Entrepreneurship Among Minorities In Small Scale Industries: Literature Review And Research Perspectives

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INTRODUCTION

More than ever, the driving force in the modern economy remains entrepreneurship. Entrepreneurs are meeting our economic needs through the creation of thousands of new businesses each year. While larger corporations have instituted "downsizing" or "outsourcing" programs, job creation and economic growth has become the domain of the new ventures and the entrepreneurs who create them. If small businesses are to make the uttermost contribution to the economy, it is, therefore, incumbent on policy makers, trainers and business advisers to pay attention to the factors impeding and fostering their start-up.Small Scale Sector has been considered as one of the major contributors to economic development of India and the reasons are obvious. For a given quantum of capital, the employment potential offered by the Small Scale Industries is above two to three times more compared to large sector; also, for a given quantum of capital, greater economic activity can be sustained by setting up more units and the spread of units can be widely distributed to achieve decentralization of economic activity.

ENTREPRENEURSHIP AND SMALL BUSINESS

The importance of industrialization as a means of achieving rapid growth and prosperity has all along been recognized in the thinking on development strategy for independent India. (Ahluwalia 1998; 151). The Indian economy being a developing one is confronted with the paradox of growth and unemployment in its attempt at industrialization. One way of reducing unemployment is to inculcate the spirit of entrepreneurship among the educated youth, which will result in chain effect of growth as the successful entrepreneur will continue to expand their activities rapidly. For achieving higher growth rates and maintaining high levels of employment, promoting entrepreneurship through small scale industry seemed to be most appropriate for the developmental process. Growth through small industry is advocated due to low investment, higher employment and high value added per one rupee, dispersal of industries and social change. In the words of Ram Dawar, small scale industrial units are considered as the instruments of change, growth and diversification. Recognizing the role of small scale industry in developing the economy, the Government of India has taken steps to encourage promotion, growth and development of entrepreneurs through small scale industry. This is manifested in its policies and policy measures. All this has resulted in the growth of SSI units. There is growing realization about potential contribution of small enterprises both in developed and developing countries. Because of their unique economic and organizational characteristics, small enterprises play important economic, social and political roles in employment creation, resource utilization and income generation and in helping to provide change in a gradual and peaceful manner. Socio-economic factors affecting small enterprises came to be noticed during industrial revolution, with notions of entrepreneurial importance gaining favor by the mid-twentieth century. During the 1960s, the behavior of the individual came to be highlighted as a major factor contributing to small enterprise development as entrepreneurship and, therefore, supply of entrepreneur came to be recognized as critical to development. The Industrial Revolution was accomplished largely through Small Scale Industries (SSIs) entities with modest capital, a few score workers at most, owned and managed by a single individual of the family. Really large firms were slow to emerge. As late as 1900, the hundred largest British industrial firms accounted for no more than 10 percent to 15 percent of manufacturing value-added, and the same held true in the rest of Western Europe and

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North America. The explosive growth of really large scale organizations occurred in the next half century; large firms are now the dominant mode. But their share of employment is smaller, relative to output. Healthy small business sector is rightly considered to be the backbone of any developed economy. Research studies conducted in USA (Birch, 1987) suggest positive link between economic development and entrepreneurship. Similar systematically conducted research studies are rarely available in developing and underdeveloped countries. But absence of such studies does not suggest that such a positive relationship does not exist in developing and underdeveloped countries. Even in the case of heretofore tightly controlled economies in Eastern Europe, people are anticipating that small businesses and entrepreneurship will lead the way to new economic development. In newly industrializing countries, small enterprises become the focus of various approaches to entrepreneurship development since they function as "*Seedbeds of entrepreneurial and managerial talent*". People from all walks of life are encouraged to set-up their own small businesses, thus providing a wide base for industrialization. The Small Scale Industries sector in India, over the past 50 years, has made significant contributions towards building a strong and stable national economy. It has attained successive heights by enhancing its fundamental strength and resilience. This sector is producing a wide range of more than 7,500 products, accounting for almost 40 percent of the total production of the manufacturing sector and 35 percent of the total exports. The SSI Sector also acts as a nursery for promoting entrepreneurial talent and as a catalyser in industrial growth through a wide network of more than three million units in the country (SSIs account for 95 percent of the total industrial units). At present, the SSI sector is one of the largest employers in the country, providing direct employment to an estimated over 17 million persons. It has thus, emerged as a conduit for fulfilling the national objectives of providing gainful employment. The linkages between the small scale and large scale industries get strengthened through ancillarization and sub-contracting.The SSI sector has been a prime contributor to the overall growth of the industrial sector in India.The growth rate recorded by the SSI sector has normally been higher than that of the industrial sector as a whole. As one of the important segments of the economy, the SSI sector acts as a prime mover in pushing up the industrial growth and give boost to overall economic growth.

