler and

Shane, 2007). Further, important differences are found between certain personality traits between men and women (Fischer et al., Robb and Watson, 2012). From the literature review it can be concluded that SFT reveals direct impact of gender on intentions of entrepreneurship (Routamaa et al., 2004; Veciana et al, 2005). It is clear from the research evidence that women lack behind in the intentions of entrepreneurship when compared to men (Gatewood et al., 2002; Malach-Pines and Schwartz, 2008; Veciana et al., 2005; Wilson et al., 2009). After elaborate scrutiny of review of literature review on influence of gender and academic qualification on entrepreneurial intentions the following hypotheses was formed.

Hypothesis 1: There is a positive relationship between gender and entrepreneurial intentions.

Hypothesis 2: There is a positive relationship between academic qualification (Graduates and Post Graduates) and entrepreneurial intentions.

Methodology

Previous research on entrepreneurial intentions and theoretical background disclose that studying the influence demographic factors like gender and academic qualification was easy to classify with but difficult to examine.

Survey method was used to gather data. Zikmund, Babin, Carr, & Griffin, (2013) explained that questionnaire method is one of the most efficient and inexpensive, swift method of data collection. The aim of the paper is to find the influence of gender and academic qualifications on entrepreneurial intentions for which a purposive judgmental sampling design is utilized (Cavana et al, 2000, p. 263). The sample comprised of post graduates and undergraduates business school students as they constitute the future leaders and to a great extent form the human capital of the nation. A questionnaire is administered among 200 students to obtain relevant data of which 157 usable responses were received and used for data analysis.

The questionnaire for measuring influence of gender and academic qualification on entrepreneurial intentions was constructed using notions resulting from existing literature forming a methodological contribution. The internal consistency and reliability of each construct in the study is assessed by testing the Cronbach α (Cavana et al 2000, p.211). The Cronbach alpha of all variables is found to be reliable above 0.70 ((Hair 2006)pp 137-139, Nunnally, 1967 p. 226 cited in Peterson, 1994).

Findings and Implications

In order to identify the influence of gender and academic qualification on entrepreneurial intentions, Chi Square Test and T-Test were conducted. Chi

Square Test was conducted to study the influence of gender on entrepreneurial intentions. It is revealed that gender had no influence on entrepreneurial intentions. Table – I and Table – II depict Chi square test revealing that there is no significant difference between gender and entrepreneurial intentions.

Table – I

Chi square Test for Gender

Gender * EIMEAN Cross tabulation

		EIMEAN									Total	
		1.00	1.50	2.00	2.50	3.00	3.50	4.00	4.50	5.00		
Gender	Male	Count	0	1	3	2	21	10	14	13	28	92
		Expected Count	1.2	2.3	4.7	3.5	22.9	11.1	14.1	10.0	22.3	92.0
	Female	Count	2	3	5	4	18	9	10	4	10	65
		Expected Count	.8	1.7	3.3	2.5	16.1	7.9	9.9	7.0	15.7	65.0
Total		Count	2	4	8	6	39	19	24	17	38	157
		Expected Count	2.0	4.0	8.0	6.0	39.0	19.0	24.0	17.0	38.0	157.0

Table - II

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.184 ^a	8	.077
Likelihood Ratio	15.186	8	.056
Linear-by-Linear Association	12.402	1	.000
N of Valid Cases	157		

a. 8 cells (44.4%) have expected count less than 5. The minimum expected count is .83.

The Chi square test for gender is insignificant as minimum expected count for Chi square is 0.83 and the calculated values are below 0.83. Table III and IV depict t-test for gender.

Table – III

T test for Gender

Group Statistics					
	Gender	N	Mean	Std. Deviation	Std. Error Mean
EIMEAN	Male	92	3.9674	.92227	.09615
	Female	65	3.3846	1.06349	.13191

Table – IV

T- Test for Academic Qualification

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
EIMEAN	Equal variances assumed	.583	.446	3.659	155	.000	.58278	.15928	.26813 .89742
	Equal variances not assumed			3.570	125.217	.001	.58278	.16323	.25972 .90583

It's clear from above that gender and entrepreneurship are not related as t-test conducted proved to be insignificant. Therefore, gender does not influence entrepreneurship intentions. Table V and VI depict T-Test conducted to study the influence of academic qualifications viz graduation and post-graduation on entrepreneurial intentions. The results revealed that academic qualifications of students does not influence entrepreneurial intention, as no difference was found between graduates and post graduates. The results of T-Test revealed p-values greater than 0.05 the null hypothesis of equality of means is accepted which means that EI does not change with educational level. It is found that entrepreneurial intentions for both graduate and post graduates are equal. Tables VII and VIII depict the

Chi-square test for academic qualification and entrepreneurship intentions. It is revealed that the calculated values are far below minimum expected value (0.64). Therefore, the results reveal that academic qualifications like graduation and post-graduation do not influence entrepreneurship intentions.

Table – V

Independent Samples Test									
	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
EIMEAN	Equal variances assumed	.583	.446	3.659	155	.000	.58278	.15928	.26813 .89742
	Equal variances not assumed			3.570	125.217	.001	.58278	.16323	.25972 .90583

Table –VI

		Levene's Test for Equality of Variances		t-test for Equality of Means						
						Sig. (2- taile d)	Mean Difference	Std. Error Differenc e	95% Confidence Interval of the Difference	
		F	Sig.	t	Df				Lower	Upper
EIMEAN	Equal variance s assumed	.171	.680	1.32 7	155	.187	.24369	.18369	-.11917	.60654
	Equal variance s not assumed			1.27 7	67. 993	.206	.24369	.19089	-.13723	.62460

Table –VII
Academic Qualification

Chi-Square Tests

	Value	df	Asymp. Sig. (2- sided)
Pearson Chi-Square	12.252 ^a	8	.140
Likelihood Ratio	12.751	8	.121
Linear-by-Linear Association	6.167	1	.013
N of Valid Cases	157		

a. 7 cells (38.9%) have expected count less than 5. The minimum expected count is .64.

Table - VIII



Parent's Educational Qualification * EIMEAN Crosstabulation												
			EIMEAN								Total	
			1.00	1.50	2.00	2.5 0	3.0 0	3.50	4.00	4.50		5.00
Educational Qualification	Graduate	Count	2	1	4	3	23	15	16	12	31	107
		Expected Count	1.4	2.7	5.5	4.1	26.6	12.9	16.4	11.6	25.9	107.0
	Post Graduate	Count	0	3	4	3	16	4	8	5	7	50
		Expected Count	.6	1.3	2.5	1.9	12.4	6.1	7.6	5.4	12.1	50.0
	Total	Count	2	4	8	6	39	19	24	17	38	157
		Expected Count	2.0	4.0	8.0	6.0	39.0	19.0	24.0	17.0	38.0	157.0

Conclusion and Discussion

The study aims to find the impact of two demographic factors gender and academic qualifications on entrepreneurial intentions among graduate and post graduate students in a leading business school in South India using Chi-square test and T-Test. The study was conducted among 157 students using questionnaire method. Results of the study revealed that gender had no influence on entrepreneurial intentions. Chi-square test conducted to find influence of gender on entrepreneurial intentions proved to be

insignificant. Previous review of literature proved that men and women differ in the nature of intentions of entrepreneurship. Women might take fewer risks (Watson and Robinson, 2003) due to several experiences and social processes (Carter and Williams, 2003). Men are proved to be risk-taking while women are considered more conservative and risk averse (Powell and Ansic 1997). Roszkowski and Grable (2005) conducted a study and found that men are more risk tolerant and women are less tolerant. Daiz et al (2010) opined that fear of failure on entrepreneurial intentions of men and women are not conclusive and remain insignificant once they are established as entrepreneurs. On the other hand, results of Chi-square test and T-Test conducted on academic qualifications reveal that entrepreneurial intentions are not influenced either at graduation or at post-graduation levels. The study revealed that academic qualification remained insignificant to intentions of students towards entrepreneurship. It can be concluded that demographic factors like gender and academic qualifications definitely influence entrepreneurial intentions.

References

- A. Malach-Pines, D. Schwartz, 2008. "Now you see them, now you don't: gender differences in Entrepreneurship." *Journal of Management Psychology*, 23 (7), 2008: 811-832.
- Bhandari, N.C. (2006). "Intention for entrepreneurship among students in India." *The Journal of Entrepreneurship*, 2006: 169-179.
- C.K. Wang, P.K. Wong. "Entrepreneurial interest of university students in Singapore." *Technovation*, 24 (2), 2004: 163-172.
- Carter, S.L. and Shaw, E. and Lam, W. and Wilson, F. (2007). "Gender, entrepreneurship, and bank lending : the criteria and processes used by bank loan officers in assessing applications." *Entrepreneurship Theory and practice*, 31 (3), 2007: 427-444.
- Cavana, R. Y., Delahaye, B. L., & Sekaran, U. (2001). "Applied Business Research: Qualitative and Quantitative Methods (1st ed.)." US & Australia: John Wiley & Sons Australia, Ltd , 2001.
- E. Kepler, S. Shane, 2007. "Are Male and Female Entrepreneurs Really that Different?" *Small Business Administration*, Office of Advocacy, , 2007.
- Education, Entrepreneurship and. "In Entrepreneurship Education: current developments, future directions,." New York, Quoro Books, 1990: 29-39.
- F. Wilson, J. Kickul, D. Marlino, 2009. "An analysis of the role of gender and self-efficacy in developing female entrepreneurial interest and behaviour." *Journal of Development Entrepreneurship*, 15 (03), 2009: 105-119.
- F. Wilson, J. Kickul, D. Marlino, S.D. Barbosa, M.D. Griffiths (2009). "An analysis of the role of gender and self-efficacy in developing female entrepreneurial interest and behaviour." *J. Dev. Entrep*, 14 (2), 2009: 105-109.
- Fisher, R. J. (1993). "Social desirability and the validity of indirect questioning." *Journal of Consumer Research*, 20, 1993: 303-315.
- Gatewood, E.J., Shaver, K.G. and Gartner, W.B. (1995). "A longitudinal study of cognitive factors influencing start-up behaviours and success at

- venture creation". Journal of Business Venturing, Vol. 10 No. 5., 1995: 371-91.
- Gerry, C., Marques, C.S. and Nogueira, F. (2008). " Tracking student entrepreneurial potential: personal attributes and the propensity for business start-ups after graduation in a Portuguese university. ." Problems and Perspectives in Management, 2008, 6 (4),: 46-54.
- Gupta, VK, Turban, DB, Bhawe, NM (2008). "The Effect of gender stereotype assimilation and reactance on entrepreneurial intentions." Journal of Applied Psychology, 93(5), 2008: 1053–1061.
- Gupta, VK, Turban, DB, Wasti, AA. (2009). "The role of gender stereotypes in perceptions of entrepreneurs and intentions to become an entrepreneur." Entrepreneurship Theory and Practice , 33(2), 2009: 397–417.
- Gurol, Y. & Astan, N. (2006). "Entrepreneurial characteristics among university students: Some insights for entrepreneurship." Education and Training, 48(1), 2006: 25-38.
- H.Zhao, E.S.Scott, G.E.Hills. "The mediating role of self-efficacy in the development of entrepreneurial intention." J. Appl. Psychol., 90 (6) , 2005: 1265-1272.
- Hair, J., Black, W., Babin, B., Anderson, R., & Tatham, R. (2006). "Multivariate data analysis (6th ed.). ." Uppersaddle River, N.J.: Pearson Prentice Hal, 2006.
- J. Watson, S. Robinson. "Adjusting for Risk in Comparing the Performance of Male- and Female- controlled SMEs." Journal of Business Venturing, 18 (6) , (2003),: 773-788.
- J.C. Díaz, R.H. Mogollón, M.C. Sánchez-Escobedo, M.V. Jiménez. "Actividad emprendedora y género: un estudio comparativo." Revista Europea de Dirección y Economía de la Empresa, 19 (2) , 2010: 83-98.
- J.E. Jennings, M.S. McDougald. "Work-family interface experiences and coping strategies: implications for entrepreneurship research and practice." Academics Management Review, 32 (3), 2007: 747-760.

- K. Ettl, F. Welter. "Gender, context and entrepreneurial learning." nt. J. Gender Entrep., 2 (2), (2010),: pp. 108-129.
- Kickul, Jill, Fiona, Wilson et al. (2008). "Are misalignments of perceptions and self-efficacy causing gender gaps in entrepreneurial." Journal of Small Business and Enterprise Development, , 15(2), 2008: 321-335. .
- Koellinger, Philipp, Maria Minniti, and Christian (2007) Schade. " "I think I can, I think I can". Overconfidence and entrepreneurial behavior." Journal of Economic Psychology, 2007: 502–527.
- Lee, S.M., Lim, S., Pathak, R.D., Chang, D. and Li, W. (2006),. "“Influences on students attitudes toward entrepreneurship: a multi-country study”,." The International Entrepreneurship and Management Journal, Vol. 2 No. 3,, 2006: 351-66.
- M. Levesque, M. Minniti. "The effect of aging on entrepreneurial behavior." J. Bus. Venturing, , 37 (2) (1994),: 323-349.
- M. Powell, D. Ansic (1997). "Gender differences in risk behaviour in financial decision making: an experimental analysis." Journal of Economic Psychology, 1997: 605-628.
- M.J. Greer, P.G. Greene. "Feminist theory and the study of entrepreneurship." New Perspectives on Women Entrepreneurs, IAP, Greenwich,, CT (2003): 1-24.
- M.J. Roszkowski, J. Grable. "Gender stereotypes in advisors' clinical judgments of financial risk tolerance: objects in the mirror are closer than they appear." Journal of Behavioral Finance, 2005: 181-191.
- Nabi, G. and Holden, R. (2008). "Graduate entrepreneurship: Intentions, education and training." Education and Training, Volume 50, No. 7, 2008: 545-551.
- Nunnally, J. C. (1967). "Psychometric Theory. New York:." McGraw-Hill., 1967.
- Robb, A.M., and Watson, J. 2012. " Gender differences in firm performance: Evidence from new ventures in the United States." Journal of Business Venturing 27(5):, 2012: 544–558. .

- Routamaa, V. and Miettinen, A. (2006). "Knowing Entrepreneurial Personalities: A Prerequisite for Entrepreneurial Education." *International Journal of Entrepreneurship Education*, , 2006, Vol. 23, No.4: 45-57. .
- Shinnar R. Pruett, M and Toney, B (2009). "Entrepreneurship education: attitudes across campus", *Journal of Education for Business*, Vol. 84 No. 3, 2009: 151-8.
- Shinnar, R., Pruett, M., & Toney, B., (2009). "Entrepreneurship Education: Attitudes Across Campus", *Journal of Education for Business*, Heldref Publications.
- Trevelyan, R. (2009). "Entrepreneurial attitudes and action in new venture development. ." *International Journal of Entrepreneurship and Innovation*, Vol.10, No.1, 2009: 21-39.
- V.K. Gupta, A.B. Goktan, G. Gunay. "Gender differences in evaluation of new business opportunity: a stereotype threat perspective." *J. Bus. Venturing*, , 29 (2) (2014): 273-288.
- Veciana, J. M, Aponte, M. and Urbano, D. (2005). "University Students' Attitudes towards Entrepreneurship: A Two Countries Comparison", *International Entrepreneurship and Management Journal*, Vol. 1,, 2005: 165-182.
- Yordanova and Tarrazon, 2010. "Gender differences in entrepreneurial intentions: evidence from Bulgaria." *J. Dev. Entrep.*, 15 (03), 2010: 245-261.
- Z. Acs, P. Arenius, M. Hay, M. Minniti. "Global Entrepreneurship Monitor 2004 Executive Report." London Business School, 2005.
- Zikmund, W., Babin, B., Carr, J. and Griffin, M. (2013). "Business Research Methods." A South-Asian Perspective (8th edition), 2013: New Delhi: Cengage Learning India Private limited.

Factors influencing the success of women entrepreneurs in Emerging Markets: A Study of Indian women entrepreneurs

Amandeep Dhaliwal, A.Sahay
Birla Institute of management & Technology, Greater Noida, India
amandeep.fms@mriu.edu.in

Abstract

Women entrepreneurship has been growing significantly all over the world. But it has been seen that women owned businesses tend to underperform and has higher failure/closure rates as compared to men owned businesses. As per GEM report (2017), 4 out of 10 women exit business in initial stage itself in case of emerging markets. This research, therefore, identified a list of factors from literature between 2009 until 2019 along with the seminal papers of the field and empirically surveyed the women entrepreneurs to find out the factors that influence the success of women entrepreneurs. The study found that the Support Systems, Personal Orientation and Knowledge Base were the overarching factors having the highest impact on the success

of women entrepreneurs in such economies. This paper identifies the most important factors that influence the success of women entrepreneurs in emerging economies like India. It would be instrumental in giving directions to policymakers, scholars and women entrepreneur in their efforts for fostering a more conducive environment for ensuring the success of women entrepreneurs in emerging markets, where the rate of failure is higher.

Introduction

Emerging markets (or EME, for emerging market economy) are economies of countries that are in the progress of becoming a developed country and typically are moving toward mixed or free markets (Khanna & Palepu, 2010). These countries are moving away from their traditional agriculture based or export of raw material based economies rather furiously investing in more productive capacity. These countries are rapidly industrializing and adopting a free market or mixed economy. This term was originally coined by World Bank economist Antoine Van Agtmael in 1981 to describe the countries which are considered to be in a transitional phase between developing and developed status.

India, with a growth rate of over 7%, is shining. It has become a fertile ground for entrepreneurship. World Bank's Doing Business Report (2018),

which measure aspects of business regulation that matter for entrepreneurship across 190 economies, has ranked India at 77th Rank. India has jumped 30 positions to become the top 100th country in terms of ease of doing business ranking this year The World Bank has recognized India as one of the top improvers for the year. Further, India has been improving significantly in its position at the WEF's Global Competitiveness Index climbing up to the 58th position in 2018. Similarly, in the Global Innovation Index rankings (2018), India stood at 57th place among 130 participating countries. According to a report published in 2016 by NASSCOM, India is home to around 4,750 start-ups and is ranked as the third largest start-up ecosystem globally. These start-ups have generated employment for about 85,000 people, and have secured funding of about 3.8 billion. It is further estimated that by 2020, the number of start-ups will cross 10,000, with an employment generation for over 2 million in the country.

Despite these achievements, there exists a strange dichotomy regarding the role and status of women in Indian Society. Since pre-historic times, Indian women have been considered a source of power and treated as goddesses; both loved and feared. At the same time, the traditional Society considered the real women of the house as a weaker sex and was accorded inferior

status in family hierarchy burdened with household chores, bearing children and looking after the family.

Women entrepreneurship, however, globally has been having a golden run. The Global Entrepreneurship Monitor (GEM) report (2017) found that women entrepreneurship has risen by 6% worldwide. 163 million women started to run a business whereas 111 million were operating established (over three and a half years) businesses. Approximately 37 percent of enterprises in formal sector, globally, are Women-owned entities. Thus, Women entrepreneurs are playing an increasingly vital role – socially, professionally and economically. Though this number is increasing every year, in comparison to men, it is still pale.

According to Sixth Economic Census released by the Ministry of Statistics and Programme Implementation, women constitute around only 14% of the total [entrepreneurship](#) i.e. 8.05 million out of the total 58.5 million entrepreneurs. Out of this, 2.76 million women constituting 13.3% of women entrepreneurs work in agriculture sector whereas 5.29 million women constituting more than 65% work in non-agriculture sector. The average employment in women-owned enterprises is meager 1.67. The GEM Report (2017) specific to India reveals that only 7.6% Indian women are involved in early stage entrepreneurship, compared to 13.5% men.

Same reality was depicted by Mastercard Index of Women Entrepreneurs (MIWE, 2018) which stated that “markets that are less wealthy and less developed tend to render comparatively less enabling conditions for women’s advancement as entrepreneurs.” This is reflected in the very poor scores and ranking of India among the lower middle income group of countries. Of the total 57 surveyed countries across the world, India ranked at 48 in Women Business Ownership, 54 in access to knowledge assets and financial access and overall she had a ranking of 52 out of 57 for Mastercard Index of Women Entrepreneurs.

In this background, it is very important to understand why the women entrepreneurs are still lagging as compared to men. In emerging market¹ economies such as India, it was seen that women do not have very supportive entrepreneurial environment, they have very low opportunities to rise in their careers as business leaders. The underlying conditions for women entrepreneurship are less favorable, and they face tremendous gender and cultural bias. These affect their morale causing women to become less driven for entrepreneurship. In cases where they are already in business, they are unable to grow their business and become successful. It

¹ According to WEF’s classification, the factor-driven economy is dominated by subsistence agriculture and extraction businesses, with a heavy reliance on (unskilled) labour and natural resources. The classification of economies has been adapted from Global Competitiveness Index 2017, published by the World Economic Forum.

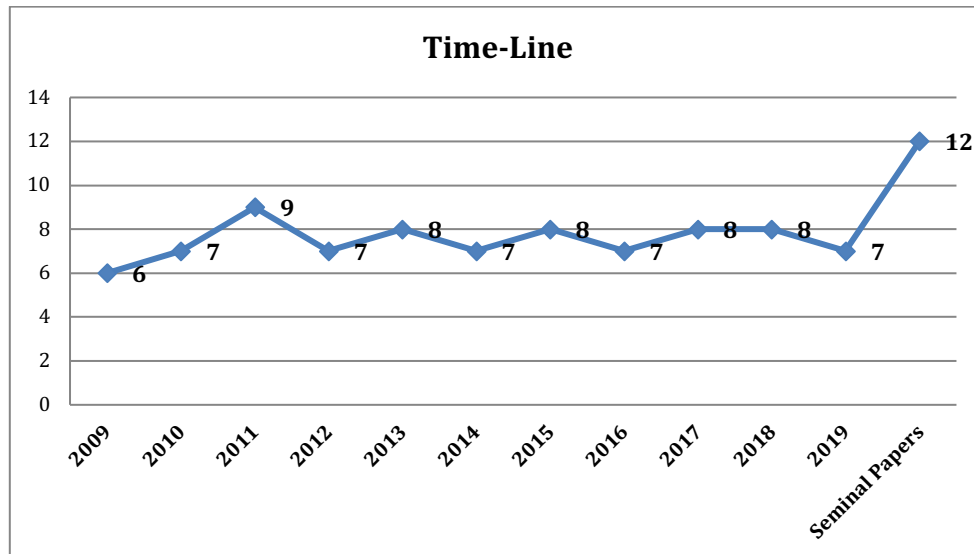
was seen that women from lower income economies are more likely than other regions to underperform and have higher failure/closure rates as compared to men owned businesses. They discontinue their businesses for reasons such as unprofitability or lack of finance (GEM, 2018). The business discontinuation rate was seen to be the highest in India (26.4%) compared to all the economies participating in the GEM Survey, 2018.

Considering the increased participation of women in economy, Kirby (2004) suggests that “we need to understand the nature and address the factors that are critical for women to succeed in independent business and to present a more realistic picture of what starting a new business entails”. Therefore it is of utmost importance to understand the factors that contribute to their growth, performance and success. Only after identification of such factors which are specific to Indian women entrepreneurs, can Indian government as well as the other developmental agencies develop policies and programs to encourage and promote the development of entrepreneurship amongst women and ensure their sustenance

Review of Literature

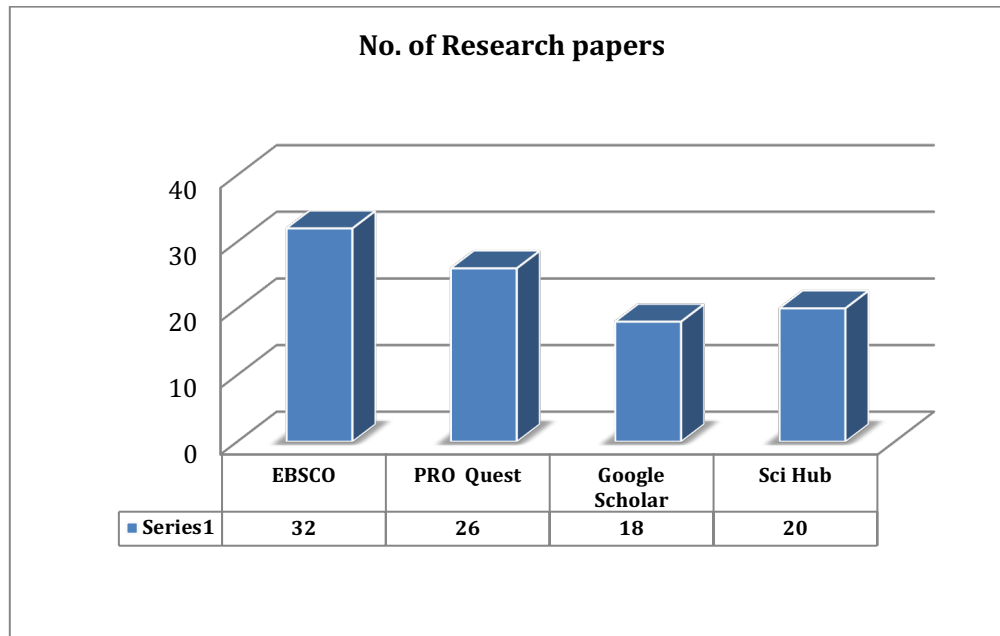
Review Objective & Search Strategy

An indepth review of the literature was undertaken so as to understand the concept of success in case of women entrepreneurs as well as the various factors that influence success which had been proven in the earlier studies which had been conducted all over the world. For this the focus was on the seminal papers as well as the research papers from 2000 onwards. The search started with understanding the broader concept of entrepreneurship through some of the seminal papers and then fine tuning it to the concept of success and the factors of success and lastly to factors of success in case of women entrepreneurs. The search was carried out on mainly the popular databases such as Ebsco host, Proquest, Google Scholar, SciHub with the key words as ‘Entrepreneurship’, ‘Women Entrepreneurship’, ‘Success’, ‘Factors of Success’ & ‘India’. Each keyword brought up thousands of research papers which were further filtered based on the year of publication which was kept as 2000 specially the research papers published in the last ten years as shown in Graph 1. Overall 400 research papers were found to be relevant to the aim of the study.



