

# Female Entrepreneurship in Emerging Markets

## Challenges and Opportunities for Women in China and India

Written by Melanie Schweiger

## **ABSTRACT**

Despite the fast-paced economic development, China and India are still depicted as emerging third world countries. A compelling reason for this status is the scarcity of jobs and hence the high rate of poor and unemployed population. Governments and non-governmental organizations noticed that one way to create and sustain jobs and therefore foster economic growth is entrepreneurship - the establishment of new enterprises. The problem is that the majority of the unemployed population in China and India is female, but due to social constraints they are widely impeded to actively execute entrepreneurship in order to support the economy of their countries. Based on comprehensive literature and empirical research, this thesis intends to identify and interpret the barriers and opportunities influencing women in their venture creation.

## **ZUSAMMENFASSUNG**

Obwohl sich die Wirtschaft in China und Indien in den letzten Jahren rasant und positiv verändert hat, zählen beide noch immer zu den Dritte-Welt-Ländern. Der Hauptgrund für diesen Status ist die Knappheit an Arbeitsplätzen, welche in einer hohen Arbeitslosenquote resultiert. Die Regierungen und nichtstaatlichen Organisationen haben bereits seit einiger Zeit entdeckt, dass der einzige Weg um Arbeitsplätze zu sichern, ist welche zu schaffen. Dies wird vor allem durch Entrepreneurship erreicht - der Neugründung von Unternehmen. Problematisch ist jedoch der große Anteil an Frauen unter der Arbeitslosenbevölkerung, der auf Grund sozialer Normen nicht an Unternehmensgründungen teilhaben und daher nicht aktiv zu der Verbesserung der Wirtschaft beitragen kann. Basierend auf ausführlicher Literaturrecherche und empirischer Forschung, identifiziert und diskutiert diese Bachelorarbeit die Hürden und Chancen von denen Frauen auf dem Weg zur Selbstständigkeit beeinflusst werden.

# CONTENT

|  |           |
|--|-----------|
| ABSTRACT   | 1         |
| ZUSAMMENFASSUNG  | 2         |
| LIST OF FIGURES  | 5         |
| <b>I. INTRODUCTION</b>   | <b>6</b>  |
| <hr/>  |           |
| <b>1. ENTREPRENEURSHIP</b>                                     | <b>6</b>  |
| 1.1. GENERAL CHARACTERISTICS                                   | 6         |
| 1.2. THE FEMALE ENTREPRENEUR                                   | 6         |
| <b>2. PROBLEM DEFINITION</b>                                   | <b>8</b>  |
| <b>3. METHODOLOGY</b>  | <b>8</b>  |
| <b>II. THEORY</b>  | <b>10</b> |
| <hr/>  |           |
| <b>4. HISTORICAL AND CULTURAL CONTEXT</b>                      | <b>10</b> |
| 4.1. HISTORICAL DEVELOPMENT                                    | 10        |
| 4.2. CULTURE DIMENSIONS IN ENTREPRENEURSHIP                    | 11        |
| <b>5. MOTIVATION FACTORS FOR WOMEN IN NEW VENTURE CREATION</b> | <b>14</b> |
| 5.1. MASLOW'S HIERARCHY OF NEEDS                               | 14        |
| 5.2. OPPORTUNITY AND NECESSITY MOTIVATION                      | 15        |
| <b>6. INFLUENCING FACTORS ON ENTREPRENEURIAL BEHAVIOR</b>      | <b>17</b> |
| <b>6.1. SOCIETY</b>  | <b>17</b> |
| 6.1.1. ROLE OF THE CASTE SYSTEM                                | 17        |
| 6.1.2. SOCIETY NORMS   | 19        |
| <b>6.2. EDUCATION</b>  | <b>23</b> |
| 6.2.1. ROLE OF EDUCATION IN ENTREPRENEURSHIP                   | 23        |
| 6.2.2. ACADEMIC AND NON-GOVERNMENTAL ENTREPRENEURSHIP PROGRAMS | 26        |
| <b>6.3. FINANCE</b>  | <b>29</b> |
| 6.3.1. BARRIERS TO FINANCIAL SUPPORT                           | 29        |
| 6.3.2. FUNDRAISING PATTERNS                                    | 31        |

|   |           |
|---|-----------|
| <b>III. EMPIRICAL RESEARCH</b>                | <b>36</b> |
| <b>7. APPROACH</b>                            | <b>36</b> |
| <b>8. RESULTS</b>                             | <b>37</b> |
| 8.1. EVALUATION OF MOTIVATING FACTORS         | 37        |
| 8.2. EVALUATION OF INFLUENCING FACTORS        | 40        |
| <b>IV. CONCLUSION AND FUTURE OUTLOOK</b>      | <b>47</b> |
| <b>9. CONCLUSION</b>                          | <b>47</b> |
| 9.1. CHALLENGES IN FEMALE ENTREPRENEURSHIP    | 47        |
| 9.2. OPPORTUNITIES IN FEMALE ENTREPRENEURSHIP | 49        |
| <b>10. FUTURE OUTLOOK</b>                     | <b>50</b> |
| <b>LIST OF REFERENCES</b>                     | <b>54</b> |

## **LIST OF FIGURES**

|   |    |
|---|----|
| <b>FIGURE 1 - CLASSIFICATION OF FEMALE ENTREPRENEURS</b>              | 7  |
| <b>FIGURE 2 - CULTURE DIMENSIONS INDIA</b>                            | 12 |
| <b>FIGURE 3 - CULTURE DIMENSIONS CHINA</b>                            | 14 |
| <b>FIGURE 4 - CORRUPTION IN CHINA</b>                                 | 30 |
| <b>FIGURE 5 - FUNDRAISING PATTERNS CHINA</b>                          | 32 |
| <b>FIGURE 6 - FUNDRAISING PATTERNS INDIA</b>                          | 32 |
| <b>FIGURE 7 - BUSINESS SECTORS OF ENTREPRENEURIAL VENTURES</b>        | 38 |
| <b>FIGURE 8 - INFLUENCING FACTORS IN FEMALE ENTREPRENEURSHIP</b>      | 39 |
| <b>FIGURE 9 - BUSINESS ESSENTIALS IN FEMALE ENTREPRENEURSHIP</b>      | 41 |
| <b>FIGURE 10 - SOCIO-CULTURAL BARRIERS IN FEMALE ENTREPRENEURSHIP</b> | 43 |
| <b>FIGURE 11 - CAPITAL ACQUISITION</b>                                | 44 |

# I. INTRODUCTION

## 1. Entrepreneurship

### 1.1. General Characteristics

Entrepreneurship is the generic term for starting or creating a new venture business. The founders of new enterprises are called entrepreneurs (Chinese: 企业家, qiyejia, Hindi: उद्यमी, udyamee). A general characteristic of entrepreneurship is a new and innovative idea, developed by individuals in order to promote something that doesn't exist yet. In contrast to that, there are various start-ups<sup>1</sup> that have copied and modified successful ideas as so to implement them into a new environment, e.g. HotelQuickly (www.hotelquickly.com), which transferred an amended version of the American online hotel booking system to the Asian market. Furthermore, there is a third type, which is called corporate entrepreneurship. In this case, multi-national companies employ entrepreneurship departments in order to develop new business ideas and opportunities. Depending on the business concept, the start-up gets categorized by industries, such as social, technical or service-oriented entrepreneurship. Due to the technical revolution, start-ups (especially in IT) interact across industries, and, for example, combine social values in a service which gets delivered by a mobile application. Within the framework of this thesis, the focus lies on discovering entrepreneurship patterns among women in developing countries; corporate entrepreneurship is in this context less relevant.

### 1.2. The Female Entrepreneur

While in India, approximately 10% of entrepreneurs are female (Kaur et al., 2013: 65), China accounts for 20% who decided to start their own business (Hewlett, 2011: 140). There are seven distinct classifications for female entrepreneurs which influence the modality of the individual venture creation process (McAdam, 2013: 6). For instance, for the 'aimless' women, who appear as a category in this classification (Figure 1), the trigger to start a company is to escape poverty or unemployment. 'Success-oriented' and 'strongly success-oriented' women entrepreneurs are characterized as very ambitious. They enter self-employment, because they seek long-term opportunities to reach greater professional goals and fulfillment. This, they might not be able to accomplish in a

---

<sup>1</sup> Start-up: A startup is a human institution designed to deliver a new product or service under conditions of extreme uncertainty. - Eric Ries, Author of "The Lean Startup".

typical male-dominated corporate environment. Moreover, most of these women hardly have children, live in urban areas and possess a sound financial background. 'Dualists' are women who live a double-shift life. They need to handle family and work, and therefore conceive a business in order to gain more flexibility. Another category is the 'Return worker', who belongs to the group of former housewives. An entrepreneur in this category quit the job due to family needs. After the kids grow older, these women see their way back to the business world in building their own company. 'Traditionalists' are frequent in China and India. This group of entrepreneurs continues to run existing family businesses. They are also called the "Hidden entrepreneurs" (Dhaliwal, 2007: 49). The origin of this name comes from the tradition that usually the male family members were publicly recognized with the business, even though a woman ran and lead it. Last but not the least, the 'Radicals' are women entrepreneurs whose goal is to bring upon change. They can also be seen as an entrepreneurial movement, who set up initiatives in order to promote the female entrepreneur's rights and needs for successful venture creation.

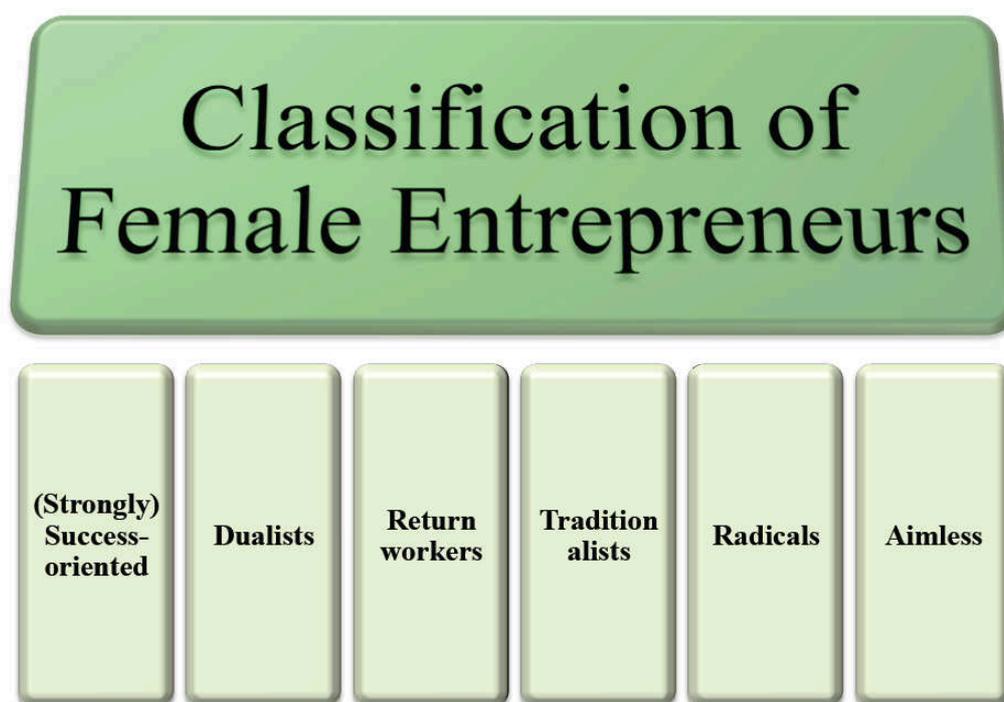


Figure 1 - Classification of female entrepreneurs

Besides classifications of the entrepreneurial motivation, women and their businesses can also be sorted by industries. In India, approximately 90% of all women entrepreneurs contribute to the service sector, such as professional services, IT, apparel,

accessories and food. 2% work in manufacturing and the remaining 8% are divided into health care, real estate, financial and education sectors (Tripathy, 2012: 4,5). In China, according to the 2012 Global Entrepreneurship Monitor for female entrepreneurship, 73% of all female-run businesses contribute to the consumer service sector, 5% to business services, 14% operate within transforming businesses and 7% of women entrepreneurs settle down in extractive industries, such as mining. Female entrepreneurs tend to focus more on the product and service quality, rather than customization and cost efficiency (Brush, 2008: 619). From this follows the conclusion that the stereotype of women entrepreneurs tends to be less qualified, less capable and consequently less entrepreneurial (edb.: 615).

## **2. Problem Definition**

In recent years, policy makers have been fostering the idea of encouraging female entrepreneurship in order to tackle the underutilization of female human capital in developing countries. The Commonwealth calls this economic opportunity "*the third billion, the untapped emerging market*".<sup>2</sup> Women entrepreneurs play a significant role for developing markets because in case of equal labor participation, they could contribute up to \$1 trillion to the GDP to the country's economies.<sup>3</sup> After World War II, female labor participation increased, but did not result in gender equality until now. According to the World Economic Forum's Gender Gap Index 2013, India is ranked as 101 and China was placed as rank 69 (out of 134 countries). To set these numbers in context with entrepreneurship, Indian women represent a diminutive 10% of all entrepreneurs in their country (Kaur et al., 2013: 65). In China, approximately 20% run their own businesses (Hewlett et al., 2011: 140). This leads to the question what challenges hold female entrepreneurs back from starting a business and to what extent these barriers influence women's economic success.

## **3. Methodology**

This bachelor's thesis is divided into four categories that build on each other's content. The introductory part intends to brief the reader about the concept of entrepreneurship,

---

<sup>2</sup> <http://thecommonwealth.org/media/news/10th-womens-affairs-ministers-meeting-dhaka-bangladesh-keynote-address-freda-miriklis>

<sup>3</sup> <http://blogs.hbr.org/2013/09/global-rise-of-female-entrepreneurs/>

the current situation of female entrepreneurship and why it is important to foster research in this area.

The second part is a comprehensive, literature-based execution of challenges and opportunities that women entrepreneurs face during their venture creation process.

In the third section, results of the empirical study for this thesis will be presented. The questionnaire was created based on the theories discussed in this thesis. This was essential to enable a reliable comparison of academic and scholarly literature with applied entrepreneurship. The survey comprises of 49 Chinese and Indian participants, male and female, who were asked to answer 16 questions specifically focused on female entrepreneurship in China and India.

The closing part of this thesis will give a short summary of the challenges and opportunities mentioned in the previous sections and will additionally deliver an outlook in future work possibilities. Female entrepreneurship is a worldwide phenomenon, but to assure reliable results, this thesis only focuses on women in China and India. A comparison of both countries is not intended, rather a scheme of the female entrepreneurship environment and the possible implications which facilitate empowerment will be conveyed. Further comprehensive research in this area is inevitable, as the promising female labor potential in China and India will significantly influence the future global economy.

