Entrepreneurship – a learning process: the experiences of Asian female entrepreneurs and women in business

Spinder Dhaliwal

Introduction

The “growth” of Asian enterprises has been a prominent feature of the small business population. Asian entrepreneurs have been eulogised by the popular press – keen to laud free enterprise heroes. More detached academic commentary has also sought to identify the key success factors for this entrepreneurial minority. Much less conspicuous has been the role that female Asian entrepreneurs and Asian women working in “family” businesses play. This study focuses on the often neglected issue of the contribution of Asian women to both entrepreneurship and the management of family businesses.

This study sheds light on a number of neglected issues within the increasingly important area of Asian entrepreneurship. First, a clearer picture will emerge of the roles, responsibilities and relationships of the relatively few Asian women who are entrepreneurs in their own right; and the many more who help sustain many Asian enterprises. Second, methodologically the study will be novel in so far as the researcher (an Asian female from a “typical” family business background) has taken care to observe the cultural proprieties often noted within this particular group. Hence, the data are arguably more authentic than previous studies undertaken by “distant” researchers. Finally, policy makers are increasingly being reminded to appreciate the needs and the diversity of ethnic minorities in business. The findings reinforce this message by highlighting the distinctive experiences of Asian women in business.

In the UK South Asians account for only 2.7 per cent of the population (South Asian Population Report for Great Britain, 1992). Thus, participation in self-employment is significantly higher for South Asian communities than that for the white population as Table I demonstrates. The participation rates of women are much lower than men for all the groups. However, a larger proportion of South Asian women are in self-employment than white women. The real extent of their participation may be much greater as it is difficult to detect them, due to their role remaining largely unacknowledged and hidden, particularly within family businesses.

Despite the relative importance of this issue there is a paucity of literature on this subject,
with most of the research tending to focus on the reasons for entering self-employment, e.g. discrimination, etc. This study attempts to look at the specific experiences faced by the women and any cultural influences. It is important to look at women in business and South Asian women in particular as many of them are the backbones of businesses, playing a pivotal role within that business, but their efforts remain largely unacknowledged. Additionally, for South Asian women the specific nature of their “role” is unclear due to the inseparability of “self” from the business. In some cases the home and business environments are the same. This is an issue that is of growing importance and the existing treatment of this issue is inadequate.

The “hidden” role

Past research showed that South Asian women are not strongly represented in self-employment. Jones et al. (1992) found that 75 per cent of their sample of 403 were male. Metcalf et al. (1997) found a similar proportion in their sample of 129 people. This is still higher than in earlier studies (Aldrich et al., 1981) where women were absent. Jennings and Cohen (1993) assert that figures are misleadingly low as there is a tendency for some women entrepreneurs to be “invisible”, their existence unacknowledged. This is certainly true of some of the women interviewed, who openly say it is their husband, father or brother who run the business, thus masking the extent of their role even when playing a pivotal role in the management of the business (Ram and Jones, 1997; Ram, 1992; Phizacklea, 1990). Despite these assertions of male ownership of their enterprises, a notable number of South Asian businesses are registered legally as family partnerships which in essence constitute joint ownership between husband and wife (Barrett et al., 1996). One of the main reasons given in writings on the subject is that many South Asians go into self-employment as a response to “blocked upward mobility” (Ram and Jones, 1997). If this is true of South Asians in general it is more true of female Asians who face the double disadvantage of race and gender. Motives for self-employment were the desire to avoid racial discrimination and the resulting confinement to low status jobs in the labour market (Aldrich et al., 1981), or for the confinement of women in the home. “Push” factors include unemployment, underemployment, job dissatisfaction and/or blocked opportunities and, often for women, no opportunities at all. The move into self-employment is seen as one of damage limitation (Jones et al., 1994) or “they felt they had no alternatives” (Ram, 1992). It is difficult to ascertain whether this is true in the case of South Asian women as many of them did not “choose” to enter self-employment but had the role enforced on them due to decisions made elsewhere in the family. The status argument is strong for men and family businesses (Srinivasan, 1992; 1995) and entrepreneurs are seen as successful role models within their community (Dhaliwal and Amin, 1995); however, for women the study shows that status is not necessarily the driving force for being self-employed, although some satisfaction may be derived from it.

Methodology

In order to illustrate the position of Asian women in business, a series of interviews was undertaken with two particular groups:
1. Asian women entrepreneurs in their own right; and
2. Asian women working in family enterprises.