Graph 1:Time Frame of Research paper (Source: Developed by the author)

The abstracts of these papers were studied and further only 96 were found to be most relevant for the study were selected. A representation of these papers is given in the following Graph 2



Graph 2: Number of Research papers from various sources (Source: Developed by the author)

Further a rigorous literature review of the 96 papers was undertaken. The ideas and concepts are presented further.

Literature review

Entrepreneur has been variously defined by various authors. For some entrepreneur has been one who bears the risk, someone who coordinates resources (Say 1803), discovers opportunities (Kirzner, 1997) or is an innovator (Schumpeter, 1934). Schumpeter (1934), defined “Entrepreneur is

an innovator or developer who recognizes and seizes opportunities; converts these opportunities into workable/ marketable ideas; value through time, effort, money or skills; assume the risks of the competitive marketplace to implement these ideas; and realizes the rewards from these efforts.

Moore and Butner (1997), defined a female or a woman entrepreneur as “A woman, who has initiated a business, is actively involved in managing it, owns at least 50 percent of the firm, and has been in operation one year or longer”. Das (2000,) states that woman entrepreneur is one who starts business and manages it independently and tactfully, takes all the risks, faces the challenges boldly with an iron will to succeed. Wiklund and Shepherd. (2005) defined women entrepreneurs in terms of the stock of business that they hold. He exclaims that a woman is a business entrepreneur if she owns at least 51% of stock of a business and controls the daily operations and management of a business. Singh (2014), defined women entrepreneurs as a woman or a group of women who initiates, organizes and runs a business venture. Government of India has defined women entrepreneur as “an enterprise owned and controlled by a women having a minimum financial interest of 51% of capital and giving at least 51% of employment generated in the enterprise to women.”

Entrepreneurial success for Women Entrepreneurs

What is success? Oxford dictionary defines success as “the accomplishment of an aim or purpose”. This aim can be wealth, fame or social status or some other intrinsic goal. Majority of the studies on venture performance in academic literature tend to measure success on economic criterion alone (Chaganti & Parasuraman, 1997; Praag, 2003; Davidsson et al., 2006). They utilize criteria such as profits and returns, growth in sales or income, growth in size of firm, increasing number of employees, growth in productivity and returns and survival time to measure success. Walker and Brown (2004), proclaim that, “Most discussion of success in the existing literature refers predominantly to financial criteria. Very limited attention is given to the issue of whether small business owners ever achieve their personal goals, which can often be their initial motivation for starting a business “.

In case of women entrepreneurs, it cannot be just defined in black and white monetary terms. Manolova et al., (2007), concluded that female entrepreneurs often seek outcomes and end results above and beyond economic growth while managing their ventures. Therefore, success should be seen in those terms. Different researchers have defined different measures of success for women other than traditional terms. Researchers in past have variously found that Self-employment (Marlow and Strange,

1994), Work Life Balance (Gate wood et al., 2004; Reijonen & Komppula ,2007), Lifestyle Preferences(Hakim, 2003), Feeling of Empowerment (Hisrich et al, 2005), Enhancement of quality of life (Ardrey et al., 2006), are often quoted to define success of women entrepreneur. In some other researches, it has been found that women defined themselves as to what a success should mean as they were able to fulfill the aim or the purpose for which they started or set up their businesses which are other than income or monetary profit. These motives/purposes include factors such as personal independence, need for achievement, better work family balance, self-fulfillment (Lerner et al, 1997). Similarly, Manolova et al. (2007) found that greater social status and social recognition in one's community was the motivation for setting up the venture.

Therefore, it can be concluded that in case of women entrepreneurs the use of traditional success measures such as profits, sales, number of employees, survival time and growth rate would be a myopic view of success. It should accommodate the motivations and other personal factors in which terms women define success.

Factors Influencing the Success in worldwide studies

MIWE Report (2018) exclaims that though number of women owned businesses are still small but they are becoming more important players in the entrepreneurial landscape. Women are no more subservient or dependent upon men as the main wage earners rather they are making their own income.

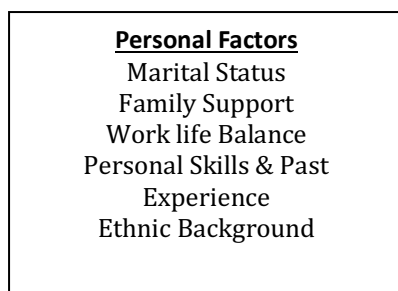
In term of the factors contributing to success of women entrepreneurs, there have been a number of studies all over the world. Some commonly quoted success factors include Formal education and education level (Minnitti and Naude, 2010; Bender et al., 2013), marketing skills (Ranasinghe, 2008; Sarker & Palit, 2014; Johan et.al., 2013; Hazudin, Kader, Tarmuji, Ishak & Ali, 2015; Gerson & Somanadevi, 2015; Chaterjee and Das, 2016), personal entrepreneurial competencies (Minnitti & Naude, 2010; Otoo, Ibro, Fulton & Lowenberg-Deboer, 2012; Chaterjee and Das, 2016; Tinker et al., 2013; Zhouqiaoqin et al., 2013) family's emotional or instrumental supports (Tan, 2008; Ranasinghe, 2008; Alam et al., 2011; Sarker & Palit, 2014; Batool & Ullah, 2017; Gupta & Mirchandani, 2018), family business background (Amarasiri, 2002; Ranasinghe, 2008; Abeysekara, 2009; Aylward, 2011), the young age, scanning intensity, past experience (Unger et al., 2011; Mitchelmore & Rowley, 2013; Zhouqiaoqin et al., 2013; Hazudin, Kader, Tarmuji, Ishak & Ali, 2015; Laffineur, Tavakoli, Fayolle, Amara, & Carco, 2018) need for control (Lerner, Brush & Hisrich, 1997;

Akhalwaya & Havenga, 2012; Jain & Ali 2012; Gupta & Mirchandani, 2018), social support & government policies and programmes (Sandberg, 2003; Ranasinghe, 2008; Sarker & Palit, 2014; Sequeira, Gibbs, & Juma, 2016; Gupta & Mirchandani, 2018). Networking (Lerner, Brush & Hisrich, 1997; Ashraf and Qureshi 2010; Alam et al., 2011; Bogren, 2013; Gupta & Mirchandani, 2018) usage of ICT technology (Ndubisi & Kahraman, 2006; Marlin & Wright, 2005; Sarker & Palit, 2014) psychological characteristics of the entrepreneur (Sullivan and Meek, 2012), competitiveness and risk taking (Ashraf and Qureshi 2010; Dawson & Henley, 2012; Sarker & Palit, 2014; Anil & Azize, 2014) need for Achievement (Jain & Ali, 2012), Access to capital (Gatewood et al, 2004; Akehurst, Simarro & Mas, 2012; Sequeira, Gibbs, & Juma, 2016; Laffineur, Tavakoli, Fayolle, Amara, & Carco 2018; Towhidur et al., 2013), Mentors (Stavropoulou & Protopapa, 2013; Memon et al., 2015) and Work –Life Balance (Rehman & Roomi, 2012; Poggesi, et al., 2015; Agarwal & Lenka, 2015).

Lerner and Hisrich (1997), studied Israeli female entrepreneurs in depth and categorized the five critical success factors as personal motivations, Human Capital, network affiliations, Social influences, and environmental influences. Ranasinghe (2008), studied the Sri Lankan women entrepreneurs and concluded that, other than the usual factors such as

personal psychological characteristics, early childhood experiences, education and learning, entrepreneurial capabilities and support systems, an additional factor that is culture, too, has a role in success of venture. Nawaz (2009) found that innovativeness and risk, knowledge and access to IT, entrepreneurial training, government assistance, availability of capital and business experience contribute to success of Bangladeshi women entrepreneur.

Akhalwaya & Havenga (2012), in their study of South African women entrepreneurs, found that social recognition, consumer satisfaction, diversification, personal freedom and security play a key role in motivating them to continue running their businesses. Jahed et al., (2013) concluded that important factors, contributing to success, include financing help, technological help, marketing assistance and business management. Based on these studies the conceptual framework (as given in Figure: 1) was developed which was as follows:



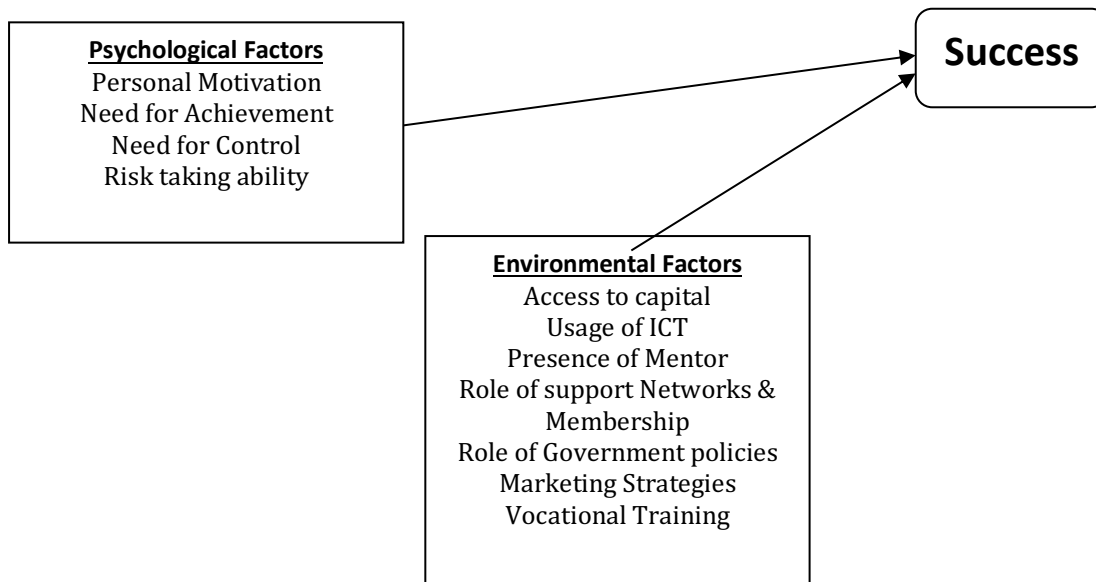


Figure 1: Conceptual framework. (Source: Developed by the author)

Research Objective

The research in the women entrepreneurship area is progressing rapidly. The applicability of success factors in context of emerging markets like China & India still needs be studied holistically. China being a closed environment makes it difficult to pursue the research hence India was chosen as context for the study. Recognizing this limited focus of existing holistic research on success of Indian women entrepreneurs and also no

unanimity exists about the factors that influence success of women entrepreneurs the goal of the present study was to gain a better understanding of women entrepreneurs and their success factors holistically. Based on past research and the theories of entrepreneurship, therefore the following exploratory problem was defined and set as research objective:

- To identify the important factors that affect business success of women entrepreneurs in SMEs sector of India

Methodology

The study was mainly carried out through survey method. A survey instrument that is a structured questionnaire was developed to capture the information relating to the research objectives. The resulting questionnaire comprised of demographic and environmental information of the respondents and a set of variables to measure the most important factors contributing to their business success. The questions were set to measure the perceptions of the respondents regarding success and the contributory factors to the success. It has been seen that perceptive measures are the best method to capture the information which may otherwise be difficult to access specially in case of assessing success and its parameters (Perez and Canino, 2009). Survey instrument had both open ended and closed

questions and the often used measuring scale deployed in some of the questions was Five point Likert Scale.

Other than the demographic and Environmental information seeking questions, the respondents were given a list of 23 variables and were asked to score importance of each variable as a contributory variable to success on the scale of least important to most important. All these variables had been found to influence success as confirmed from previous researches which were reviewed.

For the purpose of this study, 250 women entrepreneurs involved in small microenterprises, were conveniently chosen from the Delhi NCT region. Convenience sampling was utilized as there was no clear statistics available on the population of the target group. The developed questionnaire was distributed among the women micro-entrepreneurs. The questionnaires were then collected back after a period of 3 days. 221 questionnaires were received back out of which 208 were correctly filled in which were analyzed for the study.

Data Analysis

Once the distributed questionnaire were collected, the data from them was input into an excel sheet. The raw data was organized and arranged so that useful information can be extracted from it. The data was uploaded into Statistical Package for the Social Sciences version 21 for further analysis. The missing values and incomplete value cases were removed. Data analysis for this study incorporated descriptive statistics and Factor Analysis.

A: Descriptive Statistics

Profile of the Respondents: Data was analyzed and some of the basic descriptive found that (As given in Table 1) majority of women that is 46.2% of women respondents were in age group of 31-40 yrs. Further 86% of women were married, 8% were single and remaining were widowed. 36% of women were found to be graduates and 11% had at least studied still secondary, 7% women had undergone vocational training. Before starting their business majority, that is, 73% of women were found to be housewives who had now set up their own businesses. The initial idea for setting up the business was their own (44.9%) or prodded by their husbands (35.8%). Very few women had been advised by their family or friends.

Table 1: Profile of the respondents

Factor	Particular	Frequency	
Age	21-30	56	
	31-40	96	
	41-51	35	

	51-60	2 1	
Mar ital Stat us	Single	1 6	
	Married	1 7 8	
	Widowed	1 4	
Edu cati on	Primary	6	
	Middle School	2 8	

	High School	2 6	
	Secondary School	2 2	
	Polytechnic/ Vocational/ Technical	1 4	
	Graduation	7 5	
	Post Graduate	3 7	
Past expe	Student	2 3	

Experience			
	Employed	17	
	Unemployed	16	
	Housewife	152	
Initial Idea	Myself	90	
	Spouse	75	

	Family owned	3	
		2	
	Friends	1	
		1	

(Source: Developed by the authors)

Business Profile - In majority of the cases (79%) women were found to be independent owners of their own businesses; the rest were in partnership. Majority of businesses were new and were found to be located at home and residences (62%). It was seen that 78% of women respondents had set up and invested in their ventures from their personal savings. Very few that is 4.3% women had availed the loan facility from Bank. Please see table 2 given below for further details.

Table 2: Business Profile			
Factor	Particular	Frequency	Percentage
	Own 100%	164	78.8

Ownership	Own more than 50%	17	8.2
	Own 50%	24	11.5
	Own less than 50%	3	1.4
Venture Age	1-3	88	42.3
	4-7	77	37.0
	8-11	7	3.4
	12 – 14	0	0.0
	15yrs or more	36	17.3
Location	At home	128	61.5
	Small Office	71	34.1
	Factory	9	4.3
	Corporate Office	0	0
	Personal Saving	163	78.4

Initial Investment	Household Funds/Inheritance	14	6.7
	Borrowed from Relatives & Friends	22	10.6
	Loan from Banks	9	4.3
No. of employees Initially	1-3	152	73.1
	4-7	46	22.1
	8-11	10	4.8
	12-14	0	0.0
	15 & more	0	0.0
No. of employees currently	1-3	103	49.5
	4-7	77	37.0
	8-11	13	6.3
	12-14	12	5.8
	15 or more	3	1.4

(Source: Developed by the authors)

In the initial years the women entrepreneurs mostly started with a maximum of 1-3 employees. There was no business (0%) which had been set up with more than 15 employees but there were some businesses (5%) which currently employed even 15 employees or more as given in Table 2.

Business Performance Status - 62.5% of women claimed that their business was stable and they were satisfied while 37.5 % businesses were growing and none of the businesses were declining. 68% of women looked forward to growing and expanding their present business. 29% had plans to acquire new business. None of the women wanted to start another business venture of their own. 55 % of businesses were making moderate profits. Around 9 % were in moderate loss but none (0%) was in high loss category. On the positive side 9% of women were making profits. Out of 208 women, 187 women felt they were successful, only 21 believed they were unsuccessful and had miles ahead to achieve. Please see table 3 for details.

Table 3: Business Performance Status			
Factor	Particular	Frequency	Percentage
	Growing	78	37.5

Business Growth	Stable	130	62.5
	Declining	0	0.0
	Other	0	0
Business Future	Grow/Expansion	141	67.8
	Acquire new business	29	13.9
	Maintain present size	38	18.3
	Start New Business	0	0.0
Financial Success	High Loss	0	0
	Moderate Loss	19	9.1
	Break Even	56	26.9
	Moderate Profits	114	54.8
	High Profits	19	9.1
Success	Yes	187	89.9
	No	21	10.1

(Source: Developed by the authors)

B. Data Purification & Factor Analysis

Factor analysis is a multivariate statistical procedure that has mainly three uses .Firstly to reduce a large number of variables into a smaller number of factors. Secondly, to establish underlying dimensions between measured variables and latent constructs so as to form or refine a theory. Lastly, for self-reporting scales, it provides construct validity proof (Thompson,2004).

For testing the appropriateness of usage of factor analysis for this particular study KMO andBartlett’s test is used (as given in Table 4). The KMO index ranges from 0 to 1, with 0.50 considered suitable for factor analysis (Tabachnick & Fidell, 2007).

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.728
Bartlett's Test of Sphericity	Approx. Chi-Square	1200.417

Df	45
Sig.	.000

(Source: Developed by the authors)

The result shows that the test value of KMO is 0.728, and p value of Bartlett test is less than 0.05, which demonstrates that the collected data of the women entrepreneurs is appropriate for factor analysis. The Chi Square is approximately 1200 with 45 degrees of freedom. In case of the Bartlett's Test of Sphericity the observed significance is .000, which means the relationship between variables is strong.

In the first step for data purification, the collected data was subjected to factor analysis to find out the important factors that influence women entrepreneurs. To achieve the preliminary solutions Principal Component Analysis was applied along with Varimax rotation. In the second step for data reduction the anti-image correlation matrix was analyzed and the variables whose value was less than 0.50 on the diagonal axis were deleted. Then the communalities table was checked and variables, whose extracted communalities were less than 0.5, were deleted.

The rotated component matrix were examined and the variables whose values were less than 0.5 Further any variable with factor loading less than 0.5 and Eigen value less than 1.0 were ignored for further analysis. Lastly,

the variables which had double loading were ignored. For purpose of analysis, the variable Vocational Training was ignored as it was equally loading on to two factors. Variable marketing strategies is considered as it weakly loaded on to factor 1 as compared to Factor 3.

After the application of few rounds of factor analysis, the number of variables reduced to ten which loaded on to three different factors with acceptable factor loading and communalities. The overall variance is explained in table 5.

Table 5: Total Variance Explained

Co mp	Initial Eigenvalues	Extraction Sums of Squared Loadings
----------	---------------------	--

one nt	T o t a l	% of V ar ia n c e	Cu mu lati ve %	T o t a l	% of V ar ia n c e	Cu mu lati ve %
1	4 . 4 5 2	4 0. 4 7	40. 470	4 . 4 5 2	4 0. 4 7	40. 470
2	2 . 1 8 8	1 9. 8 9 2	60. 362	2 . 1 8 8	1 9. 8 9 2	60. 362
3	1 . 3	1 2. 0	72. 455	1 . 3	1 2. 0	72. 455

	3	9		3	9
	0	3		0	3
4	.	8.			
	8	1	80.		
	9	3	593		
	5	9			
5	.	5.			
	6	5	86.		
	1	7	167		
	3	3			
6	.	3.			
	3	5	89.		
	9	9	758		
	5	2			
7	.	3.			
	3	0	92.		
	3	7	828		
	8	0			
8	.	2.	95.		
	2	2	120		

	5	9			
	2	2			
9	.	1.			
	2	9	97.		
	1	8	101		
	8	1			
10	.	1.			
	1	7	98.		
	8	0	806		
	7	4			
11	.	1.			
	1	1	100		
	3	9	.00		
	1	4	0		

Extraction Method: Principal Component Analysis. (Source: Developed by the authors)

From this table, it was seen that only 3 factors have eigenvalue greater than 1. So these three were used for analysis. And these first 3 factors combined account for 72.455 of the total variance. Factor 1 account for a variance of 40.47% of total variance. Factor 2 accounts for 19.89% of total variance. Factor 3 accounts for 12.09% of total variance. The Rotation Sum of

Squared Loading gives the variances associated with the variables are not explained unless all the factors are retained.

Factor Analysis was done the following in which Principal Component Method and the Rotation method was Varimax with Kaiser Normalization. Based on these following rotated Component Matrix was extracted as given in Table 6.

Table 6: Identified factors with variables that affect women entrepreneurship success				
Factor	Variable	Factor Loading	Cronbach Alpha value	AVE
Factor 1	Mentors	0.849	0.826	0.68

(Support Systems)	Support Networks & Memberships	0.844		
	Role of Govt. policies & Subsidies	0.776		
Factor 2 (Personal Orientation)	Need for Control	0.887	0.861	0.76
	Need for Achievement	0.88		
	Need for Work –Life Balance	0.849		
Factor 3 (Knowledge Base)	Usage of ICT technologies	0.885	0.791	0.63
	Education	0.812		
	Marketing strategies employed	0.673		

(Source: Developed by the authors)

Findings of the study

The nine variables loaded on to overall three factors which have been identified that are contributing to success of women entrepreneurs of Delhi NCT. The Factor 1 consisted of three variables having mentor with a factor loading of .849, having support of networks & memberships of associations with a loading of .844 and lastly role of govt. Policies and subsidies with a loading of .776. Since all the factors consisted of conducive factors for success hence factor 1 was called as Support Systems. The variables need for control with a loading of .887, need for achievement with a loading of .880 and need for work life balance with a loading of .849 loaded on to factor 2. Since these variables together depict personal orientation therefore factor 2 was named Personal Orientation only.& lastly the three variables the usage of ICT technologies with a loading of .885, Education of entrepreneur with a loading of .812 and Marketing strategies employed with a loading of .673 loaded on to factor 3. Since the three variables education of women entrepreneur, their knowledge of ICT and their formulation of marketing strategies impacted business operations hence they were called Knowledge Base.

The Cronbach Alpha was calculated factor for all three individual factors to check the internal consistency of each. The calculated Cronbach Alpha for Factor 1 was 0.826& CR & AVE values were 0.68 & 0.86 respectively, for Factor 2 was 0.861 while CR & AVE values were 0.76 & 0.91 respectively

and for factor 3 was Cronbach alpha was .0791 while CR & AVE values were 0.63 & 0.84. Cronbach's alpha value was found to be reliable as value of Cronbach's alpha for all the constructs exceeded the benchmark of above 0.7 and CR and AVE values were above 0.5 (Nunnally & Bernstein, 1994).

Discussion of the findings

A number of studies have been undertaken in past to identify the factors that lead to entrepreneurial success in various countries all over the world. Researchers have identified numerous factors that affect women entrepreneurial performance and success. Even at present there is no unanimity about the factors that influence success. Therefore the aim of this study was to empirically identify the factors that influence success of women entrepreneurs of the emerging economies. Women entrepreneurs of emerging markets face a different set of challenges as compared to women entrepreneurs of developed markets. Therefore it is important to study the factors that influence their success. China & India are the leading emerging markets and force to reckon on various rankings of emerging markets. China is a very closed and controlled economy hence it is difficult to study the women entrepreneurs of China therefore India women entrepreneurs were found to be the most appropriate and easily accessible sample for identifying the important factors that lead to success.

Contributing a drop to the ocean of existing knowledge on women entrepreneurship. The results of the present study identified the three most important factors that influence success of women entrepreneurs of emerging economies being (a) Support systems (b) Personal Orientation and (c) Knowledge Base. Support system consists of the individual, groups and the government's role as being support systems to women entrepreneurs leading to their growth and success. Women entrepreneurs especially within the Indian social set up needs a lot of hand holding and support. They have faced traditional social constraints since centuries therefore they feel less confident by themselves. Hence the need guidance by the role models and mentors who can help them find their feet (Laukhuf & Malone, 2015). Similarly being member of associations and other women networks is also an important aspect as they learn from other women not only business ropes but also become aware of new opportunities and gain knowledge from other entrepreneurs (Farr-Wharton & Brunetto, 2007). Lastly Government Policies and subsidies are critical to development of women entrepreneurship as they encourage them and the special schemes provide them the opportunities where the other financial institutions show no confidence in them. Thus having sufficient support system is important.

The second factor that is critical to women success is their personal orientation. In the present study it was seen that women felt that the higher

the need for control, need for achievement and the need for work life balance higher would be success. Such need to be independent and balancing work and life commitments (Itaniet al., 2011) would drive their zeal to pursue their goals passionately, thus it impacts their success. Thus, the factors like own ambitions for control and achievement and independence to balance their personal and professional life should be recognized and further cultivated amongst women while being selected for various entrepreneurship programs and trainings.

