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# Women entrepreneurs in the NGO sector in India

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# Abstract

This paper addresses the role of socioeconomic and environmental factors involved in Women leading the Entrepreneurial activity in the Non Government Organisations. It seeks to provide an idea-bank for potential entrepreneurs in this sector as it may be the logical career choice in the third millennium. This paper highlights the critical success factors that relate to building, nurturing, and sustenance of a NGO. It brings out the importance of role of the family, role models, passion for the cause, education and relentless dedication that contribute to the success of women as social entrepreneurs.

#### **RATIONALE FOR THIS STUDY**

Women constitute about 48% of the total population in India. In the total employment market, out of the 332 million employed population, women are only about 88 million. Even of this, only 4.5 million women are in the organised sector while remaining 83.5 million are in the un-organised sector. [1] Therefore a need was felt to study women Social entrepreneurs and build awareness regarding their contributions to society also it was felt that they could be role models for the future generations. [2]

#### THE RESEARCH STUDY

An exploratory study to understand the context, reason and attitude related to Women leading Entrepreneurial activity in the Non Government Organisations was conducted. Primary data was collected with the aid of a Qualitative and In-depth Telephonic Interview with six women entrepreneurs. This was done as six in depth case studies are considered a sufficient number of responses for building a theory. Indian women entrepreneurs in this sector through a Semi-structured Questionnaire which had a mix of both open and closed ended questions. [3] The respondents were Indian women entrepreneurs and Chief Executive Officers (where the entrepreneur was no longer alive). They were identified on the basis of their standing in this field and recognition they had been awarded for their work. The sample was confined to Mumbai.

The questionnaire was administered telephonically which included questions, on family background, socialisation that lead to entrepreneurial ownership, donor affiliations, motivations for starting a NGO venture, critical success factors to sustain and maintain the venture and a few others. (Appendix A). Secondary data on women practicing social entrepreneurship was collected through reading of research papers, journals and internet on the subject. Two case studies of recipients of the Schwab Entrepreneurs have also been included.

The research excludes business owners who integrate social responsibility into their operations.

#### **INTRODUCTION**

A NGO is basically a non-profit making, voluntary, service /development oriented organisation, either for the benefit of members (a grassroots organisation) or for other members of the population (an agency), predominantly driven by social principles and structured around activities that aid the development of communities for the empowerment of economic and/or socially marginalised groups. They exist for the empowerment of economic and/or socially marginalised groups to better the quality of life of the poor, marginalised in both rural and urban areas. They function as an independent, democratic, non-sectarian entity devoid of any external control and without affiliations to political parties. [4] Humanitarian objectives drive an NGO rather than commercial objectives. They could be private agencies that support international development or indigenous groups organised regionally or nationally and member-groups in villages. Charitable and religious associations, Independent cooperatives, community associations, water-user societies, women's groups and pastoral associations, Citizen Groups too are a part of NGO. The World Bank defines a NGO as a "private organisations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development" [5]

After having understood what a NGO is, we need to identify the Profile of the individual 'Social Entrepre

**Social Entrepreneurship** is a species in the genus entrepreneurship, (Dees, 2001) it is an approach to a social issue; but not a field of discipline that can be learned in academia, it cuts across disciplines (medicine, engineering, law, education, investment banking, agronomy, environment, etc.) and is not confined to sectors (health, transportation, finance, labor, trade, and the like) it is more related to leadership than to management.

A social entrepreneur recognises when a problem exists and in the society and finds new ways to overcome this by changing the system, spreading the solution and persuading entire societies to take new leaps. Committed vision and inexhaustible determination to persist until they have transformed an entire system are some of their key characteristics. They go beyond the immediate problem to fundamentally change communities, societies and the world. "Social entrepreneurs are not content just to give a fish, or teach how to fish. They will not rest until they have revolutionised the fishing industry." (Drayton, 2000)

They are social leaders as they identify and apply practical solutions to social problems by combining innovation, resourcefulness and opportunity. They tend to innovate a new product, a new service, or a new approach, are willing to share openly the innovations and insights of the initiative with a view to its wider replication, ideally they do not wait to secure the resources before undertaking the catalytic innovation and are fully accountable to the constituencies they serve. They resist being trapped by the constraints of ideology or discipline and continuously refine and adapt their approach in response to feedback. They not only possess a vision, but also a well-thought out roadmap as to how to attain the goal. [7]