Five representatives from each group were interviewed on at least two occasions. It was
important to see the women on more than one occasion because the first time was for confidence-building purposes and, by seeing them again enabled both the women and myself to reflect on the issues more. This resulted in a fuller, richer data set. While the sample size is small it enabled me to spend more time with each case and to go into greater depth. The issues were investigated due to their significance in past studies such as Phizacklea (1990), Ram (1998) and Metcalf et al. (1997).

Issues explored with Asian women entrepreneurs include their background, their influences, the factors that facilitated or inhibited their decision to become self-employed, their experiences of entrepreneurship and the particular issues that confront them as Asian women in business. Interviews with Asian women working in family enterprises explored their role and contribution to the management of the business. Among the issues covered are their “official” and “unofficial” positions within the business; the balance between domestic and business responsibilities; and the influence, if any, of cultural factors in the nature of their presence within the enterprise.

A case study approach was adopted focusing on qualitative data (Birn et al., 1990). The main issues were to be elicited by non-directive questioning, and open-ended questions. Fieldwork was undertaken in two rounds of personal interviews preceded by a telephone call and also follow-up telephone calls where further information was required. This study is not focusing on statistical representation but the processes and theories in action (Yin, 1994).

The businesses run by the independent women range from the manufacturing and retailing of sportswear; Asian fashion boutiques; an insurance business; a consultancy advising large supermarkets about Asian foods and spices; and a beauty clinic. Some of these women employ workers, others are working alone.

The “hidden” women in my sample (see Table III) were all in the retail sector, working in retail shops of varying sizes. These family-owned enterprises are in joint husband and wife names or include members of the extended family.

Difficulties were encountered initially, especially with the “hidden” women in the sample who were very reluctant to talk. Access was gained through personal contacts and referrals/introductions from friends. The women felt more comfortable once the “mutual” friend had introduced me and explained who I was and that I could be “trusted”. Some of the “hidden” women were concerned, at first, as to the purpose of my study and I assured them of confidentiality and have changed their names where requested so they cannot be identified. The interviews were conducted in Punjabi or a mixture of Punjabi and English for the “hidden” women. They opened up to me as I was from their community – i.e. a fellow Asian, spoke Punjabi myself and came from a small business background – so I could empathise with and understand their experiences. Consequently, the data are more “authentic”, but “closeness” has problems of its own. For many participants the interviews were the first time they had been given an opportunity to talk about their professional and personal ambitions.

The sample

All the women were born outside the UK and are in their late 40s or early 50s. They have all had traditional arranged marriages (i.e. husbands have been introduced to them through family connections) and they all have children.

The self-employed women who are called the “independent” women are “domestic entrepreneurs” (Carter and Cannon, 1988). These are entrepreneurs who organise their business life around the family situation. A breakdown of this sample is given in Table II.

Findings

“Independent” women

Background and influences

There are great differences in the women’s levels of scholastic achievement and general attitudes towards education. Farzana has a Master’s degree and worked for the Pakistan Times newspaper for four years. Seema, like many middle-class girls, attended a Catholic school in India. Binder, came to the UK to study, but financial hardship ended her ambitions in that direction. A different story is presented by Zainab, who admits she
Table II Independent women

<table>
<thead>
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<th>Female</th>
<th>Religion</th>
<th>Location</th>
<th>Company</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
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<td>Manufacturing</td>
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<td>Zainab</td>
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<td>Central London</td>
<td>Boutique</td>
<td>5</td>
</tr>
<tr>
<td>Seema</td>
<td>Muslim</td>
<td>Greater London</td>
<td>Consultant</td>
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</tr>
<tr>
<td>Binder</td>
<td>Sikh</td>
<td>North London</td>
<td>Insurance</td>
<td>0</td>
</tr>
<tr>
<td>Damayanti</td>
<td>Hindu</td>
<td>Central London</td>
<td>Beauty clinic</td>
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</tbody>
</table>

Note: *Employees other than immediate family*

Table III "Hidden" women

<table>
<thead>
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<th>Female</th>
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<th>Location</th>
<th>Company</th>
<th>Employees</th>
</tr>
</thead>
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<td>Grocery/news</td>
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</tr>
<tr>
<td>Gurbax</td>
<td>Hindu</td>
<td>Southall</td>
<td>Music</td>
<td>5</td>
</tr>
<tr>
<td>Surinder</td>
<td>Sikh</td>
<td>Southall</td>
<td>Fashion</td>
<td>18</td>
</tr>
<tr>
<td>Davinder</td>
<td>Sikh</td>
<td>Southall</td>
<td>Supermarket</td>
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</tr>
<tr>
<td>Anita</td>
<td>Hindu</td>
<td>Gloucester</td>
<td>Grocery</td>
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</tr>
</tbody>
</table>

Note: *Employees other than immediate family*

neglected her education in favour of fashion and beauty. Damayanti came from a professional family, but marriage was deemed more important than education. They all value education for their children.