## **II. THEORY**

### **4. Historical and Cultural Context**

#### **4.1. Historical Development**

In China, three events influenced the development of female entrepreneurship. In 1949, with the institution of the People's Republic of China, the great leader Mao Zedong emphasized gender equality by stating his famous proverb "Women hold up half the sky". What sounded way ahead of its time, was nothing more than simple propaganda back then. In fact, even that women actively participated in economic activities, their political, economic, cultural and martial rights did not reach equal status to men at that time. Still it led to an increasing awareness of the advantages of women's contribution to the country's economy. The second milestone in entrepreneurship development took place in 1979, when Deng Xiaoping proclaimed to liberalize the economy and to open the markets for foreign investment. This spurred the need for women's labor participation and in line with that also the increasing acceptance of women to be part of the business society. Yet in the end, it was the 1995 UN Women Conference on Women, which left its mark on the state of inequality and penetrated the Chinese society with principles of western feminism in order to increase awareness about gender bias in business (Wei, 2004: 185). Nowadays, half of the 14 self-made female billionaires originate from China.<sup>4</sup>

India undertook three turning points in the development of female entrepreneurship. In 1979, the Indian government released the Industrial Policy Resolution (IPR) with a distinct focus on emphasizing entrepreneurship in industrial areas (Tripathy, 2012: 9). At that time there no significant increase of female business owners was denoted. For instance, the number of women entrepreneurs was indeed on an upstream, but due to the traditional low-profile status of women in the society, they were not officially recognized as business owners. Thus the phenomenon of hidden entrepreneurs came into existence. The second indicative milestone was the liberalization of the Indian economy in 1991. In line with this development the government passed a new version of the IPR, which insured subsidies for ambitious women who wanted to enter the world of entrepreneurship and equalized their chances in the professional environment (edb.:

---

<sup>4</sup> [www.forbes.com/2010/03/22/billionaire-women-entrepreneur-china-richest.html](http://www.forbes.com/2010/03/22/billionaire-women-entrepreneur-china-richest.html)

10). Even that in the years 1991-1993 more women got engaged with entrepreneurship, a stage of gender equality in the business world has not been achieved until today. The most recent action by the Indian government in this field took place in 2001, when the National Policy for the Empowerment of Women was adopted. With the policy of positive discrimination in favor of women, female entrepreneurs should theoretically enjoy governmental support through positive economic and social policies from that moment on (Kirton, 2013: 33). Nowadays there are successful women entrepreneurs in India, such as Kiran Mazumdar-Shaw, founder of Biocon Ltd.. But the number is significantly smaller than in China. There are various reasons why the implementation of empowerment policies can turn out differently. For example, the political system, the governmental execution and the receptivity of the population shape the success of policy exertion. But another, often underestimated, factor is the influence of the cultural dimensions. They can differ from country to country, evoke distinctive economic behavior of the market participants and hence lead to diverse results regarding the policy's goals.

#### **4.2. Culture Dimensions in Entrepreneurship**

According to Geert Hofstede's model of culture dimensions, there are five distinct categories that need to be considered: Power distance, individualism, masculinity/femininity, uncertainty avoidance and long-term orientation.<sup>5</sup> Power distance explains to what extent hierarchy is accepted in a culture. Individualism describes whether the people of a culture define themselves as rather individualistic or collectivistic. Masculinity characterizes a culture in terms of its focus on competition, achievement and success, plus the importance of status and wealth. Femininity on the other hand indicates a culture's ability to express empathy and furthermore the willingness to sacrifice work for a good life quality. Among various factors, the scale of work-life balance, the role of spirituality and the level of caring are influential on the score of femininity. Furthermore, the capability to deal with anxiety, instability and uncertain future plans are in line with the dimension of uncertainty avoidance. A culture that is highly risk averse will also score high on uncertainty avoidance. The last of the five dimensions is the long-term orientation. It is in consonance with how much a culture emphasizes a future-oriented rather than a short-term perspective. That includes the range of saving rates among households or the timeframe in which organizations,

---

<sup>5</sup> [www.geert-hofstede.com](http://www.geert-hofstede.com)

companies and governments are planning and operating their activities. Besides the theory, Hofstede's model can also be applied in order to examine the entrepreneurial behavior of women entrepreneurs and the effect of different cultural backgrounds on the venture creation process.

Regarding female entrepreneurship in India (Figure 2), it is important to evaluate the different dimensions in consideration of their role in the allover interplay of the Indian society. The rather high score in *Power Distance* demonstrates the importance of hierarchy in the Indian society.<sup>6</sup> The widely men-dominated structures can be illustrated as a top-down pecking order of women being inferior to men. That includes the role of women in families and institutions. Furthermore it qualifies their freedom of decision-making, for example to become an entrepreneur. Particularly in India, the affiliation to a specific caste must additionally be considered while examining power distance. In conclusion, the domination of men over women in Indian society is still widely accepted. As a result, this men-dominated hierarchical environment engenders social and economic barriers for women entrepreneurs in their private and public life.

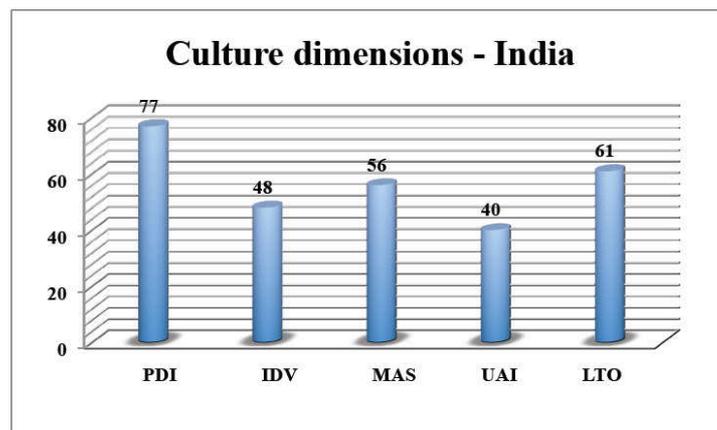


Figure 2 - Culture dimensions India<sup>7</sup>

The score on *Individualism* is scaled on the border between an individualistic and collectivistic culture, but generally the Indian society is depicted more on the collectivistic side. This stands for a strong sense of personal bonds among families and friends. Thus following and carrying out religious and family traditions has remained indispensable. In this case, women are put under enormous pressure on their willingness to break out of their traditional role of being a housewife, when they desire to follow a career differing from what was expected of them. On the other hand, if there is a

<sup>6</sup> <http://geert-hofstede.com/india.html>

<sup>7</sup> PDI: Power distance; IDV: Individualism; MAS: Masculinity; UAI: Uncertainty avoidance; LTO: Long-term orientation.

tradition of entrepreneurial activities rooted in a family, then it is very likely that women have equal freedom and sometimes are even encouraged by their parents to create their own enterprise. The high score on *Masculinity* shows how important success is evaluated among the Indian society. Failure is not an option; neither to male nor female entrepreneurs. But as women face additional hurdles while pursuing entrepreneurial tasks, they have to work even harder to prevent their startup from failing.

In the discussion of cultural dimensions in the Chinese culture (Figure 3), *Uncertainty Avoidance* is less relevant and will therefore not be highlighted in this section. Regarding *Power Distance*, the role of hierarchy in China is as fundamental as in India.<sup>8</sup> On the one hand it emphasizes the status of authority, embodied in the Communist Party and the police, and on the other hand it emphasizes the ubiquity of the top-down relationships within families and organizations. Similar to the case of India, women will have difficulties to step up against these prevalent social structures and will therefore be limited in their decision-making. In fact, if Chinese women don't get adequate support from their husbands, they might not continue to pursue their business ideas. The strikingly low score on *Individualism* accentuates the qualified scope of self-fulfillment. Even when women have access and the possibility to start a business, they will less likely step foot on unknown territory, but will focus on traditional and widely accepted business sectors and industries, such as banking, real estate and manufacturing. For instance, only 11% of all women entrepreneurs in China operate on an international level (Kaur et al., 2013: 67). On the other hand, the high score on *Masculinity* highlights the importance of success and status, which in extreme cases means, that family needs have to be sacrificed for the job. Because of the unobstructed family support through grandparents, only 36% of all Chinese women see the need to quit their job or leave their business after the maternity break.<sup>9</sup> These strong family bonds are a huge advantage for female entrepreneurs in China. Especially in the early stages of the startup experience it enables them to focus on business duties without any hindrance. In order to reach a higher social status and a better financial background, it is widely accepted to either employ cheap nannies or ask grandparents to take care of the children during the first years of childhood. Despite the cultural dimensions just mentioned, *long-term orientation* scores extremely high. This indicates China's tendency to plan, for example, their financials a long time in advance. For instance, the overall household

---

<sup>8</sup> <http://geert-hofstede.com/china.html>

<sup>9</sup> <http://www.ibtimes.com/indian-women-get-back-work-faster-western-japanese-counterparts-report-1152053>

saving rate in China is 30%, one of the highest in the world.<sup>10</sup> Reasons are the high costs of housing, education and the lack of health and pension insurance. In terms of entrepreneurship, the saving pattern will conflict with the high expenditures that a venture creation demands. If women don't enjoy full support by their husbands and family, this might turn out to be a criterion of exclusion in terms of pursuing entrepreneurship.

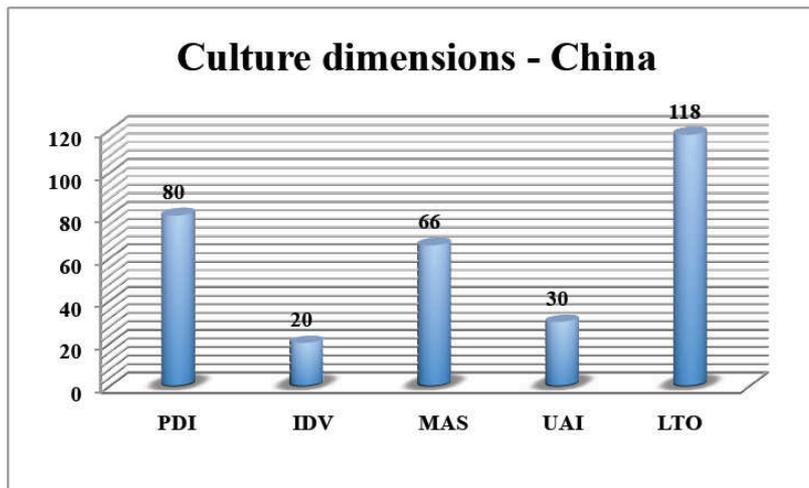


Figure 3 - Culture dimensions China

Yet despite all these circumstances, women do decide to build their own enterprises and approximately 80% of them succeed in their visions.<sup>11</sup> Hence, a comprehensive demonstration of motivation factors is inevitable in order to understand women-initiated venture creation in China and India.

## 5. Motivation Factors for Women in New Venture Creation

### 5.1. Maslow's Hierarchy of Needs

Abraham Harold Maslow was an American psychologist who devoted himself to fathom motivation patterns among human beings. The results of his study are five motivational needs, which are often displayed as hierarchical levels within a pyramid. The stages range from basic needs, such as *psychological, safety, love and esteem to growth needs*.<sup>12</sup> He calls these needs self-actualization. The *psychological needs* are the

<sup>10</sup> <http://www.imf.org/external/country/CHN/rr/2012/020612.pdf>, p.10

<sup>11</sup> Statement of Sadaffe Abid, Founder Kashf Foundation, at The Harvard Project of Asian and International Relations

<sup>12</sup> <http://psychclassics.yorku.ca/Maslow/motivation.htm>

most fundamental of all requirements a human being needs to survive, such as air, food, water and sleep. Under extreme circumstances, hunger will be the first and most urgent thing a person would need to satisfy. The second level of the pyramid is the exigency of *security and consistency*. This can be depicted in the desire of secure circumstances regarding one's health, family, employment and property. Only when these fundamental needs are appropriately satisfied, *love and belonging needs* will emerge. This emphasizes the importance of friendship, partnership, parenthood and sexual intimacy and reliance on its intensity, the individual's happiness. The second-last level inherits the *esteem needs*. They can be reflected as a high evaluation of oneself and the desire for greater self-esteem and self-respect. This can be gained by extraordinary achievement, such as a successful start-up, and the responding respect expressed by others. On the peak of the hierarchy are the *growth needs*, such as moral values, empathy and creativity. Of all the needs mentioned, this is the least vital, but most luxurious desideratum.

Psychological and security needs play a big role in female entrepreneurship, especially in rural areas and for migrant workers in cities. When unemployment, underemployment or poverty is prevalent, women need to fear about their daily survival. In order to satisfy the psychological and security needs, women are motivated to acquire money by involving themselves in cooking, tailoring, animal husbandry and agriculture. But with women being self-employed there is less time left to look after the children and the household. This is in line with level 2 of the pyramid - the need to secure a stable family life. Thus, the majority of women decide to keep their ventures small and manageable in order to meet the family's responsibilities (Brush, 2008: 622). Moreover, entrepreneurship itself is a motivating factor for women in China and India, because it promises them more financial independence and enhances their self-esteem (Kaur et al., 2013: 64). The growth needs in female entrepreneurship can be depicted in the ability to achieve self-fulfillment, job satisfaction and personal independence (Brush, 2008: 612).

## **5.2. Opportunity and Necessity Motivation**

Opportunity or necessity motivation can be defined as the reason why someone is motivated to do something. Is it because there is no other option (necessity) or because the resulting achievement of the action will bring upon greater fulfillment (opportunity)?

In general, opportunity and necessity orientations both aim for improvement of one's work conditions, family and personal life or the financial circumstances. What differs between the two, are the distinct motivation factors.

Women who get pushed to enter entrepreneurship by opportunity-driven motivations, were most likely already engaged in a certain professions or employment. But in order to gain flexibility in balancing work and family duties, overcome career advancement or enable greater professional fulfillment, these women see entrepreneurship as the best alternative to their current situation (Kariv, 2013: 78). A recent trend regarding opportunity entrepreneurship among Asian women is to pursue entrepreneurial activities as soon as the kids grow older. They see entrepreneurship as a chance to advance their abilities and creativity (Dhaliwal, 2007: 60).

Necessity entrepreneurship on the other hand pulls women into venture creation so as to escape poverty, unemployment or discrimination. Due to job scarcity and a low level of education these women entrepreneurs must create their own jobs, because it is their only chance to acquire money and hence ensure their daily survival. The most common barrier for necessity-driven female entrepreneurs is the so-called "glass ceiling"<sup>13</sup> effect, which impedes women from actively contributing to the economy. But as mentioned in the Maslow model above, psychological needs, as in fundamental requirements for plain survival, are the most thriving motivation factors. Therefore, despite all barriers, these women will fight for their right to self-employment.