The Schwab Foundation for Social Entrepreneurship a non-profit organisation based in Geneva, Switzerland awards, Social entrepreneurs for their work in fields of health, education, environment, and micro-finance and enterprise development. The evaluation is conducted on the following characteristics, Innovation, Reach and Scope, Replicability, Sustainability, Direct positive social impact, Role model and Mutual value-added. [8]

	Participatory action research	Business skills	Documentation, dissemination of information	Training methods
Group dynamics	Identification of research problem	Planning	Small group formation	Use of cultural forms
Community integration	Identification of different research tools	Participatory (circular) management	Group dynamics	Use of media
Problem identification	Data gathering	Accounting and book- keeping	Different kinds of media production	On-the-job training - participant observatior
Community investigation	Analysis of data	Marketing and purchasing	Clarification of values and vision	Workshop organisation
Mobilisation	Consultation with the community and validation of data	Understanding legal aspects	Communication skills and visual aids	Group dynamic
Communication	Drawing of conclusions	Monitoring and record keeping	Conscientisation/ senticising skills	Practice-Theory/Action reflection
Role playing	Making of recommendations	Technical skill in micro- computers	Advocacy	Exposure programmes
Facilitation		Organising cooperatives/credit unions	Networking and linkages	Group discussion and synthesis, brain-stormi
Objectivity, monitoring & evaluation		Handling labour problems and Negotiations		Self-learning kits and modules

# In order to attain success as a Social entrepreneur, certain key skills that have been identified [9] are

# Dissimilarities between a Social Entrepreneur and a Business Entrepreneur

In general entrepreneurs are seen by the others as risk takers though they may not accept this themselves. (Palich and Bagby, 1995)[10]

"While a business entrepreneur may thrive on competition and profit, a social entrepreneur has a different motivation: a commitment to leading through inclusiveness of all actors in society and a dedication to changing the systems and patterns of society." (Ashoka Fellows in India, 2000)

For social entrepreneurs the social mission is explicit and central, thus becomes the central criterion whereas wealth creation is a way of measuring value creation in a business enterprise. In comparison determination of value creation of a social enterprise is far more difficult (Dees, 2001)

#### **Pioneers**

*Ela Bhatt* the founder Self Employed Women's Association is armed with a graduation in Law and has been influenced by Gandhian ideologies. Her initial exposure to the Textile Labor Union (TLU) where she witnessed the terrible conditions faced primarily by women working in the disorganised, self-employed sector as weavers, needlecraft workers, cigarette rollers and waste collectors resulted in her decision in 'unionising' them and helping the women to organise themselves. Currently, Bhatt and other SEWA leaders dedicate their time to influencing national and international policies in support of the informally and self- employed individuals around the world. [11]

Jeroo Billimoria the initiator of the Child Helpline International a 1995 a professor at the Tata Institute of Social Science (TISS) in Mumbai pioneered the [12] 24-hour hotline with the toll-free number 1098 for children in distress that operates in 53 Indian cities and has assisted over three million vulnerable children in need of medical assistance, protection from abuse, education, repatriation, counseling, long-term shelter and other emergency services. Having worked with street children in Mumbai's night shelters, gave her an insight. She was born in 1965 in Mumbai, India, to a family of professionals. From a young age, her mother instilled in her strong social convictions. She was 18 years when her father died. During the days that followed his death, long queues of people from the local area formed to say their last goodbyes to a man who had been a 'quiet philanthropist' – so quiet that she had never realised he had reached out to help so many people. The impact of this realisation led her to join The Tata Institute of Social Sciences. Her two year study sojourn in New York and her work experience at the Coalition for Homeless that provided her with the seeds of an idea that finally led to the setting up of Childline, India.