Another factor recognized from the present study was Knowledge base of women entrepreneurs. Their own education & Know-how especially of latest technologies, based on which they form the utmost important marketing strategies tend to impact their business operations and affect their success. Thus encouraging women education and providing knowledge of latest ICT is important for promoting women entrepreneurs. Women have been found to be laggards in the usage of ICT technologies for their entrepreneurial ventures (Papastathopoulos and Beneki, 2010; DDO, 2013). “ICT can provide effective tools to support economic activities. ICT, especially mobile phones, computers, and the internet, have become essential to develop business and enhance competitiveness” (ITU, 2013). Having appropriate marketing strategies can make or break a business. It can directly impact the success of a business venture. Thus,

women entrepreneurs should be taught not only the latest technologies but also their utilization especially from marketing perspective. Having sound marketing policies can lead to potentially successful ventures (Njoki, 2016).

Conclusions & Future research

With changing times women have been successful in breaking their confinement within the limits of their homes. The globalization and the spread of education have brought in new era of progress of women world over. Women nowadays are recognized as important contributors to the economy and development of nation. Especially, in developing countries such as India, which not only has world's largest young population but also has a high unemployment rate of 4.8%. More than 30% Indian youth (aged 15–29) are neither in employment nor in education or training as per an OECD Report 2017. Women entrepreneurs can therefore, not only generate wealth and contribute to national economy and but also act as potential source of much required employment opportunities.

Therefore Government, Policymakers, Quasi government and private institutions, NGO's working for women empowerment should work on these factors and variables to provide conducive environment to ensure success of women entrepreneurs. The study presents and recommends

development of sustainable policies and programs to encourage women entrepreneurship through recognizing the personally ambitious potential of women, encouraging their education and knowledge of the latest tools and techniques and building supportive systems for ensuring success of their entrepreneurial ventures.

Though lot of research on factors affecting the women entrepreneurs have been carried out in foreign countries but in Indian context such studies are few, therefore future research can be carried out in understanding the impact of each of the factors individually to a women entrepreneur's success especially in Indian context. Further, impact of various support programs, training programs and educational programs can be measured empirically to see the effectiveness of each on success of women business owners.

REFERENCES

1. Agarwal, S., & Lenka, U. (2015). Study on work-life balance of women entrepreneurs – review and research agenda. *Industrial & Commercial Training*, 47(7), 356–362. <https://doi.org/10.1108/ICT-01-2015-0006>
2. Akehurst, G., Simarro, E., & Mas, T. A. (2012). Women entrepreneurship in small service firms: motivations, barriers and performance. *Service Industries Journal*, 32(15), 2489–2505. <https://doi.org/10.1080/02642069.2012.677834>
3. Akhalwaya, A., & Havenga, W. (2012). The Barriers that Hinder the Success of Women Entrepreneurs in Gauteng, South Africa. Ontario International Development Agency.
4. Alam, S. S., Jani, M. F. M., & Omar, N. A. (2011). An empirical study of success factors of women entrepreneurs in southern region in Malaysia. *International Journal of economics and Finance*, 3(2), 166-175.
5. All India Report of Sixth Economic Census | Ministry of Statistics and Program Implementation | Government Of India. (n.d.). Retrieved from <http://www.mospi.gov.in/all-india-report-sixth-economic-census>
6. Amarasiri, J. (2002). Small and Medium Enterprises (SMEs) Financing Practice and Accessing Bank Loan Issues- *International Journal of Business Administration*, pp.33-40.
7. Anil Boz & Azize Ergeneli. 2014. “Women entrepreneurs' personality characteristics and parents' parenting style profile in Turkey”, *Procedia - Social and Behavioral Sciences*, 109 (2014), 92 –97.
8. Ardrey IV, W. J., Pecotich, A., & Shultz, C. J. (2006). Entrepreneurial women as catalysts for socioeconomic development in transitioning Cambodia, Laos, and Vietnam. *Consumption, Markets and Culture*, 9(4), 277-300.
9. Ashraf, M. F., & Qureshi, T. M. (2010). Risk taking and essential success factors: A comparative analysis in 21st century entrepreneurial dimensions. *Mustang Journal of Business & Ethics*, 1, 99–119.

10. Aylward, E. (2011). Traditional and Non-Traditional Female Entrepreneurs: An exploration into what influences thier selection of industry sector(Doctoral dissertation, Waterford Institute of Technology).
11. Batool, H., & Ullah, K. (2017). Successful Antecedents of Women Entrepreneurs: A Case of Underdeveloped Nation. *Entrepreneurship Research Journal*, 7(2), 32–42. <https://doi.org/10.1515/erj-2016-0066>
12. Bender, K.A. and Roche, K. (2013), “Educational mismatch and self-employment”, *Economics of Education Review*, Vol. 34, pp. 85-95
13. Bogren, M., von Friedrichs, Y., Rennemo, Ø., & Widding, Ø. (2013). Networking women entrepreneurs: fruitful for business growth?. *International Journal of Gender and Entrepreneurship*, 5(1), 60-77.
14. Carter, S. (2000). Improving the numbers and performance of women-owned businesses: some implications for training and advisory services. *Education+ Training*, 42(4/5), 326-334.
15. Chaganti, Radha, and SarojParasuraman. "A study of the impacts of gender on business performance and management patterns in small businesses." *Entrepreneurship Theory and practice* 21.2 (1997): 73-76.
16. Chatterjee, N., & Das, N. (2016). A study on the impact of key entrepreneurial skills on business success of Indian micro-entrepreneurs: A case of Jharkhand Region. *Global Business Review*, 17(1), 226-237.
17. Das, M. (2000). Women entrepreneurs from India: Problems, motivations and success factors. *Journal of Small Business & Entrepreneurship*, 15(4), 67-81.
18. Davidsson, P., Delmar, F., and Wiklund, J. (2006) *Entrepreneurship as Growth; Growth as Entrepreneurship, Entrepreneurship and the Growth of Firms*, 21-38.
19. Dawson, C. and Henley, A. (2012), “‘Push’ versus ‘Pull’ entrepreneurship: an ambiguous distinction?”, *International Journal of Entrepreneurial Behavior & Research*, Vol. 18 No. 6, pp. 697-179.
20. Doubling Digital Opportunities.(2013). International Telecommunication Union and UNESCO: Enhancing the Inclusion of

- Women & Girls in the Information Society. accessed from <http://www.broadbandcommission.org/Documents/working-groups/bb-doubling-digital-2013.pdf>
21. Economic Survey of India 2017 - OECD. (n.d.). Retrieved from <http://www.oecd.org/eco/surveys/economic-survey-india.htm>
 22. Ehigie, B. O., & Umoren, U. E. (2003). Psychological factors influencing perceived entrepreneurial success among Nigerian women in small-scale businesses. *Journal of International Women's Studies*, 5(1), 78-95.
 23. Farr-Wharton, R., & Brunetto, Y. (2007). Women entrepreneurs, opportunity recognition and government-sponsored business networks: A social capital perspective. *Women in Management Review*, 22(3), 187-207.
 24. Gartner, W.B., Carter, N., & Reynolds, P. (Eds.). (2004). *The handbook of entrepreneurial dynamics: The process of organization creation*. Newbury Park, CA: Sage Series.
 25. GEM [Global Entrepreneurship Monitor] - INDIA. (2018). *Gemindiaconsortium.org*. Retrieved 17 November 2018, from http://www.gemindiaconsortium.org/gem_global_report.php
 26. GEM Global Entrepreneurship Monitor Report. (2017). Retrieved 12 November 2018 from <https://www.gemconsortium.org/report/50012>
 27. GEM Report. (2018). *C4e.org.cy*. Retrieved 17 November 2018, from <https://www.c4e.org.cy/reports/2018/gem-2017-2018-global-report.pdf>
 28. Gerson Aldana; Somanadevi Thiagarajan (2016). A Study of Female Entrepreneurs in Belize. *Asian Journal of Social Sciences and Management Studies*, 3(2): 127-135.
 29. Global Innovation Index 2018. (n.d.). Retrieved 17 November 2018 from <https://www.globalinnovationindex.org/gii-2018-report>
 30. Gupta, N., & Mirchandani, A. (2018). Investigating entrepreneurial success factors of women-owned SMEs in UAE. *Management Decision*, 56(1), 219-232.
 31. Hakim, C. 2003. A new approach to explaining fertility patterns: Preference theory. *Population and Development Review*, 29(3): 349–74.

32. Hazudin, S. F., Kader, M. A. R. A., Tarmuji, N. H., Ishak, M., & Ali, R. (2015). Discovering small business start up motives, success factors and barriers: A gender analysis. *Procedia Economics and Finance*, 31, 436-443.
33. Higgs, H., 1991. Cantillon's place in economics. In Blaug, M. (Ed.). *Richard Cantillon (1680-1734) and Jacques Turgot (1727-1781)*. Elgar Collection Series. *Pioneers in Economic Series*, vol 9, Aldershot, UK.: Elgar.
34. Hisrich, R.D., Peters, M.P. and Shepherd, D.A. (2005), *Entrepreneurship*, McGraw-Hill/Irwin, Boston, MA.
35. Indian Start-up Ecosystem – Traversing the maturity cycle - Edition 2017. (2017). NASSCOM. Retrieved 17 November 2018, from <https://www.nasscom.in/knowledge-center/publications/indian-start-ecosystem-%E2%80%93-traversing-maturity-cycle-edition-2017>
36. International Telecommunication Union. (2013). *ICT Facts and Figures*. accessed from <http://www.itu.int/en/ITU-D/Statistics/Documents/facts/ICTFactsFigures2013-e.pdf>
37. Itani, Hanifa, Yusuf M. Sidani, and ImadBaalbaki. "United Arab Emirates female entrepreneurs: motivations and frustrations." *Equality, Diversity and Inclusion: An International Journal* 30, no. 5 (2011): 409-424.
38. Jahed, A. M., Kulsum, U., & Akthar, S. (2011). *Women Entrepreneurship in BANGLADESH: A Study on Support Services Available For Its Development And Growth*. *Global Management Review*. 5(3).
39. Jain, R., & Ali, S. W. (2012). Personal Characteristics of Indian Entrepreneurs and Intrapreneurs: An Empirical Study. *Management and Labour Studies*, 37(4), 295-322.
40. Jain, S. C. (Ed.). (2006). *Emerging economies and the transformation of international business: Brazil, Russia, India and China (BRICs)*. Edward Elgar Publishing.

41. Johan Maes, Hannes Leroy, & Luc Sels. 2013. "Gender differences in entrepreneurial intentions: A TPB multi-group analysis at factor and indicator level", *European Management Journal*, 32(5), 784–794.
42. Khanna, T., & Palepu, K. G. (2010). *Winning in emerging markets: A road map for strategy and execution*. Harvard Business Press.
43. Kirzner, I.M., 1997. Entrepreneurial discovery and the competitive market process: An Austrian approach. *Journal of Economic Literature* 35, 60-85. Schumpeter, J.A., 1934. *The Theory of Economic Development*. Harvard University Press
44. Kuzilwa, J., 2005, *The Role of Credit for Small Business Success: A Study of the National Entrepreneurship Development Fund in Tanzania*. *The Journal of Entrepreneurship*, 14 (2), pp. 131-161.
45. Laffineur, C., Tavakoli, M., Fayolle, A., Amara, N., & Carco, M. (2018). *Insights from Female Entrepreneurs in MENA Countries: Barriers and Success Factors*. In *Entrepreneurship Ecosystem in the Middle East and North Africa (MENA)* (pp. 351-397). Springer, Cham.
46. Langowitz, N. & Minitti, M. (2007). The entrepreneurial propensity of women. *Entrepreneurship Theory and Practice*, 31(3), 341–364.
47. Laukhuf, R. L., & Malone, T. A. (2015). Women entrepreneurs need mentors. *International Journal of Evidence Based Coaching and Mentoring*, 13(1), 70.
48. Lee, J. and Choo, S.L. (2001). Work-Family Conflict of Women Entrepreneurs in Singapore. *Women in Management Review*, 16: 204-221.
49. Lerner, M., Brush, C. and Hisrich, R. (1997), "Israeli women entrepreneurs: an examination of factors affecting performance", *Journal of Business Venturing*, Vol. 12 No. 4, pp. 315-39.
50. Machado, H. V., Cyr, L. S., & Mione, A. (2003). *Women entrepreneurs, performance and management styles: a comparative study*. Retrieved July, 19, 2017.
51. Manolova, T. S., Carter, N. M., Manev, I. M., & Gyoshev, B. S. (2007). The differential effect of men and women entrepreneurs' human

- capital and networking on growth expectancies in Bulgaria. *Entrepreneurship theory and practice*, 31(3), 407-426.
52. Market, C. (2018). Women Constitute Around 14% of Total Entrepreneurship In Country. *Business-standard.com*. Retrieved 17 November 2018, from https://www.business-standard.com/article/news-cm/women-constitute-around-14-of-total-entrepreneurship-in-country-118071600642_1.html
53. Marlin, L. M., & Wright, L.T. (2005). No gender in cyberspace? *International Journal of Entrepreneurial Behavior and Research*, 11, 162-178.
54. Marlow, S., & Strange, A. (1994). Female entrepreneurs: Success by whose standards. *Women in management: A developing presence*, 172-184
55. McClelland, E., Swail, J., Bell, J. and Ibbotson, P. (2005), "Following the pathway of female entrepreneurs: A six country investigation", *International Journal of Entrepreneurial Behaviour & Research*, Vol. 11 No. 2, pp. 84-107.
56. Memon, J., Rozan, M. Z. A., Ismail, K., Uddin, M., & Daud, D. (2015). Mentoring an entrepreneur: Guide for a mentor. *Sage Open*, 5(1), 2158244015569666.
57. Minniti, M. and Naudé, W. (2010), "What do we know about the patterns and determinants of female entrepreneurship across countries", *European Journal of Development Research*, Vol. 22, pp. 277-293.
58. Mitchelmore, S., & Rowley, J. (2013). Entrepreneurial competencies of women entrepreneurs pursuing business growth. *Journal of Small Business and Enterprise Development*, 20(1), 125-142.
59. MIWE Report. (n.d.). (2018). *Newsroom.mastercard.com*. Retrieved 17 November 2018, from <https://newsroom.mastercard.com/eu/files/2018/03/MIWE-2018-Report.compressed.pdf>
60. Moore, D.P. & Buttner, E.H. (1997) *Women Entrepreneurs: Moving Beyond the Glass Ceiling*, Thousand Oaks: Sage Publications.

61. Muhammad, S. B. (2012). Determinants of Business Success Trust or Business Policy. *Journal of Arts, Science & Commerce*.
62. Namdari, R., Raz, S., & Aramoon, H. (2012). A Survey on Socio-Cultural and Environment Factors Affecting Women Entrepreneurs in Khouzestan Province, *Australian Journal of Basic and Applied Sciences*, 6(13), 11-17
63. Nawaz, F. (2009). Critical factors of women entrepreneurship development in rural Bangladesh. *Bangladesh Development Research Working Paper Series*.
64. Ndubisi, N. O., & Kahraman, C. (2006). Malaysian women entrepreneurs: Understanding the ICT usage behavior and drivers. *Journal of Enterprise Information Management*, 18(6), 731-739. doi:10.1108/17410390510628418, <http://dx.doi.org/10.1108/17410390510628418>
65. NJOKI, N. M. (2016). Perceived Factors affecting the growth of women owned small and medium enterprises (SMES) in events management sector in Nairobi County, Kenya (Doctoral dissertation, School of business, University of Nairobi).
66. Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric Theory* (McGraw-Hill Series in Psychology) (Vol. 3). New York: McGraw-Hill.
67. Otoo, M., Ibro, G., Fulton, J., & Lowenberg-Deboer, J. (2012). Micro-Entrepreneurship in Niger: Factors Affecting the Success of Women Street Food Vendors. *Journal of African Business*, 13(1), 16–28. <https://doi.org/10.1080/15228916.2012.657937>
68. Papastathopoulos, A., & Beneki, C. (2010). Does entrepreneurial experience and strategy really matter for ICT performance? A Greek cross-border empirical study.
69. Perez, Esther Hormiga, and Rosa M. Batista Canino. "The importance of the entrepreneur's perception of "success"." *Review of International Comparative Management* 10, no. 5 (2009): 990-1010.
70. Poggesi, S., Mari, M., & De Vita, L. (2015). Family and Work–Life Balance Mechanisms: What is Their Impact on the Performance of Italian

Female Service Firms?. The International Journal of Entrepreneurship and Innovation, 16(1), 43-53.

71. Rahman, S. M., & Towhidur, A. MK, & Kar, S.(2013). Factors Considered Important for Establishing Small and Medium Enterprises by Women Entrepreneurs—A Study on Khulna City. Business and Management Horizons, 1(1).
72. Ranasinghe, B. S. (2008). Factors Contributing to the Success of Women Entrepreneurs in Sri Lanka. Sri Lanka Journal of Advanced Social Studies, 1(2), 85-110.
73. Rehman, S., & Azam Roomi, M. (2012). Gender and work-life balance: a phenomenological study of women entrepreneurs in Pakistan. Journal of Small Business and Enterprise Development, 19(2), 209-228.
74. Reijonen, H., & Komppula, R. (2007). Perception of success and its effect on small firm performance. Journal of Small Business and Enterprise Development, 14(4), 689-701.
75. Sandberg, K. W. (2003). An exploratory study of women in micro enterprises: gender-related differences. Journal of small business and enterprise development, 10(4), 408-417
76. Sarker, S., & Palit, M. (2014). Determinants of success factors of women entrepreneurs in Bangladesh-A study based on Khulna region. Business and Economic Research, 4(2), 237.
77. Say, J. B. (1803). Of the demand or market for products. Critics of Keynesian Economics. New Rochelle (NY): Arlington House, 12-22.in Blaug, M., 2001. No history of Ideas. Please, we are Economists. Journal of Economic Perspectives 15 (1), 145-64.
78. SEQUEIRA, J. M., GIBBS, S. R., & JUMA, N. A. (2016). Factors Contributing to Women's Venture Success in Developing Countries: An Exploratory Analysis. Journal of Developmental Entrepreneurship, 21(1), 1. <https://doi.org/10.1142/S1084946716500011>

79. Shastri, R. K., & Sinha, A. (2010). The socio-cultural and economic effect on the development of women entrepreneurs (with special reference to India). *Asian Journal of Business Management*, 2(2), 30-34.
80. Shmailan, A. B. (2016). Compare the characteristics of male and female entrepreneurs as explorative study. *Journal of Entrepreneurship and Organization Management*, 5(4), 1-7.
81. Singh, A. (2014). Role of Women Entrepreneurs in India: A SWOT Analysis. *International Journal of Management and International Business Studies*, ISSN 2277-3177 Volume, 4, 231-238.
82. Start-up Report - Momentous Rise of the Indian Start-up Ecosystem. (2015). NASSCOM. Retrieved 17 November 2018, from <https://www.nasscom.in/knowledge-center/publications/start-report-momentous-rise-indian-start-ecosystem>
83. Stavropoulou, O., & Protopapa, S. (2013). A strengths-based approach to mentoring women entrepreneurs: how to free the strengths within them. *Journal of Innovation and Entrepreneurship*, 2(1), 13.
84. Sullivan, D. M., & Meek, W. R. (2012). Gender and entrepreneurship: a review and process model. *Journal of Managerial Psychology*, 27(5), 428-458.
85. Tabachnick, B. G., & Fidell, L. S. (2007). *Using multivariate statistics*. Allyn & Bacon/Pearson Education.
86. Tan, J. (2008). Breaking the “bamboo curtain” and the “glass ceiling”: The experience of women entrepreneurs in high-tech industries in an emerging market. *Journal of Business Ethics*, 80(3), 547-564. The Global Competitiveness Report 2018. (2018). The Global Competitiveness Report 2018. Retrieved 17 November 2018, from <http://reports.weforum.org/global-competitiveness-report-2018/>
87. Thompson, B. (2004). *Exploratory and confirmatory factor analysis: Understanding concepts and applications*. American Psychological Association.
88. Tinkler, J.E., Whittington, K.B., Ku, M.C. and Davies, A.R. (2015), “Gender and venture capital decision-making: the effects of technical

background and social capital on entrepreneurial evaluations”, Social Science Research, Vol. 51, pp. 1-16.

89. Towhidur, R. (2013). Factors Considered Important for Establishing Small and Medium Enterprises by Women Entrepreneurs. A Study on Khulna City. Journal Business and Management Horizons, 1(1), 24-29.

90. Unger, J. M., Keith, N., Hilling, C., Gielnik, M. M., & Frese, M. (2009). Deliberate practice among South African small business owners: Relationships with education, cognitive ability, knowledge, and success. Journal of Occupational and Organizational Psychology, 82(1), 21-44.

91. Van Praag, C. M. (2003). Business survival and success of young small business owners. Small Business Economics, 21(1), 1-17.

92. Walker, E., & Brown, A. (2004). What success factors are important to small business owners?. International small business journal, 22(6), 577-594.

93. Wiklund, J., and Shepherd, D. (2005). Entrepreneurial orientation and small business performance: A configurational approach. Journal of Business Venturing, Vol. 20(1), 71–91.

94. World Bank (2018). Doingbusiness.org. Retrieved 17 November 2018, from

<http://www.doingbusiness.org/content/dam/doingBusiness/media/Annual-Reports/English/DB2018-Full-Report.pdf>

95. Wu, S., Matthews, & Dagher, G. K. (2007). Need for achievement, business goals, and entrepreneurial persistence. Management Research News, 30(12), 928-941.

96. Zhouqiaoqin, Y., & Xie, Y. (2013). Factors that influence the success of women entrepreneurs in China: A survey of women entrepreneurs in Beijing. Journal of Humanities and Social Science, 18(3), 83-91.

Sustainable rice business: a survey for strategic implication

Muslima Zahan, Shafquat Rafiul Alam

Department of Management, School of Business and Economics, North South
University (NSU), Bangladesh
muslima.zahan@northsouth.edu

ABSTRACT

Purpose –To study the profitability and sustainability of rice business from a strategic perspective this paper attempts to give a thorough insight into how the rice business operates, who the major stakeholders are; what strategies are being followed; and what are the significant challenges facing the industry.

Design/methodology/approach- Primary data was collected through a survey questionnaire based on a sample of 50 rice retailers from whom both qualitative and quantitative data were collected. The correlation between profitability, business tenure, sustainability, and business strategies were explored.

Findings – It was found that the correlation between low-cost strategy and sustainability (82.5%) and between profitability and sustainability (56%) are significantly positive. Profit and long business tenure are also found to be

positively correlated. The study also revealed that implementing a focused low-cost strategy is one of the most successful strategic choices for these businesses in the given context.

Research limitations – Since the study is based on an urban market in Bangladesh, the results therefore can be generalized for very similar situations. The comparative low education and literacy level of the respondents was another limitation.

Strategy Implications - The fragmented rice industry can be consolidated through branding. Market awareness for branded rice makes a better profit, profit growth, and loyalty which ultimately leads to building the competitive advantage and rice; the staple food business sustainable.

Originality/value – To the best of the author's knowledge, this is the first study of its kind, trying to look at profitability and sustainability from a strategic angle. The stakeholders and the other researchers can take valuable insights from the findings of the paper.

1. INTRODUCTION

As rice is a staple food item with very few substitutes, the industry dictates, to a great extent, the economical price fluctuations and consumer demand and consumption level (Barua and Alam, 2000; Dorosh and Thurlow, 2008; Thurlow, Dorosh and Yu, 2012). The research tries to specifically identify the strategies used within the business, the significant pitfalls and the ways to recover and make the business profitable and sustainable. The research is based on the premise that the retailers represent the rice business. The strategies followed by these retailers are studied, and their business knowledge and experiences are analyzed to interpret how the rice industry works and what can possibly be done to improve this business.

For long it has been established that rice industries' profitability depends on the nation's infrastructure and economic institutions. Adequate infrastructure and technology help the rice industry to serve more efficiently (Binswanger, Khandker & Rosenzweig 1993; Coelli, Rahman, and Thirtle, 2002; Hossain, Bose and Mustafi, 2006; Pinstrup-Andersen and Shimokawa, 2007). Rice accounts for about 75% of agricultural land use and contributes to about 28% of the GDP

(Hossain and Deb, 2011). The total rice production has more than tripled from the early seventies to the mid- 2010s (Deb, 2016). Traditionally, the major rice crop in Bangladesh was that of Aman, but in recent times the Boro rice variety has started taking a more significant share of the overall rice market. This shift reflects that rice production in Bangladesh is moving towards irrigation-based agriculture from a weather-influenced system (Deb, 2002). Bangladesh is currently the world's fourth-largest producer of rice right after China, India, and Indonesia (FAOSTAT, 2017). High yield varieties of seed, mechanization, application of fertilizer, and irrigation have increased yields, although this input also raise the cost of production and thus mainly benefits the richer cultivators (Alam et al., 2006; Binswanger, 1986; Timsina, Singh, Badaruddin, Meisner & Amin, 2001; Mottaleb, Rahut, and Erenstein, 2019).

