

# **Innovation Culture among Women Entrepreneurs in India**

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**ABSTRACT:** A woman in business is a recent phenomenon in India. By and large they had confined themselves to small business and tiny cottage industries. A sense towards independent decision-making on their life and career is the motivational factor behind this urge.

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. They should explore the prospects of starting new enterprise, undertake risks, introduction of new innovations, coordination, administration and control of business and providing effective leadership in all aspects of business.

In India compared to men, Women Entrepreneurs face more peculiar problems like the tradition, customs, socio-cultural values, ethics, family needs, hard work areas, feeling of insecurity, etc when they enter into entrepreneurship.

As such there is a need for Practice of Innovation culture among Women Entrepreneurs to overcome the challenges faced by them. A successful innovation culture embraces all aspects of a business and should be managed as effectively and efficiently where all ideas and innovations are collated and coordinated for the success of business.

In this regard a research study was carried out with an objective **to measure the Innovation Culture among Women Entrepreneurs in India** with a sample size of 300 with key metrics as Strategic thinking, Ideation and Innovation Development.

**KEYWORDS:** Strategic thinking, Ideation and Innovation Development

## **I. INTRODUCTION**

In India women are generally perceived as home makers with little to do with economy or commerce. But in modern India this picture is changing as more and more women are taking up entrepreneurial activity especially in medium and small scale enterprises.

Even though women are receiving education, they are still facing unemployment. In this background, self employment is regarded as a cure to generate income. The Planning commission as well as the Indian Government recognizes the need for women to be part of the mainstream of economic development. Women entrepreneurship is seen as an effective strategy to solve the problems of rural and urban poverty.

Women across India are showing an interest to be economically independent by adopting various innovative methods. Women are coming forth to the business arena with ideas to start small and medium enterprises. They are willing

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to be inspired by role models - the experience of other women in the business arena. The role of women entrepreneurs is especially relevant in the situation of large scale unemployment that the country faces. The modern large scale industry cannot absorb much of labour as it is capital intensive. The small scale industry plays an important role absorbing around 80% of the employment.

Relative to the rest of the world, women entrepreneurs in India tend to be very innovative. Much of this innovation has grown out of a necessity for creative income; but increasingly, the innovation is based on a young and well-educated female workforce that believes that success is possible with hard work. Women entrepreneurs of India are becoming some of the important weavers of a more integrated global community and the world looks to India for new business models that can help lift entire communities out of poverty.

## II. REVIEW OF LITERATURE

In *Can Capitalism Survive*, Joseph Schumpeter (1952) argues that the function of an entrepreneur is to reform or revolutionize the pattern of production by exploiting new or untried technology and processes. The notion of the entrepreneur as an innovator is thus believed (Hisrich & Peters, 1998) to have been conceived by Schumpeter. Since then, innovative skills have generally been accepted as one of the critical attributes of successful entrepreneurs (Chell, 2001; Johnson, 2001). Some of the most profitable companies in the world have associated their growth with innovation, which they perceive as the ability to change and reinvent themselves as a way to exploit opportunities.

In most studies on entrepreneurial innovation (Gudmundson et al, 2003; Hayton et al, 2002; Shane, 1993; Thomas & Mueller, 2000), two common characteristics have been observed: One, men are the majority respondents and two, there is no attempt to distinguish male and female responses to a particular stimulus. Sociologists (Best & Williams, 1997;

Hofstede, 1998) have often described behavioural differences between men and women in certain cultural settings. Masculine societies, in particular, expect men to be aggressive and women to be passive. They consistently emphasise male-female differences in social status and roles; as a result men and women choose different subjects at school and different careers, and they treat sons and daughters differently at home. Thus through this "social conditioning" process, masculinity - as a cultural value - induces gender differentiated behaviours. With this in mind, any research which combines men and women as a single sample is believed to be seriously misleading.