They have all experienced difficulty in settling into a new culture in the UK. “I knew I had to be independent and responsible for myself” said Binder who had come to the UK to join her brother, but soon realised that she could not afford to study and instead had to work for a living. This initial poverty drove her to work hard and has been the backbone of her success. Zainab travelled widely with her husband before settling in the UK. Travel widened her horizons and she was heavily influenced by her environment: “I was exposed to different colours, materials and themes”.

The decision to become self-employed

After settling in the UK and raising families there were many factors that facilitated or inhibited the women’s decision to become self-employed. Boredom was a great factor. “Despite being busy with two children I felt I needed to fill a gap”, recalls Zainab. “Being a housewife and mother was not enough for me”, said Binder. “I felt increasingly frustrated and impatient”, said Farzana. “I wanted to work but I was not sure what I wanted to do”, said Seema whose children were in full-time education.

The driving force to set up in business was as a reaction to their children needing less of their time. The businesses were initiated as more of a pastime and challenge or a hobby, to occupy them once their children were at school or had left home, rather than a financial and economic necessity. The women wanted to utilise their skills and have some worthwhile purpose in their lives. The independent women are more aware of their worth, compared to the “hidden” women, and they value their time.

In most cases someone else in the family was already in business, normally the father, brother or husband. The significance of family background in acting as a vehicle for the inculcation of entrepreneurial values is a strong factor in motivating these women to become self-employed. It is argued that membership of a business family can act to educate the individual into a world view that is sympathetic towards all the values of business ownership – independence, self-reliance, deferred gratification, competitiveness, achievement orientation, long termism and all the other ingrained attitudes (Ram and Jones 1998) underpinning the continuing survival of the small enterprise economy. In Zainab’s case her father was in the textile business and she recalls it was “common conversation at home”. Farzana, too, had a short-cut into business. Her husband already had the contacts and her business complemented his.

Experiences of entrepreneurship

For most of the women entrepreneurship was a learning process. Zainab declared: “I was
always confident of my knowledge of the fabric business but now I had to develop other skills”. She soon learned about customer relations, customer psychology, marketing, etc. and admits: “I had cultivated quite a curiosity for the world of fashion and business”.

Their experiences of entrepreneurship have varied greatly. Zainab began her business venture by selling some tracksuits for her brother. She added personalised logos on his casual-wear fabric range. This small business idea proved very successful and the tracksuits sold particularly well in schools. Her next step was to open up a boutique. At that time there were no ready-made Shalwar Kameez. She planned to turn the business into a specialist designer clothes boutique to overcome the shortage of good quality Asian clothes in London. She manufactured locally and imported from abroad, mainly Pakistan. Within two years the business was so successful that she sold two franchises in Hounslow and Birmingham. A year later she expanded and opened a second branch in central London. Since then she has faced fierce competition and has been undercut by retail outlets with lower overheads. This sector had mushroomed in places such as Southall, Hounslow and Wembley, as well as outside London in Leicester, Bradford, Birmingham, etc.

Binder entered the financial sector because she wanted a business that was flexible as she had two children in school who required her attention. More important, it was a low-cost business to enter with few overheads. She feels that being an Asian woman can be a liability with many clients wanting to deal with men when it comes to business and financial matters. “My main motivation is the fact that, as an Indian in a foreign country, I have always had to rely on my own efforts”.

Farzana, who runs a manufacturing company making sports clothes, personally trains all her staff. She has an accountant, although her daughter and husband deal with the invoices and day-to-day matters. She works from home and the house is used as a workroom and storeroom as well as living quarters.

Seema started up her company which she called Development Dynamics. “The name was important in that it covered both my ventures”, she says, referring to her self-help workshops, as well as her food consultancy. She does not advertise and all her contacts are word of mouth, but being a member of the Ismaili community means that she can network and run seminars for the community which provides her with a good source of income. Her office is based at her home. This gives her a lot of flexibility and she juggles her role as housewife, mother and businesswoman.