IMPORTANCE OF MINORITY ENTERPRISES IN SMALL SCALE SECTOR

The rapidly growing segment of a small business population is minority- owned businesses. Minority businesses have been the subject of growing interest from a variety of sources in recent years for a number of reasons. From an economic standpoint, it can be argued that the ability of any economy to be enterprise based depends on their ability to encourage and support entrepreneurship in all sections of society, including minorities. Entrepreneurship in minority communities can also contribute to reducing social exclusion and contributing to raising living standards in groups that can be often among the more disadvantaged in society. Moreover, because of a tendency for minorities to concentrate in particular localities, the development of some local economies, and the standard of living within them, may be heavily influenced by the nature and extent of minority business development. Minorities are under-represented in terms of self employment and small business ownership. The point to stress is that there are variations in the levels of entrepreneurship between minority groups, suggesting that there may be unfulfilled potential for business ownership when viewed at the macro level. Previous research on minority enterprises has drawn attention to the similarities and differences with other types of small firm, as well as to certain conceptual issues concerning what constitutes a minority business. Whilst the convention is to define a minority business on the basis of the religion of the main owner, the extent to which a firm demonstrates distinctive behavioral attitudes and experiences distinctive 'support needs' is likely to vary according to the family traits. Since most minority businesses are small firms, they share many of the characteristics and problems faced by small firms more generally. These include frequent problems in raising finance to start a business and/or expand (particularly in the early stages) and deficiencies in certain core management competencies, such as marketing and financial management skills. One of the distinctive characteristics of small firms in comparison with their large firm counterparts is a more limited internal resource base (particularly in terms of finance and management) and many minority businesses share the constraints that stem from this. Many are also characterized by the combination of ownership and management that is associated with distinctive patterns of organizational behavior in small enterprises (including attitudes to risk), which in, minority businesses can often be associated with family ownership. Some previous research has also drawn attention to the tendency of minority businesses to focus, initially at least, on co-ethnic customers and markets, either because of the intrinsically ethnic nature of the product or service being offered for sale, or because of a reliance on informal sales and 'marketing' for providing them an opportunity to grow, especially through provision of capital. **Ramakrishnan (1975)** surveyed 94 small scale units employing five or more persons in eleven important industry groups in urban Delhi. He analyzed the social, educational and occupational backgrounds of entrepreneurs, their motivations, expectations and reactions to schemes of assistance by the Government. He also collected information relating to the entrepreneurs who failed to commence production and those who dropped out after commencement of production.**James J. Berna (1960)** studied fifty manufacturing firms engaged in various kinds of light engineering production in and around Madras city and Coimbatore. Most of the firms at the time of starting were of medium size. Dr. Berna studied the entrepreneurs' background and origins and found that the initial entry into industry was open to persons of very different social standing and economic position .His basic finding goes against the popular belief that caste and tradition play an important role in the emergence of entrepreneurs.One of the most interesting findings is that the medium size manufacturing firms have mostly grown from small scale units. Moreover, he states that the growth of enterprises has been achieved in the face of formidable obstacles. He also rated that entrepreneurship displayed in that region is of a fairly high quality.Dr. Berna further feels that the performance of the entrepreneurs could be improved, and their contribution to industrial progress could be increased, if certain help in techniques of production and management could be provided to them. Dr. Berna points out that medium scale enterprises are neglected by the government as the developmental efforts are more focused on small scale industries.He maintains that medium scale enterprises also should receive intensive help as such enterprises have already demonstrated their capacity to grow and their capability to speed up industrialization. **Oomen (1972)** examined the emerging pattern of entrepreneurship in the small scale sector of Kerala by studying the origin and growth of firms in the light engineering industry and the impact of Government programmes like Industrial estates and rural industries project on entrepreneurship. The study was based on the data collected from 45 entrepreneurs.It was found that engineers and technicians formed the single largest group of the entrepreneurs and most of the merchants who started industry were Muslims.