1.1 Objective of the Research

The research aims to study rice businesses within the Bangladesh rice industry. The objectives of this research are to find out the following:

- If the business owners in the rice industry are making profit
- Whether the sustainability depends on both pricing strategy and business strategy
-

- Which strategic choice will give better competitive advantage to the retailers
- On an average the profit (in percentage) of the business owners

2. Literature Review

Industry Background

Agriculture is the largest employment sector of Bangladesh, and as of 2016, the agricultural sector employed about 43% of the total population, with rice as the single-most-important product (CIA 2018 and World Bank 2017). Rice, being the staple food of the country, provides about 2/3 of the calorie intake of an average person in Bangladesh (Mottaleb and Rahut, 2018). Besides that, rice also amounts to about half of the overall protein consumed (Faruquee, 2012). As per Bangladesh Rice Research Institute's (BRRI) data, more than 13 million farms grow rice in Bangladesh, in an area of about 10.5 million hectares. This area makes up almost 75% of the total cropped area of the country (Hossain and Deb, 2011).

Varieties of rice: The major rice varieties of rice in Bangladesh are Aman, Aus, and Boro. The largest rice harvest, Aman, occurring in the monsoon season (August - December), accounts for more than half of the annual production. The second-largest rice harvest is of the variety known as Aus, which is harvested during summer (BRRI 2015). The third variety, Boro, is a high yield variety that

is harvested during the dry winter season (Sayeed and Yunus 2018). The production of Boro rice is dependent on irrigation facilities. Many farmers are now being able to produce two rice harvests in a year, wherever irrigation is feasible (Ahmed 2001). Based on the grain quality, the consumers, again group rice into two overarching categories: Coarse-grain (less expensive) and Fine-grain (more expensive as it is considered premium).

Stakeholders involved: As per Zaman, Mishima & Hisano (2000) the major parties involved in the rice business include the Farias, Beparis, Dalals, Kutials, Rice Millers, Aratdars and ultimately the Retailers. The Farias are the small scale, part-time traders, operating at the rural markets. The Beparis are the traders who operate on a full-time basis on a bigger scale. The Dalals are the intermediaries who either facilitate and/ or connect the buyer and the seller. The Kutials are also small scale traders who are involved through most of the supply chain, starting from buying the rice, to parboiling and ultimately milling and selling. The Rice Millers buy the rice from most other parties mentioned above for processing and selling to the Aratdars, who are the wholesalers mostly operating in the big urban markets. These Aratdars stockpile the rice from various millers and then supply to the Retailers.

Claims of artificial price hike: One of the major problems that have been reported time and time again in the rice business is that of artificial rice stock

shortage and the subsequent sharp increase in price (“Artificial crisis behind rice price hike”, 2017; Cookson, 2017; Irani, 2018; Islam, 2018 and Rahman, 2015). It is already established that rice is consumed in huge volumes in this country, so a sudden price hike puts quite a lot of pressure on the overall economy. These sudden price changes affect everyone, starting from the consumers to all the stakeholders involved in the rice business value chain. Although most parties will claim that the sudden shortage and price hike is artificially induced to drive up profits by certain syndicates within the industry, but the wholesalers on the other hand claim, that the price hike happens because the demand and supply of rice is very much in equilibrium in Bangladesh (Islam, 2018; Raihan, 2013 and Irani, 2018). It has been reported that the large scale traders and millers, who are comparatively wealthier and thus can afford to store the rice for several months before they start selling, to create the artificial vacuum in the market, which will drive up the price. Speculations and fear of low prices or demand and supply going out of balance, sometimes drive a stockpiling chain reaction, which has an overall adverse effect (Irani 2018). It has also been reported, that sometimes to have better control of the rice market, the traders and millers offer a good price early on and buy of all the harvest. Therefore they have full control of the rice supply, and thus through this, they can push up the price(Siddique 2017).

Effect of rice import: Many rice traders are taking advantage of low import tariffs, and importing large quantities of rice from abroad. In the recent times, many traders are importing rice since local market price is high as a result of

fear of floods or other adverse weather conditions, which in turn sometimes perpetuates the whole cycle of inflated price and disturbance in the natural balance of demand and supply (The Daily Star, 2018). Although the lower average price of rice is good for the customers, the producers are incurring huge losses (Muntasir 2019).

Other factors affecting the business: Weather-related natural disasters, such as floods, cyclones, and drought can result in a considerable loss for the farmers and in turn the traders and sellers (Mottaleb, Mohanty, Hoang & Reyes 2013; Mottaleb & Rahut, 2018; Paul and Rasid, 1993). Another natural phenomenon that has a very damaging effect on the production of rice is pests (Irani 2018 and Nasiruddin and Roy 2012)

Sustainability of rice business

Although there is a considerable amount of research done in the field of sustainability in the agricultural sector, specifically rice farming, there is a gap in the study regarding the sustainability of the local rice business in Bangladesh. In the paper by Roy, Chan & Rainis (2013), they have identified three dimensions through which they developed the indicators for sustainable rice farming in Bangladesh, namely: Economics, Society and environment. Based on this, they defined the idea of sustainable rice farming in Bangladesh by further explaining these dimensions in terms of economic viability, natural resource preservation, and improving the quality of life of the producers. However

interlinked, since the paper at hand is more focused on the sustainability of the business of rice rather than production, it is looking at all the factors and strategies that relate to the economic viability dimension. Researchers in the field agree that profitability is one of the most fundamental determinants of economic viability. In this paper, it is also noted that to consider sustainability, profitability should be considered first, and then the economic risks required to make it sustainable can be considered accordingly. Sustainability is defined differently by different researchers. According to Zahan (2017), among the various components shaping sustainability, the economic sphere of sustainability is the one most suited to small scale businesses. This implies that for businesses to sustain within an industry, proper utilization of assets is of crucial concern if they want to continue being profitable in the long run.

Profitability and Strategy of rice business

Following Porter's (1980) Generic Strategies, businesses can be clustered together in 3 main groups for the strategy that they can follow in the market for gaining competitive advantage, namely, differentiation, low cost, and focus strategy. According to this framework, for a business to be profitable and sustainable a business needs to follow any of these strategies in order to create a defensible position and have a distinguishable advantage over its competitors in the market (Dess & Davis 1984; Porter 1980, 2008; Akan, Allen, Helms & Spralls 2006). Differentiation strategy refers to creating a unique product or

service with which a business entity can compete in the market, on the other hand, low-cost strategy refers to having a cost leadership in the market by keeping a low price in relevance to the competitors. Lastly, the focus strategy targets a particular customer segment, market or product segment. In the long run, to be both profitable and sustainable, the rice business needs to focus on both functional and business level strategies. Since within a particular variety of rice, the opportunity for differentiation is low, thus one research concludes that the industry should focus on the rice processing side as well, to drive down overall costs. Although this vertical integration can be beneficial to the stakeholders in the industry, the high capital required for this integration also needs to be taken into account (Wahyuningsih, 2016).

2.1 Hypothesis

The paper investigates the strategies that best ensure sustainability in this industry while, and if profitability has a role to play in the sustainability of the businesses. Therefore the hypotheses are:

H₁: Profitability and sustainability are correlated

H₂: Sustainability and strategic choice for competitive advantage are correlated

H₃: Business tenure and profitability are correlated

3 Data and Methodology

3.1 Data Collection

For the research, the primary data were collected through a survey questionnaire. The research is based on a sample size of 50 rice retailers who are the agents of the rice market and is acting as a bridge between suppliers and consumers of rice. Both quantitative and qualitative data were collected for this research.

3.2 Sampling Method

The samples were taken randomly from various bazaars, stores, and supermarkets to statistically better analyze the data.

3.3 Respondents

The respondents were either the owners of the randomly selected rice business or in the absence of the owners, one random employee (in some cases more than one). The randomly selected businesses were from five different areas from within Dhaka city of Bangladesh, and they are Karwan Bazar, Jatrabari, Motijheel, Bashundhara and Shantinagar Bazar. The total number of respondents was 50.

3.4 Questionnaire

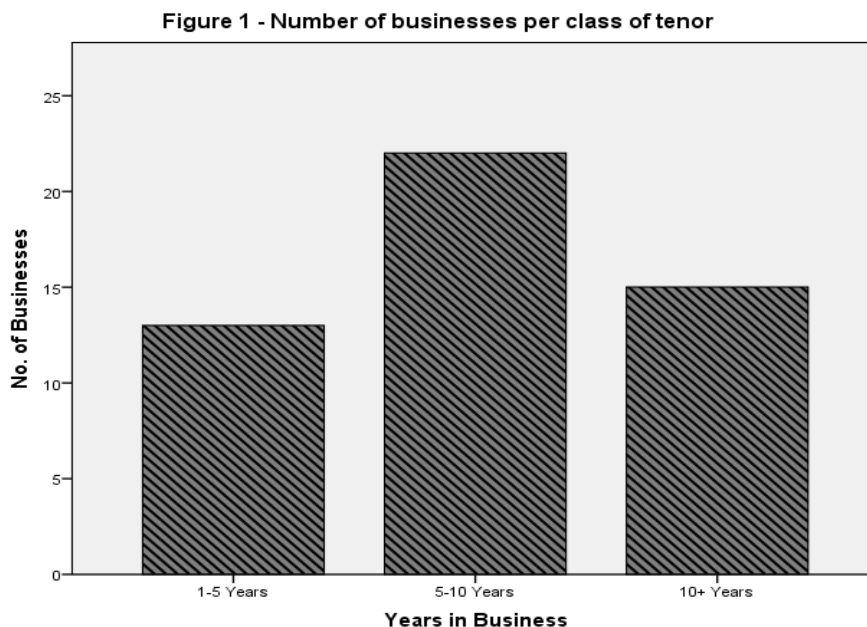
The questionnaire had a total of 17 questions, which included questions related to the businesses' starting capital, profit (in percentage), targeted customers, location for profitability, both pricing strategy and business strategy and the hurdles faced while doing business within the industry. It also included questions about the tenure of the business, the number of employees and decision-maker of the business to better understand the factors affecting the sustainability of the businesses. The questionnaire had both quantitative and qualitative approaches. The quantitative questions were aimed at understanding the profitability and profit margin of the rice businesses. On the other hand, the qualitative questions were used to study the factors that influence the profitability and the sustainability of the businesses. The questionnaire also included two open-ended questions that were asked to identify the understanding of the respondents regarding the overall scenario of the rice business in Bangladesh.

4 Findings and Analyses

The results are discussed in four sections for understanding the 4 facets of the rice business: (I) the Core business; (II) Profitability; (III) Strategic implications and (IV) challenges that businesses face. The analyses and findings of each segment are discussed below.

4.1 Core Business

To better understand the core business the survey attempted to first find out the number of businesses per class of tenure (number of years in the business) as seen in Figure 1. The survey also accounted for the number of employees in the business and also identified the decision-makers (owners, employees, both) of the business. The starting capital requirement was also investigated and the classes were distributed between BDT (Bangladeshi Taka) 1 Lac (100,000) to more than BDT 10 Lacs (1,000,000) as seen in Figure 2.



In Figure 1, it can be seen that the major share of the businesses that took part in the survey have been in the rice business for 5 to 10 years. The businesses that were visited are retailers as they are the stakeholders who are ultimately responsible for reaching out to customers in their locality and helping the consumer commodity meet its full potential demand. Many of these retailers are operating on a small scale with 2-4 employees and initial capital investment of 1-3 lakhs taka (Figure 2). As retail shops are relatively easy to set up, it has mushroomed across every large and small streets of Dhaka. Rice is mainly bought by adults who visit retail stores for monthly or weekly retail shopping. Some retailers reported that the product is also bought by teenagers to young adults who in many cases either live by themselves or are buying for their family or sometimes the purchase is part of their work responsibility being employed by a household. As retail shops are running relatively small scale operations, most of the critical decisions are made by the owner. Only a few retailers who are larger and have many employees have a more distributed and flexible decision-making process.

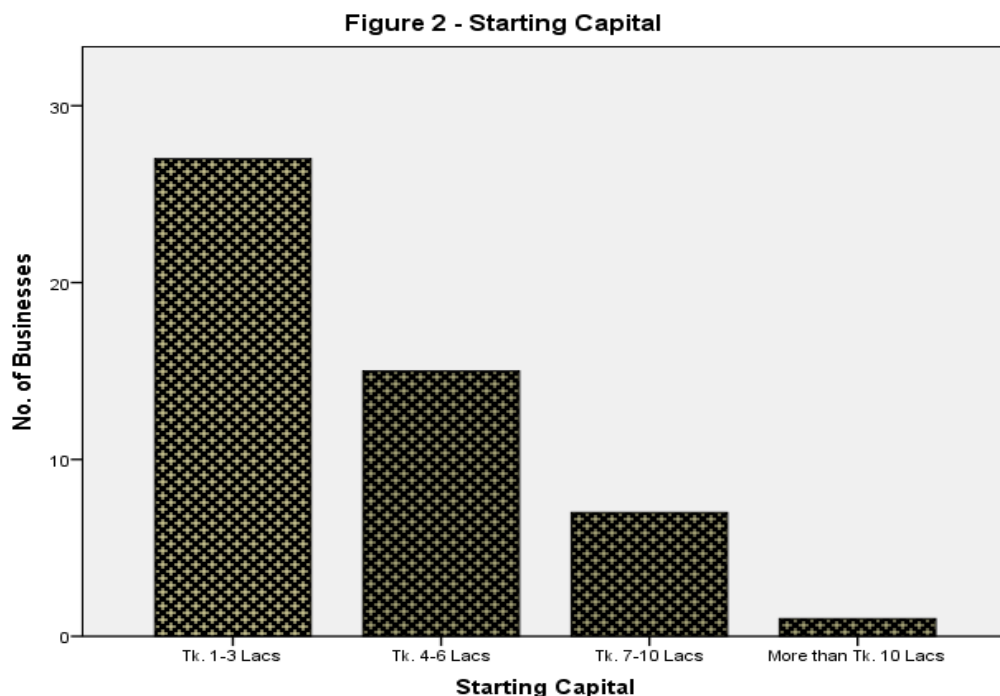


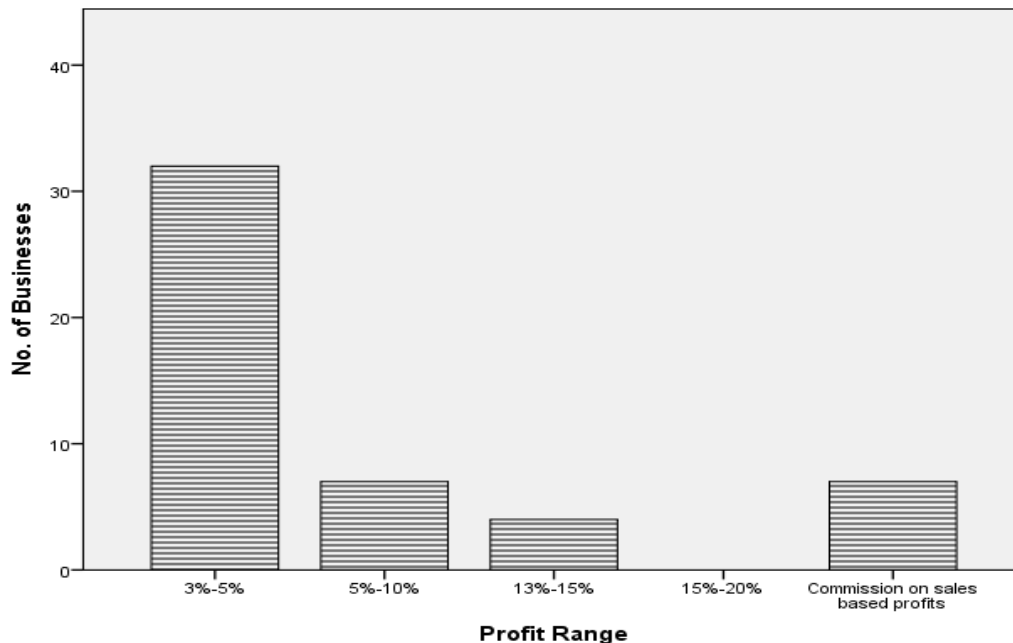
Figure 2 – Number of businesses allocation per class of starting capital

4.2 Profitability

Retailing of Rice is an expanding business and has an average growth percentage of around 15% per annum. As rice is a staple, it is always in demand and sales are relatively high. The profit margin of Rice retailing is on many occasions higher than many other commodities, as reported by retailers. From Figure 3, it can be seen that although most businesses sell rice at a profit percentage of 3-5% some businesses can even have a profit percentage of 13%-15%.

Most of the retailers consider that location has a very important impact on profitability. Retail shops are mostly set around a residential area where the stores are within walking distance for the customers. However, some retailers complain about being obstructed by new buildings and markets which have limited the customer's access to these retail shops and this had a very detrimental impact on their profitability. Most of the retailers chose to go for rice retailing because it is a basic commodity, and thus should always stay in demand. The retailers' decision to stay in business is perpetuated by the belief that the rice demand and price will not at least fall below a certain threshold as rice is a staple in Bangladesh. Some retailers also consider the business “cost-effective” as fixed costs and other related costs are lower and in most cases there is cash flow.

Figure 3 - Number of businesses per profit range



Strategic Application

Surprisingly most rice retailer's pricing strategy is "High price for new customers". Rice retailers believe that new customers often represent a customer group who isn't permanent to the residential area or are not loyal customers. These customers tend to change their retail shops too often to be building any sort of loyalty. So retailers exploit the chance of a one-time purchase and charge a higher price for the commodity. Some retailers follow a discount strategy for bulk purchase because they think that by doing so they are motivating customers to buy in bulk and also return next time to receive a discount on bulk purchase.

In selling Rice, a specific competitive advantage is to maintain a low cost as rice is a homogenous product and doesn't have much room for differentiation. However, some retailers claim that they can create a sense of differentiation among their customers by convincing them into buying at a premium price, for example, rice like "ChashiChiniguraChaal" or "RupchandaChiniguraChaal" claiming that they are of superior quality than the other brands in the market and consumption of it would result in maximum satisfaction. The following chart shows the number of businesses which follow what competitive advantage strategy.

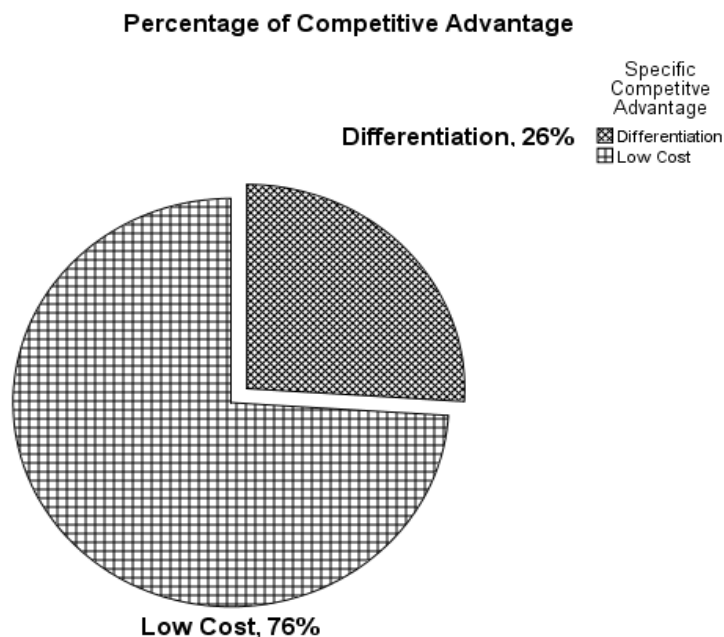


Figure 4 – Percentage of Competitive Advantage

Most retailers believe that having rice always in demand is an advantage to their business. Some retailers believe that their marketing skills and knowledge about consumer behavior acquired from yearlong experience are their distinctive business Competency and Capability. Illustrated in Figure 4, it indicates that the business strategy followed for rice is mostly “Cost leadership” and some follow “Differentiation”. As the market for Rice is broad, retailers go either of these two strategies to sell rice in the market. Brand names of Rice are not so popular, however, the introduction of packaged rice has created some brand loyalty among customers. Less than 50% of the customers ask for branded packaged rice being sold at a premium price whereas other customers are indifferent towards the brand and rather care about the type of rice being purchased.

Correlation between profit percentage and sustainability

Through this study, the research tried to find out the correlation that exists between years in business and profit percentage, or in other words, the dependability of sustainability on the profit margin.

Correlations

--	--	--

		years_in_busi ness	profit_percen tage
years_in_busi ness	Pearson Correlation	1	.560**
	Sig. (2-tailed)		.000
	Sum of Squares and Cross- products	27.920	29.280
	Covariance	.570	.598
	N	50	50
profit_percent age	Pearson Correlation	.560**	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross- products	29.280	98.020
	Covariance	.598	2.000
	N	50	50

Table 1 – Correlation matrix of profit percentage and sustainability

From Table 1 above, it can be said that the sample data suggest that the sustainability of a business in the rice industry depends on the profit as there is a relatively strong positive correlation. During the survey, it was learned that initially many businesses do not make a lot of profit (3-5%) (stated earlier in part 4.2), but as they keep on establishing themselves in the local market they slowly start realizing better profit percentages. This is further substantiated by the survey data which shows that many of the businesses who were making 13-15% profits were actually in the business for quite sometime and in cases of two businesses they even claimed their profit percentage to be as high as 20%.

Correlation between competitive advantage and sustainability

Through this segment, the researchers wanted to find out the relationship between sustainability and the kind of competitive advantage.

Correlations

		years_in_business	specific_competitive_advantage
years_in_business	Pearson Correlation	1	.825**

	Sig. (2-tailed)		.000
	Sum of Squares and Cross- products Covariance	27.920	13.520
	N	50	50
specific_competitive _advantage	Pearson	.825**	1
	Correlation		
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross- products Covariance	13.520	9.620
	N	50	50

Table 2 – Correlation matrix of competitive advantage and sustainability

Table 2 illustrates the strong positive correlation between business longevity and the competitive advantage. In the survey of 50 samples, 82.5% of the businesses that have been running for a longer period depending on a specific competitive advantage- Low-cost strategy (shown in Figure 4). Almost three-fourths of the businesses taken into

account had answered that they followed low-cost strategy as a specific competitive advantage. So it can be concluded that the businesses' sustainability depends more on cost leadership rather than product differentiation.

4.3 Challenges and prospects of rice business

One of the major challenges faced by rice businesses is the scarcity of capital. New investors are also not interested in such business as rice retailing businesses mostly operate on small scale. Some retailers believe that rice retailing can grow in a more profitable and sustainable manner through mergers between business so as to increase the scale of operations. Another hurdle the rice retailers face is the lack of communication and awareness regarding the availability, quality, nutrition information of so many varieties of rice in the market. Cumulative investment on behalf of the rice businesses in creating public awareness might be the remedy that might help drive up the profitability of the sector.

Starting from an individual household to small business owners, almost everyone gets affected by the artificial supply shortage in the rice market. Rice is one of the basic food items that people in Bangladesh consume as a staple. Sometimes due to artificial price hike, and a subsequent increase in price results in a decrease in demand for rice as a big portion of the mass market cannot afford at a high price. This disruption not

only affects the rice business but also negatively impacts the complementary businesses, such as vegetables, pulses, spices, etc. Overall it can be said that the change in the price of rice, has a ripple effect through the entire economy of the country.

5 Limitations and Future scopes for the research

The respondents, due to their lack of understanding and awareness regarding research and its purpose, were not always very welcoming to openly share information. Although the information was shared with consent, the survey conductors had to put a lot of time and effort behind getting the respondents to spare some of their time and taking part in the research. The researchers assumed that this would be an issue, particularly seeing the paper of Zaman 2003, where the same issue was faced and a maximum of 18 respondents could be reached and that paper also stated that quite a bit of convincing was needed in order to get reliable data for a proper study. Despite this constraint, the research was successfully conducted and was able to collect reliable and relevant data on the topic. Also, the main limitation of this research was its small sample size and that too from one city of the country. There are millions of rice businesses in Bangladesh spread over all the districts. So a bigger sample taken from various locations of the country might help gather better insight into the strategy of the rice business in Bangladesh. There is a scope for improvement as the number of respondents can be increased to better justify the cause.

6 Recommendations

Research analysis reveals that there is a strong correlation (56%) between sustainability and profit. So it can be recommended that rice retailers that:

- Take decision for long term benefits rather than short term gains.

- Implement all types of necessary measures that would help them sustain in the long run.
- Since profit is higher in the long run, prioritize long term profits rather than short term profits. It includes maintaining low cost but not so low that it hampers long term profits.

Research analysis shows that there is a strong correlation between longevity and competitive advantage. Research shows that rice retailers who are in the business for a longer period develop a competitive advantage specific to that rice retailer. So recommendations to these retailers are:

- Carry on business for long years to realize the competitive advantage. It is advised to maintain the business even though profit is limited in the initial years.
- As rice retailing is profitable, the realization of competitive advantage is necessary to hold on this profitability. So it's advisable to realize the competitive advantage as soon as possible.
- Collect information and compare it with other retailers in order to keep track and realize the competitive advantage.
- Implement long term plans such as leasing the shop for 5 years or more. It would reduce fixed costs and help to realize a competitive advantage in the long run.