Opportunity orientation in entrepreneurship is commonly predominant in well-developed areas with high educational standards, such as western regions and most urban regions in developing countries.<sup>14</sup> Necessity entrepreneurs are generally depicted as less educated, with unstable financial resources and with an elementary need for more managerial coaching (2012, cited by Warnecke, 2013: 1). Opportunity entrepreneurs on the other hand decide to pursue their business ideas, because they have the option to choose whether self-employment or a corporate job is most suitable and fulfilling for them. But besides the initial motivation to become an entrepreneur, women are influenced by a variety of circumstances during their entrepreneurial journey.

---

<sup>13</sup> 'Glass ceiling' is an unofficially acknowledged barrier to advancement in a profession, esp. affecting women and members of minorities.

<sup>14</sup> <http://www.gemconsortium.org/docs/2825/gem-2012-womens-report>

## 6. Influencing Factors on Entrepreneurial Behavior

### 6.1. Society

#### 6.1.1. Role of the Caste System

In India, the caste system has divided the society in hierarchical levels since as early as the Aryans conquered the Hindustan valley in 1500 B.C. (Bidnery et al., 2012: 2). But the caste system is not only a scheme of social fragmentation; it also appoints specific labor professions and dietary to each of the caste groups. Among the four major castes, Brahmin, Kshatriya, Vaishya and Sudra, there are 3,000 other castes and 25,000 sub-castes existing. Hence an exact percentage of the population's affiliation to the four standard groups is difficult to define.<sup>15</sup> In order to understand to what extent a caste influences women entrepreneurship, it is important to know what the different groups stand for and what professions are held within the caste.

- *Brahmins*: Traditionally, these are the priests and teachers. Most of them are involved in humanities and arts, as well as politics.
- *Kshatriyas*: They have generally been occupied as warriors and rulers. Nowadays, Kshatriyas and Sikhs are predominant in the Indian military.
- *Vaishyas*: These are the businessmen. Since establishment of the caste system, they have been the landowners, merchants and traders. Due to their profession, the Vaishyas are among the wealthiest of the population.
- *Sudras*: The Sudras are the largest group (45% of the Hindu population) and belong to the lower class. Usually these people are servants and simple laborers.

While only a minority of the population belongs to the three upper classes, just mentioned, the bulk is considered to be a so-called "Untouchable". The lower classes - Sudra, Backward Classes, Scheduled Classes and Scheduled Tribes - represent approximately 70-80% of the Indian population (Naumann, 2010: 13,14).

- *Dalits*: This group includes the Other Backward Classes and the Scheduled Classes. They are also called the "polluted labors", because generally they are determined to do dirty jobs, such as latrine cleaning and street sweeping.
- *Scheduled Tribes*: There are 724 different tribes existing all over India.<sup>16</sup> Because they cannot be put in any distinct category of the classic caste system, these people have perpetually been discriminated.

---

<sup>15</sup> <http://postcolonialstudies.emory.edu/caste-system-india/>

<sup>16</sup> <http://tribal.nic.in/WriteReadData/CMS/Documents/201306030201065184795StatewiseListofScheduledTribe.pdf>

The Scheduled Castes represent 16.4% of India's population, yet only constitute for 9.8% of all ventures in 2005 (Iyer et al., 2011: 1). Scheduled tribes, which account for 7.7% of the population, own a diminutive number of 3.7% of all non-agricultural enterprises (ibid.: 1). Due to a governmental policy of positive discrimination towards the lower classes, the Other Backward Castes can profit most from their position in the society's scheme. They are generally seen as the ones that neither suffer from utmost social and economic discrimination, such as Scheduled Tribes, nor do they rejoice the privileges of the upper castes, such as the Vaishyas. Hence this group is quite well represented in enterprise ownership among all the lower classes. In total, they represent about 41% of the Indian population, and amounted to 43.5% of all enterprises in 2005 (ibid.: 1). One issue regarding entrepreneurship and the caste system is, that this social hierarchy is rather static. Once born to a specific caste, it is one's duty to follow the profession the caste is traditionally recognized for. For instance, an ambitious woman from the Sudra caste will most likely face more severe hurdles than a female entrepreneur from the Vaishya caste, as one is hereditary depicted as the caste for businessmen. Furthermore, caste discrimination can be an issue. That means, the entrepreneurs can only employ workers who belong to their own caste; people from upper castes might deny collaboration.

While a woman from a Brahmin family would be expected to profess herself in spiritual fields, a woman from a Dalit family will most likely be employed as a servant or laborer. From this follows that even in modern times, the decision what profession one is prone to follow and hence the decision to become an entrepreneur, is strongly influenced by the religious traditions of the caste system. The caste system itself is based on principles, mentioned in Hindu scriptures like the Law of Manu and the Vedas, that hardly favor the status of women.<sup>17</sup> The Law of Manu actively encourages inequality between men and women. It ostracizes women from education, limits their independence and proscribes them from possessing their own goods and chattels. More extreme is the conjuncture for Dalit women. Murder of a Dalit woman is justified as a trivia and is even classified as equal to killing an animal. Under these circumstances it is not surprising that approximately 75% of Dalit girls drop out of primary school, due to poverty or humiliation by classmates and teachers (Mahey, 2011: 151). The Indian Ministry of Labor proposed that 85% of the Dalit women work for minimal wages

---

<sup>17</sup> *Law of Manu and Vedas = the most ancient Hindu scriptures.*

under upper caste landlords, additionally the National Commission for Scheduled Classes and Scheduled Tribes confessed that 85% of Dalits don't own any property (edb.: 152). Due to this deterring environment it is no surprise that the majority of women in India lack the ability, the opportunity and courage to become an entrepreneur. Either the academic level or the social status is blocking their way to self-employment. The roots of the caste system evolve from a long history of Hinduism and hence are deep-rooted in the mindset of the people. It will be toilsome for women to overcome these barriers, but with the urbanization growing and recent governmental policies that support lower classes, the caste itself will become less relevant; at least in urban areas. But it is not only the caste system that harms women's advancement in entrepreneurship; it is more the hurdle of social norms that might be difficult to overcome.

### **6.1.2. Society Norms**

Even that nowadays in large cities the social constraints of the caste system are less severe, the majority of India's population, 68.4%<sup>18</sup>, still lives in rural areas. Because of the lack of infrastructure and sufficient investment in these areas, the majority of the rural population is still cut off from the outside world. From this follows that social traditions and norms are still deep-rooted in the everyday life of the rural society in India. In China, 48.1%<sup>19</sup> are located on the countryside. In comparison to India, the infrastructure there is largely well established. This makes only a small portion of the population, which is still isolated from modern influences. In India, social barriers for women entrepreneurs appear more strict in rural areas, but in a rather extenuated manner in the urban environment. In the case of China, the social conditions hardly differ between the two areas and commonly remain the same.

Traditionally, men receive more support in entrepreneurship and decision-making, than women (Brush, 2008: 620). That comes from the ubiquitous stereotype of women to be housewives. Since decades, household and family responsibilities are strictly assigned to women. This gives them either very little or no time to develop managerial or corporate skills, which would be beneficial in an entrepreneurial venture business. Often they are even denied to execute high-level decision-making (ebd.: 621). The combination of restrictions, family responsibilities and the lack of sufficient managerial

---

<sup>18</sup> <http://data.un.org/CountryProfile.aspx?crName=India>

<sup>19</sup> <http://data.un.org/CountryProfile.aspx?crName=China>

education, raises doubts over the entrepreneurial credibility and commitment of women. (McAdam, 2013: 12) But even when they overcome this image, the major household duties still remain. For instance, for most businesswomen and female entrepreneurs the consequence of occupational freedom is a daily double-shift routine at home and the workplace. It seems like these 'invisible rules', that allocate women to a low-profile appearance within the household and men to follow a career path in the corporate world, must have been engraved in the societal system and bequeathed over generations of a culture, to still make them valid today. The topic of the women's status in a society can be approached from different directions. In India, due to the large majority of Hindus, religious scripts were widely shaping the image of a woman. For example, the Law of Manu defines the role of women in families as the following (Law of Manu, cited by Nayar et al., 1997: 324):

- The father protects her in childhood;
- The husband protects her in adulthood;
- The son protects her in old age;
- At no time in life a woman deserves to be free.

These secret rules come in operation from the moment a woman is born. The first visible social constraints hit women at the time their parents decide to get them married. According to the Census of India, by the year 2011, 47.9% of India's population got married before they turned 21 years old.<sup>20</sup> These early marriages induce three disadvantages regarding women empowerment and women entrepreneurship. Traditionally, after marriage an Indian woman leaves her parent's house in order to live with her husband and his family. For instance, 57% live with their parents and 53% have an elder family member in their household (Hewlett et al., 2011: 106). Once married, it is her duty to satisfy and thoughtfully care about the needs of his family and relatives. In general, her tasks lie in the household legwork for her mother-in-law. Moreover, she is determined to actively support the family in cooking, cleaning and childcare. In order to conform the commitments, a bulk of women have no other option than to either drop out of school, university or to leave their current employment. Because of this intense social pressure, young professional women nowadays often decide to remain single (ibid.: 107). For instance, 54.4% of all women never get married.<sup>21</sup> The third disadvantage is the phenomenon of arranged marriages. In India,

---

<sup>20</sup> [http://censusindia.gov.in/Census\\_And\\_You/age\\_structure\\_and\\_marital\\_status.aspx](http://censusindia.gov.in/Census_And_You/age_structure_and_marital_status.aspx)

<sup>21</sup> [http://censusindia.gov.in/Census\\_And\\_You/age\\_structure\\_and\\_marital\\_status.aspx](http://censusindia.gov.in/Census_And_You/age_structure_and_marital_status.aspx)

no matter if in rural or urban areas, approximately 90% of all marriages are arranged by the parents.<sup>22</sup> Women and men, theoretically, have the freedom to decide whether or not they agree on the proposed partners. Yet, this practice is hardly common among rural families and therefore does this freedom of choice only apply to a minority of women in urban regions. An arranged marriage is not necessarily harmful for women who seek for self-fulfillment in entrepreneurship. It is only that women who have the opportunity to pick their husbands themselves or can influence the decision who to get married to, have an increasing chance to find a life partner who is supportive and encouraging towards their vision of creating an enterprise.

Chinese women undergo biases in entrepreneurship, too. Only the societal barriers differ slightly from the ones in India. The Chinese society and its principles have been strongly influenced by the ethics of Confucius, whose written records have been bequeathed and executed until the modern age. He encouraged the establishment of a patriarchal hierarchy, in which women were on the lowest level of the social pyramid and had to fawn over their male counterparts in order to be heard. After decades of women discrimination, this situation got almost completely erased during the Cultural Revolution (1965-1968). In this era, women gained back their social power through active contribution to the manufacturing and farming sectors, side-by-side with their male counterparts.<sup>23</sup> Chinese women today, in contrary to Indian women, are not necessarily facing gender-based barriers to entrepreneurship; it is more the social pressure, triggered by the one-child policy that influences their decision-making. The one-child policy was issued in 1979 in order to decelerate the population growth rate and the problems that came in handy. Because of the desire to give birth to a boy in order to save the family's dynasty, the sex ratio added up to 108 males per 100 females in 2013.<sup>24</sup> An attenuation of this ratio is expected since the government of the new leader Xi Jinping issued the abolition of the One-Child-Policy in December 2013. According to Confucius, the most severe failures in childcare were to not give birth to a boy (Settles, 2008: 11). From that follows that in a large number of cases baby girls were aborted, abandoned or unregistered. For instance, among every 1000 births, 15 die in China.<sup>25</sup> Additionally, approximately 35,000 abortions take place every day; that adds up to 13 million a year.<sup>26</sup> The consequences have been and still are that these

---

<sup>22</sup> <http://www.statisticbrain.com/arranged-marriage-statistics/>

<sup>23</sup> <http://www.iun.edu/~hisdcl/g387/Women%20in%20China.htm>

<sup>24</sup> <http://data.un.org/CountryProfile.aspx?crName=China>

<sup>25</sup> <http://data.worldbank.org/indicator/SP.DYN.IMRT.IN>

<sup>26</sup> <http://www.allgirlsallowed.org/forced-abortion-statistics>

abandoned girls have restricted access to health care and education (Settles, 2008: 6). Without the provision of basic knowledge, these girls have a very limited future perspective in the corporate and entrepreneurial environment. But even officially registered girls have a social burden to carry. The hopes of the entire family lie on the shoulders of the only child. This can have positive and negative effects on the girl. From a positive perspective, Chinese parents encourage their girl's education in all aspects. That means, they give the best possible education to their kids, no matter where and at what cost. Furthermore, they support their kids to excel in academics, music, sports and anything else that promises better chances for a high-profile career. In return for their indefatigable support they expect the girl to succeed in every aspect of life and to outperform everyone else. This pressure has an oppressive effect on women, because they know that failure is no option for them. Especially women who carry work and family duties as well as elderly support on their shoulders are under compulsion to succeed in their academic and corporate activities. Entrepreneurship is widely defined by "learning through failures". Hence, this outlook serves as a deterrent to Chinese women to even consider self-employment. As mentioned above, the Chinese youth also carries the heavy burden of elderly care (Hewlett, 2011: 119). Due to the lack of an insurance network, elder people are strongly dependent on their children's financial support. In fact, approximately 70% of the Chinese retired population is supported by their offspring (2005, cited by Settles, 2008: 13). Historically, it was the husband's duty to earn money in order to take care of his wife, and it was her job to earn money to support the parents. Chinese women spend approximately 18% of their annual income on their parent's wellbeing (Hewlett, 2011: 125). With this thought in mind, that their own family and further the life of their parents needs to be financially insured, women have only a small scope left in which they could actually decide going for a rather insecure way of doing business, such as entrepreneurship. The third pillar of social barriers faced by women, also results from the one-child-policy. The duty of being a good daughter is the most serious hurdle for Chinese women and actively determines their future. The oppression to satisfy the duties of a daughter is likely to provoke serious liability to women, sometimes even more severe than the pressure to be a good wife or mother (ebd.: 125). For example, a parental desire is to have grandchildren in order to be more involved in the family's life of their daughter and to have an occupation after retirement. Additionally, to enable this support the daughters are often expected to relocate to the parent's home, as soon

as they have graduated or have given birth. This parental request originates in the unbridled backing they offered their daughters during their education. As a result, the young women feel responsible to satisfy this demand as a gesture of gratitude. (ebd.: 124) Many women migrate from rural areas to big cities to follow their studies. Moving back to a less developed environment most likely limits their opportunities for job advancement. Furthermore, once located outside of urban areas the access to sufficient managerial training, which is crucial for building and running a venture, is limited. All the mentioned social conditions lead to the conclusion that entrepreneurship might not even come to mind of the majority of women in China. Even that they possess an over-qualified educational profile, the social hierarchy restrains them from entrepreneurial activities. Due to the fast economic development of the country, most of the women will not be reliant on necessity entrepreneurship anymore, but on the other hand the social constraints hardly encourage opportunity entrepreneurship either.