**Pritam Singh's (1963)** study focused on empirical findings relating to indigenous entrepreneurship after Independence in the country as a whole.Both small scale and large scale entrepreneurs were evaluated in terms of their contribution to economic development.He contended that entrepreneurs need not necessarily be an innovator in the Schumpeterian sense but may be involved in the adoption of institutions which have been developed in other countries. **V.R. Gaikwad and R. N. Tripathi (1970)** studied the small entrepreneurs of Tanuku region of West-Godavari district in Andhra Pradesh. The study observes that all the entrepreneurs were persons with initiative, drive and hard work, though the majority of the entrepreneurs had no technical knowledge, nor strong economic base or strong political connections. Moreover, very few had any idea of the work involved and any definite idea about the government policy. This study also brings out an interesting finding about traders' opinions on industries. The traders realize the scope of industries in the region but hesitate to take up industrial entrepreneurship because, in their opinion, it requires large outlay, high managerial and organizational skills and technical knowledge. Moreover, they are not prepared to wait for returns as the industries have a long gestation period. In their opinion, the problems of an industrialist are multifold. They think that industrialists enjoy better status than the tradesmen. This finding of Gaikwad and Tripathi is very important for policy makers as the tradesmen are often looked upon as potential entrepreneurs. **K.L. Sharma (1978)** surveyed 245 small entrepreneurs from Punjab and Uttar Pradesh and tested a model for entrepreneurial development. His model of entrepreneurship-growth envisages it as a process with four stages, viz., entry, expansion, perception of stability and commitment to sustained growth. He concludes that the role of government policies and its implementation become crucial to sustain the interest of the entrepreneurs in the continuous expansion of business. **Shetty (1964)** emphasized the role of "initiative" as opposed to innovative entrepreneur-managers in the new industrial countries. According to him, the small enterprises constitute the predominant form and such enterprises serve as the seed bed for spotting and nurturing much needed entrepreneurial talent. To explain his point, he draws examples from India. **K.L Sharma (1975)** studied the entrepreneurs in Uttar Pradesh with respect to their entrepreneurial orientation, commitment and achievement.He found that entrepreneurs in Uttar Pradesh have higher entrepreneurial orientation than entrepreneurial commitment and achievement. The low entrepreneurial achievement is attributed to non-conductive socio-economic milieu, non-commitment of workers and officials and shortages of raw materials and capital.It means that entrepreneurial motivation fails to infuse entrepreneurial commitment and achievement in unfavorable social milieu and the success of entrepreneurship can be assured by providing better conductive environment. The data also reveals that non-business castes have a higher degree of entrepreneurial orientation and higher commitment to the methods based largely on word of mouth. Finally, the informality that is commonly found in the recruitment practices of small, and particularly very small enterprises, can be associated with a reliance on co- ethnic labour in small minority businesses. At the same time, it is important to recognize the diversity of minority businesses, between different minority groups and in some cases, between generations within the same group, which can affect the distinctiveness of this type of enterprise compared with other small firms. This distinctiveness is reflected in the types of business activities chosen by members of different minority groups and in the strategies they use to mobilize resources. Cultural factors can also affect the value placed on entrepreneurship and the motives for starting a business, although it is important to also recognize the role of 'opportunity structures' presented by the social and economic context, as a contributory factor, as well as cultural influences. Clearly, there are many interrelationships between ethnicity, culture and enterprise, which mean that minority enterprises are a heterogeneous group whilst sharing many of the underlying characteristics of the small business population more generally. Minority owned businesses have come a long way in the past decade, however, and their success rate is climbing. A recent study by the Small Business Administration (SBA) reported that minorities now own 15 percent of all businesses. Minority owned businesses generate $591 billion in annual revenues and employ more than 4.5 million workers. The future is promising for this new generation of minority entrepreneurs, who are better educated, have more business experience, and are better prepared for business ownership than their predecessors. It is in this context that in the rest of the paper we emphasis the need for research in this direction based on the received western as well as Indian literature.