7 Conclusion

The research analysis states several important correlations between profitability and sustainability. It provides a brief analysis of the present rice market and how the market can perform better. The answers to hypothesis can be provided through the research. It shows that:

- Despite the popular public claims like inflated rice prices, the business is still able to make profit sustainably.
- Pricing strategy and business strategy both contribute to the sustainability of the rice business.
- The advantages outweigh the disadvantages for the business which reflects the future prospects of the rice industry.
- The profitability of rice is higher than the profitability of other consumer goods.
- An artificial price bubble exists in the market which is well coordinated among the buyers and sellers of the rice market.

The conclusion drawn from this research is that the rice industry is still flourishing but it must be well strategized and controlled for sustainable growth and profitability. Since rice is also being imported into the country, quality control is a major concern. Price fluctuations are another major concern that results from sudden high supply of imported rice. If the functional level strategies are met at every level of rice production

and sales, then the whole rice industry will gain a competitive advantage from following either a low cost or differentiation strategy.

Acknowledgement

S Rahman and P Gomes.

References

- Ahmed, R. (2001). *Retrospects and prospects of the rice economy of Bangladesh*. University Press.
- Akan, O., Allen, R. S., Helms, M. M., & Spralls III, S. A. (2006). "Critical tactics for implementing Porter's generic strategies", *Journal of Business Strategy*, Vol. 27 No. 1, pp. 43-53.
- Alam, M. M., Ladha, J. K., Rahman, Z., Khan, S. R., Khan, A. H., & Buresh, R. J. (2006). "Nutrient management for increased productivity of rice–wheat cropping system in Bangladesh", *Field crops research*, Vol. 96 No. 2-3, pp. 374-386.
- Alam, M. S., Quayum, M. A., & Islam, M. A. (2010). "Crop production in the Haor areas of Bangladesh: insights from farm level survey", *The Agriculturists*, Vol. 8 No. 2, pp. 88-97.
- Artificial crisis behind rice price hike: Food Minister. (2017), *The Independent*, June 29, 2017 available at: <http://www.theindependentbd.com/post/101354> (accessed on August 27, 2019)
- Barua, P., & Alam, S. (2000), "Growth, price instability and flexibility of major crops in Bangladesh", *Bangladesh Journal of Agricultural Economics*, Vol. 23 No. 454-2016-36386, pp. 103-116.
- Binswanger, H. P., Khandker, S. R., & Rosenzweig, M. R. (1993), "How infrastructure and financial institutions affect agricultural output and investment in India", *Journal of Development Economics*, Vol. 41 No. 2, pp. 337-366.
- Binswanger, H. (1986), "Agricultural mechanization: a comparative historical perspective", *The World Bank Research Observer*, Vol. 1 No. 1, pp. 27-56.
- CIA. (2018). *The World Factbook*, South Asia: Bangladesh, available at: <https://www.cia.gov/library/Publications/the-world-factbook/geos/bg.html> (accessed August 28, 2019)
- Coelli, T., Rahman, S., & Thirtle, C. (2002), "Technical, allocative, cost and scale efficiencies in Bangladesh rice cultivation: a non-parametric approach", *Journal of Agricultural Economics*, Vol. 53 No. 3, pp. 607-626.

- Cookson, F. (2017), Why are rice prices rising? Dhaka Tribune, October 23, 2017, available at: <https://www.dhakatribune.com/opinion/op-ed/2017/10/23/rice-prices-rising> (accessed September 2, 2019)
- Correspondent. (2015), Sudden rise in price of rice puts poor in misery, Dhaka Tribune, October 2, 2015, available at: <http://archive.dhakatribune.com/bangladesh/2015/oct/02/sudden-rise-price-rice-puts-poor-misery>, (accessed on August 18, 2019)
- Deb, U. (2016), Agricultural transformation in Bangladesh: extent, drivers and implications, presented at 15th National Conference of the Bangladesh Agricultural Economists Association (BAEA) on Transformation of Agricultural Sector in Bangladesh: 21st Century, Dhaka, 2016
- Dess, G. G., and Davis, P. S. (1984). "Porter's (1980) generic strategies as determinants of strategic group membership and organizational performance", Academy of Management Journal, Vol. 27 No.3, pp. 467-488.
- Dorosh, P. and Thurlow, J. (2008), "A 2005 Social Accounting Matrix (SAM) for Bangladesh", International Food Policy Research Institute (IFPRI). Washington DC.
- FAOSTAT (2017), Ranking-Countries by commodity-Rice, available at: <http://www.fao.org/faostat/en/> (accessed on September 2, 2019)
- Hossain, M., Bose, M. L., & Mustafi, B. A. (2006), "Adoption and productivity impact of modern rice varieties in Bangladesh", The Developing Economies, Vol. 44 No. 2, pp. 149-166.
- Hossain, M. and U. Deb (2011), Crop Agriculture and Agrarian Reforms in Bangladesh: Present Status and Future Options, in M.K. Mujeri and S. Alam (eds.): Sixth Five Year Plan of Bangladesh 2011-15, Background Papers, Planning Commission, Government of Bangladesh, Dhaka.
- Huda, M. K. (2004), "Experience with modern and hybrid rice varieties in haor ecosystem: Emerging Technologies for Sustainable Rice Production", In Twentieth national workshop on rice research and extension in Bangladesh. Bangladesh Rice Research Institute. Gazipur-1701, pp. 19-21.

- Islam, S. (2019), Farmers harvest Boro ahead of time due to bad weather, Dhaka Tribune, April 15, 2019, available at: <http://www.dhakatribune.com/business/2019/04/15/farmers-harvest-boro-ahead-of-time-due-to-bad-weather> (accessed August 28, 2019)
- Islam, S. (2018), Syndicates could cause another hike in rice prices, Dhaka Tribune, February 4, 2018, available at: <https://www.dhakatribune.com/bangladesh/2018/02/04/syndicates-cause-another-hike-rice-prices> (accessed August 28, 2019)
- Irani, B. (2018), Hoarding: A catalyst for the rice crisis, Dhaka Tribune, February 1, 2018 available at: <https://www.dhakatribune.com/opinion/special/2018/02/02/hoarding-catalyst-rice-crisis> (accessed on August 27, 2019)
- Irani, B. (2018), Who is behind the rice price hikes?, Dhaka Tribune, February 1, 2018, available at <https://www.dhakatribune.com/bangladesh/2018/02/01/behind-rice-price-hikes/> (accessed August 25, 2019)
- Mahmud, I. (2017), International rice prices soar as Bangladesh seeks import, Prothom Alo, June 11, 2017, available at: <http://en.prothom-alo.com/bangladesh/news/150737/Int%E2%80%99l-rice-prices-soar-as-Bangladesh-seeks-import> (accessed September 1, 2019)
- Miah, M. K., Haque, A., Douglass, M. P., & Clarke, B. (2002), “Parboiling of rice. Part II: Effect of hot soaking time on the degree of starch gelatinization”, International Journal of Food Science & Technology, Vol. 37 No. 5, pp. 539-545.
- Mottaleb, K. A., Rahut, D. B., & Erenstein, O. (2019), “Small businesses, potentially large impacts: The role of fertilizer traders as agricultural extension agents in Bangladesh”, Journal of Agribusiness in Developing and Emerging Economies, Vol. 9 No. 2, pp. 109-124.
- Mottaleb, K. A., & Rahut, D. B. (2018), “Cereal consumption and marketing responses by rural smallholders under rising cereal prices”, Journal of Agribusiness in Developing and Emerging Economies, Vol. 8 No. 3, pp. 461-479.
- Mottaleb, K. A., Rahut, D. B., & Mishra, A. K. (2017), “Modeling rice grain-type preferences in Bangladesh”, British Food Journal, Vol. 119 No. 9, pp. 2049-2061.

- Mottaleb, K. A., Mohanty, S., Hoang, H. T. K., & Rejesus, R. M. (2013), "The effects of natural disasters on farm household income and expenditures: A study on rice farmers in Bangladesh" *Agricultural Systems*, Vol. 121, pp. 43-52.
- Muntasir, B. (2019), 'Rice price fall: Bane of farmers, boon to consumers', *Dhaka Tribune*, May 30, 2019, available at: <https://www.dhakatribune.com/business/2019/05/30/rice-price-fall-bane-of-farmers-boon-to-consumers> (accessed August 30, 2019)
- Nasiruddin, M., & Roy, R. C. (2012), "Rice field insect pests during the rice growing seasons in two areas of Hathazari, Chittagong", *Bangladesh Journal of Zoology*, Vol. 40 No.1, pp. 89-100.
- Paul, B. K., and Rasid, H. (1993), "Flood damage to rice crop in Bangladesh", *Geographical Review*, pp. 150-159.
- Pinstrup-Andersen, P., and Shimokawa, S. (2007), "Rural infrastructure and agricultural development", *ABCDE*, pp. 175.
- Porter, M.E. (2008), *Competitive strategy: Techniques for analyzing industries and competitors*. Simon and Schuster.
- Porter, M. E. (1980), *Competitive strategy*. New York: Free Press.
- Rahman, M. M. (2015), "Food Price Hike in Bangladesh: A Supply-Side Approach to its Determinants and Solutions", *Asian Journal of Humanities and Social Sciences (AJHSS)*, Vol. 3, No.1, pp. 120-141.
- Rahman, M. (2017), Syndicate takes away Tk. 3,000cr in 3 months. 19 July 2017, available at: <http://www.observerbd.com/details.php?id=84969> (accessed August 2, 2019)
- Raihan, S. (2013), "The Political economy of food price policy in Bangladesh", *Food Price Policy in an Era of Market Instability*, pp. 231.
- "Rice imports to be 32-year high" 2018, *The Daily Star*, February 16, 2018, available at: <https://www.thedailystar.net/business/export/rice-imports-be-32-year-high-1535638> (accessed August 30, 2019)

- Roy, R., Chan, N. W., and Rainis, R. (2013). "Development of indicators for sustainable rice farming in Bangladesh: a case study with participative multi-stakeholder involvement", *World Applied Science Journal*, Vol. 22 No. 5, pp. 672-682.
- Siddique, A. (2017), Flash flood in the Haors may worsen rice price hike. 8 April 2017, available at: <http://www.dhakatribune.com/bangladesh/nation/2017/04/08/flash-flood-haors-may-worsen-rice-price-hike/> (accessed August 2, 2017)
- The World Bank (2017), Population density (people per sq. km of land area), Retrieved from The World Bank Website:
<https://data.worldbank.org/indicator/EN.POP.DNST>
- Thurlow, J., Dorosh, P., and Yu, W. (2012). "A stochastic simulation approach to estimating the economic impacts of climate change in Bangladesh", *Review of Development Economics*, Vol. 16 No. 3, pp. 412-428.
- Timsina, J., Singh, U., Badaruddin, M., Meisner, C., and Amin, M. R. (2001), "Cultivar, nitrogen, and water effects on productivity, and nitrogen-use efficiency and balance for rice-wheat sequences of Bangladesh", *Field Crops Research*, Vol. 72 No. 2, pp. 143-161.
- Wahyuningsih, T. (2016), "The development Strategy of Main Commodities of Rice in Buru District, Maluku", *World Journal of Agricultural Research*, Vol. 4 No. 1, pp. 9-17.
- Zaman, Z. U., Mishima, T., & Hisano, S. (2000), "The Benefits of Market Participation and the Rice Marketing Systems in Bangladesh", *Review of Agricultural Economics - Hokkaido University- 北海道大学農経論叢*, Vol. 56, pp. 195-206.
- Zaman, Z.U., 2003. "A Study on Rice Marketing System and Price Policy in Bangladesh", *Journal of the Graduate School of Agriculture, Hokkaido University- 北海道大学大学院農学研究科紀要*, Vol. 70 No. 3-4, pp. 247-310.
- Zahan, M. (2017), "The economic sustainability of small business: an empirical analysis on the mobile phone banking in Dhaka City", *International Journal of Sustainable Strategic Management*, Vol. 5 No. 3, pp. 231-244.

Role of social entrepreneurs in women empowerment and indigenous people development: A cross-case analysis

Gaitri Kumari
Amity University, Jharkhand, India
gaitri11@gmail.com

Abstract

Purpose – The study explore the notion of social entrepreneurs and their role in rural development. The paper attempts to study two social entrepreneurs (SEs) who acted as catalytic change agents in women empowerment and indigenous people development that resulted rural development as a whole. Here, we begin with a brief overview of social entrepreneurship ventures of PIPAL TREE and MAATIGHAR. Subsequently, we discuss the challenges and opportunities faced by the SEs. In the end, we canvass to evolve a new theoretical framework that might constitute further research in this area.

Design/methodology/approach – The study is based on qualitative research using cross-case analysis approach, which is undertaken in two separate case studies. The study utilized a combination of personal interviews and participant observation. The data provides understanding of experiences in very different circumstances, and yet ascertains resemblance that helps to comprehend the roles of SEs. The two social entrepreneurship ventures under consideration include PIPAL TREE and MAATI GHAR. These ventures are working towards women empowerment and community development respectively and leads to rural development as a whole.

Findings – The study has provided some insight into the impact of social entrepreneurship in rural development. It has theoretically connected the treatise of women empowerment and indigenous people development in rural development. Moreover, it has explored the micro-level detail of social entrepreneurial effort and highlighted the potential of handicraft sector in rural development.

Social implications – Social entrepreneurs are change agent in social issues like women empowerment and indigenous people development. SEs are change

agents who are ensuring the sustainable development of the unprivileged strata and resulting rural development.

Originality/value – The study adds to the literature about women empowerment and indigenous peoples development of Jharkhand. This study can serve as a guide in addressing social issues like women empowerment and indigenous people development. It also highlights the SEs effort in rural development.

Keywords: Social Entrepreneurs, Artisans, Handicrafts, women empowerment, indigenous people development, Rural development, Altruism

Introduction

The aim of this paper is to augment our profundity of the pivotal roles social entrepreneurs (SEs) play in women empowerment and indigenous people development and to evolve a new theoretical framework that might constitute further research in this area. As per the definition of (Abu-Saifan, 2012), social entrepreneurs are individuals with an exceptional mindset, who grab untapped opportunities and foresee the future in their unique way. In the words of (Perrini & Vurro, 2006) social entrepreneurs are changing promoters of the society. They are capable of realizing their social mission through their innovation. As per (Bornstein & Davis, 2010), for the accomplishment of their social mission, social

entrepreneurs are requisite to be focused, possessed with good persuasion ability, capable of recruiting right people whom can uphold their mission. Most importantly, social entrepreneurs should be an innovative and achievement-oriented person (London & Morfopoulos, 2010). Social entrepreneurs should be empathic, altruistic and fair persons (Kickul & Thomas, 2012). Altruism is an act of promoting someone's interest without regard for oneself (Dasgupta & Chandra, 2016). It has been observed that few handicraft consumers want to help artisans or their communities voluntarily. Social entrepreneurs don't seek power and admiration (London & Morfopoulos, 2010). But, the efficacy of social entrepreneur's effort rely on communities' willingness for such efforts. However, cited literatures are posing a gap in assimilating the role of SEs in rural development. By exploring the roles of SEs in rural development comprehend on the involvement of entrepreneurs who are propelled by social objectives. This type of academic association reflects pragmatic reconstructions are perceptible in rural development (Thuesen & Rasmussen, 2015).

This paper deals with the gaps in our assimilation of the roles SEs play in women empowerment and community development. This was established through our cross-case analysis from two social entrepreneurship ventures PIPAL TREE and MAATI GHAR. The objectives of the paper are four-fold. The first objective is to

identify the roles of SEs in women empowerment and community development, secondly to investigate how these roles are linked and thirdly to develop a framework within which the role of SEs can be analyzed.

Role of social entrepreneur in women empowerment

A social entrepreneur recognize the social issues, and then find a use for entrepreneurial principles for organizing and managing the venture for a social cause. Unlike business entrepreneur social entrepreneur measures success in returning positives to the society (Singh, 2012). It would be a study of great interest to know how women can achieve socio-economic empowerment by social entrepreneurship ventures in a patriarchal society like India (Calás, Smircich, & Bourne, 2009). Social entrepreneurship ventures coalesce economic benefit with social value creation, along with extending a new way of deliberation for the society (Nicholls, 2006). Many entrepreneurial small scale industries are based on feminist indigenous skilled crafts (Chifos, 2007). By this way women can utilise entrepreneurial activities as a mean to generate income whilst also preserving a cultural heritage (Jena, 2007). In addition, the possession of indigenous knowledge and skills can provide socio-economic support through home-based enterprise, which can lead to collective empowerment (Al-Dajani and Marlow, 2010 as cited in Datta & Gailey, 2012).

Since 1990's, for holistic approach of sustainable development, women have been identified as a change agent for women empowerment and sustainable community development (Handy & Kassam, 2004). According to (Hashemi & Schuler, 1993), the indicators of women's empowerment include: "sense of self and vision of future, mobility and visibility, economic security, decision making in household, ability to interact effectively in public sphere, and participation in nonfamily groups". Moreover, (Lennie, 2002) formulated a model of rural women's empowerment. His model identified four types of empowerment i.e. community empowerment, organisational empowerment, political empowerment and psychological empowerment. The model emphasised that there is interrelationships among these four forms of empowerments. Community empowerment entails developing new skills, competence, and companionship with other women of the community. Organisational empowerment entails awareness about new technology. Political empowerment entails influencing government initiatives affecting rural development and networking with industry people who are interested to work for rural development. Psychological empowerment entails the increased aspirations for betterment of rural people.

The researchers (Hashemi, Schuler, & Riley, 1996) argued that the income from Social entrepreneurial ventures(SEVs) help women to "increase their bargaining

power in the household, enable sharing of household chores and childcare responsibilities”. For comprehension of socio-economic impact of SEVs, organisational business model is a critical component (Mair & Schoen, 2007). Furthermore, (Santos, 2012) suggested to analyse the experience of community with the SEV to identify the impact of SEV.

Policy makers should facilitate political and legal environment which can advocate women’s access to resources and also support them to prosper new businesses while preventing their business from family or political manipulations (Kabeer, 1999).

Role of social entrepreneur in indigenous people development

As per (United Nations Permanent Forum on Indigenous Issues, 2017, as cited in Ona & Solis, 2017) “Indigenous peoples (IPs) have been described as those who hold unique languages, knowledge systems, beliefs and who possess invaluable knowledge of practices for the sustainable management of natural resources. They have a special relation to and use of their ancestral land which has a fundamental importance for their collective physical and cultural survival as a people”. In India most of the tribal religions are indigenous as they have acquired their shape and form in the land of their present existence (Béteille, 1998).

(Johnson, 2003) described social entrepreneurship as a social innovation via entrepreneurial solutions. A social entrepreneur should be persevering, unswerving and schmoozer (Kickul & Thomas, 2012). Public relations abilities of social entrepreneur help to get funds for their projects, to surmount opposition and to encourage political will (Bornstein & Davis, 2010). Once (Germak, 2013) mentioned that a social entrepreneur should have motivational factors along with influential factors i.e. financial support and social network. In general terms (Dees J. , 2001) said that an entrepreneur is someone who invigorates economic progress by inculcating innovative ways of doing things, while a social entrepreneur is someone who envisions social mission. As per the report of (Swissnex India, 2015) social entrepreneurship could be pertinent to non-profit organizations as well as for-profit social enterprises. However, their operational activities and legal obligations are very different.

Social entrepreneurship is manifested in three categories in which the first category is private sector that have private ownership with market-driven attitude and profit-orientation. The second category is public or government sector that have public ownership with service facilitation approach. The third is the community sector that have social ownership with the intention of non-personal profit, self- help, mutuality and social purpose (Pearce, 2003).

The social entrepreneurship activities are the intersection of public, private and non-profit sectors (Johnson, 2003). But in India there are three social entrepreneurship models i.e. social for-profit enterprise, non-profit and hybrid model. In addition to these models, there are other popular ways of creating impact in India via philanthropy and Corporate Social Responsibility. India has always been conferred with global philanthropic money. Recently, there has been a rise in philanthropic investment from the corporate sector. The strategic philanthropy is still at a nascent stage in India (Swissnex India, 2015). Social entrepreneurs address community concerns and achieve social and business mission by implying innovative entrepreneurial skills along with the use of local skills and resources (Jeff, S. 2001 as cited in Kummitha, 2017). Social entrepreneur fabricates sustainable initiative by using local resources along with their own financial contribution (Dhesi, 2010). Social entrepreneurs are intensively connected to the rural economy and the local community (Mottiar, Boluk, & Kline, 2018).

(Kibler, Fink, Lang, & Muñoz, 2015), discussed about place attachment of rural social entrepreneurs. Place attachment is of two types i.e. emotional place attachment and instrumental place attachment. Emotional place attachment denotes the inclined sentiments of rural social entrepreneur towards the place and

its residents. On the other hand, instrumental place attachment denotes the sentiments of rural social entrepreneur towards a place, by rationalizing how the place is suitable for the venture to achieve its desired objectives. The rural social entrepreneur can consider both emotional and instrumental attachment in a business model. Their venture of rural social entrepreneur considers different stakeholders on the local community and administration level.

Local Community Groups (LCGs) recognize rural social entrepreneur as a legitimate actor therefore they provide access to local resources to the rural social entrepreneur (Kibler & Kautonen, 2016). An LCG member with an entrepreneurial mindset bears risk cleverness, innovativeness, and proactiveness (Wiklund & Shepherd, 2005).

Social groups have intellectual property rights to protect the local craft products. In that case the small regional producers can hold a renowned status and sell their craft directly to final demand (Moran, 1993). The intellectual property rights are a legitimate measure to protect the rights acquired by generations of producers of a region (Institut National des Appellations d'Origine, p. 265 as cited in Moran 1993).

Material and methods

Overview of methods

The methodological procedure is based on cross-case analysis of qualitative research, which was undertaken in two separate case studies. The data provides understanding of experiences in very different circumstances, and yet ascertains resemblance that helps to comprehend the roles of SEs. The two social entrepreneurship ventures (SEVs) under consideration include PIPAL TREE and MAATI GHAR. Both are SEVs are based at Jamshedpur and working towards women empowerment and community development.

Since 1960s cross-case analysis or multiple case analysis has been using in social science research as a method of building theory. For developing a valid, testable and reliable theory it is required to use the data from cases, along with utilizing previous literature and researcher experience. (Eisenhardt & Graebner, Theory building from cases: Opportunities and challenges, 2007) note: “A major reason for the popularity and relevance of theory building from case studies is that it is one of the best (if not the best) bridges from rich qualitative evidence to mainstream deductive research. Its emphasis on developing constructs, measures, and testable theoretical propositions makes inductive case research consistent

with the emphasis on testable theory within mainstream deductive research” (p. 25).

Social venture in rural setting is an under-researched phenomenon. Qualitative multiple case studies seem suitable explore this phenomenon in a territorial context (Sayer, 1992 as cited in Yin R. , 2009).

This study is an exploratory study based on qualitative research methods. In December 2018, author conducted a case study of two social entrepreneurs using the method proposed by (Yin, 2003). In this paper, the data sources are comprised of telephonic interview, personal interviews, observations, and video & photo documentation. Author visited Jamshedpur in December 2018 where they observed and photographed the site of workshops, handicraft products, workspaces, and production process. The primary data collected by conducting personal interview with the social entrepreneurs and artisans. In this process, the social entrepreneurs were asked open-ended questions about their production operations, sales and marketing strategies. The artisans were also asked open ended questions about the craft practices and the effect of social entrepreneurship venture on their socio-economic conditions. Author framed the following

research questions to understand the thrust behind the conception of their social entrepreneurship venture:

RQ 1: Can social entrepreneurs contribute in socio-economic development of rural artisans?

RQ 2: Can social entrepreneurs revive dying craft practices?

H1: Social entrepreneur can contribute in socio-economic development of rural artisans.

H2: Social entrepreneurs can revive dying craft practices.

Overview of cases

Jharkhand is forest covered state of eastern India. The rich tribe culture is synonymous of ancient craft succession in Jharkhand. There are 30 Scheduled Tribes in Jharkhand. The endangered craft forms are still being practiced in rural Jharkhand. However, these art forms are on the verge of annihilation due to lack of infrastructural and administration support. Though, the State government has come forward to rescue these heritage crafts of Jharkhand by incorporating marketing and retail platforms like JHARCRAFT and KUSUM. Irrespective of government support handicrafts of Jharkhand is struggling to survive in the market. To overcome such situations social entrepreneurs who know the

economic potential of this sector has come forward to support and sustain this craft culture of Jharkhand. The present case is the study of two such social entrepreneurs named Utpal Shaw and Virendra Kumar. Utpal Shaw has founded Pipal Tree, a not for profit organization to provide a sustainable livelihood for unprivileged women of Jharkhand through the endowment of woodcraft skills. His venture is envisioned to succor women empowerment in Jharkhand. On the other hand, Virendra Kumar has founded MAATI GHAR, a non-profit organization that is working for the recuperation of Paitker painting with a vision to hoard the longstanding heritage of Jharkhand. He envisioned to provide sustainable livelihood to the Chitrakar community of Jharkhand that is known for performing an extinct art form called Paitker Painting. Here is the brief of their SEVs:

PIPAL TREE is a for-profit social entrepreneurial venture (SEV) and it has been founded in the year of 2014 with a vision to enforce women empowerment in the rural setting of Jharkhand. It was all started with the social entrepreneurial thrive of Utpal Shaw who always wanted to do something for unprivileged and secluded women of the society. He started this venture at Ghatshila with a handful of around 3-4 women who suffered ostracism in their family and yet wanted to step forward to change their lives. He trained them and encouraged them to pursue

woodcrafts as their livelihood. By the time other women also got inspired and reached out to PIPAL TREE for learning woodcraft skills. Each women artisan of PIPAL TREE has an awe-inspiring story to tell. Most of them are single parent, socially primitive and ostracized by family. In which few of them were not able to feed their children but now they are giving their children better school facilities. Mr. Utpal was taking pride by quoting that “...these women have made possible to achieve PIPAL TREE whatever it is today”. It has managed to get a decent market in no time. Earlier we had no retail place. As soon as the craft got popular we managed to open 9 retail shops in the major cities of Jharkhand.