Regarding China and India it can be concluded that the key driver for women entrepreneurs is the support and approval of their families and husbands (Dhaliwal, 2007: 57). The backing of the closest relatives and friends breaks down the major social hierarchy and thus enables women to act and decide on a more independent foundation. Without this support, women undergo an unbearable social pressure, which most likely will not lead to successful venture creation. Yet besides the societal conditions, the women entrepreneur's profile needs to be endowed with at least a fundamental education standard. The higher the educational level, the more freedom of action they will experience.

## **6.2. Education**

### **6.2.1. Role of Education in Entrepreneurship**

The road to entrepreneurship is not necessarily ruled out when a woman cannot provide a strong academic background, but it definitely favors the entrepreneurial processes. In case the level of education is low, a female entrepreneur is greatly dependent on either institutions that support them during their entrepreneurial journey or on trainings that enable the development of their skills.

In 1986, the Chinese government released a bill for a compulsory 9-year long primary and secondary education.<sup>27</sup> After 30 years of execution, today China has achieved a

---

<sup>27</sup> <http://www.chinaeducenter.com/en/cedu.php>

100% score on primary school enrollments.<sup>28</sup> From this follows, that the rate of female class participation in early school years is close to the one of boys. But even in tertiary education, China manages a female-male ratio of almost 50:50.<sup>29</sup> Yet, the one hurdle that cannot be overestimated is the *National Higher Education Entrance Examination* (Gaokao/高考). As Pamela Berns stated, "your life is made or broken by how well you do" and it "shapes students into top-notch test takers but underdeveloped individual thinkers" (Hewlett, 2011: 121). As a result, women who do not succeed in the examination will struggle to find seminal employment. One might say, that due to the sufficient basic education and the scarcity of job opportunities, women might be pulled into entrepreneurship. But the rigid and uncreative methods used to deliver knowledge in Chinese schools, limit the ability to apply the knowledge in an entrepreneurial environment. Academic institutions hardly encourage creative thinking and problem solving, nor do they inspire discussions or controversial dialogues in class (edb.: 121). The capabilities of the students are strictly evaluated via examinations based on memorized subject matter. Without the ability to think fast, creative and flexible, the execution of entrepreneurial activities seems impossible. What additionally has to be accounted for when reflecting on education in China, is the governmental influence on the syllabus and teaching content. Freedom of speech and public expression of thought is still widely oppressed and hardly tolerated by the party. The censorship affects not only the school's syllabus, but also leading educational online platforms, which in turn hinders the educational advancement of women who seek additional training.

To overcome these barriers, it has become a common manner among Chinese parents to send their children abroad to receive higher education from elite universities located all over the world. For instance, in 2011 China counted approximately 29 million overseas students.<sup>30</sup> This provides new opportunities to women to adapt the more creative way of thinking in western environments and to gain more confidence in decision-making processes. In combination with the dynamic and resourceful environment of the universities, women have the opportunity to establish and develop the skills needed for successful venture creation. In China, the barrier to entrepreneurship due to education is hence not necessarily related to gender discrimination or a low level of education. It is more the lack of creativity and flexibility that holds women back from depicting and using their knowledge in an entrepreneurial environment.

---

<sup>28</sup> [http://www.unicef.org/infobycountry/china\\_statistics.html](http://www.unicef.org/infobycountry/china_statistics.html)

<sup>29</sup> <http://data.un.org/CountryProfile.aspx?crName=CHINA>

<sup>30</sup> <http://www.iie.org/en/Services/Project-Atlas/China/Chinas-Students-Overseas>

The current state of education in India can most simply be summarized with the statement of the famous Indian philosopher Rabindranath Tagore: "In my view the imposing tower of misery which today rests on the heart of India has its sole foundation in the absence of education" (1930, 1995, cited by Drèze et al.: 107). In general is education not only a tool to develop intellectual skills, it is also the trigger to understand different aspects of society, such as legal and human rights. According to the United Nations Universal Declaration of Human Rights, Article 26, education is one of the fundamental rights of every individual.<sup>31</sup> But the fact that illiteracy is still one of the major hurdles to the full comprehension of women's rights, indicates that women in India might not know the true promise of this declaration (Drèze et al.:109). For instance, the current UNICEF youth literacy rate declares 74% of 15-24 year old Indians to be able to read, write and calculate basic arithmetic exercises.<sup>32</sup> The truth lies far below this rate. For instance, the overall literacy rate is only 64.8%, composed of 75.3% for men and 53.7% for women. While in urban areas the state of literacy between men and women is more or less equal, in rural areas the gap is rather big.<sup>33</sup> There are various reasons why women come off that badly in the overall education system. The most significant reasons are the high drop-out rate of young girls after primary school and the poor quality of education in general. It is not the lacking willingness of children to attend school, it is the missing sufficient school materials and the lack of qualified teachers. In addition to that the education system suffers from a severely high absence rate of school staff. Depending on the states, but with a particularly high percentage in the states of Northern India, teachers attend their classes in a diminutive 15-43%.<sup>34</sup> After noticing the deleterious effects of an insufficient education system, the government lay its focus on increasing the school enrollment rate. While in primary school there is a high ratio of 81% attendance among girls, in secondary only 49% of all girls still regularly attend school.<sup>35</sup> The reasons behind this are diverse. It can be an early marriage that impedes the girls from going to school or the poor financial status of the family forces girls to work. Furthermore, the lack of financial resources to cover the school fee can be a reason why girls cannot continue in their education. When it comes to tertiary education only 10% of all students are female and in the corporate environment less than 40% are women. Even that India inherits the third largest

---

<sup>31</sup> <http://www.un.org/en/documents/udhr/index.shtml#a26>

<sup>32</sup> [http://www.unicef.org/infobycountry/india\\_statistics.html](http://www.unicef.org/infobycountry/india_statistics.html)

<sup>33</sup> [http://censusindia.gov.in/Census\\_And\\_You/literacy\\_and\\_level\\_of\\_education.aspx](http://censusindia.gov.in/Census_And_You/literacy_and_level_of_education.aspx)

<sup>34</sup> <http://go.worldbank.org/X1GCHTPMG0>

<sup>35</sup> [http://www.unicef.org/infobycountry/india\\_statistics.html](http://www.unicef.org/infobycountry/india_statistics.html)

university system with approximately 14 million students, only 40% of this talent pool are women (Hewlett, 2011: 100). Among the female university students in India, the majority chooses to go for science degrees, while 27% see their future careers in business administration, management or commerce (ibid.: 102). Despite the low rate of female enrollment, women are less likely to drop-out of tertiary education than men. Hence it is astonishing that approximately 50% female students graduate from university while only 40% male students receive their degrees. This phenomenon is best to explain by quoting a statement made by Sadaffe Abid, founder of Kashf Foundation, when she said that women who made their way up the ladder, needed to prove themselves. They broke traditional rules, thus failure was no option. Hence, it is not surprising that educated women in India belong to the most ambitious and motivated group of women in the world (ibid.: 103). This can be explained by the fact that women who reached this high level of education know how fortunate they are and how many career options they have, compared to the majority of illiterate or poorly educated women in the country. These women often work in highly demanded fields, such as IT and E-commerce, and therefore have plenty of possibilities to be part of entrepreneurial activities. Yet, one must consider that 74% of the Indian population lives in rural areas and lacks this advanced, sometimes even fundamental, education. Entrepreneurship could be the trigger for these women to improve their living standards and to gain more confidence towards their status within the society. In order to foster the entrepreneurial spirit among the poor, grass-root entrepreneurs<sup>36</sup>, such as the group of 'Radicals' (1.2. Classification), spread out to rural areas to educate women about the advantages of active economic contribution by pursuing self-employment.

### **6.2.2. Academic and Non-governmental Entrepreneurship Programs**

As mentioned above, women who reached a high level of education also have higher chances to be employed in a well-paid job. If these women decide to go after entrepreneurship, they will most likely be involved in opportunity entrepreneurship in order to improve their current employment or private situation. The major problem about academic and non-governmental programs is that the majority only targets this group of highly educated women, who already possesses broad technical and economic knowledge (Warnecke, 2013: 2). The majority, which is dependent on all kinds of

---

<sup>36</sup> *Grassroots entrepreneurs are civic activists who take the initiative to create campaigns or other organizational ventures to tackle social problems.*

support, is largely left out. Nevertheless, in the last years, the focus has shifted to direct empowerment of rural female entrepreneurship. By now, mostly microfinancial initiatives try to make access to entrepreneurship easier for women. The need for managerial and further educational training did not yet reach the same level of awareness as financial support and hence these programs emerge slower. For both countries, China and India, it is important to understand, that entrepreneurial programs can only be successful when all aspects the women are lacking in, no matter if rural or urban areas, are included in the program. This disposition could include basic literacy courses, basic arithmetic and financial training and access to technology to enable information sharing via computers and mobile phones (edb.: 2).

A few Indian organizations are now trying to tackle these long-due problems. The initiative *The Drishtee Model*, as an example, is supporting women in healthcare issues, provides education, training and financial advisory in order to create an ecosystem of female-run enterprises throughout the villages (Goel et al., 2011: 13). Another rather successful organization is the *Consortium of Women Entrepreneurs in India (CWEI)*. Their agenda focuses on vocational training of female migrants and helps them in rising awareness of their self-made products, such as handicraft and garments, through advertisement training. The *Self-Employed Women's Association (SEWA)* follows a similar strategy. They empower women immigrant entrepreneurs to settle down in the informal sectors in order to create a dynamic system of women-led microenterprises (edb.: 29).

In China, the number one key to success in business is a strong network of good and influential contacts, the so-called "Guanxi".<sup>37</sup> Hence women entrepreneurs tend to refer to well-established associations, such as the *China Association of Women Entrepreneurs* and *Chinese Entrepreneurship Association*. There they receive the whole package of educational, financial and managerial support they will need for successfully running a business. In general, non-governmental organizations, as the ones existing in India, are less prevalent in China. Probably because the needs of the two groups are different: in primary steps of venture creation Indian women entrepreneurs demand for sufficient training. Chinese women on the other hand need access to powerful networks.

Besides associations and national NGO activities, the international attempt to empower women entrepreneurs is rather successful. Various multinationals, such as the *Coca Cola Foundation* or the *Goldman Sachs Foundation* with its investment initiative to

---

<sup>37</sup> In Chinese these networks are called "Guanxi"; this word cannot be directly translated, as it is a primary Chinese entity and implies far more than only a network of good contacts.

support 10,000 women entrepreneurs with management education, already operate within this framework. Their successful work provides a promising foundation to increase the awareness of barriers in female entrepreneurship and the further work that needs to be done to erase them. But in order to curtail the amount of work that has to be done in managerial training, a variety of universities now offer specific courses on entrepreneurship. Again, China and India differ in this aspect. Very few universities in China offer simple semester courses on entrepreneurship, they rather provide comprehensive programs in collaboration with appreciated universities or business schools abroad. Examples are the Global Technology Entrepreneurship Program of University of California - Berkeley in collaboration with the Tsinghua University in Beijing or the Entrepreneurship Track Program of HEC Paris and Tsinghua University. Elite Indian universities on the other hand are equipped with well-facilitated entrepreneurship centers that foster applied entrepreneurship instead of theoretical knowledge. The prime example is the "New Venture Creation" program executed by the Center for Entrepreneurial Leadership of the BITS Pilani Universities. The best business ideas of each application period receive mentorship, short-term funding and office space to develop the business ideas into running businesses. In theory the chances to be part of this program are equal for women and men alike. This favors the ecosystem of women entrepreneurs, especially in the early steps of ideation and fundraising, because under the wing of the university social barriers are manageable. More entrepreneurship programs are held by prestigious universities, such as the Indian Institute of Management and the Indian School of Business. These courses specifically target women entrepreneurship and family business entrepreneurship.

From that follows, that the issue of underutilization of female entrepreneurs is receiving more and more attention in both countries. What is important is, that approaches issuing female entrepreneurship come from different perspectives. Elite universities will only reach the educated students. These women in turn can start businesses that empower women in rural areas or they can hand on their knowledge via educational training centers for the underprivileged poor. Furthermore, existing non-governmental organizations need to set their focus on either collaborating with universities and ambitious students who received education in the entrepreneurial field. Together they can target the rural female population and help them overcome the barriers to self-employment. Additionally, it is the government who needs to create a foundation of policies that favor the work of the NGO's. In the end it is the economy that profits from

an increasing rate of self-employment among women who are still relegated from business activities due to their poor state of education.

### **6.3. Finance**

#### **6.3.1. Barriers to Financial Support**

As mentioned above, entrepreneurship is closely linked to the growth of a country's economy. Entrepreneurs transform ideas into economic opportunities, foster innovation and therefore actively compete within the global market.<sup>38</sup> The reason why by now only a diminutive number of women make use of this opportunity is closely linked to the restrictive access to funding. In this case, India and China's female entrepreneurs experience a similar environment. Generally speaking, financing and funding a business idea can be depicted as one of the major problems for female entrepreneurs around the globe. This can once again be related to the social environment women are constrained in.