LITERATURE REVIEW

INDIAN ENTREPRENEURSHIP: SOME EMPIRICAL STUDIES

An attempt has been made here to make a review of the studies on entrepreneurship. It may be noted that interest in the development of entrepreneurship arose only in the late fifties. Many scholars have shown great interest in studying the various aspects of entrepreneurship in India. It would be appropriate to have a brief review of some of the works done so far in this field. There are some attempts to study Indian Entrepreneurship on the basis of its caste origin. Such studies are considered to be more relevant to the Indian situation as its occupational structure and occupational mobility is governed by the caste system, though its importance is diminishing over a period of time. The most important technical group which dominated the industrial scene in the latter half of the 19th century and attracted the scholars' attention in analyzing Indian Entrepreneurship is 'Parsi'. Robert Kennedy (1962) attempted to fit Weberian model to analyze the commercial bent of the Parsi mind.He tried to correlate the values associated with economic activity and values associated with scientific pursuits to the values as expressed in Zoroastrianism. His paper maintains that the Parsi Entrepreneurship can be explained by their Zoroastrian teachings.**Amalendu Guha (1970)** reviewed the development of Parsi Entrepreneurs during 1750-1850 . He accounts several reasons for their success in business and industry and indicates their interest in European forms of business organization, development of shipping and ship-building, exploration of new markets, acquisition of a working knowledge of the English language and quickness to adapt themselves to the changed political circumstances as some major factors. He argues that the success of Parsi businesses cannot be explained purely by religion or by their Puritanism. The Parsis' success has, therefore, been explained by their ability to adjust themselves to European power and their relative non-involvement in earlier civil and military administration. The nature of entrepreneurship in Marwari community is analyzed by Thomas Timberg (1978). He analyzed the theory of entrepreneurship with respect to the Marwaris' success in business and their late entry into industry. He concludes that as entrepreneurs, the Marwaris performed crucial roles in the development of the industrial and commercial economy of northern India.

Nafziger's (1928) study focused on the origins of the fifty four manufacturing entrepreneurs in Vishakapatnam. It offered one perspective on vertical socio- economic mobility, and the differences in economic opportunities between the privileged and under privileged classes of the population. A highly disproportionate number of successful industrialists are from Brahmans and from families with a high economic status. The studies mentioned below can be classified as spatial studies of Indian Entrepreneurship. These studies have analyzed the various aspects of entrepreneurship available at a particular location.