Utpal Shaw plain-spoken about the struggling phase of PIPAL TREE by saying: “Like any other product we have also gone through the PLC stages. In 2015-16 during introduction phase, we were struggling to survive but we self-revived somehow. In 2017-18 during growth phase we were able to attain the Break-even-point of Rs. 3,80,000. Now, I can proudly say that 1 day profit of PIPAL TREE is Rs. 15,000 in Jharkhand. Also, PIPAL TREE is generating the profit which is equal to four times combined profit of Fabindia and JHARCRAFT in Jharkhand. It is a big achievement for us. The only challenge I am conscious about the regional artisans who have mastered their skill and working independently.”

MAATI GHAR is a for-profit social entrepreneurship venture that envisioned to preserve and promote the historic art of Paitker painting. It strongly focuses on empowerment of Chitrakar community of Jharkhand. Mr. Virendra Kumar envisioned 'MAATI GHAR' in 2017. He was on an excursion of Amadobi village where he accidentally met Bijoy Chitarkar. This village is also known as Painters' village because of the Chitrakar community that resides there. Chitrakars or Painters is a community that habitat across the border of West Bengal and Jharkhand. Bijoy Chitrakar has shown and narrated his Paitker painting to him. He got curious towards Paitker art and Chitrakar community. Bijoy Chitrakar averred that "...it is difficult to sell Paitker therefore Chitrakars have migrated to nearby cities in search of sustainable livelihood." After listing to the ordeal of Bijoy Chitrakar and exploring the milieu of Chitrakars, he was motivated to help these artisans and revive the Paitker painting. He formed his team and conceived the idea of MAATI GHAR. He knew that the community is suffering of hardship due to lack of support regarding training, marketing, and promotions. He propelled absconded Chitrakars to resume the Paitker art form. He make sure that he and his team will make arduous effort to promote and apprise Paitker to the target market. His altruism towards Chitrakar community has helped them to get a sustainable livelihood.



Materials used in Paitker painting	Description
Colorful stones	Chitrakars collect colorful stones from the bank of rivers and ponds. They extract colors from colored stones by grinding it on rough surface with the help of water.
Fabric	In old practice of Paitker, it is mainly done on recycled fabric.
Handmade paper	As a result of evolution of Paitker, it is done on hand made papers now-a-days.
Vegetable color	Chitrakars also extract colors from vegetables for rich color palate.
Fruit color	Chitrakars extract colors from fruit for diverse color options.
Flower color	Chitrakars extract colors from flower for diverse color options.
Squirrel or goat hair	Chitrakars make paint brush from the hair of squirrel and/or goat. The hair is selected as

	per the requirement of thickness of the paint brush.
--	--

Table
1

Material description of Paitker painting

Source: Field Study

The primary data for the case study were collected from 2014 to 2019 on on-going basis. SE’s from two organizations will be emphasised: the PIPAL Tree, and MAATI GHAR. The entrepreneurs of these organizations (Utpal and Virendra, respectively) have contributed to focus on social issues by attending the needs of the society, namely creation of sustainable livelihood, women empowerment, community development, and general economic enhancement. These two case studies are based on qualitative data collected from in-depth semi-structured interviews (Table 1), as well as observations, journals, websites, and archival documents. The insights of the study is formulated on the basis data collected from 7 informants. In the current study there are three level of analysis: society (community), organization (firm), and individual.

	PIPAL TREE	MAATI GHAR
Study period	2014-2019	2017-2019
Purpose of the study	To study the impact of social entrepreneurship ventures in women empowerment and rural development	To investigate the role of social entrepreneurs in reviving the Paitker painting (500 years old craft form of Jharkhand)
Type of data collection method	Focus group, personal interview, personal observation, by took photographs and made video of the site.	Telephonic interview and personal interview



Original number of interviews	3 focus group interviews with artisans (each having 10 participants) and personal interview with social entrepreneur	3 round of telephonic interview and one personal interview with the social entrepreneur
Length of interviews	30 minutes to 2 hours	30 minutes to 1.5 hours
Resulting number of transcribed pages relative to current study	80 pages	35 pages
Informants in the current study	Mr. Utpal Shaw, Ms. Malti, Ms. Archana, Ms. Suman	Mr. Virendra Kumar, Mr. Bijoy Chitrakar,

		Mr. Anil Chitrakar
--	--	-----------------------

Table 1 Summary of data collection methods and output

Source: Field Study

Case analysis

In the words of (Ketokivi & Choi, 2014) “the premise in theory-generating case research is that in the context of the specific research question and empirical setting, explanation (theory) derives from exploration (analysis).” We initiated the case analysis by identifying themes from the field study and discuss it in-depth to identify constructs of the study. This stage of the research addressed the first objective to identify the roles of SEs in women empowerment and community development. As we explore our transcripts we seek for role, intention, and motivation of SEs for women empowerment and community development. On the basis of above discussed literature and exploration of our transcripts of personal interview with SEs and artisans, we have developed a framework shown in figure 1. We have carefully examined the interview data to analyze the individual cases of SEVs. After discussing consensus (Stake, 2005) we redefined the constructs and secured attestation that validates the constructs in both the cases (Eisenhardt K. M., 1989). Here, we have identified five roles of SEs where

we have discussed the diverse characteristics of SEs and also investigated how these roles are linked. The cross-case approach led to astute findings that helps to comprehend our knowledge and become the basis of theory building of this study. The research first describes the SEV's and also describes the SEs, in which their characteristics and actions are discussed, based upon the previously developed conceptual arguments (Figure 1).

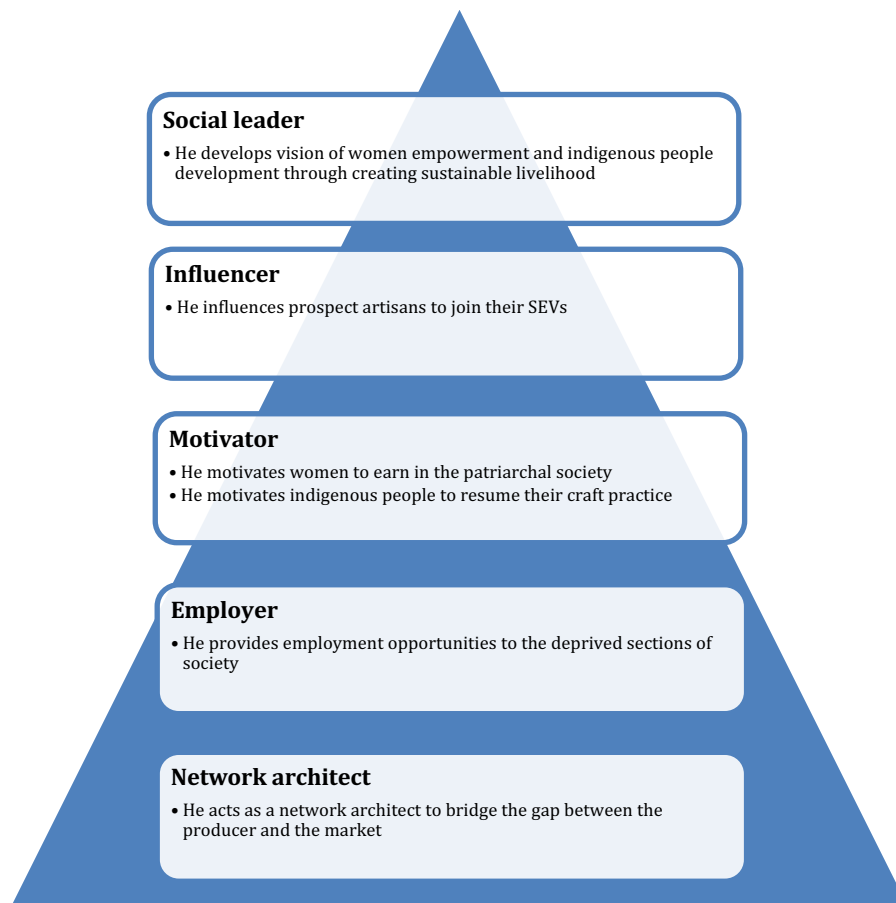


Figure 1 Role of social entrepreneur in women empowerment and indigenous people development

Findings and analysis

The present research identifies five key roles performed by SEs in social issues like women empowerment and indigenous people development. In both cases the

SEs have particular social ambition, in one case he relate to empowering women and in other case he is supporting indigenous people achieving community development. These SEs play a crucial part in creating local networks, and imparting common goals and visions among the local community. In the following space we have described how each case support these five constructs. But as per caution of (Eisenhardt & Graebner, 2007) “the challenge in multiple-case research is to stay within spatial constraints while also conveying both the emergent theory that is the research objective and the rich empirical evidence that supports the theory.”

Social leader- Social entrepreneurs offer ingenious leadership in social enterprises (Dees J. G., 1998). It has been added by researchers that social entrepreneurs acquire several attributes like cogency, integrity, capability to inspire followers to commit to a project by incorporating social norms and values rather than monetary benefit (Borins, 2000). Social entrepreneurs can elevate the economic condition of unprivileged section of the society through community development (Wallace, 1999) by leading community organisations (Cornwall, 1998). Social entrepreneurs are catalytic leaders in the domain of social affair (Hibbert, Hogg, & Quinn, 2001). On the basis of our study we have observed that Utpal Shaw and Virendra Kumar have been initiated a social movement for social issues like

women empowerment and indigenous people development in Jharkhand. Though both have different orientation towards their leadership style, but their outcome is similar. (Haven-Tang & Jones, 2012) As per leader and follower are mutually decisive in social development and implementation of social objectives of the stakeholders. Utpal Shaw stated that “I always wanted to rescue the unemployability stigma of women. Besides, I noticed that they have potential to earn but they are not aware of it. So I acted as a social leader to encourage and guide them to learn wood crafts and earn sustainable livelihood.” Virendra Kumar expressed his passion for Paitker by saying that “When I came Amadobi with my biker group, I was amazed with the traditional and aesthetic importance of this craft. But I always wondered why it is not popular? So I started research and development to understand the cause of the extinction and lost practice of Paitker. I formed a team of few experts who have helped to identify the reasons and suggested their probable solutions. At the beginning, it was not easy. But we encouraged Chitrakars to resume their practise of Paitker painting. In my opinion if it revives it will last, but if it failed to revive it will get lost with this last generation of practicing Paitker.” In both the cases the it is clearly evident that the social leaders and followers have contributed in epoch-making effect on social development.

Influencer – It has been accentuated in sociological institutionalism that the institutionalized patterns of behavior and individual practices can be influenced if there is mutual dependence (Hodgson, 2007) (Oliver, 1991), or it can be modified, or even renewed, by means of the commitment of influential individuals or well-regulated groups (Martin, 2000). Entrepreneurs act as a change agent as they are able to convince their group members to collaborate and help to achieve their desired objectives (Dorado, 2005) (Sotarauta M. , 2009). So these change agents influence the behavior of others owing to their network-based leadership and their interpretative power (Leca, Battilana, & Boxenbaum., 2008) (Sotarauta & Pulkkinen., 2011). On asking about the influence of PIPAL TREE on the tribal women Mr. Utpal Shaw profusely replied that “...I can say that we have made amend to the social structure of Jharkhand. I can say this because women are :

- self dependent and courageous now,
- there is less domestic violence in their homes, and
- they are also financially running the family.

I would like to cite an incident here. One day I was at the workshop of PIPAL TREE where a LED display vehicle was showing the segment of Samridh Sakhi in which they were showing few artisans of PIPAL TREE who have struggled to earn

the livelihood for their family. One the kid of my artisan was playing there and he saw his mother's bite on the advertisement. He ran to his mother and hugged her and said mother you became famous now. You are my hero mother. Fortunately, I saw that incident as I was present there. This incident choked me. That day I learnt a very important thing. Even a deprived strata of society seeks acknowledgement. My purpose has fulfilled. We are making Rs 10 raw wood to rs 100 saleable craft. In 2017-18 we have done production of worth 60 lakh in which we have worked for tata steel for worth of Rs. 18 lakh and also worked for Governement skill training programs of worth of 50 lakh. We able to give business to budding craft organisations Like MAATI GHAR. We give them business of about Rs. 15000 - 20000 for painting on our woodcrafts. Also we have launched our website where customers can observe the live workshop of PIPAL TREE, and also place their customized orders. We are taking webservice of hotjar for tracking footfalls of prospective customers on our website. This service has helped us to unravel the customers buying behavior for our woodcrafts.”

On asking about the influence of MAATI GHAR on traditional artisan Mr. Virendra Kumar retaliated by saying that “we might not have made any gigantic transfiguration but we have started to revive the Paitker painting. Out of 45 Paitker artisan Bijoy Chitrakar and Anil Chitrakar were only commercial artisans

who were sustaining Paitker art form but now we have induced 15 artisans to resume Paitker art form.”

Bijoy Chitrakar said that “I had mud and straw house. I was hardly getting any customer to my doorstep. Though I continued my Paitker painting at home but I was not able to sell it to the target audience. I was duped by few organisations in the name of help for marketing of my Paitker art. Nonetheless, Mr. Virendra Kumar gave me opportunity to work for him as a freelance artisan and he also helped me to get into reputed schools of Jamshedpur where I teach my Paitker art to students in their hobby class. This has helped me to get acknowledgement, and sustainable livelihood. Not only that but this practice has encouraged other reluctant Paitker artisan to resume this art. I can say Paitker is reviving.”

Motivator - Entrepreneurs are highly motivated individuals who strive for success and self-recognition (Holland, 1985). They encourage their employees to offer innovative ideas and if needed delegate responsibilities to them (Stettner, 2003). The entrepreneur should award, if the employee has successfully implemented the idea (Bundaleska, 2007). Motivated engagement of artisans with PIPAL TREE and MAATI GHAR is surely for their socio-economic development. Majority of artisans have admitted that these social ventures has motivated them to strive for

their socio-economic development. All of the women artisans of PIPAL TREE have agreed with Malti's statement that "so many women are encouraged to work with PIPAL TREE and are able to earn a sustainable livelihood. Few of them have started their own

entrepreneurial venture." Ms. Archana who is the incharge of Ranchi production center of PIPAL TREE has said that "I had started my journey at PIPAL TREE in 2014. At that time I was penniless destitute tribal women but now I am breadwinner of my family. I am able to earn somewhat around Rs. 12000 salary along with fooding and lodging facility. I am sending my children school. I am self-dependent now. I am getting recognition in the society. I am content."

On the other hand in the case of MAATI GHAR, Bijoy Chitrakar have admitted that "Virendra has encouraged Paitker artisans to do innovation with their craft and also guided them for marketing activities. Moreover, those artisans are returning once who had lost this art form due to non-saleability of Paitker."

Employer - SEs are great source for solving social issues by providing business models. These models help to unravel the complex social problems by creating impact on their communities (Zahra, Gedajlovic, Neubaum, & Shulman, 2009). Both the SEVs are successfully providing employment to their targeted segment

whether it is tribal women artisans or indigenous peoples. Though both SEVs have different business models. As PIPAL TREE is oldest among the two. It has evolved over the years as shown in figure 1 and 2. Initially the business model was simple (figure 1) as there were less artisans working for SEV. It all started in 2014 with the commencement of induction programs in nearby rural areas of Ghatshila. Utpal Shaw visited with his team of two or three women to encourage more women to learn woodcraft skills and earn a better livelihood. Once women showed their interest he started their training. After training, they were ready to work on-the-site or off-the-site as per their comfort. Women were given the designs and raw material which they carve at their home or the workshop. After carving designs they delivered it the workshop; where master artisans assemble these designs. After assembling the woodcrafts are packed and delivered to the destination retails of PIPAL TREE. They encourage their customers to get involved either through woodcraft design or feedback. But the business model has evolved in 2018 as the number of skilled artisans increased and the rise of demand occurred (figure 2).

Accoroding to this advanced model different villages are connencted to PIPAL TREE though village coordinators. Each village coordinators have 10 artisans under them. The respective village coordinators get the requisition of woodcrafts

from Ranchi production center. Archana is the incharge of Ranchi production center. She knows quite well which village coordiantor is good in which woodcraft. At Ranchi production center Malti analyses the inventory and stock of raw materials and finished products. She has been told to put requisition of woodcraft item if three items from a box have been sold.

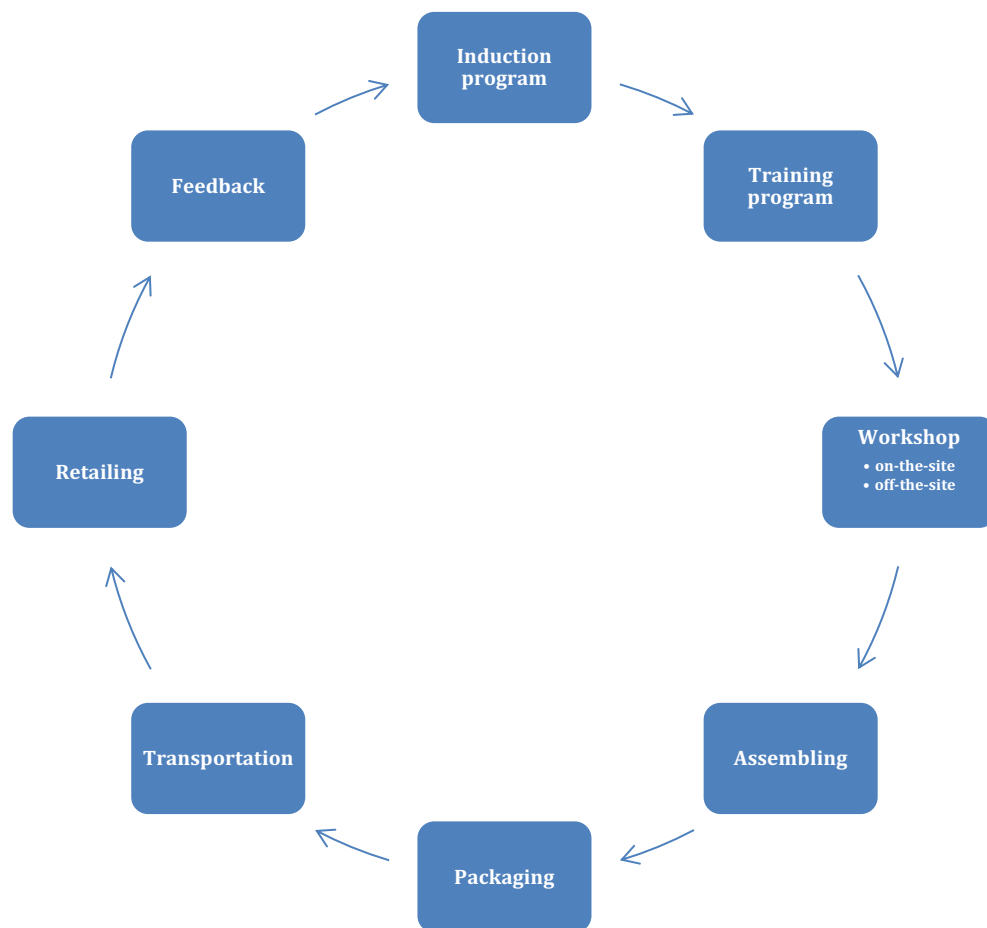


Figure 1 The Business model of PIPAL TREE

Source: Field Study

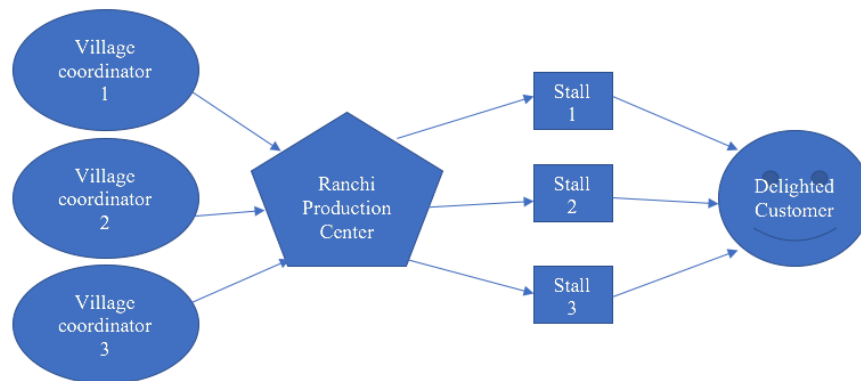


Figure 2 Advanced work model of PIPAL TREE

Source: Field Study

The administration team of PIPAL TREE has total seven trainers and three production managers. The trainers are looking after the Khunti and Godda district of Jharkhand. The trainers are responsible for endowment of woodcraft skill under Corporate social responsibility and Government training programs. Along with training they also monitor the progress of artisans. Also, out of three production manager one is looking after Jamshedpur city and two are taking care of Patratu(Ramgarh) town of Jharkhand.

Prod uctio n meth od	Infrast ructur e	Materi als and equip ment	Wo rki ng hou rs	Sa lar y an d be ne fit s	Creat ive input
On- the- site	Centra lized in works hop	Provid ed by the admin istrato r at the Work	6-8 hou rs	Rs .9000 - Rs .15	Desig ns are creat ed by Mr. Utpal Shaw

		works hop		00 0	. But few maste r artisa ns also give input s in produ ct desig n and asse mblin g.
Off- the- site	De- central ized	Artisa ns collect	8- 10	Rs .70	The desig n of

	and spatial ly disper sed	from the admin istrato r	hou rs	00 - Rs . 10 00 0	off- the- site produ cts are given by the admi n team of PIPA L TRE E.
--	---------------------------------------	--------------------------------------	-----------	-------------------------------------	--

Table 2 Overview of PIPAL TREE operations

Source: Field Study

On asking about the future planning of PIPAL TREE Utpal exuberantly replied that “I am planning to meet women and child welfare organisation for taking measurement on child care of these women artisans. As they work tirelessly to earn bread and butter for their family and there is no one to look after their toddlers. If the department can help us to build a creche facility for those childrens where they can be close to their mothers. As on 23 July 2019 Tourism department of Jharkhand has given space for handicraft haat at Audrey house, Ranchi. Here we are planning to provide skill and entrepreneurship cell- training facilities for artisans. We are planning to provide all famous handicrafts of Jharkhand under the same roof. In weekends we are also planning to arrange folklore Jharkhand.”

Indigenous heritage could be established through the amalgamation of several elements like tradition, custom, creativity and innovation. Artist and artisans play a significant role in creating, renewing and transmitting indigenous heritage; reviving the cultural practices (Varutti, 2015). There are number of factors that can enable indigenous businesses; that include operational business aspects like access to capital, supply and access to skilled manpower, with proper education and training (Whitford & Ruhanen, 2010). Paitker is one of the oldest painting of Jharkhand. It is more than 500 years old. As a SE, Virendra is working to revive this art practice. Though he is facing few challenges that he quoted by saying that

“MAATI GHAR is a small organization with handful of employees of maximum 10 fulltime employees. Therefore, it has faced lots of challenges since its inception in 2017 as we are engaged in activities of production, wholesaling, buying, exporting, and retailing. The handicraft products we sell are Paitker painting, tribal crafts, jute crafts, and clothing. In MAATI GHAR the popular price points among customers is Rs.100–Rs.1000. Our main clients are tourists, local residents, and local retailers. We provide raw material to Paitker artisan and they work from home. They take their time to complete the designated assignment in the given deadline. After that we purchase finished artefacts from them.”

Though he also elucidated the strength of MAATI GHAR by saying that “... as compared to competitor originality of Paitker is our exclusive quality. Also, we don’t have middlemen in the process. We directly work with the artisans. We also incorporate customization input from our prospective customers”. On the other hand, he also emphasized being in low visibility area, and below standard finished products are major disadvantages of MAATI GHAR.

He also mentioned that “We are self-funding company and we have limitation in terms of funds and resources. We should get support from Corporates and Government for providing training for Paitker painting.”