The funding issue for women arises from a widely spread image that men are seen as more qualified, more capable and hence more entrepreneurial (Brush, 2009: 615). Even though the result of a survey, executed by the Kauffmann Foundation, emphasizes that women entrepreneurs acquire 20% more in revenue with 50% less investment, raising capital is still the primary barrier for women to proceed with their business idea (Granger, 2012: 1). Men have historically been the hunters and the breadwinners of a family and thus are prone for a fast-track career. Even if a woman has the same educational level as a man, he would earn approximately 37% more over a lifespan (McAdam, 2013: 11). But the whole finance issue doesn't end with the difficulties of acquiring money. Women might have succeeded in their first step to grant funding, but they often lack knowledge and latitude in further financial handlings, such as savings, payments and investment administration.<sup>39</sup> For instance, in India by the year 2006 only 12% of individual bank loan accounts belonged to women and for every 100 bank loans only 14 were held by women (Chavan, 2006: 2). Furthermore, restrictions on property rights for women are a severe barrier to execute financial activities, which are inevitable for entrepreneurial businesses. If women are not allowed to possess property without the agreement of a male family member, in rural areas they will face an

---

<sup>38</sup> <http://ediindia.ac.in/e-policy/>

<sup>39</sup> <http://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>

insuperable hurdle to become an entrepreneur in agriculture, because of lacking cropland and in urban areas it will be difficult to seize an office or production plant. But above all women have no right to open a bank account on their own behalf and therefore, even if they managed to start their own business, they are limited in their financial transactions.<sup>40</sup> From this follows that women often don't have another choice than relying on their family's, friend's or personal savings (Dhaliwal, 2007: 59). Besides the visible constraints women are facing regarding financing their entrepreneurial ideas, there is a hidden problem influencing, both women from China and India, in all aspects of business: Corruption. A survey, undertaken by the Legatum Institute in London, says that 75% of all Indian entrepreneurs saw corruption getting worse during the last years.<sup>41</sup> Especially start-ups that require additional licenses, such as manufacturing businesses, encounter red tape. Furthermore, general admissions for business permits can get severely blocked if an entrepreneur denies paying bribes (Sharma, 2011: 1). Women are even more affected due to their low credibility as entrepreneurs. In China the situation is equally severe. According to the entrepreneurship survey executed by the London-based Legatum Institute, approximately 89% of all entrepreneurs in China evaluate the state of corruption as harmful to advancement of entrepreneurial businesses (Figure 4).<sup>42</sup>

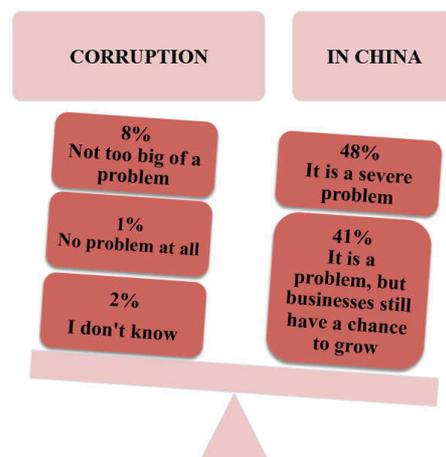


Figure 4 - Corruption in China (Legatum Institute Survey on Entrepreneurship in China)

Yet despite all hurdles, more and more organizations and banks notice the potential hidden among the large group of female entrepreneurs that are denied the access to

<sup>40</sup> <http://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>

<sup>41</sup> <http://www.li.com/docs/publications/2010-publications-survey-of-entrepreneurs---india.pdf>

<sup>42</sup> <http://www.li.com/docs/publications/2010-publications-survey-of-entrepreneurs---china.pdf>

financial funding. With their new businesses new jobs will be created and thus active promotion of economic growth will be fostered. In countries like China and India, where job scarcity and poverty is ubiquitous, these sprouting women-run start-ups can initiate a fundamental transformation in the all-over economic situation.

### **6.3.2. Fundraising Patterns**

In India, approximately 20% of all women entrepreneurs mentioned in a survey executed by yourstory.in and WeConnect International, that they have difficulties in acquiring an adequate sum to fund their entrepreneurial ideas.<sup>43</sup> From that follows, that most women are forced to spend their own personal savings in order to ensure that their start-ups continue. For instance, 87% and 73% of all Indian and Chinese ventures, respectively, have initially been funded with the savings of their founders (Wadhwa et al., 2011: 11). 26% of Chinese entrepreneurs asked friends and family for additionally financial support, which is almost equal to the 23% of Indian entrepreneurs who consider this financing option (edb.: 11). Among this group of self-employed businessmen and -women, 15% of all Indian women entrepreneurs started with a capital of less than 100.000 Indian Rupee (~ €1.700/\$1.615) and ensured their business' successful development through a thrifty way of doing business (Tripathy, 2012: 5).

In theory, entrepreneurs have different options to seek funding, but only a few of them can be successfully applied to female entrepreneurship. Additional options to self-financing are loans offered by banks, NGO's, large corporations or political parties. Furthermore, Venture Capital, composed of Angel and Equity Investment, is an option of increasing popularity. Supplementary funding opportunities for women who experience restricted access to financial institutions are the recently emerging crowdfunding platforms and business accelerators. In general, most women make use of more than one financial resource. Especially when granting big sums becomes a problem, women need to reach out to different sources. *(The Statistic below surpasses 100%, because responders had the option to pick more than one answer)*

---

<sup>43</sup> <http://www.angelinvestmentnetwork.net/2013-03/infographic-women-entrepreneurship-in-india>

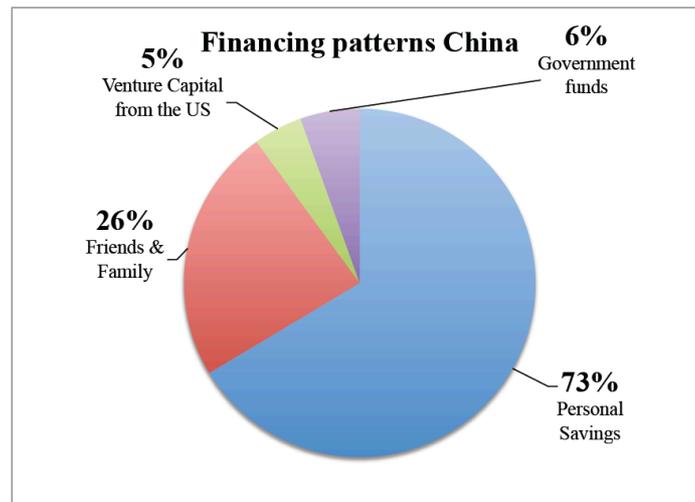


Figure 5 - Fundraising patterns China

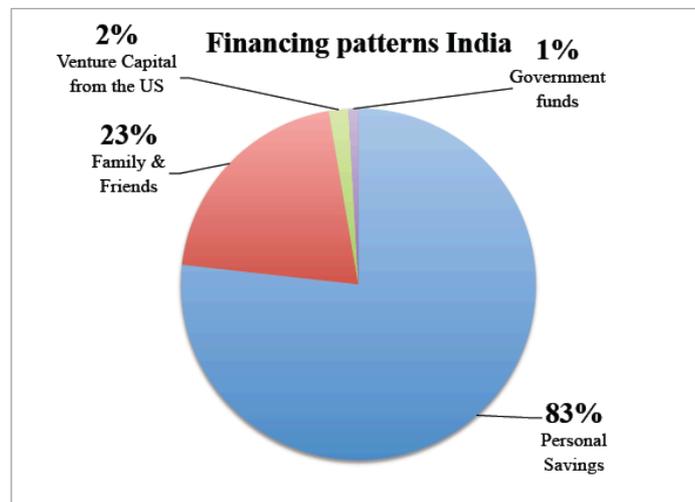


Figure 6 - Fundraising patterns India

If personal savings cannot suffice the financial needs for a new business, women traditionally try to receive a loan from the bank. The majority of women in entrepreneurial clusters, such as Bengaluru, Delhi, Mumbai, Pune, Shanghai, Beijing, Guangzhou and Shenzhen may have the educational level and sufficient networking contacts to reach out to banks to actually successfully grant loans. But, as already mentioned in the paragraph 6.3.1. (*Barriers to financial support*), only a small number of women have the right to possess physical assets, such as a bank account and thus cannot undertake financial transactions.<sup>44</sup> Even if they would be allowed to open a bank account without their husband's ownership, they have no personal property they could offer as security for a loan. In rural areas a further issue is the high rate of illiteracy, which makes it almost impossible for women to read and understand the content of a

<sup>44</sup>[http://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/publications/publications\\_report\\_accessstofinance-globalprofiles\\_wci\\_1319577113836](http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/publications/publications_report_accessstofinance-globalprofiles_wci_1319577113836)

bank contract. To overcome this problem, the Shanghai Commercial and Savings Bank was established in 1915, initially with the aim to encourage gender equality within the financial sector. Nowadays it is based in Taiwan and accounts for both genders. India had to wait almost 100 years longer. In November 2013, economist and Prime Minister Manmohan Singh established the first all-women bank "Bharatiya Mahila Bank" in New Delhi. Prior to this, the noble-prize recipient and founder of the Grameen Bank, Mohammad Yunus, established his women's bank in 1983. The aim of the bank is to offer mini loans to poor women in Bangladesh to enable their first steps towards self-employment. This model of empowering poor women to become entrepreneurs and hence improve their living standard also swashed over to India and China. But due to tightly regulated governmental and organizational restrictions, microfinancing in China has been less effective for women entrepreneurs than in India (2003, cited by Warnecke, 2013: 2). There, the trend of mini loans emerged in the early 1990s when women entrepreneurship became a rural phenomenon in many Indian states. The regional governments soon realized that microfinancing was an effective way to sustain the income of women who found employment through entrepreneurship. New ventures meant jobs creation, and this, in the end, was likely to result into a boost of the rural economy (Goel et al, 2011: 14). The mini loans, both popular in China and India, offer women an alternative to local money-lenders. They are depicted as the exploiters of the poor by assessing a high interest on every loan they allocate. These machinations pull entrepreneurs into a vicious circle of debt. Mini loans usually amount for small sums that meet the needs of building or pursuing in the venture creation. They traditionally need to be paid back on a weekly basis in order to secure the liquidity of the bank. Since the liberalization of the markets in India, entrepreneurs also have the option to seek funding at foreign banks. But as they are less likely to invest in agricultural businesses, the majority of women in India cannot take advantage of this opportunity (Kirton, 2013: 37). In most cases self-financing, normal bank loans or microfinancing are the only options for women in rural areas. Thanks to the more developed infrastructure in urban regions, the density of large corporations and hence the larger quantity of investment proposals, women entrepreneurs in big cities have the option to reach out for venture capital. This means, that women can get money via angel investors or venture capital firms. Angel investors are generally high net individual investors who have been entrepreneurs or executives in the past. They cashed out and retired early from their own enterprise in order to invest in upcoming start-ups. These angel investors usually

seek for active involvement in the invested venture, such as a seat on the board or to serve as a mentor to the founder team.<sup>45</sup> Venture capital firms and angel investors aim for a high return on investment (ROI), by investing in start-ups with high growth potential. In order to ensure financial advantages, investors usually ask for shares of the company. The percentage of equity depends on the amount of money the investor provided to the start-up. Among entrepreneurs this is called equity capital. Even that this option is promising, only a small percentage of all entrepreneurs in India and China make use of it. In China 19% obtained venture capital funding, while in India only 5% of all entrepreneurs decided to go for this option (Wadhwa, 2011: 11). For instance, among Indian women entrepreneurs 6% received funding from other entrepreneurs and 30% relied on financial support from mentors, such as professors or supervisors (Tripathy, 2011: 5). Furthermore, approximately 2% and 5% of all entrepreneurs in India and China, respectively, procure funding from venture capital firms in the United States (Figure 5,6). The most famous venture capital firms whose agendas focus on women entrepreneurship are Golden Seeds, Forerunner, Belle Capital, 37Angels, Springboard Enterprise and the Pipeline Fellowship.<sup>46</sup> Additionally entrepreneurs in India can apply for grants at the India Angel Network. China itself has no separate national network for angel investors, yet it is part of the international investors organization - the Angel Investment Network. But because of the low credibility of female entrepreneurs, reaching out to venture capital investors is not an easy task to do. Hence many women entrepreneurs nowadays try to participate in one of multiple start-up accelerators and incubators. Once accepted to these programs, women receive a 3-month long mentorship, office space, funding and will in the end have the chance to present their idea to a group of investors with the aim to convince them to support the business idea. This is an effective way to avoid the general social constraints women are facing in the funding process. Example accelerator programs regarding women entrepreneurship are Women 2.0, Google Women on the Web, NewMe Accelerator and Women Innovative Mobile. When seeking new ways to secure funding, crowdfunding is a good option. The idea behind crowdfunding is to acquire small amounts of money via the Internet in order to finance a venture's economic activities. One of the first crowdfunding platforms, MoolaHoop, detected that especially entrepreneurial ventures that exist on the periphery of the traditional venture capital networks, such as women-run start-ups, avail from this opportunity. Crowdfunding creates a new ecosystem that

---

<sup>45</sup> <http://www.sba.gov/content/venture-capital>

<sup>46</sup> <http://empowerlounge.com/top-women-angel-investors-and-venture-capital-firms/>

goes beyond financial support, but also supplies women with new networks and mentorship. This enables women to receive adequate support without losing equity before even actively executing the business, as in the case of venture capital and accelerator programs.

In general, financing is a severe hurdle, but it is not insurmountable, neither in rural nor in urban areas. But what women need to indefatigably rely on is their strong alacrity towards their business idea and persistence in dealing with financial institutions or venture capital firms. This emphasizes their entrepreneurial credibility and leads to increasing trust in their ability to succeed in venture creation.

### **III. EMPIRICAL RESEARCH**

#### **7. Approach**

The theoretical part of this thesis comprised an overview of the entrepreneurial environment for women of every social status in rural and urban areas in China and India. Rural regions in China and India still widely lack the access to the World Wide Web. In order to receive reliable data on the entrepreneurial environment of women in rural areas, an on-site examination would be inevitable. Yet, due to the scarce resources in the framework of this bachelor's thesis a comprehensive field research in remote, underdeveloped regions of both countries was impossible. The survey was mainly conducted via popular online media websites, such as Facebook and LinkedIn. The absence of an efficient Internet connection outside the greater city areas indicates that most women who participated in the poll were located in areas with good infrastructure. Furthermore, the questionnaire was sent out to delegates of the Entrepreneurship Panel at the Harvard Project for Asian and International Relations in Dubai, the Global Entrepreneurship Summer School 2013 in Munich and the Hong Kong Entrepreneurship Summer School 2013. The delegates of these conferences and events were widely well educated and had a sound financial background, which enabled them to participate in such activities. These facts, once more, underscore that the majority of poll responders belong to the upper and middle class and hence their answers do not represent the necessity-driven entrepreneurial environment. Additionally, members of the HeadStart Network, a community of Indian entrepreneurs contributing to all sorts of industries, participated in the survey. Among all participants of the survey 59% were women and 41% men. The majority, 96%, of poll responders can be categorized in the age group of 18-35. They also founded their current ventures at approximately the same age. Further it is important to mention that the survey was mainly distributed via channels predominantly used by young people, such as via social media and student conferences. From this follows that the low participation rate of adults beyond 35 years is not representative to the all-over situation of women entrepreneurship in China and India. To sum it up, the empirical research represents the entrepreneurial situation of middle and upper class women entrepreneurs, aged 18-35 and located in the greater city areas of China and India.

The majority of participants, 90%, were entrepreneurs from India. Overall only 10% of all responders were Chinese. There are various reasons for the low participation on the Chinese side. The most apparent fact is, that in Chinese culture personal relationships are highly important and hence reaching out to them via the Internet is troublesome. Secondly, the survey only addressed entrepreneurs from Mainland China and did not include Hong Kong and Taiwan. From which follows that common social media streams, such as Facebook, LinkedIn and Wordpress, were insufficient. Furthermore, targeting female entrepreneurs via RenRenWang<sup>47</sup> was rather unsuccessful, because the main focus of the platform is mainly entertainment and thus does not reveal reliable information about the users' professions.