When applying the concept of innovation to entrepreneurs, the general definition offered by Zaltman et al (1973) is perhaps the most relevant to the current study as it includes individuals as a possible unit of analysis; by so doing the authors have made the measuring of innovation much easier as the degree of novelty or newness may be measured based only on the entrepreneur's perception. It is concurrent with the definition proposed by Rogers and Shoemaker (1971) in the sense that something is an innovation if the individual himself/herself sees it as new, regardless of how other members of the society perceive it. The description is also useful in that it takes into account other forms of novelty than product, such as practices and ideas. Thus based on these earlier works, Johanessen et al (1998) are able to offer a more comprehensive definition of innovation for entrepreneurs - one which considers a whole range of business elements including the product and/or service, supplies, marketing, process and general administration. A more contemporary concept (Damanpour & Gopalakrishnan, 2001; Kanter, 2001; Gudmundson et al, 2003) of entrepreneurial innovation also includes the notion of adding value for the consumers as well as achieving higher efficiency and effectiveness or some other business objectives.

In the present context, entrepreneurial innovativeness is defined as follows. This definition is considered appropriate as it reflects novelties which have already been carried out by the entrepreneur, instead of a personality inclined towards innovation (Thomas & Mueller, 2000) which is even more intangible and difficult to measure: "The level of novelty implemented by an entrepreneur with regards to the products, services, processes, technologies, ideas or strategies

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in various functions of the business which may facilitate the realization of its objectives. The degree of novelty or newness is as perceived by the individual entrepreneur.”

## III.OBJECTIVES

1. to measure strategizing capability of women entrepreneurs towards innovation
2. to find the relationship between strategic thinking and ideation among women entrepreneurs
3. to know the relationship between strategic thinking and innovation development among women entrepreneurs

## IV. HYPOTHESIS

- H1:** there is a positive correlation between strategic thinking and innovation development among women entrepreneurs
- H2:** there exists a positive correlation between strategic thinking and ideation among women entrepreneurs
- H3:** there is a positive correlation between ideation and innovation development among women entrepreneurs

## V.RESEARCH METHODOLOGY

The research process begins with the formulation of a structured questionnaire which consists of both qualitative and quantitative research related questions towards demographic details, strategic thinking, ideation and innovation development among women entrepreneurs in India.

The Primary data collection was carried out through questionnaire method using **convenient sampling method** from a sample size of **300** respondents at **The Numaish 77th All India Industrial Exhibition 2017 held at Nampally in Hyderabad** from 1<sup>st</sup> January 2017 to 15<sup>th</sup> February 2017. The respondents were Women Entrepreneurs across India.

The questionnaire consists of qualitative questions on three major metrics for innovation namely Strategic thinking, Ideation and Innovation Development among Women Entrepreneurs. A five point Likert scale was used in the questionnaire with the values 1= very poor; 2 = poor; 3 = average;

4 = good ; 5 = excellent. Data was then entered into the computer and henceforth **analysed using the Statistical Package for Social Sciences (SPSS)** application.

The data analysis was carried out using **Correlation and Regression** Methods.

## VI. CHARACTERISTICS OF RESPONDENTS

Respondents for the research study were middle class and lower class women entrepreneurs across India between the age group of 26 years to 65 years. All the respondents are involved in Manufacturing business with an experience ranging from 3 to 15 years in different products like beauty care, ayurvedic medicines, dress designers, chocolate making, toys etc. During the interaction with the respondents it was clear that various factors like lack of economic independence, lack of identity, urge to do something to prove themselves, exploring their skills and capability, overcome cultural barriers, family needs etc have made them to go for Entrepreneurship. Nearly 45% of the respondents were school drop outs at primary or secondary level of education and 30% of the respondents were illiterates. Remaining 25 % were graduates with no jobs. One more reason for opting for Entrepreneurship is for the flexibility they find towards their work and personal life as they are married.