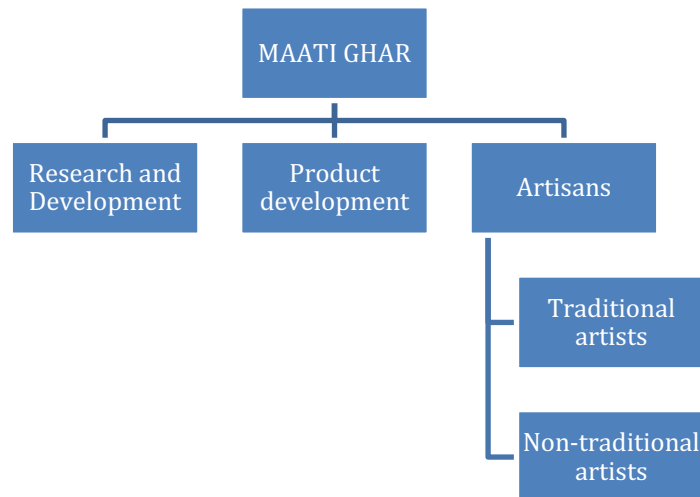


Figure 3 Organizational classification of MAATI GHAR

Source: Field Study

As shown in figure 1 MAATI GHAR has three main departments i.e. research and development, product development, and artisans. Virendra Kumar expounded that “...as the Paitker is on the verge of extinction therefore, we focused more on research and development rather on Paitker production. Our team has worked tenaciously on research and development so that we get the insight of the market trend. After research and development our next cynosure is product development. We produce two categories of products i.e. Traditional Paitker painting and alterable Paitker products. For that we have two types of artisans i.e. traditional artists and non-traditional artists. The traditional artists are from Chitrakar

community who are the inheritors of Chitrakar community of Dhalbhum dynasty. The other category is of non-traditional artists who are destitute rural tribal women seeking livelihood in Paitker. We encourage them to pursue Paitker painting by providing Paitker training to them. As of now, we are working with 70 artisans. In which 15 are traditional artisans and 55 are non-traditional artisans. We don't give contemporary work to traditional Paitker artists as we are afraid that they might shun off the traditional Paitker painting. We ask them to create traditional Paitker painting and then we promote their craft to the target audience. The non-traditional artists are asked to do contemporary Paitker on utilitarian and aesthetics craft products. Our biggest challenge is to sell the Paitker handicrafts as there is rarely any awareness about Paitker in the market. Though we have collaborated with Amazon to sell our Paitker handicrafts on e-commerce platform. Most customers seek heavy discounts on e-commerce platform so, we have priced our product by combining the expenses incurred on the craft, artists cost, and marginal profit."

Pro du cti on	Infra struc ture	Ma teri als and	W o r k	S a l a	Creati ve input
------------------------	------------------------	--------------------------	------------------	------------------	-----------------------

me tho d		equ ip me nt	i n g h o u r s	r y a n d b e n e fi ts	
Off site	De- centr alize d and spati ally dispe rsed	Art isa ns coll ect fro m the ad	4 - 5 h o u r s	R s. 4 0 0 0 - R s.	The desig n of produ cts are given by the admin

		mi		5	team
		nist		0	of
		rat		0	MAA
		or		0	TI
					GHA
					R.

Table 3 Overview of MAATI GHAR operations

Source: Field Study

The business model of MAATI GHAR is shown in figure 4. As a rule, MAATI GHAR is considered traditional scorecard as reflecting elements of time and stakeholders as shown in Figure 4. It has four important pillars of business i.e. Market, Finance, Customers, Skill development and Production. Where x-axis reflects time perspective and y-axis reflects stakeholder perspective. Wherein time has two measures i.e. short-term and long-term and stakeholders have two aspects i.e. internal and external. The founder of MAATI GHAR is the financier as there is no angel investors or funding agencies. So, the financial aspect, skill development and production are internal stakeholders of MAATIGHAR whereas market and customer aspect represents the external stakeholders. As their prime intention is to revive the Paitker therefore, their long-term measures are to aware customers about Paitker , to encourage skill development for reluctant Paitker

artisans and to induce standard production. The customer aspect is calculated by customer satisfaction, customer retention rates, customer referral rates, while financial measures are normally shorter-term. They have no retail space as such but they are freelancing for organisations like JHARCRAFT and PIPAL TREE. But recently they have started working with Amazon to sell their craft on e-tailing. The measurement of the internal process is the operational indicators of productivity and quality, measured constantly. The longer view entails the learning and growth, the profitability of the firm now and in the future.

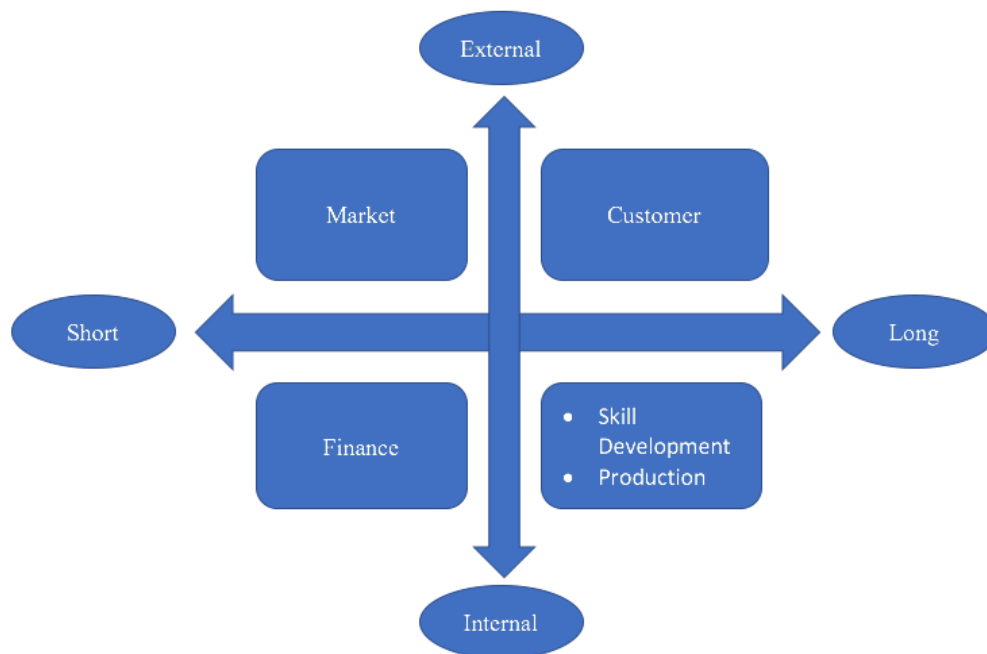


Figure 4 Two- dimensional business model of MAATI GHAR

Source: Field Study

Page 147

Network architect – According to social capital theory external networks helps firm to gain access to resources; that may be responsible for their business performance and their survival (Adler & Kwon, 2002). Interaction of entrepreneurial intention with external connections help to enhance the performance of SEV (Lee, Lee, & Pennings, 2001). Networks that connect entrepreneur to capital, suppliers, employees, partners and customers; are principal constituent for ease of on-going process of the SEVs (Kline & Milburn, 2010). Both the SEVs have acted as a network architect by connecting the artisans to the desired segment of the market. PIPAL TREE had started with its own retail platforms but later on they have approached Jharkhand Government and E-commerce platforms. As of now Jharkhand government has given them retail spaces at all the tourist places of Jharkhand. They have also created their own website from where the artisans get orders and sell without the interference of middlemen. MAATI GHAR has not big team and their skilled artisans are also few, therefore they have not launched their own retail and online platform. But they are using their network to sell the Paitker craft. Earlier Paitker artisans were not aware of modern marketing and retailing platforms but MAATI GHAR has linked them to various e-commerce platforms from where they get their orders without interference of middlemen. They have approached online shopping

platforms like amazon.in and flipkart.in for selling the Paitker painting. They have started it with small orders as they are lacking skilled artisans.

The table 5 clearly shows the assessment of PIPAL TREE and MAATI GHAR. The table briefly describes the purposes, business model and outcomes of the SEVs.

	PIPAL TREE	MAATI GHAR
Type of organisation	Not for profit organization	Not for profit organization
When it started	2014	2017
Why it started?	<ul style="list-style-type: none"> PIPAL TREE started with the intent of women empowerment through the endowment of woodcraft skills. 	<ul style="list-style-type: none"> MAATI GHAR commenced for preservation of Paitker painting of Jharkhnad. The founder is enthusiat about this 5000 BC art form.



	<ul style="list-style-type: none"> The founder felt the need of skill endowment to the socially backward and secluded women of Jharkhand. 	<ul style="list-style-type: none"> He emphasised that this painting is an immanent identity of Jharkhand and it is required to be preserved and revived.
How it is working?	PIPAL TREE is providing woodcraft training and imparting marketing & retailing skills to the rural women of Jharkhand.	MAATI GHAR is preserving & promoting the paitker painting and also empowering the Chitrakar community of Jharkhand. They are doing so by organising exhibitions, training programmes, promoting cultural

		heritage tourism and marketing their products online and offline.
Outcome	<ul style="list-style-type: none"> • Women empowerment • Sustainable livelihood to unprivileged rural women • Bread winner of the family • Self-dependence of women • Recognition of women in the society • Better education facility for their children 	<ul style="list-style-type: none"> • Revival of Paitker painting • Sustainable livelihood to Paitker artisans • Promotion of Paitker in the market • Connecting to the target market of the product

	<ul style="list-style-type: none"> • Reaching out to countrywide customers through their e-commerce platform 	
--	---	--

Table 4 Assessment of PIPAL TREE and MAATI GHAR

Source: Field Study

Conclusion

The key finding of our cross-case analysis is that SEs are crucial agent to solve social issues like women empowerment and indigenous people development. Both the cases have shown how SEVs can achieve socio-economic development for underprivileged section of the society. The economic development of a country depends upon enriched quality of life of its native. The quality of life can be measured through few indicators which are grouped under Human Development Index (HDI) (Bannerjee, 2018). HDI could be better understood through what Nobel laureate Amartya Sen calls as “capability approach to development”. This “people centric”, approach states that any nation is economically developed if and only if poor’s basic requirements are met (Sen, 1993). “The paradigmatic shift of social welfare from “employment security” to

“security through employability” makes the mobile and learning worker, responsible for his/her own life chances, its point of reference.” Resource and capability are segregated as resources are prerogative and materials accessible to individuals and capability is the skill of how the individual is utilizing these resources to achieve desired outcome (Subramanian, 2013). The indicators of socio-economic development of artisans are employability, entrepreneurship, income generation, preservation and expansion of craft culture (Ahamed & Karim, 2019). Poverty and illiteracy are impediment factors in the socio-economic development (Bannerjee, 2018).

Our paper identified the five vital roles of social entrepreneurs (figure 1) in women empowerment and indigenous people development. The present study has provided some insight into the state of Social entrepreneurship in Jharkhand. It has theoretically connected the treatise on social innovation and social entrepreneurship. Moreover, it has explored the micro-level detail of entrepreneurial change in the handicraft sector of Jharkhand. The study highlighted that the ancient crafts of Jharkhand hold great interest in the market. The study suggests that negligence of administration, corruption, illiteracy, and backwardness are the few prominent reasons for exclusion of handicrafts of Jharkhand from the Indian handicraft market. The findings clearly state that the

handicraft start-ups via social entrepreneurs are coming to the rescue of dying crafts of Jharkhand. These ventures are getting popular among customers, but they lack on few areas like meeting the standards, scale of production, marketing channels, unskilled artisans, etc.

Apart of the SE discussion, this finding also emphasizes on the some limitations of this research. Firstly, the research is based on two SEVs. There are evident similarities in both the cases, but there is a greater scope of research in different situations with different types of SEs. Secondly this research has identified five roles of SEs, and there might be possibility that further research may highlight additional roles of SEs to the present theory that would further enhance our knowledge. The aim of this paper was to identify the pivotal roles of SEs in women empowerment and indigenous people development and to evolve a new theoretical framework in this regard. Our research has identified and discussed the five roles of SEs that might constitute further research in this area.

Implications of the study

The case of ‘MAATI GHAR’ and ‘PIPAL TREE’ will give students of social entrepreneurship precedent about the obstacles faced by social entrepreneurs in rural settings in developing countries. The social entrepreneurial venture, PIPAL

TREE is working with women artisans and fighting for their social status in the tribal-rural setting of a developing country. Whereas, the venture MAATI GHAR, is working with Paitker artisans to revive the culture of Paitker painting in Jharkhand. Both of the ventures are great exemplification for students of social entrepreneurship who can study to manage a limited workforce of skilled artisans, who can create high-standard handicrafts using ritualistic methods. The present case helps students comprehend the evolution of social entrepreneurship venture to prevail-over operational and market hurdles.

Acknowledgement

The authors would like to show their heartfelt gratitude towards the social entrepreneurs Mr. Utpal Shaw and Mr. Verendra Kumar for letting them observe their work culture and also help them to understand their entrepreneurship model. This study would not have been possible without their generous and honest response.

Bibliography

- Sen, A. (1993). Capability and well-being. In T. q. life.
- Bannerjee, A. (2018). A Micro level study of socio-economic and health status of great Andamanese and Onges of Andaman Island . The Oriental Anthropologist, 19-29.
- Subramanian, D. M. (2013). Bringing Sen's capability approach to work and human resource practices. International Journal of Manpower, 34(4), 292-304.
- Johnson, S. (2003). Young Social Entrepreneurs in Canada. Canadian Centre for Social Entrepreneurship , School of Business . University of Alberta.
- Singh, D. P. (2012, October). Social Entrepreneurship: A Growing Trend in Indian Economy. International Journal of Innovations in Engineering and Technology, 1 (3), 44-52.
- Swissnex India. (2015, June). Social Entrepreneurship in India-Unlocking Unlimited Opportunities. Retrieved from Swissnex India:
<https://www.swissnexindia.org/wp-content/uploads/sites/5/2016/05/Social-Entrepreneurs-Report.pdf>
- Abu-Saifan, S. (2012, February). Social entrepreneurship: definition and boundaries. Technology Innovation Management Review, 22-27.
- Perrini, F., & Vurro, C. (2006). Social Entrepreneurship: Innovation and Social Change Across Theory and Practice. In J. Mair, J. Robinson, & K. Hockerts (Eds.), Social entrepreneurship (pp. 57-85).
- Bornstein, D., & Davis, S. (2010). Social Entrepreneurship: What everyone needs to know. New York: Oxford University Press.
- London, M., & Morfopoulos, R. (2010). Social entrepreneurship: how to start successful corporate social responsibility and community-based initiatives for advocacy and change. New York: Taylor & Francis.
- Kickul, J., & Thomas, S. (2012). Understanding social entrepreneurship: the relentless pursuit of mission in the ever-changing world. New York: Routledge.

- Germak, A. J. (2013). Social Entrepreneurship Motivation: A Quantitative Analysis of Nascent Social Entrepreneurs. Retrieved September 2014, from [http://www.iap-socent.be/sites/default/files/ Germak%20ECSP-LG13-69.pdf](http://www.iap-socent.be/sites/default/files/Germak%20ECSP-LG13-69.pdf)
- Dees, J. (2001). The Meaning of "Social Entrepreneurship". Retrieved September 2014, from [http://www.caseatduke.org/ documents/dees_sedef.pdf](http://www.caseatduke.org/documents/dees_sedef.pdf)
- Dasgupta, A., & Chandra, B. (2016). Indian consumers of handicrafts shaped by globalization: A profiling based on Materialism, Consumer Ethnocentrism, and World-Mindedness. *Indian Journal of Science and Technology*, 9(1).
- Zikmund, W., & Babin, B. (2010). *Essentials of marketing research* . Mason: South-Western Cengage Learning.
- Proctor, T. (2005). *Essentials of marketing research* . Harlow: Pearson Education Limited.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research Methods for business students* . Harlow: Prentice Hall, Cop.
- Shiu, E., Hair, J., Bush, R., & Ortinau, D. (2009). *Marketing research*. London: McGraw -Hill Higher Education.
- Yin, R. K. (1998). The abridged version of case study research: Design and method. In L. Bickman, & D. J. Rog, *Handbook of applied social research methods* (pp. 229-259). US: Sage Publications, Inc.
- Ahamed, D. M., & Karim, R. (2019, June). Impact of Rural Tourism Product on The Socio-Economic Condition of Artisans In Birbhum District: A Case Study on Kantha Stitch Handicraft. *Research Directions(Special issue-June)*, 153-162.
- Thuesen, A. A., & Rasmussen, H. B. (2015). Danish Rural Areas' Readiness for Joint Action as a Proxy for the Potential for Co-production. *Journal of Rural and Community Development*, 10(1), 32-55.
- Yin, R. (2009). *Case Study Research: Design and Methods*. Thousand Oaks, CA.: Sage.
- Sayer, A. (1992). *Method in Social Science: a Realist Approach*. London: Routledge.
- Pearce. (2003). Pearce's three systems of the economy model .

- Kummitha, R. K. (2017). Social entrepreneurship and social inclusion. Singapore: Springer .
- Kibler, E., Fink, M., Lang, R., & Muñoz, P. (2015). Place attachment and social legitimacy: Revisiting the sustainable entrepreneurship journey . *Journal of Business Venturing Insights*, 24-29.
- Kibler, E., & Kautonen, T. (2016). The moral legitimacy of entrepreneurs: An analysis of early-stage entrepreneurship across 26 countries. *International Small Business Journal*, 34(1), 34-50.
- Moran, W. (1993). Rural space as intellectual property. *Political geography*, 12(3), 263-277.
- Dhesi, A. S. (2010). Diaspora, social entrepreneurs and community development. *International Journal of Social Economics*, 37(9), 703-716.
- Mottiar, Z., Boluk, K., & Kline, C. (2018). The roles of social entrepreneurs in rural destination development . *Annals of Tourism Research*, 68, 77-88.
- Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of management journal*, 50(1), 25-32.
- Handy, F., & Kassam, M. (2004). Women's empowerment in rural India. Toronto Canada: Paper presented at the ISTR conference.
- Lennie, J. (2002). Rural women's empowerment in a communication technology project: some contradictory effects. *Rural Society*, 12(3), 224-245.
- Hashemi, S., & Schuler, S. (1993). Defining and studying empowerment of women: A research note from Bangladesh. *JSI Working Paper No. 3*.
- Mair, J., & Schoen, O. (2007). Successful social entrepreneurial business models in the context of developing economies: An explorative study. *International Journal of Emerging Markets*, 2(1), 54-68.
- Santos, F. M. (2012). A positive theory of social entrepreneurship. *Journal of business ethics*, 111(3), 335-351.
- Hashemi, S. M., Schuler, S. R., & Riley, A. P. (1996). Rural credit programs and women's empowerment in Bangladesh. *World development*, 24(4), 635-653.

- Ona, J. G., & Solis, L. S. (2017). Challenges and opportunities for the development and promotion of Ibaloy crafts as tourism products. *International Journal of Culture, Tourism and Hospitality Research*, 11(4), 593-607.
- United Nations Permanent Forum on Indigenous Issues. (2017). Indigenous peoples, indigenous voice factsheet. Retrieved from www.un.org/esa/socdev/unpfii/documents/5session_factsheet_1.pdf.
- Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance: a configurational approach. *Journal of business venturing*, 20(1), 71-91.
- Béteille, A. (1998). The idea of indigenous people. *Current anthropology*, 39(2), 187-192.
- Chifos, C. (2007). The sustainable communities experiment in the United States: insights from three federal-level initiatives. *Journal of Planning Education and Research*, 26(4), 435-449.
- Jena, P. (2007). Orissan handicrafts in the age of globalization: challenges and opportunities. *Orissa Review*, LXIV(4), 19-25.
- Nicholls, A. (2006). *Social entrepreneurship: New models of sustainable social change*. New York: Oxford University Press.
- Datta, P. B., & Gailey, R. (2012). Empowering women through social entrepreneurship: Case study of a women's cooperative in India. *Entrepreneurship theory and Practice*, 36(3), 569-587.
- Calás, M., Smircich, L., & Bourne, K. (2009). Extending the boundaries: Reframing “entrepreneurship as social change” through feminist perspectives. *Academy of Management Review*, 34 (3), 552–569.
- Kabeer, N. (1999). Resources, agency, achievements: Reflections on the measurement of women’s empowerment. *Development and Change*, 30(3), 435–464.
- Ketokivi, M., & Choi, T. (2014). Renaissance of case research as a scientific method. *Journal of Operations Management*, 32(5), 232–240.
- Stake, R. E. (2005). *Multiple case study analysis*. New York: Guilford Press.

- Eisenhardt, K. M. (1989). Building theories from case study research. *Academy of Management Review*, 14(4), 532–550.
- Eisenhardt, K. M., & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50(1), 25–32.
- Dees, J. G. (1998, January–February). Enterprising nonprofits. *Harvard Business Review*, 55–67.
- Borins, S. (2000). Loose cannons and rule breakers, or enterprising leaders? Some evidence about innovative public managers. *Public Administration Review*, 498–507.
- Adler, P., & Kwon, S. (2002). Social capital: Prospects for a new concept. *Academy of Management Review*, 27, 17–40.
- Lee, C., Lee, K., & Pennings, J. (2001). Internal capabilities, external networks, and performance: A study of technology-based networks. *Strategic Management Journal*, 22, 615–640.
- Kline, C., & Milburn, L. A. (2010). Ten categories of entrepreneurial climate to encourage rural tourism development. *Annals of Leisure Research*, 13, 320–348.
- Wallace, S. L. (1999). Social entrepreneurship: The role of social purpose enterprises in facilitating community economic development. *Journal of Developmental Entrepreneurship*, 4, 153–174.
- Cornwall, J. (1998). The entrepreneur as building block for community. *Journal of Developmental Entrepreneurship*, 3(2), 141–148.
- Hibbert, S. A., Hogg, G., & Quinn, T. (2001). Consumer response to social entrepreneurship: The case of the Big Issue in Scotland. *International Journal of Nonprofit and Voluntary Sector Marketing*(7), 288–301.
- Haven-Tang, C., & Jones, E. (2012). Local leadership for rural tourism development: A case study of Adventa, Monmouthshire, UK. *Tourism Management Perspectives*, 4, 28–35.
- Hodgson, G. M. (2007). Institutions and Individuals: Interaction and Evolution. *Organization Studies*, 28(1), 95–116.

- Oliver, C. (1991). Strategic Responses to Institutional Processes. *Academy of Management Review*, 16(1), 145–179.
- Martin, R. (2000). *Institutional Approaches in Economic Geography*. (E. Sheppard, Ed.) Oxford: Blackwell.
- Dorado, S. (2005). Institutional Entrepreneurship, Partaking, and Convening. *Organization Studies*, 26(3), 385–414.
- Sotarauta, M. (2009). “Power and Influence Tactics in the Promotion of Regional Development: An Empirical Analysis of the Work of Finnish Regional Development Officers.”. *Geoforum*, 40 (5), 895–905.
- Leca, B., Battilana, J., & Boxenbaum, E. (2008). Agency and Institutions: A Review of Institutional Entrepreneurship.
- Sotarauta, M., & Pulkkinen, R. (2011). Institutional Entrepreneurship for Knowledge Regions: In Search of a Fresh Set of Questions for Regional Innovation Studies 29 (1):. *Environment and Planning* , 29(1), 96–112.
- Zahra, S. A., Gedajlovic, E., Neubaum, D. O., & Shulman, J. M. (2009). A typology of social entrepreneurs: Motives, search processes and ethical challenges. *Journal of business venturing*, 24, 519-532.
- Varutti, M. (2015). Crafting heritage: artisans and the making of Indigenous heritage in contemporary Taiwan . *International Journal of Heritage Studies*, 21(10), 1036-1049.
- Whitford, M., & Ruhanen, L. (2010). Indigenous Tourism Businesses in Queensland: Criteria for Success. In *CRC for Sustainable Tourism*. Gold Coast.
- Holland, J. L. (1985). *Making Vocational Choices* . (E. Cliffs, Ed.) NJ: Prentice Hall.
- Stettner, M. (2003). *The New Managers Handbook*. (W. McGraw-Hill, Ed.) Madison: CWL Publishing Enterprises.
- Bundaleska, E. (2007). Motivation of Employees in Entrepreneurship. *Entrepreneurship- Problems, Dilemmas and Perspectives*, 197-200.

Social Entrepreneurship as a Cluster Concept: Is a Cricket Farming Start-Up a social enterprise?

Hanna Lehtimäki, Ville-Veikko Piispanen, Subhanjan Sengupta*
University of Eastern Finland, Business School, P.O. Box 1627 FI-70211 Kuopio,
Finland
*Bimtech (Birla Institute of Management Technology), Plot Number 5, Knowledge
Park 2, NCR, Greater Noida, Uttar Pradesh 201306, India

Acknowledgements

The authors gratefully acknowledge the financial support from the Strategic Research Council at the Academy of Finland decision number 320209, Foundation for Economic Education and Foundation for Private Entrepreneurs.

Abstract

Purpose - The purpose of this study is to add to discussion on conceptualising social entrepreneurship. This paper contributes to the cluster concept of social entrepreneurship proposed by Choi and Majumdar (2014) by drawing on an empirical case study, a Finnish start-up specialized in cricket farming technology and food made from crickets. The case company's mission is to create economic,

environmental value and social value, thus fulfilling the broad definition of social enterprise. However, according to the Finnish law it does not meet the criteria for a social enterprise.

Method - With a case study, this paper elaborates the theoretical framework by examining the applicability of the cluster concept of social entrepreneurship in empirical settings.

Results - This study contributes to social entrepreneurship theory advancement by illustrating how the local economic, social and legal context is to be taken into consideration in parallel with the cluster concept classification.

Conclusions - This study highlights the importance of contextual understanding in advancing the conceptualization of social entrepreneurship.