From all responses, 59% belonged to women entrepreneurs and 41% to their male counterparts. The questions were directly pointed on female entrepreneurship, so even the male responders were asked to convey their assessment of the state of female entrepreneurship, but from a male perspective. China and India's society has always been largely men-dominated; men were invited to participate in this survey in order to identify whether or not men evaluate the barriers of female entrepreneurship differently from women. The book '*Banker to the poor*', written by Mohammad Yunus, describes in one paragraph a situation when Mr. Yunus was in a conversation with the husband of one of the Grameen Bank loan recipients. The husband expressed his gratitude about his wife being able to earn additional money for the family. Surprisingly he subsequently mentioned that, despite his wife's achievements, he does not accept the fact that he loses power over his wife due to a boost in her self-confidence (Yunus, 1999: 92). This, once more, illustrates that although women have the backing of their family, the society's norms they are succumbed to, are omnipresent.

## **8. Results**

### **8.1. Evaluation of Motivating Factors**

In order to get an idea of where the motivation to become an entrepreneur originated from, the poll participants have been asked to state what profession they have been involved in before they started their first venture (Figure 7). 71% of all entrepreneurs fell under the category student and employee. No one was unemployed or involved in low-profile professions, such as servants, manual workers or sellers. Among the

---

<sup>47</sup> Chinese version of Facebook.

Chinese responders two women at the age of 18-35 years were students, one adult female participant was already self-employed and one male entrepreneur, age 18-25, has been an employee before becoming an entrepreneur. The literature research showed that usually female entrepreneurs are employed at large corporations before deciding to start a venture on their own. Because of the small number of participants, the result of the survey cannot reliably underscore the literature-based outcome. Regarding Indian responders, 19 belonged to the group of students, 13 of them female aged 18-25. Furthermore, 2 of 6 serial entrepreneurs were women in the age group of 26-35. Moreover, in total 6 entrepreneurs have been managers before taking the step to self-employment. 50% of them were female managers. The tendency of Indian women entering entrepreneurial activities after being employed at a company can be clearly illustrated by the example of this survey. From over all 17 Indian entrepreneurs that have been working at corporations before, 76% were female.

To put these results in context with the theory, it can clearly be identified, that most of the participants of the survey belong to the group of opportunity entrepreneurs. As mentioned in the theory part, women who get pushed towards self-employment were often employed in well-paid jobs, but seek for greater self-fulfillment or better work-life coordination. The majority of the women entrepreneurs in the survey gained a few years of work experience and in line with this received further managerial training. They might even have had the chance to accumulate personal savings before taking the risks of a new venture creation. This advanced level of managerial knowledge and the sound financial resources enable women to lower their risk averseness and bolster their confidence in entrepreneurial credibility.

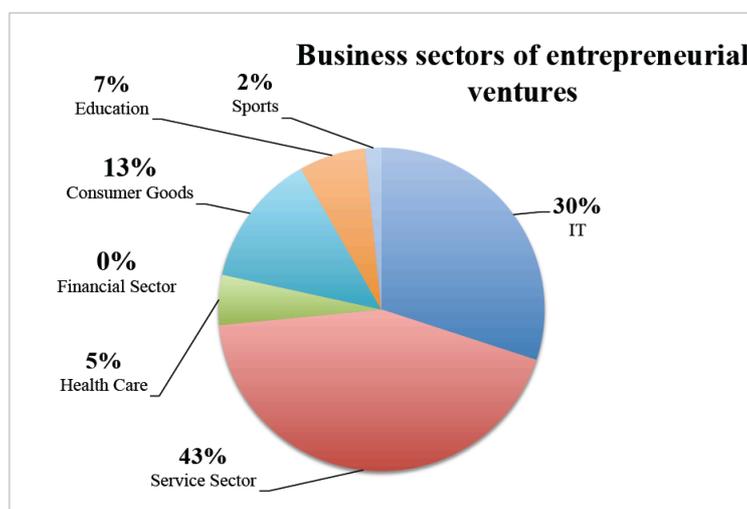


Figure 7 - Business sectors of entrepreneurial ventures

In the second question, in which the entrepreneurs categorized their ventures according to business sectors, there was surprisingly no difference between men and women notable. Female entrepreneurs were equally involved in IT businesses, service sector enterprises and educational startups as were men. IT startups are generally depicted as ventures with a mainly technical focus, while the service sector includes tourism, advertisement, media, online and consulting services. One Indian responder, for example, professed herself to be a wedding planner. Furthermore, consumer goods is a popular sector for female entrepreneurs, in rural as well as in urban areas. It is also the most convenient source of income, as the women entrepreneurs acquire money by applying their inherent skills, such as creating arts, handicrafts, apparel and edibles. Another advantage and reason why women, especially the group of 'aimless' entrepreneurs and return workers, tend to settle in the consumer goods sector is the option to start a business from home. That enables women to combine their family duties and the desire to greater self-fulfillment. But whether or not women start their businesses because they have the ability to pursue their own businesses or because they are forced to in order to satisfy family needs, there are further factors that influence the success of the venture creation process.

To find out what induces women to become entrepreneurs, the poll asked the participants to define the reasons why they decided to start a company (Figure 8).

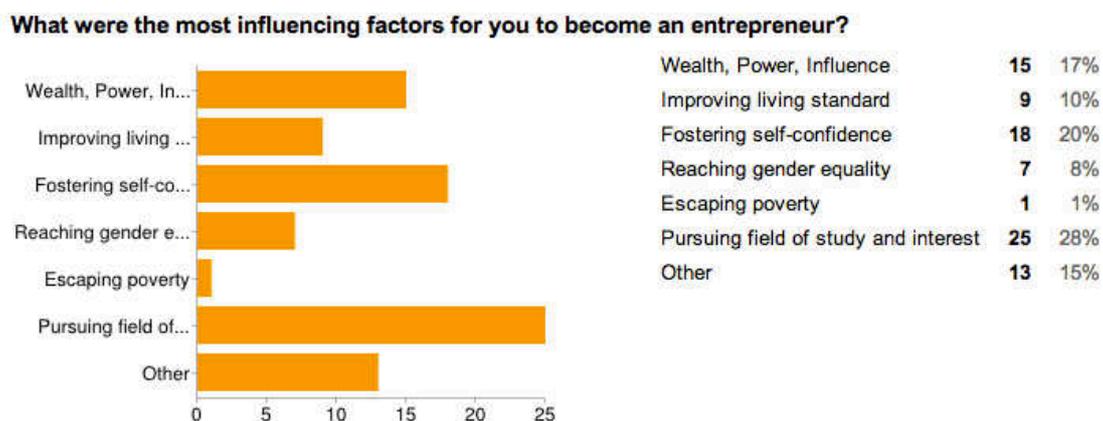


Figure 8 - Influencing factors in female entrepreneurship

The majority of Chinese responders mentioned that they hope to strengthen their self-confidence through pursuing entrepreneurship. In India, the majority of young female adults at the age of 18-25 were motivated by the expectation to get rich and to gain greater influence through economic power. At the same time, they too wish for a stronger self-confidence and believe to gain this through entrepreneurship. Furthermore,

among all participants, this age group was most concerned about gender inequality. Moreover, women aged 26-35, were bothered about a financially tight living situation and chose entrepreneurship in order to lift their living standard, probably because of increasing family-related responsibilities. In an equal ratio to the group of younger female entrepreneurs, they see entrepreneurship as a chance to boost their self-confidence. But surprisingly a large majority of female entrepreneurs acknowledged that pursuing their personal field of interest or study was their number one reason to join entrepreneurship. This result underscores the hypothesis that women, engaged in opportunity entrepreneurship, aspire to evoke their skills for greater self-fulfillment and thus build a startup based on their personal interests. For instance, yet further participants mentioned that reaching an even work-life-balance or preserving cultural art and heritage were their desirable goals. The male counterparts, however, did not evaluate this point to be equally important. Though one Indian male responder mentioned poverty as a motivating reason to follow entrepreneurship and two other were driven by the idea to bring change upon Indian society. From the small number of answers regarding poverty can be concluded, that only a minority of the targeted audience was actually pulled to self-employment in order to escape an indigent living environment. Motivation is the first step to empowerment for women entrepreneurs, but it is only the beginning. Various factors influence their entrepreneurial journey and shape their actions and decision-making accordingly.

## **8.2. Evaluation of Influencing Factors**

Besides motivating factors that either push or pull women into entrepreneurial activities, various factors can be harmful to a smooth venture creation process. In order to point up the results of the scholarly research, the second part of the survey was focused on the evaluation of socio-cultural and economic barriers and opportunities. In order to understand the processes in female entrepreneurship, one question was focused on the major skills, tools and the allover environment requirements the women needed to successfully start their business (Figure 9). Chinese entrepreneurs mainly argued that business connections (Guanxi) are essential for women to thrive in their venture creation process. Furthermore, closely linked to business contacts are sufficient networking opportunities. Indians estimated the importance of business connections and networking likewise to the Chinese participants. Especially women entrepreneurs at the age of 26-35 see high value in these activities. Nevertheless they argue that the

combination of good education and technical know-how is inevitable for running a start-up. Women entrepreneurs of this age group additionally emphasized the advantage of joining accelerators or federations and its effect on the enterprise. Accelerators, as mentioned in the theory part of this thesis, are three-month-long intensive entrepreneurship programs that combine mentorship, financial support and networking opportunities. Regarding the poll results of the generation of female and male entrepreneurs aged 18-25, they mainly agreed on the paramount effect of networking meetings and the necessity of possessing adequate technical knowledge.

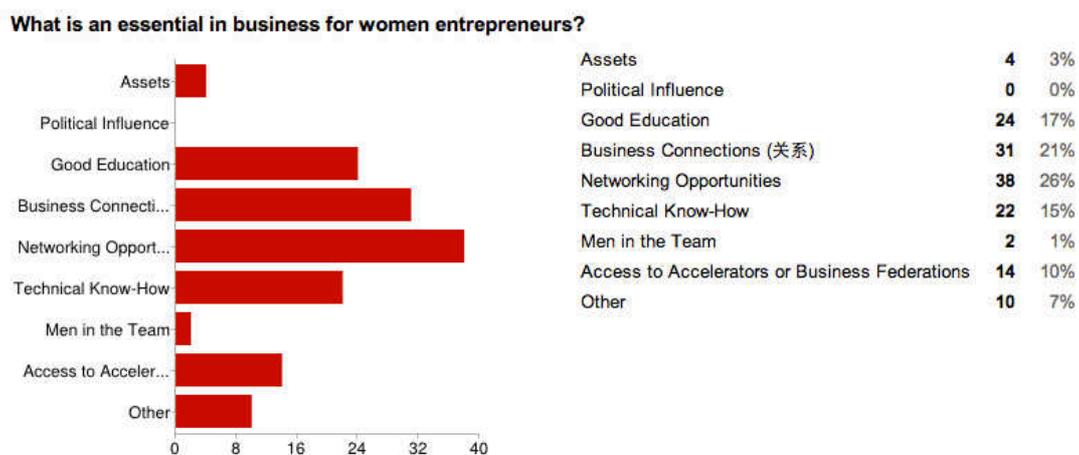


Figure 9 - Business essentials in female entrepreneurship

The survey ascertains that the combination of good education, useful business contacts, the availability of networking opportunities and an advanced technical know-how are the major necessities for a women entrepreneur. This compilation of skills should either be possessed by the founder of the venture or be assembled by the start-up team members. A male member in the team has hardly been seen as a major influential fact for a women-run venture to succeed; only two male responders said it would be helpful. Surprisingly, assets have not been validated as a major necessity. Yet, six responders alluded that the recipe for success is indefatigable persistency in following the dream of entrepreneurship. This has to be seen in context with household duties and further social responsibilities that tend to decelerate entrepreneurial processes of women and the hurdles they face while fundraising. One responder said that one must not give up fighting for the dream of having an enterprise. Moreover, two Indian male participants acknowledged that, at all stages of the entrepreneurial process, women most likely succeed when they have the full support of their family, friends and mentors. If a woman enjoys full support by her closest relatives, she will less likely face severe

pressure on marriage or the enforcement of being a housewife. For instance, unconfined support by family, friends and especially mentors has also been mentioned in the following question that examines the major challenges that hold women back from starting a business.

What is necessary for building a successful enterprise is closely linked to the awareness of challenges that can harm or retard the creation process. It became obvious that a sufficient educational background favors women in their entrepreneurial activities. But as discovered in the academic research, the majority of women cannot provide a high level of education. Therefore an additional question clarified to what extant education influences female entrepreneurship. For instance, 67% answered that it is very important and 33% said that it is fairly important. Generally the higher the educational level the more confident women feel about their skills and ability to successfully contribute to business-related activities. It also increases their confidence to handle or even break the social structures predetermined by the society's hierarchy. For instance, the lack of confidence has been mentioned by the majority of all participants, regardless the country, gender or age group, to be a serious discouragement for women to enter entrepreneurship. On the other hand, illiteracy was not cited as a significant challenge. From that follows, that the survey responders already reached an adequate level of education; it is the emotional and motivational intelligence they did not get taught in and hence lack this ability. But the low confidence among young entrepreneurs can also be seen in context to the tight hierarchical structures within both, Chinese and Indian, societies, especially when it comes to women. Being raised to act obedient towards men and elder people and being part of a society in which individualism is executed to a modicum, women will face serious struggles in decision-making processes which are inevitable in entrepreneurship. Chinese men and women entrepreneurs alike, cite the combination of inflexible society norms and a lack of confidence to be most harmful for female entrepreneurship. In the case of India, women in the age group of 26-35 are particularly concerned about their low level of confidence and the society norms to have negative effects on their business activities. Furthermore, they see their lack of advanced technical skills as a challenge in entrepreneurship and fear difficulties in defying the barriers of fundraising. The younger women entrepreneurs agree that social norms and low self-confidence are harmful for their entrepreneurial actions. The problem of raising capital did not yet seem to be of too much concern for the women entrepreneurs aged 18-25. In the evaluation of this question it became obvious that the

social environment women entrepreneurs are surrounded with, appears to be most adverse towards self-employment. Thus to get to the bottom of this broad issue of society norms, another question of the survey fathomed specific socio-cultural barriers in female entrepreneurship (Figure 10). Regardless country, gender and age group, from in total 49 participants in the poll, 31 mentioned the social hierarchy to be the most detrimental barrier for women with entrepreneurial aptitude. Second most severe hurdle for women entrepreneurs is household duties. Especially male and female entrepreneurs from India in the age group of 18-35 evaluate the oppression of marriage, starting a family, taking care of the household and constant support of the elderly, as harmful to a balanced work-life situation. This chiefly applies to the 53-57% of young Indian adults who live in joint family households. In China, household duties are seen less negative, because it confines only a minority of women entrepreneurs in their economic activities. As mentioned in the theory part, the elderly take over the household responsibilities in order to enable their grown-ups to pursue career advancement. In India, even though the elderly share the same household, young women are still expected to stay at home.