Mc Crary (1976) made case studies of 17 small scale firms in Uttar Pradesh and focused his attention on the craftsman entrepreneur whom he regarded as a needed source of good industrial entrepreneurship. He analyzed the reasons for the high mortality rate and the lack of the growth of their firms and made some policy recommendations application of effective methods of market expansion than the traditional caste entrepreneurs while the latter have more spatial expansion of markets and higher sales. The low degree of entrepreneurial orientation and commitment in business caste entrepreneurs can be explained not because of their interest and capabilities, but because of the well established business that is inherited from their fathers.,**K.L. Sharma (1976)** studied inter-state patterns of entrepreneurial performance by selecting samples from Punjab and Uttar Pradesh.The study reveals that inter-state variation in the industrial climate gives rise to variation in entrepreneurial performance, and better the climate ,the better would be the performance. The study affirms that socio-economic background matters, to some extent, for one's entry into manufacturing.As the instability in business climate leads to non-commitment of entrepreneurs, government has to take some steps to help the situation to improve and assure good prospects for entrepreneurial activity. **Narain Singh (1964)** studied 25 light engineering units in Agra. He classified the units on the basis of assets and employment and observed **(i)** An increase in employment almost in proportion to the size of assets; **(ii)** Dominance of Agarwal merchants and manufacturers; **(iii)** Existence of profit on the main motivating factor; **(iv)** Absence of relationship between the traditional business and the present manufacturing activity; and **(v)** Absence of borrowing from Governments. **Shivramu (1982)** made an exploratory study of entrepreneurs by collecting data from 51 entrepreneurs in Bangalore. The study gives the characteristics of the successful entrepreneurs, motivating factors for an entrepreneur to start his own business, causes for business failure, factors to be considered while selecting a business and skills and weaknesses to be self-assessed on the basis of other studies. **Manohar Deshpande (1982)** surveyed 90 units in the Marathwada region (Maharashtra). He evaluated the socio-economic origins of entrepreneurs and problems faced by them at various stages. He established the relationship between such a performance and the causative factors. The study revealed that the upper strata of the society availed most of the economic benefits created by the Governmental agencies. The study stressed "to get by the primary occupation" is an important pre-condition for the development of entrepreneurship. It revealed that caste, family occupation and father's occupational status are important for entry into the business of manufacturing. **SIET (Small Industries Extention Training Institute) Hyderabad (1974)** conducted a survey of small units situated in Hyderabad and Securnderabad. The study probed into the reasons for starting industrial units by interrogating 61 entrepreneurs. The study reveals that "economic gains" was the most important reason for starting the small industrial units followed by "ambition", "social prestige" and "social responsibility", in that order. Along with this, "high demand" for the product perceived had been the most encouraging factor. The study revealed "capital shortages" and "government red-tape" as the most discouraging factors. The study hypothesized six stages in the process of adopting the innovation of a small industry and the six stages are **(1)** The awareness stage, **(2)** The interest stage, **(3)** The preparation stage, **(4)** The trail stage, **(5)**The evaluation stage, and **(6)** The adoption stage. The findings reveal that all the entrepreneurs have not passed through all the six stages and the number and sequence was not constant in the case of all. The study further shows that younger age, formal education, urban background, experience in industry, high scores in levels of aspirations, risk taking and adoption propensity were some of the characteristics that were positively associated with the quality of entrepreneurship. But factors like technical education, high monthly income, being first born or eldest among the male children, contacts with influential people, membership of organizations and need of achievement were not associated with the entrepreneurship. **Pathak (1972)** studied 12 units drawing 1969-70 to 1970-71 with a view to evaluate entrepreneurship. The units were selected from industrial estates enjoying identical facilities and engaged in different lines of manufacture. He studied their problems at three different stages - inception, operation and expansion/diversification. He observes that factors like contacts, education and finance play an important role and the problems at the stage of inception received relatively more attention than the problems at the remaining two stages. **Gloria V. Javillonar and George R. Peters (1973)** viewed entrepreneurship in India as a family rather than as an individual phenomenon. In this regard, they highlighted the McClelland's proposition which states that high Achievement is positively related to entrepreneurship emerging in open social structure and in situations where there is relative freedom of