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## VII. DATA ANALYSIS AND INTERPRETATION

The reliability of the data is tested and the Cronbachs alpha value is 0.575. Since it is greater than 0.5 the data is reliable.

**Table – 1 Descriptive Statistics of Metrics for Innovation  
[N = 300]**

Variable	Mean value	Standard Deviation
Strategic Thinking	23.36	2.9
Ideation	8.9	1.3
Innovation Development	5.4	0.6

From the Table – 1 the mean values are calculated for the summated scales of strategic thinking(7), Ideation(3) and Innovation development So, strategising capability exists among women entrepreneurs towards innovation is proved.

**Table -2 Correlations  
[N= 300]**

Variable		Strategic Thinking	Ideation	Innovation Development
Strategic thinking	Correlation	1	0.756	0.703
	Significance		0.000	0.000
Ideation	Correlation	0.756	1	0.507
	Significance	0.000		0.004
Innovation development	Correlation	0.703	0.507	1
	Significance	0.000	0.004	

From the above table-2 with the results of correlation analysis as the correlation value between

- The correlation between strategic thinking and ideation is 0.756 which is greater than 0.5 there is a strong correlation between strategic thinking and ideation.
- The correlation between Ideation and innovation development is 0.507 which is greater than 0.5 there is a strong correlation between ideation and innovation development
- The correlation between strategic thinking and innovation development is 0.703 which is greater than 0.5 there is a strong correlation between strategic thinking and innovation development

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Vol. 6, Issue 7, July 2017

So there is a strong relationship between strategic thinking and ideation and between ideation and innovation development among women entrepreneurs. So the hypothesis **H1, there is a strong relationship between strategic thinking and innovation development among women entrepreneurs is proved.**

**Table-3 Regression Analysis**

Variable	R square	Adjusted R square	F	Significance
Strategic Thinking	0.494	0.476	27.314	0
Ideation	0.257	0.231	9.701	0.004

The Regression Analysis is to test whether strategic thinking or ideation are associated with Innovation Development or not and the results yielded from the analysis are as shown in the above Table3. Regression test reveals that Strategic thinking of women entrepreneurs has a significant impact on the Innovation Development in their business as the significance value is 0 less than 0.05. R square, the coefficient of determination is square value of multiple coefficient correlation it shows about 49.4% of variation as explained from the model. As such 49.4% of innovation development is due to Strategic Thinking capacity among women entrepreneurs of India.

As the significance value of Ideation is 0.004 which is less than 0.05 and R square value is 0.257 there is a variation of 25.7% as explained from the table. As such 25.7 % of Innovation Development is due to Ideation from Women Entrepreneurs.

**Hence the hypotheses H2 and H3 are proved to be positive.**

## Coefficients

Model		Unstandardised Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(constant)	5.461	0.862		6.336	0.000
	Strategic Thinking	-0.131	0.062	-0.619	-2.115	0.044
	Ideation id	0.335	0.133	0.735	2.512	0.018

$$\text{Innovation Development} = 5.416 - 0.131 * \text{Strategic Thinking} + 0.335 * \text{Ideation}$$

## VIII. CONCLUSIONS

From the practical point of view, the study reinforces the need for Innovation culture among all areas of Business. Women entrepreneurs of India, as shown in the study, exhibit strategic thinking and ideation in their business. Since these alternative methods of innovation also contribute to the overall success of the business, it would be foolish for business players, trainers and policy-makers alike to ignore their significance in all managerial tasks. Certainly where women are concerned, traditional Indian perspectives of innovation may no longer be sufficient.

The Government must evolve appropriate policies to help women entrepreneurs. Networking facilities must be provided as well as adequate entrepreneurship awareness training should be provided using the help of local NGOs. Skill based training, awareness programmes on modern technologies, government schemes, affordable credit facilities must be

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Vol. 6, Issue 7, July 2017

improved for better support for Innovation. All these will help to foster a Innovative culture of entrepreneurship among women entrepreneurs in India.

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