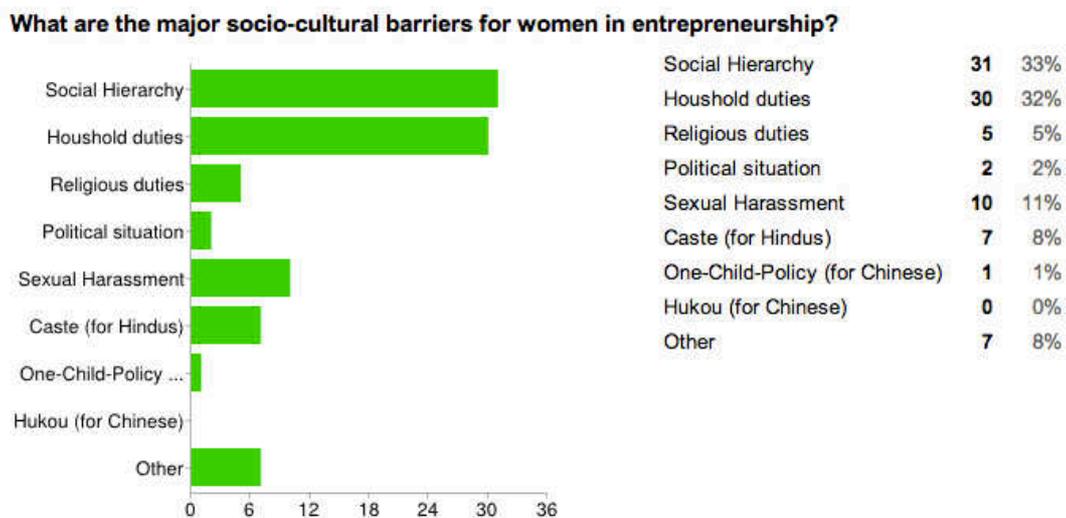


Figure 10 - Socio-cultural barriers in female entrepreneurship

The barrier of religious duties was mainly stated in combination with the constraints of the caste system among Hindus in India. But even a Chinese female participant mentioned religion to have a decelerating effect on her business activities. Discrimination according to caste or religion is nowadays prohibited by law; hence the caste order is barely perceivable in large cities. From that follows that compared to other socio-cultural barriers the contradiction of religious practice and entrepreneurship is rather insignificant. Yet another serious socio-cultural barrier, that has not been mentioned by Chinese participants but all the more by Indians, is the issue of sexual

harassment. Male and female entrepreneurs, aged 18-35, were equally concerned about the state of gender inequality and the subsequent unsafe environment for women. One young Indian adult mentioned, that it is perilous for her to travel through New Delhi to attend business meetings. As declared above, networking is crucial for every startup in order to get in touch with other entrepreneurs for exchanging experiences and investors for prospective funding. If women cannot attend these networking events due to security constraints, the business perspectives will be in shaky position. One responder mentioned and simultaneously emphasized the image women inherit in business, that she was not taken seriously because she was a woman. On the other hand, a few women entrepreneurs surprisingly mentioned that they did not face any barriers in their venture creation processes; resulting from the decreasing importance of traditional social and household duties in the developed business clusters, such as Bengaluru, Mumbai and Shanghai.

The socio-cultural barriers can increase in importance when it comes to financing the entrepreneurial project. As examined in the theoretical part of this thesis, women are adversely affected by their image of being less capable and less entrepreneurial, when they seek capital. The inferiority of women entrepreneurs in funding issues is similar to Chinese and Indians alike, only the funding patterns differ slightly (Figure 11).

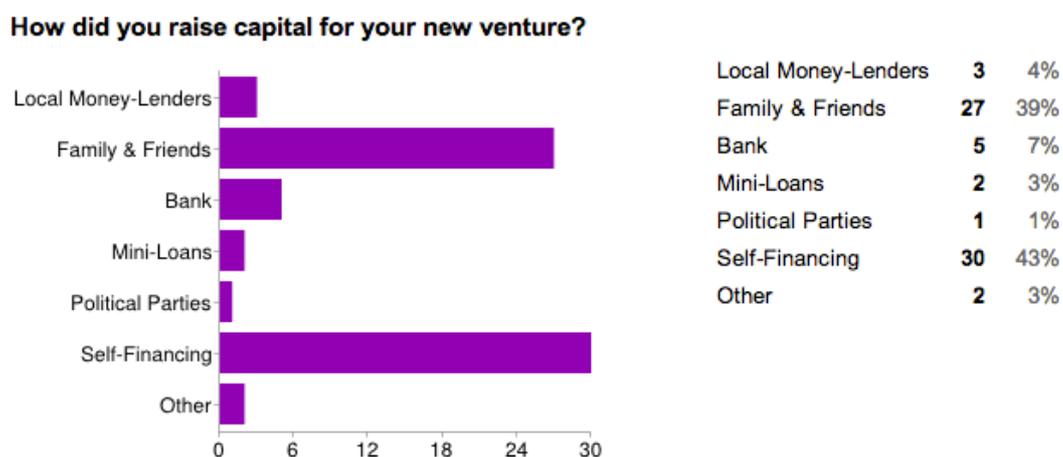


Figure 11 - Capital acquisition

For instance, Chinese entrepreneurs are more likely to reach out to local money-lenders to acquire capital than Indians. Probably because of the bad image money-lenders inherit in India due to their machinations of requesting too high interest rates on loans, Indians in urban areas try to dodge this option. Yet, the most traditional fundraising

patterns, bank credits and mini-loans, were hardly used by Chinese responders. Surprisingly no Indian female entrepreneur made use of this option either, it was only the male counterparts who raised capital via small loans. As identified in the theoretical part of this thesis, the most common combination for funding a start-up is self-financing and financial support through family and friends. Notably the male and female entrepreneurs at the age of 18-25 chose these options too, even though they did not have the chance to accumulate savings through full-time employment at a company before entering self-employment. But even the older age group relies on their relatives to supplement the financial foundation of the new enterprise. Besides the traditional ways of fundraising, one Chinese and one Indian female entrepreneur acquired money via Angel Investors or Venture Capital firms. With constantly new federations, associations, networks and accelerators emerging and hence the rise in awareness towards these programs, might lead to an increasing consideration of this fundraising option in the future. But in order to get the chance to participate in one of these programs or to be considered worth investing in by Venture Capitalists, women need be confident about presenting their ideas in front of investors and additionally need to be endowed with adequate knowledge about the creation of persuasive business plans. If women manage to play out both in a good manner, they will hardly experience gender bias in investment matters. But in order to reach this point, managerial and educational support is inevitable. One responder also mentioned that a hurdle to fundraising is not necessarily gender biased, it is a problem, prejudice within the society. Failure is no option and therefore the general public will think suspicious about entrepreneurs unless they can prove to be successful. To underscore this statement, one Indian entrepreneur cited that the fear of failure is one of the most compelling reasons why women entrepreneurs lack confidence in reaching out to investors.

All over, the survey shows the biases that women undergo while pursuing entrepreneurial activities. Even that it did not represent the poor and rural population of female entrepreneurs due to limited resources in the framework of this thesis, the questionnaire widely underscored the results of the theoretical part, such as the strong influence of societal norms and duties on women entrepreneurs. Furthermore it demonstrated that the majority of men participants were mostly in line with the results brought up by women. Therefore it can be disproved that the younger generation of men, at least in developed urban areas, foster gender inequality. They are aware of the

problems women are facing during their entrepreneurial journey and awareness is the first step to change in a rusty social system.

## **IV. CONCLUSION AND FUTURE OUTLOOK**

### **9. Conclusion**

#### **9.1. Challenges in Female Entrepreneurship**

The aim of this section is to sum up and combine the challenges women face in entrepreneurship mentioned in scholarly writings and the poll evaluation. While examining this topic, it became obvious that female entrepreneurship is affected by a set of three major, closely linked barriers: society, education and finance.

To start with the most influential aspect in female entrepreneurship, the society norms, literature and the empirical research added up to the same results. Regardless of the country, women face severe pressure on household duties and elderly care. In India it is the oppression to become a presentable housewife that hinders women in entrepreneurial advancement. After an arranged marriage<sup>48</sup>, they are expected to live with the husband's family and take care of all members of the household, often at the cost of their school education or job employment. Chinese women, on the other hand, are encouraged by their parents to receive as high of an educational level as possible and they are barely asked to leave their job in order to look for their children. This task is traditionally taken by the parents to enable their daughters to work their way up to well-paid jobs. In return to the indefatigable support provided by the parents, women are expected to carry the whole burden of elderly care. This also includes health care and housing. Due to the one-child-policy, women cannot share the expenses with siblings but have to acquire enough money to fund their own and their parent's life. Spotting these circumstances in the light of entrepreneurship, self-employment seems as a rather risky choice for women in China. Indian women will, due to time constraints, have difficulties to balance household duties and entrepreneurial activities. But in addition to the barrier of social and financial duties, the society in both countries is not ready for entrepreneurship yet. Women are expected to work in solid job sectors or should reach out for an MBA degree for greater career options. Entrepreneurship is not seen as a serious profession as long as one cannot verify substantial revenue.

Women are generally depicted with a low appearance profile regarding their education level and entrepreneurial credibility. The literature and empirical research discovered

---

<sup>48</sup> 90% of all Indian marriages are arranged (p.22).

several reasons for this deceptive image of women entrepreneurs. While the majority of Indian women lack an adequate level of education, Chinese women miss a creative way of thinking. Yet, both aspects are inevitable for successful venture creation. The influence of education on entrepreneurship can be divided in five different stages: basic and advanced education, managerial training, technical know-how and innovative thinking. Because of the well functioning mandatory 9-year education system in China, women entrepreneurs hardly face difficulties in entrepreneurship due to a low level of academic knowledge. Yet, if a woman wants to pursue further advanced training or studies, due to censorship, her options are limited.

In India only women in urban regions can demonstrate a sufficient level of education. But this minority of well-educated women often exceeds the academic level of other women around the globe. Most of them follow scientific or management degrees in areas, such as Medicine, Software Engineering and Economics. Due to the well-established entrepreneurship centers, women can even participate in comprehensive courses on entrepreneurship-related aspects and hence develop their managerial skills. The educational situation in rural areas differs significantly to the one in urban areas. For instance, in rural regions there are still a large number of illiterate women, not obtaining any advanced or higher degrees. But in consideration of the scarcity of jobs and widespread poverty in rural areas, entrepreneurship is particularly important in these regions.

Resulting from the patriarchal hierarchy that assigns very little decision-making to women, and the rather average education level, women entrepreneurs lack strong self-confidence. Both societies depict women with less entrepreneurial ability. This condition additionally adds up to the already low level of self-confidence, which is particularly harmful while fundraising. Women lack the courage to reach out to investors, because they know that financial institutions will not take them seriously as businesswomen. A further issue in the funding process of a venture, primarily applicable to Indian women in rural areas, is the absence of property rights. Only a small number of women possess a bank account; the majority is not allowed to obtain an account without the husband's dual ownership. This disables women from undertaking transactions or administering investments. To circumvent the problem of finding investors to fund the entrepreneurial startup, women most commonly use their personal or family's savings. But in consideration of the financial burdens women entrepreneurs in China and India have to meet and the uncertainty of success, due to

further social barriers that originate in gender discrimination, the decision to become an entrepreneur is rather risky for women. This results in a low number of women entrepreneurs in these countries.

## **9.2. Opportunities in Female Entrepreneurship**

Similar to the previous section, this part summarizes the literature-based and empirical results presented in this thesis. Female entrepreneurship steadily developed to balance equal rights for women. China reached this stage in most aspects of entrepreneurship through strict policies encouraging women empowerment. The barriers for Chinese women in successful venture creation are barely gender-related, but come primarily from a lacking ability to apply academic knowledge. Hence, these women mainly relate on advancement of opportunities that helped them develop innovative skills, rather than fundamental educational trainings. For instance, because of strict censorship of media in China, women have limited access to international education platforms, news or communities. This strongly influences the process of objective opinion and decision-making. In order to circumvent this issue, most Chinese students pursue a higher degree abroad. This experience does not only favor the academic level, but also shapes their personalities. Due to a rather static educational system, based on memorizing information, Chinese women particularly lack creative thinking processes. Once accepted to a western elite university, individual thinking and opinion making is actively fostered through the western teaching styles. The combination of a high educational level and an innovative thinking ability will prone Chinese women to become successful entrepreneurs.

For Indian women studying abroad is equally influential. While studying in another country, the social strings tend to loosen up. That enables women to decide and act more freely and hence gives them the opportunity to consider applying their academic knowledge in an entrepreneurial venture. The same trend is emerging in urban areas in India. There, women receive adequate education and are provided with networking and investment opportunities. Further possibilities to get in contact with mentors and advisors via university courses favor the empowerment of women to test their abilities in entrepreneurship.

The research also evoked that banks and organizations noticed the gap of funding options for women. Despite the traditional bank loans, women can now also apply for mini loans; a small-sum credit with repayment frequency ranging from one to four times

a month. But even while obtaining mini loans, financial institutions are involved. And they often deny credits to women based on their misleading image of entrepreneurial incapability. However, women have the opportunity to circumvent traditional institutions by seeking venture capital firms and angel investors. Private investors are usually high net worth individuals, often former entrepreneurs, who invest in promising startups in exchange for equity and a seat on the board of the company. Through networking meet-ups and business plan competitions women have the chance to jump all social hurdles and attract investors by expressing their knowledge and skillset. Networking events are organized on a weekly or monthly basis in all major entrepreneurship clusters, such as Bengaluru, Hyderabad, New Delhi, Mumbai, Pune, Shanghai and Beijing. Closely linked to emerging networking communities are startup accelerators and incubators. Admissions to these three-month long mentor programs are based on the business idea, regardless of nationality and gender. While these programs are only mediated to a modicum among Chinese and Indian women entrepreneurs by now, in the future this will be a popular solution for women who lack networking and funding perspectives. Another relatively new financing pattern is crowdfunding. Via specific crowdfunding platforms women can acquire money through community members, without giving up shares of the young venture.

## **10. Future Outlook**

This section briefly examines the aspects that need to be improved in both countries in order to decrease the barriers for women entrepreneurs and to provide them with more positive prospects for their entrepreneurial future.