Damyanti considered importing the Shahnaz Herbal range of cosmetics, which was very popular in India. This led to her meeting Shahnaz Hussain, the founder, in order to discuss the prospect of bringing this range of cosmetics to the UK. Damyanti had no background knowledge of the beauty business at that time, but with the advice of her husband, she formed the House of Herbal Cosmetics Company, which became the sole importer and distributor of Shahnaz Herbal products. Damyanti grew steadily in experience and confidence as she built up a loyal client base and soon diversified into several new ranges of products.

“Hidden” women
The “hidden” women certainly face different issues from their more independent sisters. It seems that in most cases the “internal” business role such as the day-to-day running of the business is fulfilled by the women while the “external” contacts are the domain of their husbands. The men have total financial control while the women actually do the mundane, manual work of serving customers and checking stock in the shop. They have “responsibility without control”. This is not to imply that their spouses are lazy, but the men do have a greater degree of personal freedom within the business at the expense of the women.

Most of these businesses are family businesses, which are labour intensive. When questioned about the ownership of the business all the women say the business belongs to their husband or husband’s family, into which they married. However, in each case the women were actually joint owners of the business. The women do derive some measure of satisfaction from their status within the community as part of a business family.

Background
While children were the greatest influence for independent women to get into business, so as to provide a better life for their children, or because they had more time on their hands
and so could pursue other interests, this is not the case for “hidden” women. They largely feel they have neglected their children because their time has been spent in the business, rather than tending to the needs of their children. The women have been physically present for their children and have met their financial and educational needs but in many cases the children have been expected to work in the business from a very early age and the women want their children to have an easier life to compensate for the hardship they have endured.

These women are forced to work long hours, standing on their feet all, and every, day. They carry the weight of responsibility and are conscious of the high financial overheads that have to be met. For these “hidden” women the business is a financial reality, rather than a way to pass time. Their labour is a necessity for the business and their time is not valued, only assumed. The business does not expose them to networking opportunities, but instead denies them the time to go out and socialise. They have had to make many sacrifices for the business.

While all these women value education for their children, they themselves have not had the best opportunities: “education was not encouraged for the women in our family”. Most of these women married young and into traditional families. Harjit, for example, has never had any paid employment: “I had no inclination to leave the house and work and my husband would not have let me”.

The role in business of the “hidden” women
Harjit’s husband decided to buy a small newsagent/grocery shop because having four children was a burden on him as the sole earner in the family. He was increasingly frustrated with his factory job and felt he was constantly overlooked for promotion in favour of white colleagues. Her husband made the decision to go into business having seen many of his friends and relatives make a good living in this area. The business was alien to them, but it was a means of survival and independence from a dead-end factory job.

Harjit was concerned about her role in the business, particularly as she could not speak English and the shop was situated in a white middle-class suburban area. Her children helped their father in the shop, while she remained a housewife looking after her family and house, but also playing a small role in the shop. Her lack of fluency in English was the key reason that she did not serve customers and consequently her role was always secondary. However, as the family gained experience her role in the business grew. This coincided with her children growing up and going into further education.

While her role is pivotal in the running of the business all major decisions are made by her husband. She does not see herself as a businesswoman or an economically valuable resource. She often complains of the long hours and hard work and that their whole lives revolve around the shop. The shop is registered in both their names, so in essence it is joint ownership, but she has never written out one cheque or settled a bill. She is completely unable to deal with paperwork, does not know how much money is being made, etc., unless her husband tells her.

Anita, too, shares similar experiences and adds that the business cuts her off from her community, giving her little opportunity for a social life. “We rarely go to visit people or attend functions” she laments and that is because the business is an overwhelming priority for her husband. She regrets that the business takes up so much of her time and energy; the shop is open from 6 a.m. to 9 p.m., seven days a week, including holidays. She feels she neglected her children’s emotional and social needs. However, the economic security it brings far surpasses anything else and she is proud of her status as part of a business family.

Another “hidden” woman, Surinder, recalls her business experiences within the Asian fashion retail market. She was brought up in the UK from an early age, having been born in India. She was not encouraged to study and instead had an early, arranged, marriage. Her husband was already in business running a retail fashion outlet and it was expected that she would be a part of the business.

Surinder’s role in the business is to oversee every aspect of it on a day-to-day basis. She trains and supervises the employees as well as ordering materials, stock, etc.