1 Introduction

The phenomenon of social entrepreneurship emerged in response to the need of socially oriented innovative business solutions in the rapidly changing economic, environmental, social and political environment (Bornstein, 2004). The need of social entrepreneurship bore seed in the emergence of volatility and uncertainty in socio-economic and politico conditions across the world, leading to depleting

funds for the third sector and the inflating necessity of a paradigmatic change in businesses to make them socially oriented (Bornstein, 2004; Bacq & Janssen, 2011; Phillips et al., 2015). Research on social entrepreneurship is growing steadily and there is myriad of concepts and approaches related to phenomenon (Choi & Majumdar, 2014).

By definition, social enterprises are different from the conventional profit-maximising businesses in how closely the goals and solutions/products/services are aligned to social and environmental impact by marrying managerial efficiency, social innovation, and action for social change (Nicholls & Opal, 2004; Jay, 2013; Sengupta & Sahay, 2017). The umbrella of social entrepreneurship has multiple constructs that come together in different contexts in different combinations to explain the concept of social entrepreneurship (Sengupta et al., 2018): Social value creation, economic value creation, market orientation, double bottom line, triple bottom line, social entrepreneur, social innovation, hybridity, business modelling, scalability, leadership, local embeddedness, and leadership. The criteria that differentiates these enterprises from usual for-profit businesses, is in the priority given to value creation rather than value capture (Santos, 2012); which means that for an enterprise to be a social enterprise, it would be a requisite to align the purposes and solutions towards creation of social or environmental value, through

social innovation, on-ground social-change creation, and management efficiency (Jay, 2013). Since there is no exact definition on what kind of enterprise can be called a social enterprise across the world, irrespective of context (Peredo & McLean, 2006; Zahra et al., 2009), there is always a discussion on what is to be considered as social entrepreneurship and what not.

The purpose of this study is to contribute to social entrepreneurship theory advancement and add to discussion on conceptualizing social entrepreneurship. With an empirical case study, we examine the cluster concept of social entrepreneurship created by Choi and Majumdar (2014), and discuss its applicability in an empirical setting. The cluster concept of social entrepreneurship was developed to address the fundamental problem of social entrepreneurship being a contested concept. The approach of identifying and clustering the key sub-concepts constituting social entrepreneurship was aimed at reducing contestation within the phenomenon and including concepts without which the phenomenon falls apart. This study draws attention to the local contexts and highlights the importance of using the cluster concept in parallel to attention to the local economic, social and legal context.

The case company, EntoCube, is a new generation enterprise that addresses sustainable food system in the global climate crisis. The company develops insect farming technology in a climate-controlled environment and produces insect-based food. The company was found to be an interesting case due to be an innovative clean tech enterprise (a pioneer in futuristic insect-based food innovation)ⁱ, a forerunner in the circular economy eco-systemⁱⁱ, seeking to have a note-worthy social and ecological impactⁱⁱⁱ globally. What also makes the company an interesting case company for this research is that as per the Finnish law, EntoCube is not a social enterprise. It is an enterprise that has a business model creating a sustainable solution to the global food problem and supporting farmers associated with the enterprise.

The paper is structured as follows. In the following chapter, we will, first, present the cluster concept understanding introduced by Choi and Majdumar (2014), and then, then review literature on contextual understanding of social entrepreneurship. After briefly presenting the method of the study, we introduce the case company. In the results chapter, we present the case company by using the sub-concepts of the cluster concept of social entrepreneurship. In the discussion, we evaluate the applicability of the cluster concept. We conclude by notions on advancing the

conceptualization of social entrepreneurship and the importance of doing case studies to account for the context in theory development.

2 Theoretical background

Considering the contested characteristic of the meaning of social entrepreneurship due to contextual diversity, Choi and Majumdar (2014) synthesised past research on social entrepreneurship to explore the contested nature and constructed ‘social entrepreneurship’ as a concept formed by the cluster of five sub-concepts. First sub-concept is ‘social value creation’ that highlights the social mission of the company and the practices with which it provides solutions that address long neglected social issues. Second sub-concept draws attention to the ‘social entrepreneur’ and the entrepreneurial qualities behind the inception of the idea and making a difference in the future of the enterprise, the solution brought to the market, and the social impact of the solution. Third, ‘social enterprise organisation’ refers to the business model and the legal form of the enterprise. Fourth sub-concept is ‘market orientation’, which draws attention to the efficiency in the use of resources, use of market opportunities, effectiveness of operations, and financial sustainability of the operations. The fifth sub-concept is ‘social Innovation’. This refers to innovation and an idea of change. It is integral that the social enterprise

engages in either radical or incremental innovation and seeks to create a change that has a positive impact on social issues.

While many researchers had been addressing the disparities in the field, this contribution of Choi and Majumdar (2014) stands out from earlier research because it synthesises earlier research to provide a definitional foundation which goes ahead of hybridity to propose that it is hardly possible to have a universal definition of social entrepreneurship, and that it will be more helpful to come out of the contestation in the field by perceiving the phenomenon as a conglomerate sub-concepts that may exist at different degrees in a social enterprise context. Theoretical development towards the path of convergence of the sub-concepts would help mitigate the contestation in the field and advance research and practice in this phenomenon. The framework is a universalistic conceptual model that directs, and it draws little attention to the specific operational context of a social enterprise.

Two decades of research on the social entrepreneurship phenomenon has established the fact that though it broadly signifies the confluence of the sensitivities of the third sector and the dynamics of market principles, what it means depends largely on the context, thereby making it a phenomenon in a context (Sengupta et

al. 2018). The phenomenon is not easily generalised because when it comes to making social change and development for creating social value and social innovation as priority, backed by a market oriented approach, the meaning of social entrepreneurship might change as social issues are not the same in all contexts and the approaches for dealing with those issues are socially, legally, and politically determined (Sengupta & Sahay, 2017; Sengupta et al. 2018); for instance, ‘poverty’ in an emerging economy would be much more elementary and sometimes more menacing than what it would be in a more developed economy (Dietz & Porter, 2012; Sutter et al., 2019). Also, in emerging economies, the social and environmental issues in need of being addressed are very elementary, such as livelihood generation, right to better education, poverty eradication, to name a few (Defourny & Kim, 2011; Dietz & Porter, 2012). Issues to be addressed in developed economies by social enterprises may be different. As per the European understanding of social entrepreneurship, commonly known as EMES (Emergence of Social Enterprise in Europe), ‘social enterprises are not-for-profit private organizations providing goods or services directly related to their explicit aim to benefit the community. They rely on collective dynamics involving various types of stakeholders in their governing bodies, they place a high value on their autonomy and they bear economic risks linked to their activity’ (Defourny and Nyssens, 2008).

In Finland, the legal and policy framework and institutional environment talks about work-integration social enterprises (Defourny & Nyssens, 2010). According to the Act of Social Enterprises in Finland, enacted by the Ministry of Economic Affairs and Employment, enterprises with at least 30% of the employees being disabled or previously unemployed, are to be identified as social enterprises (Finlex, 2018). At the same time, there is also a Social Enterprise Mark given by the Association for Finnish Work to enterprises whose primary objective is to provide social good, and most of the profits are used for that purpose; not necessarily employing disabled or long-term unemployed people. From the presence of two different institutional structures for identification of social enterprises, it is evident that there is a lack of coherence and unity in Finland on what social entrepreneurship is.

Considering the fact that context has a significant role to play in shaping the meaning of entrepreneurship (Gaddefors & Anderson, 2017), the need for contextualisation of the meaning of social entrepreneurship demands that current researchers go beyond the definitional debates and legal boundaries to explore how to make meaning of a social enterprise within the context it operates and how the

social entrepreneurs' approaches and activities reflect the constructs that come together to form social entrepreneurship.

3 Methodology

The case study approach was selected to present a story of an enterprise in its context (Dyer & Wilkins, 1991; Eriksson & Kovalainen, 2016; Piekkari & Welch, 2017) and to discuss applicability of the cluster concept of social entrepreneurship in an empirical setting. This is a descriptive case study that aims at elaborating a theoretical concept (Ketokivi & Choi, 2014). Thus, the research question is not designed for testing an existing theory for probabilistic generalizability, but to make meaning of a nascent concept in a specific context (Patton, 1990; Gummesson, 2006; Eriksson & Kovalainen, 2016). The benefit of this approach is that it allows for investigating the general theory and the context simultaneously (Ketokivi & Choi, 2014). The research data comprise an in-depth interview of the CEO of the company, and secondary data in the form of text from company reports and online publicly available information about the company. The interview was recorded and transcribed, and content analysis was used as a method for analysing the data (Eriksson & Kovalainen, 2016).

4 Case Entocube

In this chapter, we examine the case company with the cluster concept by Choi and Majumdar (2014). The first sub-concept is social value creation. It draws attention to the ways by which a social enterprise practices a social mission and provides solutions that address long neglected social issues. EntoCube specializes in insect farming solutions and insect food products. It develops a compact technology solution for cricket farming, farms crickets, and sells farmed/processed crickets as edible products under the brand Samu. The products include roasted crickets, cricket granola, and cricket nut mix. With its solution, EntoCube is one of its kind of a clean tech enterprise that introduced food innovation for addressing the growing concern of food scarcity. The food products are produced with a futuristic vision of offering the world a sustainable, viable, high quality, and healthy diet. Insects for food have been an established part of local cuisine in certain cultures for a long time, and while EntoCube may not be a ground breaking from that perspective, it is a first company in the world to provide cricket farming solutions. It has designed a farming solution inside old shipping containers where a climate-controlled farming can be done. Entrepreneurs can use the container for farming cricket and then converting them into edible products in any environmental context in the world.

The second sub-concept is social entrepreneur. It directs attention to the entrepreneurial qualities of the individuals who form the inception of the idea and seeks to make a difference in the future of the enterprise, who create the solution, and the social impact of the solution. In Entocube, the social and ecological contribution envisioned by not just the founder, but the whole team who are interested in providing an alternative, sustainable, and manageable protein source to replace and complement sources of protein with severe impact on climate such as cows. The solution created by the company has a potential to replace meat consumption in the long run. The food products are rich in nutrients and contain all the essential amino acids with a good balance of fats. Also, farming of crickets is environmentally sustainable, convenient, and uses far less resources compared to farming of animals. Twenty kilos of feed and 1500 litres of water is needed for one kilo of cow protein, whereas 1.7 kilos of feed and 1 litre of water is needed for one kilo of cricket protein. Clearly, that gives it the economic and environmental edge, making it a potential alternative to meat, and thereby, addressing food scarcity and the need of innovatively restoring the farming occupation. The organisation is made up of passionate people:

“All members are ideologically involved (...) we have a weird idea and bad salaries (...) one of the team members has been involved with UN projects in Peru and Laos”. (The CEO, 2018)

All members of the organization share the environmentally and socially sound ideology that drives the future food production. They have low salaries and even though they do have structured business logic; they see passion and motivation as the key driving forces for every team member. The company has many interns from universities, and they offer thesis opportunities for the students. The CEO has strong elements of social entrepreneur. This is clear when he discusses the responsibility of the future of own and other children. They want to have an impact in this world, with a business approach that has elements of social value creation and social innovation at the heart of the solution provided to the regional as well as global community. The company’s solution offering for sustainable food production is one possible way to reduce emissions, to move away from meat consumption, and eventually have a radical effect on the climate change. In this whole equation, the role of the entrepreneur has been very important in imagining and developing the business:

“To leave the Earth in a better condition than it was when we got it”. (The CEO, 2018)

The third sub-concept is social enterprise organisation. It directs attention to the business model and the ways by which it enables the combination of social and market oriented approaches, the effectiveness and efficiency of the operations and the financial sustainability of the operations. In EntoCube, the central values, “doing good” and “fairness”, are reflected in the company’s business model. For example, the company is committed to buying all the crickets the farmers are able to produce. This shows that the company appreciates its cricket suppliers and takes responsibility of the farmers and their success. Initially, the idea was to go to developing countries for business and production, and more specifically, to go to countries where consumption of insects has become an established part of local cuisine. That, however, would have meant high cost of running the business, and it would have brought in other practical difficulties associated with technology transfer. So, instead the company decided to aim for a business solution that was relatively less capital intensive, scalable at micro-level, and needed less resources, so as to enable farmers to easily manage and operate the process. With a focus on Western countries as the market, they believed they had a higher prospect of better returns, and that it would be easier to get new products and innovations to markets

due to higher acceptability. Also, they considered that getting a quick feedback about the technology and products was important and that getting feedback from markets closer to home would be easier.

The fourth sub-concept, market orientation, draws attention to the ways by which the company explores market opportunities and assesses the economic feasibility of the solution. Also, the legal form of the enterprise is evaluated with this sub-concept. The board as well as the employees perceived the business as a continuous value creation activity that could give opportunities to bring a social and cultural change in this world. The CEO refers to the importance of creating value that can be measured with both financial outcomes and the societal impact.

“Usually it’s seen that you need to choose: either doing business or doing good. The way I see it is that the basis of all business is that it creates value. The payment that we get is the compensation about what the company does”. (The CEO, 2018)

For the company, value creation and viable business logic are the ground rules for making a change in the world. In that sense, the company’s market orientation is clearly visible as a driving force in business development. Market orientation practices can be seen in the pricing strategy and customer orientation in business

development, both of which also support their social value creation efforts. In addition, the company is engaged in constructing an efficient and effective ecosystem around the cricket farmers, which in turn offers support and easy access to cricket farming to new farmers. Also, the company has been “actively involved with the public administrators in writing (insect business and insects as a food source) the rules”. The CEO highlights the importance of business logic:

“you always need a business logic so that you can make progress and to make that business scalable” and “the price for kilo of crickets will be at the same level as other competitive daily protein sources”. (The CEO, 2018)

The business goals can be perceived from the perspective of ‘saving the world’ with a sustainable organic solution and as an innovation in the culinary perspective. The mission of the company is “to make sustainable insect food mainstream” while the vision is “to leave the Earth in a better condition than it was when we got it”. The enterprise has a high social, environmental, and economic potential as a for-runner in sustainable protein production. With the climate-controlled farming solutions the company can fight hunger by providing an accessible and affordable way for insect production and by offering an environmentally friendly source of protein to the growing population.

Under the Finnish law, Entocube does not meet the criteria for a social enterprise. Also, it is a privately owned company with a strong intent of becoming both profitable and sustainable business. As a for-profit-company it is different from commercial activities of not-for-profit companies. From the social innovation perspective, which is the fifth sub-concept, Entocube is an innovative start-up company that seeks to reform the existing patterns of food production and consumption (see Dees & Anderson, 2006). The company is engaged in social and environmental problem solving with non-conventional approaches, and thus, is oriented towards social value creation and social innovation.

The cricket-farming solution offers sustainable food production and easy consumption, something that would have a positive impact on climate change. The company offers business opportunities for farmers, especially in Finland, where there are many empty old farms with suitable buildings that can be utilised in cricket farming. Alternatively, farming can also be done in shipment containers that allows for climate control, and thus, allows for farming in any natural environmental condition be it very cold or very hot. There is clear focus on innovative technology and ensuring that the social and economic impact of the business operations is optimal. The company aims at creating new solutions for

farming crickets, and for that, it needed to develop new technology, the climate of regulated and automation driven farming modules. Continuous innovation is a key strategic area as the aim is to develop cricket-farming to the point where the production is automated with a scope of volume and quick scale-up. Once the technology has been developed to the point where the costs are competitive, it will be easier for more people to join in cricket farming as micro-entrepreneurs (cricket farmers). In the Finnish context, technology innovation is an important aspect of social innovation, because advanced innovation can attract governmental funding and create an impact to the society through employment, environment and society.

5 Discussion

Using the five sub-concepts in the Choi and Majumdar (2014) cluster concept framework we can summarize that the case company EntoCube as an innovative solution for sustainable food production exudes elements of social entrepreneurship. First, the challenge of working towards sustainability by adopting dual-logics of creating social value while having a sound profitable business logic qualifies the company as a social enterprise. The company's mission to introduce crickets to the public as nutritious food alternative to lead the way for creating a sustainable food ecosystem with built-in circular economy practices aims at creating social value globally.

Second, the company has strong elements in social value creation in the ideological premises that guide entrepreneurial thinking and activities. Third, all members of the company put a strong emphasis on caring for environment, climate and people in challenging environmental and social conditions in the future. Fourth, market orientation is a strong aspect in their business as they are pro-market and for-profit, yet their social innovation is targeted to be effective on a social scale and create social value with the scalable technology. On a smaller scale, the company offers new business opportunities for farmers and anybody that has interest in cricket farming, and therefore, the company creates social value in both developed and developing countries. On a larger scale, their activities and the new technology offer an alternative means for reducing emissions and thus have an impact on climate change. Fifth, the company aims at making a positive social, economic, and environmental change with the help of food innovation.

The sub-concepts are the defining properties of the social entrepreneurship concept. Illustrating cluster concept through this descriptive case study directs attention, first, to the inclusiveness of the cluster concept. The cluster concept argues that if an enterprise exhibits these properties, which may be at varying degrees and combinations in practice (Gallie, 1956; Gaut 2000; Choi & Majumdar, 2014), it would be sufficient to consider it as a social enterprise because of its

combination of necessary qualities (Choi & Majumdar, 2014). As proposed by the cluster concept, we see here that social value creation, often put as a forefront condition for social entrepreneurship, is not a stand-alone quality, and that it is weaved to other qualities, such as being market oriented, being socially innovative, and having the sensitivities and compassion that is expected from a social entrepreneur and a social enterprise organisation. This opens up avenues for empirically using the cluster concept framework as a representative of the diversity of the social entrepreneurship concept. This also creates scope for using it as a facilitating conceptual tool rather than a constraining one for exploring intrinsic cases that can help researchers delve deeper into what qualities make social entrepreneurship a universal phenomenon and what qualities make it a contextual phenomenon. This has an important policy implication as it can be a facilitator for encouraging policy thinking that can see through how the meaning and implications of a social enterprise goes beyond legal boundaries.

However, this study also shows that the inclusiveness of the cluster concept has its drawbacks as many start-up companies include social value creation in their mission and emphasize doing good for the environment due to the global attention to climate change. Also, entrepreneurs in start up's are typically mission oriented and passionate about their business. In the case firm, responsible organization is

emphasized, yet that alone does not qualify it as a social enterprise. Finally, the company is an innovation start up with a strong focus on clean tech. It's business model does not include elements that would qualify it as social enterprise according to the Finnish law. The cluster concept of social entrepreneurship can be criticized for being too inclusive and abstract to be used as a guideline for identifying what is a social enterprise and what is not.

6 Conclusion

EntoCube is an enterprise with elements that fit in the cluster of social entrepreneurship sub-concepts: social value creation, social entrepreneur, social enterprise organization, market orientation, and social innovation. With this illustrative case, we show how an innovative clean tech start up can be considered as a social enterprise when evaluated with the cluster concept framework. We also show, how the inclusiveness of the cluster concept makes it difficult to draw a line between what is and what is not a social enterprise, particularly in the start up scene. This study shows that it is fruitful to use the cluster concept in parallel to local legal definition of social enterprise. While the cluster concepts draws attention to the multiplicity and richness of the concept at a universal level, the local law brings in the contextual understanding of what accounts as a social enterprise and what does not.

Interestingly, while past research had spoken about the lack of legal identities as a limitation in the social entrepreneurship practice and research in certain emerging economies (Sengupta & Sahay, 2018; Sengupta et al. 2018), this research shows how the existence of a legal identity brings in the contextual understanding about social entrepreneurship. An important future research avenue would be to consolidate conceptual development of the phenomenon with policy drafting and implementation practices. If this emerges as a necessity in a developed country context which is already known to have been an egalitarian society where social welfare had been an integral part of business establishments, it can be assumed that such might be a necessity in emerging and least developed economies as well. More case studies in different contexts using the cluster concept would advance the conceptual development of social entrepreneurship by reflecting on how new-age enterprises in different eco-systems enact social entrepreneurship traits, even though the legal and regulatory norms in certain countries have boundaries of its own.

References

- Bacq, S., & Janssen, F. (2011). The multiple faces of social entrepreneurship: A review of definitional issues based on geographical and thematic criteria. *Entrepreneurship & Regional Development*, 23(5-6), 373–403.
- Bornstein, D (2004). *How to change the world: Social entrepreneurs and the power of new ideas*. Oxford: Oxford University Press.
- Choi, N., & Majumdar, S. (2014). Social entrepreneurship as an essentially contested concept: Opening a new avenue for systematic future research. *Journal of Business Venturing*, 29(3), 363–376.
- Dees, J.G., & Anderson, B.B. (2006). Framing a theory of social entrepreneurship: Building on two schools of practice and thought. *Research on Social Entrepreneurship: Understanding and Contributing to an Emerging Field*, 1(3), 39–66.
- Defourny, J., & Nyssens, M. (2008). Social enterprise in Europe: recent trends and developments. *Social Enterprise Journal*, 4(3), 202–228.
- Defourny, J. & Nyssens M. (2010). Conceptions of social enterprise and social entrepreneurship in Europe and the United States: Convergences and divergences. *Journal of Social Entrepreneurship*, 1(1), 32–53.
- Defourny, J, & Kim, S. (2011). Emerging models of social enterprise in eastern Asia: A cross-country analysis. *Social Enterprise Journal*, 7(1), 86–111.
- Dietz, A.S, & Porter, C. (2012). Making sense of social value creation: Three organizational case studies. *Emergence: Complexity and Organization*, 14(3), 23–43.
- Dyer Jr, W. G., & Wilkins, A. L. (1991). Better stories, not better constructs, to generate better theory: A rejoinder to Eisenhardt. *Academy of Management Review*, 16(3), 613–619.
- Eriksson, P., & Kovalainen, A. (2016). *Qualitative methods in business research* (2nd ed.). London: Sage Publications.
- Finlex, (2018). Finlex Data Base, Act on Social Enterprises. Retrieved June 18, 2018, from <http://www.finlex.fi/en/laki/kaannokset/2003/20031351>.

- Gaddefors, J., & Anderson, A.R. (2017). Entrepreneurs and context: when entrepreneurship is greater than entrepreneurs. *International Journal of Entrepreneurial Behavior & Research*, 23(2), 267–278.
- Gallie, W.B., (1956). Art as an essentially contested concept. *The Philosophical Quarterly* 6(23), 97–114.
- Gaut, B., (2000). “Art” as a cluster concept. In: Carroll, N. (Ed.), *Theories of art today*. University of Wisconsin Press, Madison, 25–44.
- Gummesson, E. (2006). Qualitative research in management: addressing complexity, context and persona. *Management Decision*, 44(2), 167–179.
- Jay, J. (2013). Navigating paradox as a mechanism of change and innovation in hybrid organizations. *Academy of Management Journal*, 56(1), 137–159.
- Ketokivi, M., & Choi, T. (2014). Renaissance of case research as a scientific method. *Journal of Operations Management*, 32(5), 232–240.
- Nicholls, A., & Opal, C (2004). *Fair trade: Market-driven ethical consumption*. London: Sage Publications.
- Patton, M (1990). *Qualitative evaluation and research methods*. Newbury Park: Sage.
- Phillips, W., Lee, H., Ghobadian, A., O’Regan, N., & James, P. (2015). Social innovation and social entrepreneurship: A systematic review. *Group & Organization Management*, 40(3), 428–461.
- Peredo, A.M, & McLean, M. (2006). Social entrepreneurship: A critical review of the concept. *Journal of World Business*, 41(1), 56–65.
- Piekkari, R. & Welch, C. (2017). The Case Study in Management Research: Beyond the Positivist Legacy of Eisenhardt and Yin?. *The SAGE Handbook of Qualitative Business and Management Research Methods: History and Traditions*, 345-358.
- Santos, F. M. (2012). A positive theory of social entrepreneurship. *Journal of Business Ethics*, 111(3), 335–351.
- Sengupta, S., & Sahay, A. (2017). Social entrepreneurship research in Asia-Pacific: Perspectives and opportunities. *Social Enterprise Journal*, 13(1), 17-37.

Sengupta, S., & Sahay, A. (2018). Social enterprises in the Indian context: conceptualizing through qualitative lens. *Journal of Global Entrepreneurship Research*, 8(1), 1-19.

Sengupta, S., Sahay, A., & Croce, F. (2018). Conceptualizing social entrepreneurship in the context of emerging economies: an integrative review of past research from BRIICS. *International Entrepreneurship and Management Journal*, 14(4), 771–803.

Sutter, C., Bruton, G. D., & Chen, J. (2019). Entrepreneurship as a solution to extreme poverty: A review and future research directions. *Journal of Business Venturing*, 34(1), 197–214.

Zahra, S., Gedajlovic, E., Neubaum, D. & Shulman, J. (2009). A typology of social entrepreneurs: motives, search processes and ethical challenges. *Journal of Business Venturing*, 24(5), 519–532.

This case is a revised and enlarged version of the original case titled: (Social entrepreneurship in the Finnish context - Case EntoCube), presented at International Conference of Management Cases 2018, organized by Birla Institute of Management Technology, Greater Noida, India, on 29th and 30th Nov, 2018.

ⁱ Source: <https://www.myhelsinki.fi/en/business-and-invest/invest/clean-tech-entocube-is-saving-the-world-by-growing-insects-for-food> (accessed on 9th January, 2019)

ⁱⁱ Source: <https://www.sitra.fi/en/cases/new-protein-sources-lead-way-circular-economy/> (accessed on 9th January, 2019)

ⁱⁱⁱ Source: <http://impactiglu.org/entocube-finnish-startup-fights-hunger-by-producing-insects/> (accessed on 9th January, 2019)