Specific to China, the most compelling issues to improve are the teaching methods in schools and universities and the limited access to information due to censorship. Knowledge delivery in Chinese educational institution is static and inflexible and happens only in one direction, from the teacher to the student. Dialogues, discussions and teamwork are widely eliminated from the syllabus. This circumstance makes it impossible for young Chinese students to develop innovative, flexible and creative thinking; it also harms the process of decision-making. Yet, all these aspects are inevitable in entrepreneurship. From that follows that Chinese schools and universities need to implement electives or extra-curricular programs that foster particularly these skills. Popular in this area are workshops in Design Thinking - an ideation concept that is executed through different brainstorming methods. Further, universities could

implement applied entrepreneurship programs. In the framework of such a course students should work either on actual business ideas or on model cases. While theory-based information is delivered to a modicum, the entrepreneurs are forced to undergo comprehensive research and will be pushed to apply innovative and creative methods to ensure the startup to succeed. As an incentive, the business plans and business strategies should either be graded or awarded. Programs like these exist on a voluntarily basis, but implementing it in the regular syllabus of a student will measurably advance their ability of innovative thinking.

India, on the other hand, requires a very different approach. While strictly executed education policies focused on female empowerment are inevitable, further educational programs need to be implemented. India is rather diverse and therefore entrepreneurial programs need to be flexible. That means, mentors of entrepreneurship initiatives need to meet the language requirements and they need to understand the ecosystem and culture of every region they operate in. In order to successfully empower women to become entrepreneurs, a program needs to be tailored according to the women's needs. This could be achieved by a concept of elective services. Once a female entrepreneur decides to join a program, she can choose from a set of services she wants to join. This will help her to develop skills specifically needed in managing her individual business. As an example, these services could include workshops in taxation, accounting, legal matters and management or even fundamental trainings, such as arithmetic or language courses. No woman should be forced to undergo all courses, but only the ones they assess as most important. Furthermore, women should be granted small amounts of funding to enable the first steps of the venture creation. This idea of empowering women entrepreneurs differs significantly from ordinary accelerator programs as in no equity shares will be cut off from an inchoate startup. Such programs could, for example, be executed by NGO's or initiated by the government.

Even that women in urban areas do not suffer from the same barriers as women in rural regions, further support of this well-educated group of women entrepreneurs can only be favoring the country's economy. One way of doing this would be governmental incentives for self-employed women, such as personnel arrangements for child support. Regarding both countries, the most compelling issue that needs to be erased or limited is the prevalent influence of corruption on all aspects of business. Corruption impedes women from creating or advancing their venture. It keeps them from receiving business, trade or property permits and hence decelerates the entrepreneurial processes.

Moreover, women of both countries mentioned their limited networking opportunities. Networking is crucial for success in the entrepreneurship sector, on the one hand to exchange failures and experiences and on the other hand to get in contact with prospective investors. There are already accelerators and a small number of federations focusing on the creation of all-women ecosystems. But there is still a lot of space to take action in and improve the situation for women. A prime example is the initiative Women 2.0. They organize monthly networking events exclusively for women. They invite successful entrepreneurs to present their ventures, include women angel investors in the network and hence enable easier access to funding for community members. It is important to establish communities similar to Women 2.0, in urban and in rural areas. This will additionally enable a boost of an entrepreneurial mindset in rural regions. The idea of creating communities can particularly be successful in collectivistic cultures, such as India and China. By enabling constant exchange among community members of do's and don'ts in entrepreneurship, women will gain greater confidence about their ability to succeed in their entrepreneurial activities. When these regular meetings cover themes related to issues women face in their venture creation, it can be asserted that the women entrepreneurs will attend and profit from these meetings.

Yet another advantage for women entrepreneurs would be a higher ratio of women in public policy positions. In this manner, role models for women could be provided and the female perspective could find its way into economic policies. With a rather low percentage of female participation in policy-making in both countries, this predication applies to governments in China and India alike.

To put it in a nutshell, the awareness of underutilization of women is increasing and simultaneously will the appreciation of women's active participation in business, for example, as entrepreneurs. The so-called 'third million', the amount of women still excluded from the labor market, can create millions of jobs through entrepreneurship; an economic asset that must not be underestimated, but encouraged by the government. However, policies favoring women entrepreneurship made a long way in both countries and did not yet achieve equal rights for women, at least in India. Moreover, female entrepreneurship is nowadays widely influenced by globalization and hence women empowerment in entrepreneurship needs to include far more than governmental policies regarding gender equality in order to succeed. At this point, NGO's need to swoop in to establish initiatives that actively encourage women to believe in themselves, to believe

in their abilities, to fight against social oppressions and finally to risk the dream of self-employment or short: help them become an entrepreneur.

## **LIST OF REFERENCES**

### **Books, one author**

- Wei, Bu (2004): Promises of Empowerment. Women in Asia and Latin America. Lanham, Md (a.o.): Rowman & Littlefield
- McAdam, Maura (2013): Female Entrepreneurship. New York: Routledge
- Kariv, Dafna (2013): Female entrepreneurship and the new venture creation. An international overview. New York: Routledge
- Yunus, Muhammad (2003): Banker to the poor. The story of the Grameen Bank. 2nd issue. London: Aurum Press Ltd.

### **Books, multiple authors**

- Drèze, Jean; Sen, Amartya (2013): An Uncertain glory. India and its contradictions. London: Penguin Group
- Hewlett, Sylvia Ann; Rashid, Ripa (2011): Winning the war of talent in emerging markets. Why women are the solution. Boston, MA: Harvard Business Review Press

### **Books, multiple essays**

- Brush, Candida G. (2006): Oxford Handbook of Entrepreneurship. Women Entrepreneurs. A research overview. Oxford: Oxford University Press
- Goel, Geetika et al. (2011): Female immigrant entrepreneurs. The economic and social impact of a global phenomenon. Female immigrant entrepreneurship in Uttar Pradesh, Surrey: Gower Publishing

### **Journals, one author**

- Dhaliwal, Spinder (2007): Dynamism and enterprise. Asian Female Entrepreneurs in the UK.  
[http://www.creatingaroadhome.com/new/wp-content/uploads/dynamism\\_and\\_enterprise\\_asian\\_female\\_entrepreneurs\\_in\\_the\\_united\\_kingdom.pdf](http://www.creatingaroadhome.com/new/wp-content/uploads/dynamism_and_enterprise_asian_female_entrepreneurs_in_the_united_kingdom.pdf)
- Tripathy Lal, Dr. Anita (2012): Women Entrepreneurs in India-Over the years!  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2176377](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2176377)

- Kirton, Raymond Mark (2013): Gender, Trade and Public Procurement Policy.  
<http://thecommonwealth.org/sites/default/files/news-items/documents/Gender,%20Trade%20and%20Public%20Procurement%20Policy.pdf>
- Mahey, Sonia (2011): The status of dalit women in India's caste based system.  
[http://edoqs.com/pdf/the-status-of-bdalit-womenb-in-indias-caste-based-system\\_3c267f3807a216db253c15b59d9f8208](http://edoqs.com/pdf/the-status-of-bdalit-womenb-in-indias-caste-based-system_3c267f3807a216db253c15b59d9f8208)
- Chavan, Pallavi (2008): Gender inequality in banking services in India. A note.  
[http://www.agrarianstudies.org/UserFiles/File/Chavan\\_Gender\\_Inquality\\_in\\_Banking\\_Services.pdf](http://www.agrarianstudies.org/UserFiles/File/Chavan_Gender_Inquality_in_Banking_Services.pdf)
- Nauman, J. (2010): The Caste System of India.  
<http://www.umsl.edu/~naumannj/Geography%201001%20articles/ch%207%20language%20&%20religion%20in%20culture/The%20Caste%20System%20of%20India.doc>

#### **Journals, multiple authors**

- Kaur, Gaganpreet; Singh, Dr. Sukhdev (2013): Women Entrepreneurs in India. Problems and Prospects.  
<http://thirdfront.in/index.html/documents/5.pdf>
- Bidnery, Chris; Eswaranz, Mukesh (2012): A gender-based theory of the origin of the caste system of India.  
[http://www.isid.ac.in/~pu/conference/dec\\_12\\_conf/Papers/MukeshEswaran.pdf](http://www.isid.ac.in/~pu/conference/dec_12_conf/Papers/MukeshEswaran.pdf)
- Iyer, Lakshmi et al. (2011): Caste and Entrepreneurship in India. Harvard Business School Working Paper  
<http://www.hbs.edu/faculty/Publication%20Files/12-028.pdf>
- Settles, Barbara H. et al. (2008): The one child policy and its impact on Chinese families  
<http://www.hdfs.udel.edu/files/pdf/OneChildPolicy.pdf>
- Wadhwa, Vivek et a. (2011): The Grass is indeed greener in India and China for Returnee Entrepreneurs. America's new immigrant entrepreneurs, Part VI. Kauffman Foundation  
<http://www.kauffman.org/newsroom/2012/09/greener-pastures-at-home-entice-chinese-and-indian-entrepreneurs-from-united-states-kauffman-study-shows>

- Kelley, J. Donna et al. (2013): Global Entrepreneurship Monitor. 2012 Women's report.  
<http://www.gemconsortium.org/docs/download/2825>

### **Journals, multiple essays**

- Nayar, P.K.B.; Nair, Sobha S. (1997): Factors contributing to changes in women's roles within the family and their influence on women's status. The case of Kerala, India.  
<http://www.cicred.org/Eng/Publications/pdf/c-a32.pdf>
- World Bank - International Finance Corporation (2006): Women Entrepreneurs and Access to Finance. Global Profiles  
[http://www.ifc.org/wps/wcm/connect/topics\\_ext\\_content/ifc\\_external\\_corporate\\_site/ifc+sustainability/publications/publications\\_report\\_accesstofinance-globalprofiles\\_\\_wci\\_\\_1319577113836](http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+sustainability/publications/publications_report_accesstofinance-globalprofiles__wci__1319577113836)

### **Webpages**

- Green, Christopher D. (2000): A theory of human motivation by A.H.Maslow  
<http://psychclassics.yorku.ca/Maslow/motivation.htm>
- Warnecke, Tonia (2013): Can female entrepreneurship programmes support social and solidarity economy? Insights from China and India.  
<http://www.unrisd.org/80256B3C005BE6B5/search/8C7D189297B145E1C1257B3A00504F17?OpenDocument>
- Van der Brug, Jacky (2013): The rise of female entrepreneurs  
<http://blogs.hbr.org/2013/09/global-rise-of-female-entrepreneurs/>
- Alberts, Hana R. (2010): Why China is an incubator for women billionaires  
[www.forbes.com/2010/03/22/billionaire-women-entrepreneur-china-richest.html](http://www.forbes.com/2010/03/22/billionaire-women-entrepreneur-china-richest.html)
- Ghosh, Palash (2013): Indian women get back to work faster than western, japanese counterparts. Report.  
<http://www.ibtimes.com/indian-women-get-back-work-faster-western-japanese-counterparts-report-1152053>
- Elliott, Allison (1997, 2012): Caste system in India  
<http://postcolonialstudies.emory.edu/caste-system-india/>
- Miriklis, Freda (2013): Keynote address by Freda Miriklis. President of the International Federation of business and professional women

- <http://thecommonwealth.org/media/news/10th-womens-affairs-ministers-meeting-dhaka-bangladesh-keynote-address-freda-miriklis>
- Granger, Sarah (2012): A wave of angel investing organizations focuses on women  
<http://blogs.hbr.org/2012/12/a-wave-of-angel-investing-orga/>
  - Sharma, Amol (2011): Bribes, Bureaucracy Hobble India's New Entrepreneurs  
<http://online.wsj.com/news/articles/SB10001424052970204479504576639233537716542>
  - World Bank (2013): Banking on Women. Extending Women's Access to Financial Services.  
<http://www.worldbank.org/en/results/2013/04/01/banking-on-women-extending-womens-access-to-financial-services>
  - Geert Hofstede. Cultural dimensions.  
[http://www.geert-hofstede.com/hofstede\\_dimensions.php](http://www.geert-hofstede.com/hofstede_dimensions.php)
  - List of Scheduled Tribes in India.  
<http://tribal.nic.in/WriteReadData/CMS/Documents/201306030201065184795StatewiseListofScheduledTribe.pdf>
  - UN Data Statistics. Country Profiles.  
<http://data.un.org/CountryProfile.aspx?crName=India;>  
<http://data.un.org/CountryProfile.aspx?crName=China>
  - UN Universal Declaration of Human Rights  
<http://www.un.org/en/documents/udhr/index.shtml#a26>
  - Census of India Statistics.  
[http://censusindia.gov.in/Census\\_And\\_You/age\\_structure\\_and\\_marital\\_status.aspx](http://censusindia.gov.in/Census_And_You/age_structure_and_marital_status.aspx)  
[http://censusindia.gov.in/Census\\_And\\_You/literacy\\_and\\_level\\_of\\_education.aspx](http://censusindia.gov.in/Census_And_You/literacy_and_level_of_education.aspx)
  - Arranged Marriage Statistics.  
<http://www.statisticbrain.com/arranged-marriage-statistics>
  - World Bank Data. Mortality Rate.  
<http://data.worldbank.org/indicator/SP.DYN.IMRT.IN>
  - World Bank Data & Research. Teacher Absence in India.  
<http://go.worldbank.org/X1GCHTPMG0>

- Abortion Statistics China.  
<http://www.allgirlsallowed.org/forced-abortion-statistics>
- China Education Center  
<http://www.chinaeducenter.com/en/cedu.php>
- UNICEF Statistics. Country Profiles.  
[http://www.unicef.org/infobycountry/china\\_statistics.html](http://www.unicef.org/infobycountry/china_statistics.html)  
[http://www.unicef.org/infobycountry/india\\_statistics.html](http://www.unicef.org/infobycountry/india_statistics.html)
- Institute of International Education Statistics. China's Students Overseas.  
<http://www.iie.org/en/Services/Project-Atlas/China/Chinas-Students-Overseas>
- Entrepreneurship Development Institute of India. Draft Entrepreneurship Policy.  
<http://ediindia.ac.in/e-policy/>
- Legatum Institute of Entrepreneurship. Survey  
<http://www.li.com/docs/publications/2010-publications-survey-of-entrepreneurs--india.pdf>  
<http://www.li.com/docs/publications/2010-publications-survey-of-entrepreneurs--china.pdf>
- Angel Investment Network. Survey Female Entrepreneurship by yourstory.in and WeConnect  
<http://www.angelinvestmentnetwork.net/2013-03/infographic-women-entrepreneurship-in-india>
- U.S. Small Business Administration. Venture Capital.  
<http://www.sba.gov/content/venture-capital>
- List of Top Women Angel Investors and Venture Capital Firms  
<http://empowerlounge.com/top-women-angel-investors-and-venture-capital-firms>