#### **Research Findings**

Of the six respondents five were post graduates, this results in the knowledge that most of the women entrepreneurs in the NGO sector are well educated, two were Doctors, one had completed her Masters in Social Welfare, one was a lawyer and one had pursued Master's in Education. "Respondents parents were better educated than members of general population" (Women entrepreneurs Hisrich and Brush 1983)

One of them was exposed to NGO's, when she was in at the age of 12 had, "I earlier taught in the slum, areas"

The responses to the question, "Who influenced your decision-Family, Friend, past experiences, Ease (having worked in this field earlier)?" Ranged from, "My Mother used to help hearing impaired children, and I have always seen children coming in and going at home." One of the other responses was "Her father would have had an influence as he was a Justice." Additionally the other mentioned "I had forward thinking parents who were farmers from Belguam, my brother too is in the NGO sector, my

husband's past experience as a trade unionist in the banking industry all provided support in the decision."

This leads to the belief that parenting plays an important role. "Entrepreneur is influenced by childhood socialisation experiences." (Scherer, Adams and Wiebe 1989, 1988). The other responses had to do with the characteristic of the individual "She was a very strong individual knew what she wanted and was self driven."

Having an exposure to various information sources creates an impact on the Women entrepreneurs, one of the respondents reply included that "I have lived in different countries and have had a global education."

Probing the presence of a role model resulted in two of the respondents speaking of Gandhian

ideologies. Birely (1985) Sources of information that significantly affects the running of a business

Formal networks - legal institutions, lawyers, accountants and

Informal networks - Family friends and business contact

The question on, "What are the difficulties you faced when you began? What are the factors that eased your way? Received the following responses, the respondents mentioned that societal apathy, absence of finances, being young hence not taken seriously, absence of infrastructure and absence government policies or programs in some of the sectors were the major roadblocks

One of the respondents expressed, "It is like a mother when a child is born has both pleasure and pain." I learnt as I went along through practical experience". Three of the respondents mentioned that the issues weren't too many.

According to most of them the reasons were to do with social good or a cause to help the marginalised in mind and not for recognition or money, whether it was upliftment of women, betterment of child health or education. One of the respondents replied "Mala Baykanna jagavaacha aahe" (I have to awaken the women). It also had to do with the past experiences for example "In 1982, after the textile mills closed down in Mumbai, I worked on the concept of "Khanavali" (Where women cook from their residences and provide tiffins for a fee to all the workers who work in and around that area for example "Mathadi Kamgaar" workers), the problems faced by these women were obtaining loans from money lenders and servicing the same. Hence she intervened, organised and put these women together and took care of this niche. Another interesting fact was the exposure to the Planning commission, a few women committees, Women's associations and being a member of the IMC women's wing. The advice, for a new entrant, was

"Just believe in yourself .Follow your heart. They should be practical; the belief should be based not on money making but primarily on work with a view to make changes in society. They cannot lead a dichotomous life and be "hi – fi", should be able to lead a similar lifestyle and dirty their hands. New people are not interested and not ready to come, the spirit is absent they should be aware that there is no hope for return. They should be bound to organisation principles and have an open mind. They should realise that, social work is free of cost. They should have a focus, direction to take the organisation ahead, keep their head high, should not get disheartened by obstacles, be focused on the long term rather than the short term. One should be in good health to undertake do social work".

The question on the common irritants that they faced, resulted in responses ranging ,from no problems as prior experience existed to bureaucracy, legal problems, system related issues in setting up an organisation, societal apathy ,corruption and donor interference "Mulgi zhali ho".

In probing gender related issues in obtaining funding, all except one mentioned that people are sympathetic and pro woman and are cooperative. One respondent mentioned that a bias existed all the time and that it was certainly difficult being a woman.

They opined that certain societal bias existed with the down trodden people. One of the respondents said, "Just like the animals, one cannot exist without the other".

Most of the women entrepreneurs were looking at growth within the same sector as they felt that there is plenty of work to be carried out within the same sector.

The critical success factors to exist and sustain include,

Confidence, Inspire others, Hardworking, Have people skills, Ability to network, Have an Awareness of society, Ability to illicit "Vishwas"/ Trust, Be practical, Forthright and self assured

and possess managerial abilities among others.

In response to the question on including Social entrepreneurship as a course curriculum, most of them agreed that it would be a great help.

### **Implications for Further research**

On completing this research paper the areas which could be researched further include, the Succession planning in these enterprises and whether one could include Social entrepreneurship as a course in the MBA curriculum.