occupational choice. Therefore, it is inappropriate to apply Achievement criterion to an individual identification and orientation. The data strongly supported the hypothesis that entrepreneurship among the Indian small scale manufacturers may be more meaningfully viewed as a situational phenomenon tied to the type of ownership of the business enterprise than as an individual phenomenon. Secondly, the extended family system also facilitates an individual's entry into an entrepreneurial role. **Ashis Nandy (1973)** carried an intensive study of small scale entrepreneurs and a matching group of non-entrepreneurs from an urban ward of Howrah in West Bengal. This is an attempt to compare the enterprising and non-enterprising cultures. The study reveals that, in an enterprising community, entrepreneurial exposures themselves contribute substantially to entrepreneurship and identified such a phenomenon as an important determinant of entry and survival in business. In the study, Achievement turned out to be the best predictor of entrepreneurial motives, followed by Power and the sense of efficacy. The revelation of the study that there is significant association between Power and entrepreneurship is surprising and goes against the popular belief. **Choudary (1981)** made an attempt to review the entrepreneurial activity of the North-East region in order to find out its identity in terms of social, local, occupational and product-wise variations. He collected data from 5,250 registered SSI units in the region. He observes that in spite of abundant natural resources, the pace of industrial growth is slow not only because of the lack of basic facilities and financial institutions, but also due to untapped entrepreneurial talents in the region. **Vander Veen (1975)** differentiated and described entrepreneurs with commercial and production orientation. He discussed the economic factors which favor the emergence of industrial entrepreneurs and delineated the "quantifying restrictions" method of implementing an import substitution strategy which reinforces these economic factors. **Gangadhara Rao's (1986)** study aimed at evaluating the impact of the programme of industrial estates on the emergence of entrepreneurship and growth of small units in Coastal Andhra. According to him, educational and income levels are important factors in motivating entrepreneurship. Of all, money making is the major ambition of entrepreneurs. **Paul A. London's (1978)** study is an unusual study because it focuses on rural merchants, a livery and enterprising group rarely mentioned in development literature. The study, based on nearly 200 interviews, shows that little notice, often abused private shop-keepers adapted remarkably to India's rural needs in the past decade by selling hundreds of millions of dollars worth of vita fertilizers and irrigation equipment. Their work helped make agricultural gains possible, yet the Indian Government barely tolerates their continued existence in rural areas. **Hejmadi (1990)** in his paper "Entrepreneurship in Small Industries" conducted an exploratory research in the coastal district namely Dakshina Kannada to evaluate the entrepreneurship in small scale industries.Focus group interviews with 140 entrepreneurs of proprietorship concerns and 111 entrepreneurs from partnership firms were conducted to find out the relationship of successful entrepreneurs with their education and business background. **Pathre (1989)** in his Project Report, "Educated Entrepreneurship : A Probe into Actual and Potential Entrepreneurs of India", conducted a research in 300 small industrial units working in Pune Industrial belt to find out the association between education and the performance of the entrepreneurs. Information was gathered through telephonic interviews from the entrepreneurs of randomly selected industrial units. This study highlights some areas which require further analysis of different levels of education required for better and effective industrial performance. **Mathew P.M and Joseph Jojyet (1997)** in their study, "Parentage and Entrepreneurial Performance: A Study on Small Scale Industry", suggested a multiple regression model which would help the small industrialists in measuring the relationship between parentage and their entrepreneurial performance. **Patel (1990)** in his paper "Growth Strategy and Management of Crises, focuses upon the seven crises i.e., the starting crises, the cash crises, the delegation crises, the leadership crises, the finance crises, the prosperity crises, the management succession crises which an entrepreneur has to face in his business cycle. This study suggests strategies for the growth of entrepreneurship but for overall development of entrepreneurship, these strategies need to be studied in detail with empirical data support. **Sharma (1980)** in his Project Report, "Entrepreneurial Performance in Indian Industry", conducted a search in 293 non-government manufacturing public limited companies to understand the entrepreneurial process and the policies made by the government for generation of new entrepreneurs. This study highlights the various factors responsible for the performance of entrepreneurs. **Selvanayakam (1998)** in his paper "Entrepreneurship and Creativity" highlighted the strong linkage between creativity and entrepreneurship and how much the elements of external resources like environment affects the creative process of