Responsibility versus control
Surinder’s husband deals with the day-to-day bookkeeping. He has total control of all the finances. She plays the bigger role within the business and assumes full responsibility for running the shop. She is in the shop all the
time while he has many outside social interests. Work is very important: “Although I work much too hard and constantly, with no breaks or holidays, I am grateful for the business in providing a good living for my family”. The traditional desire to continue with the business through the male line is a sentiment that is waning with changing times. Some of the women are happy for their children to pursue independent but professional careers, others are more traditional in their thinking: “My son will take over the business. I am training his wife so she knows her place in the business. My daughter wants to study and enter a career of her choice and I am happy to let her”, is Surinder’s present thinking.

For Surinder the drive to work so hard comes from being brought up in poor circumstances. Statements like: “We were always short of money”, “I was determined to do better”, “Poverty drove me to work hard for what I want”, emphasise the survival instinct that gives these women inner strength. The women want their children to enjoy their lives: “They suffered in the early years as we tried to build up the business, now they can enjoy the fruits of our labour.”

Davinder comes from a highly-educated family in India, having completed an MA in political science before getting married. Her husband was from the UK and it was a radical change for her to come from middle-class educated existence in India to working in a shop all day. Her husband’s family were settled business people in Southall, a predominantly Asian area in West London.

Her husband controls the financial side of the business and is responsible for all the paperwork and finances. She deals with the manual side: “We do make decisions together but he has control”; “I married into the family and into the business.”

The business is jointly owned by her husband and his elder brother and their respective wives. The two families also live together. Despite this limiting her privacy and freedom, it has its advantages. The two women work alternate shifts. Both families have children and this arrangement enables the children to have an adult to care for them at all times. This communal existence has enabled them to balance the business with their family responsibilities although the shop is almost all-consuming and takes priority: “Our lives revolve around it.” Davinder wishes she could spend more time with her children but she cannot neglect her business responsibilities.

Gurbax, whose family also owns a shop in Southall, specialises in Asian cassettes and CD-ROMs. She makes internal decisions but her husband has sole control of all external dealings. Her jurisdiction is limited to the shop. Despite her many years in business she has no wish to impose this life on her children: “My children are studying. Whether they come into the business or pursue independent careers is their choice, I will let them do what they want.” The status of owning a business is important: “I would not want to work for someone else. It is good to be your own boss”.

Conclusion

It is clear that there are distinctive issues faced by South Asian women and that their families can help or hinder them. Each case is unique and must be weighed on its own merits; however, they do serve to highlight the issues faced by many South Asian women in business and the significant contribution of South Asian women to both entrepreneurship and the management of the family business.

The analysis sums up the main themes that have been drawn from the research.

Children play a crucial but differing role for the two groups of women. For the “independent” women the children are their first priority and it is only when they are in school or have left home that the women look for something to do to fulfil their lives. The “hidden” women work at the expense of their children and although the children provide their drive for betterment, they are often neglected in the process.

The driving force to set up in business for the “independent” women was as a reaction to their children needing less of their time. The businesses were initiated as more of a pastime and challenge to occupy them, once their children were at school or had left home, rather than a financial and economic necessity. The women wanted to utilise their skills and have some worthwhile purpose in their lives. The “independent” women are more aware of what they are worth compared to the “hidden” women and they value their time.

While the “independent” women make their own decisions and are in control of the
business, most of them still consult male family members who play a role in the business, mainly in an advisory capacity. These women are also, in most cases, married to more educated or affluent men. The “hidden” women have responsibility, rather than control, and are relegated to serving customers, supervising employees or checking stock, rather than tending to the financial aspects of the business which seem to be the sole domain of the men. The women deal with the day-to-day internal environment, while the men deal with all external issues.

The “hidden” women seem to be caught up between a sense of duty and a feeling of being exploited. Their exploitation is justified in terms of duty and “status”.

What comes through from this study is not the differences between the personal characteristics of the women in the two groups – their education and motivation is similar. However, the class positions of the husband/extended family are crucial: for the “independent” women their higher position and outlook requires the women to look after the children and reinforce status. This is a conventional western middle class route to independence after care of children is fulfilled. The “hidden” women, on the other hand, reproduce relations where domestic and market relations are interwoven, where what could be partnership is often drudgery, as the male exploits his position.

It seems that the fate of these women rests in the families they marry into. While the status argument is strong for men and family businesses (Srinivasan, 1995) and entrepreneurs are seen as successful role models within their community (Dhaliwal and Amin, 1995), ironically, the status of being in business is more important for the “hidden” women, who have virtually no real control within the business, than it is for the “independent” women, who are the decision makers. For the “independent” women it seems that status as a businesswoman is less important than the independence and freedom it brings. However, it does provide an opportunity to network and make contacts and so can be seen as a form of enhancing one’s social status.

References