# Appendix – A

# **QUESTIONNAIRE**

# PERSONAL DETAILS

- 1. Name:
- 2. *Age:*

Marital status :

- 3. *Education:*
- 4. *Name of NGO:*
- 5. Email Address:
- 6. Telephone No:
- 7. Address:

# **ORGANISATIONS DETAILS**

- 1. Date of Foundation of Organisation:
- 2. Donor Members & Funding:
- 3. No. of Employees:
- 4. No. of people you reach out to in a year:
- 5. Sector:

# BACKGROUND

- 1. Why did you start this venture?
- 2. Who influenced your decision-Family, Friend, past experiences, Ease (having worked in this field earlier)?
- 3. What are the difficulties you faced when you began? What are the factors that eased your way?
- 4. Why did you want to be an entrepreneur?
- 5. Why did you decide to be an entrepreneur in a Social sector rather than
  - a. Work for a social sector organisation as an employee
  - b. Work for a "For profit organisation"
  - c. Work as an entrepreneur in a "For profit organisation"

# ENVIRONMENT

- 1. For a new entrant, what is it that he/she should be wary/careful of?
- 2. What are the common problems that you face-governmental, economic, legal, political, societal and others?

Probe: Legal: Setting up the trust

Governmental: Charity commissioner's office

Political: Interference by local officials

Corruption:

Societal: Acceptance of you by the general community

Acceptance of you by the target segment/population/community

Economic: Availability of funding

Do donors insist on dictating terms on day to day operations? And interference

# GENDER

1. What are the gender related issues that you tend to face?

Probe: While setting up the venture?

While approaching the community?

In day to day operations?

2. Are there male entrepreneurs in this field, if so could you name some organisations names?

3. Is it more difficult for a female to raise funds vis-a-vis her male counterpart?

### **FUTURE**

- 1. Would you recommend a new entrant into this specific sector?
- 2. How do you plan to carry this issue forward in the next 2 / 5 years?
- 3. Now that this venture has been in existence for sometime /has been doing well would you be interested in starting another venture? (If yes, probe which field and why?)
- 4. What is the succession plan for your organisation?
- 5. Would you recommend a special program to be run for" Women Entrepreneurs in the NGO sector" ie included as a part of the curriculum? (Social Entrepreneurship / Other curriculum)
- 6. What are the critical Success Factors to become a Woman Entrepreneur in the NGO sector?

Thank you.

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- 10. www.sewa.org

# Radha Iyer

Career Objective : Develop an interactive training model for Indian NGOs.

# Qualifications

- Masters in Administration Management from Jamnalal Bajaj Institute of Management Studies (Mumbai) Bachelor of Arts from Mumbai University.
- Diploma in Hotel Management and Catering from Institute of Hotel Management, Catering and Applied Nutrition (Mumbai), ranked amongst the top five in India.

# Academic Assignments

- Core faculty with K. J. Somaiya Institute of Management Studies & Research, Mumbai since 2003.
- Assistant Professor during 2000-01 with the Institute for Integrated Learning in Management (New Delhi), having a tie up with the University of Bradford, UK
- Core Faculty in 1996-98 with K. J. Somaiya Institute of Management Studies & Research, Mumbai.

# **Training Accreditations**

- Certified participant of "Training Instruments conducted by Academy of HRD" Ahmedabad.
- Certified workshop member of "Case Writing -- NMIMS" Mumbai.
- Qualified as an Internal Auditor for ISO 9000
- Certified faculty for Human Resource Management by All India Management Asso. New Delhi.

# Non-Academic Roles

- Placement Coordinator
- Panel Member for Recruitment and Selection of Business School Candidates.

# Corporate Linkages

# For the year 2000-2001

- Provided Training inputs for Inter Alliance Associates, a Software Recruitment House.
- Created an Induction and Training plan for Amsoft Systems, a Software Consultants Firm.

# Industry Assignments

- Functional Head -- Training and Development & Administration, with Great Eastern Shipping Company Limited, during 1992-1995.
- Administration Exec. -- Marico Industries Limited, an FMCG giant during 1987-1992.
- Service Management with Indian Hotels Company Limited, during 1984-1987.
- Project Consultant -- with the Carleton University Canada during 2002 to set up an UG programme in Maharashtra.
- Project Consultant with Macro, a research organisation, for setting up of a Senior Citizen's home in Maharashtra for the R.N. Somai Trust.

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