entrepreneurs. This study has suggested the ways to increase the entrepreneurial creativity but does not indicate the internal factors influencing the entrepreneurial success. **Dash and Sinha (1988)** in their paper, "Training Support in Entrepreneurship Development", highlighted the importance of training institutions and their effective delivery mechanism for the success of entrepreneurship development programmes. This study suggested few training strategies and models for development of entrepreneurship but the success of these models fully depend upon the availability of subjective and objective data. **B.C. Tandon (1975)** argued that the rate of entrepreneurial change is a function of human factor and one can bring about a change in the effectiveness of an enterprise by improving the human factor. **M. M. P. Akhouri (1979)** enumerated four basic features of entrepreneurship: Propensity to take risk, strong need for achievement, economic insight and management skill. **R. A. Sharma (1980)** noticed two streams in entrepreneurial growth. In the familiar spheres, the entrepreneurship was dispersed among various communities and in other spheres, it was thinly spread among socially well-known communities. Strong desire to do something independent in life, technical knowledge and/or manufacturing experience, financial assistance from institutional sources, business experience in the same or related lines, accommodation in industrial estates and heavy demand are the factors that induced the new and small entrepreneurial class. The emerging new entrepreneurial class was more open than old. **A.P. Upadhye (1983)** found that success of entrepreneur was due to incentives offered by development agencies, family upbringing from particular caste and craft, providing attention to financial function and formal education. **Baldwin (1959)** tried to understand the problems faced by large scale manufacturing industries in India. He selected 37 companies for this purpose, mainly from south India, including both private as well as public companies. Three broad problems confronting each firm, viz., the sources of finance, the managerial structure and the handling of certain universal labour problems received his major attention. **V. Sarveshwar Rao and E. W. Nafzinger (1975)** conducted a study of 57 firms in Andhra Pradesh to find out the factors determining the supply and success of industrial entrepreneurship. The analysis established that the socio-cultural features of the traditional Indian society are no longer standing in the way of development of modern entrepreneurship. The study underlined the crucial importance of education, training and work experience for successful development of modern entrepreneurship. **Rao and Sumithra (1965)** discussed some of the factors which induce and the other factors that impede the growth of entrepreneurship. He was of the opinion that government can affect the entrepreneurial activities both ways, adversely as well as favorably. He examined the role of government action in terms of planning and policies in the growth of industrial entrepreneurship in India. **K.C. Chopra (1973)** has added the motivational concept in the entrepreneurial development. He felt that one of the most essential prerequisites for the entrepreneurial development among non-traditional businessmen is the identification of "man". He was of the view that motivational training helps in changing the response of an individual so that he may react with confidence to the existing economic situation. He further felt that an entrepreneurship-oriented education at the grass-root level is a must to motivate the prospective entrepreneurs. The prospective entrepreneurs must be guided and training must be provided to him. **R.A. Sharma (1980)** evaluated the performance of promoters of 316 companies incorporated on or after April 1, 1947 to study the entrepreneurial growth after independence. He focused his attention on studying the environmental factors affecting entrepreneurship and institutional arrangements for the supply of industrial finance to the entrepreneurs. **V. Lakshmana Rao (1986)** studied 51 entrepreneurs in a district of Andhra Pradesh. The main aim of the study was to find out the impact of the government programmes and policies for promoting industrial entrepreneurship. He was of the view that the government schemes have certainly boosted the entrepreneurship in Andhra Pradesh. **Mishra (1966)** draws attention to some of the public policies affecting the growth of entrepreneurship in the private sector of the Indian Economy, with special emphasis on setting the infrastructure, providing finance, and implementing an incentive-oriented tax policy.**R. A. Sharma (1985)** conducted a study to evaluate the performance of entrepreneurs who promoted their enterprises during 1961-63. He based his study on the performance of 242 non-government manufacturing companies incorporated during this period. In this study, his main stress was to find out the environmental factors affecting entrepreneurship. **P.N. Singh (1986)** based his study on some cases of successful entrepreneurs. The aim of his study was to develop entrepreneurship for economic growth in a country. For this purpose he studied the social values related to entrepreneurship, governmental efforts to encourage entrepreneurship, factors influencing entrepreneurship and suggested a model for entrepreneurial development.

INTERNATIONAL EMPIRICAL STUDIES OF ENTREPRENEURSHIP

Alexander's (1961) study of 354 Greek Industrialists in establishments with 50 or more workers tried to focus on "Questions concerning the supply of entrepreneurs and the nature of their policies". Greek refugees, resulting from the exchange of minorities between Turkey and Greece in 1920s were especially well represented among entrepreneurs. Alexander argued that there was considerably upward mobility in entrepreneurial activity. **Watanabe (1970)** found that in Japan, as in other countries, small entrepreneurs have to overcome various barriers in order to set up business. Competition appears to be much fiercer than in developing countries. In a sense, therefore, the difficulties and risks are greater. A majority of entrepreneurs spend more than 10 years preparing for their venture, often working in the evenings after their regular day time employment.A combination of strong will power, thriftiness, hard work and ambition produced the abundant supply of entrepreneurship in Japanese manufacturing. Certain external conditions intensified it. **Sayigh (1962)** in his survey of 207 Lebanese entrepreneurs in 1956 relied on files from public and semi-public bodies, chambers of commerce, industry and agriculture and industrial associations to aid in the selection of innovators in the manufacturing, agricultural, financial and service sectors. In Lebanon, Christians formed a disproportionate share of innovating entrepreneurs. They share four-fifths while they constitute one-half of the general population. On the other hand, only one-sixth of the entrepreneurial groups were Muslims compared to 44 percent of the population as a whole. The recent national region, shows that 72 percent of the entrepreneurs were Lebanese, and seven percent each Palestinian and Armenian. More than 70 percent of the business leaders had traveled outside their country of origin before starting their present business careers. Sayigh, found that only less than one-fourth of the entrepreneurs were engaged in the same sector as their father, and noticed "remarkable mobility between generations". Thirty-one percent of their fathers were in trade, twenty six percent in industry and nine percent in profession. The major occupations of entrepreneurs prior to their present activity were trade, which together with industry comprised about two-thirds of the previous occupations of respondents. They perceived their own economic and social status to be higher than that of their fathers. **Papanek (1962)** undertook survey of 250 industrialists employing twenty or more workers in Pakistan during 1959. With partition and the exodus of the dominant Hindu businessmen, Pakistan had all opportunities exclusively for the Muslim business community. In Pakistan, forty-three percent of Muslim Industrialists were the members of the Halai Memon, Chinioti, Dawoodi Bohra, Khoja Ismaili, and Khoja Isnashari communities, which altogether accounted for less than one-half percent of the Pakistani population. Papanek argued that the findings of his study lend support to the thesis that entrepreneurship in manufacturing arised in response to powerful economic incentives rather than significant changes in socio-psychological variables. **Carroll's (1965)** survey of ninety-two indigenous industrial entrepreneurs in Philippines, explaining why entrepreneurs originated disproportionately from big cities, suggested that their culture contributed to entrepreneurial success. Further, he also showed that the present entrepreneurs started their careers in the business of their fathers and later moved to independent activity. Carroll argued that "there has been 'in fact' a very impressive amount of mobility in the family of the entrepreneurs". **Harris (1965)** conducted a study of 269 Nigerian Entrepreneurs, primarily in the saw milling, furniture, rubber processing, printing, garment making and baking industries. Nigerian entrepreneurs were geographically immobile as only 5 of the entrepreneurs were operating business outside their region of birth. He found that "Entrepreneurial activity is a means of moving one or two notches up the ladder". Since the occupational and socio-economic status of the businessmen was higher than those of their fathers. Nigerian entrepreneurs were somewhat successful in identifying opportunities and gaining command over resources, but relatively unsuccessful in the management of enterprises. The Ibo and Yoruba ethnic communities were disproportionately represented among industrial entrepreneurs. **According to Peter Marris (1967)** success of African entrepreneurs depended upon their ability to separate domestic matters from business matters. **Peter Kilby (1969)** maintained that socio-cultural factors impeded development of entrepreneurial characteristics in Lagos. **Zafar Arafat (1984)** noted that decentralization of management practices, dispersal of location, family support, competitive spirit and change in motives from profit to patriotism and independence accounted for the success of the entrepreneurs. **Hirsschmeier (1968) and Zazuo Noda (1964)** described Japanese entrepreneur as 'community centered'.**Gustav Ramis** stated, "Somewhere between the Schumpeterian auto centered entrepreneur and the caricature of government officials lies the community centered entrepreneur" (1968). **Koza Yamamura** did not agree with this(1968). Revolutionary reforms introduced by Meiji emperor disappointed lesser samurai of their status and substance and they, obeying Hagenian Law of Subordinate Group, provided economic leadership in entrepreneurial garb (1968). Strong sense of discipline inherited from feudal period, loyalty, public-mindedness and national unity coupled with high degree of diligence and intelligence made the Japanese entrepreneur distinguishable from others.

RESEARCH PERSPECTIVES

Empirical studies are required in the following directions

- Study of the socio-economic background of Minority Entrepreneurs.
- Study of the extent to which success in entrepreneurship is associated with education and family background.
- Study of the factors which encouraged minority entrepreneurs start their ventures.
- Examination of the operational problems faced by the Minorities in running their units.

❁Study the effectiveness of training programmes among Minority Entrepreneurs.

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