

# The Innovation Imperative: Perceptions and Practices of First-Generation Women Entrepreneurs

Dr Preeti Rajguru

<sup>1</sup> Assistant Professor, Brihan Maharashtra College of Commerce – Pune

\*\*\*

**Abstract** - If you have your start-up, you need to be innovative. Innovation need not necessarily be only in products but also in the production process, marketing of products or services, or management. In the past few years, India has given a lot of importance to entrepreneurship development; hence, we find that over a period, the number of women entrepreneurs has increased. Some women are first-generation women entrepreneurs who started their businesses from scratch. As they are the New Generation Entrepreneurs, they face many problems at the initial stage of their start-up. Looking at the present competitive market, if these 'First Generation Women Entrepreneurs' want to survive, they need to be innovative in their business.

In this paper, the researcher has found out that women entrepreneurs lack an understanding of the concept of innovation; they believe that whatever business they are doing is innovative. When the correlation between an innovative idea and business success achieved by first-generation women entrepreneurs was calculated, it was found that there was a correlation between the 'innovative idea' applied and the 'business success', but the relation was very weak.

**Key Words:** Innovation, First Generation Women Entrepreneurs (FGWE), Business Success

## I) INTRODUCTION

According to Peter Drucker, 'Entrepreneurship is a systematic innovation which consists of the purposeful and organised search for change, and it is a systematic analysis of the opportunity such changes might offer for economic and social innovation'. Innovation is a very crucial aspect for the development of any business. One cannot be called an entrepreneur unless one has an innovative idea. Business innovation gives a competitive advantage to entrepreneurs in the changing market conditions.

Innovation means coming up with new ideas for products or services. It is adding value to the existing product or coming up with a very new product. It is all about creating a sustainable product. In today's competitive market, entrepreneurs cannot survive if they are not

innovative. When we talk about Make in India, Skill India, it all demands innovation. As the government emphasizes today on becoming a job giver then a job seeker, the youth must come up with an Innovative Idea and start their venture. Whether you are a male or female entrepreneur, you have to be innovative in your business. Entrepreneurship is very important in a developing economy, which expects equal participation of men and women. The journey of every entrepreneur, whether it is male or female, is not easy; it is full of difficulties. For a woman entrepreneur, it becomes more challenging because they are always looked-up with doubt, especially when it is related to entrepreneurship. So to be in competition and work shoulder to shoulder with men entrepreneurs, women entrepreneurs must think innovative.

First Generation Women Entrepreneur is a synonym for 'New Women Entrepreneurs'; they are wealth creators and fresh leaders. They do not possess any entrepreneurial background but start a business unit using their innovative skills. They start a business on their own, with less experience, and at high risk during their start-up stage. As women, it does not matter whether they are the 'First Generation Women Entrepreneurs' or the 'Second Generation Women Entrepreneurs'; they have to face problems. However, the problem faced by the 'First Generation Women Entrepreneur' is more and different, as they have to start from scratch, and they are not sure whether the product or service they are coming up with is innovative from the customer point of view, there will be acceptance for the innovative idea that they are presenting in the market.

Due to the spread of education, awareness, and support provided by the government, the market awareness among the 'First Generation Women Entrepreneurs' has increased, and they have understood that they can survive in the market only by giving something different to the customer. They know the importance of innovation, and hence we can find the number of first-generation women entrepreneurs who have come up with innovative ideas and started their business successfully. Examples like Shahnaz Hussain-CEO of Shahnaz Herbal, Ritu Kumar-the Fashion Designer, or Tanaaz Bhatia-Founder,

Bottomline Media, Viente Singh-CEO and founder of Sugar Cosmetics, are the well-known 'First Generation Women Entrepreneurs' who have made their name in the business world only because of their innovative business idea.

Women are the main source of the development of the Indian economy. They contribute to the Indian economy in many ways. One of their important contributions is in the field of entrepreneurship. Though entrepreneurship has been male-dominated earlier, today the situation has changed, and women have become the most innovative and regenerative entrepreneurs. In this paper, the researcher has found out how innovation is important for the 'First Generation Women Entrepreneurs' to be successful, being the 'First Generation Women Entrepreneurs' have these women understood the meaning of innovation, and are they able to link their innovative idea with the profit percentage.

## II) Objective:

- 1) To study the importance of Innovative ideas for 'First Generation women entrepreneurs'
- 2) To find out the various innovative ideas applied by the 'First Generation Women Entrepreneurs'
- 3) To find out the relationship between the innovative idea applied and the business success achieved by the 'First Generation Women Entrepreneur'.

## III) Statement of Problem:

While reviewing the literature, the researcher has found that little work has been done on the innovative idea and business success achieved by First Generation Women Entrepreneurs. Many articles talk about how the innovative idea is applied by entrepreneurs in general. This research concentrates only on First Generation Women Entrepreneurs. The researcher would like to find out the various innovative ideas applied by the 'First Generation Women Entrepreneurs' in their business, and how these innovative ideas have helped them to achieve business success. Hence, the researcher has taken a topic, *"The Innovation Imperative: Perceptions and Practices of First-Generation Women Entrepreneurs."*

## IV) Hypothesis:

**HO:** There is no correlation between the 'innovative idea' applied and the 'business success' achieved by the 'First Generation Women Entrepreneurs'

**H1:** There is a positive relation between the 'innovative idea' applied and the 'business success' achieved by 'First Generation Women Entrepreneurs'

## V) Research Methodology:

This study is descriptive research where data was collected through primary and secondary sources. Primary data was collected through a structured questionnaire and interviews. Data was collected from around 487 First Generation Women Entrepreneurs in the Pune district. The Simple Random Sampling Technique is used to select the sample from the total population. Secondary Data for the research was collected from research journals, newspapers, M.Phil. and Ph.D. theses.

## VI) Review of Literature:

- Erik Stam (2008) in his research paper 'Entrepreneurship and Innovation Policy' discusses the nature of Entrepreneurship and its relation to innovation. It also provides an overview of theory and empirical research on the relation between Entrepreneurship, Innovation, and economic growth. The paper continues with a study of Entrepreneurship and innovation in the Netherlands in international and historical perspectives.
- Bulsara, H. P. (2009) in his research article 'Women Entrepreneurship in India: A Case Study of Phoenix Soft Toys Creation' suggested how a hobby can be converted into a full-time business. It also shows that entrepreneurship and innovation are necessary for the enterprise.
- Hemant Kumar, P Bulsara, Jyoti Chandwani, Shailesh Gandhi (2014) in the research paper titled 'Women Entrepreneurship and Innovation in India: An Exploratory Study' say that Innovation works as a catalyst of an instrument for entrepreneurship. Indian women, despite all social hurdles, stand tall from the rest of the crowd and are applauded for their achievements in their respective fields. According to them, Indian women are more innovative in their business; hence, they can stand different from others in the competitive market.

After reviewing literature from various research journals, reference books, PhD theses, and MPhil dissertations, it was found that most of the literature talked about the importance of innovation in business to be applied by women entrepreneurs. Not much is written on the importance of innovative ideas for the success of 'First Generation Women Entrepreneurs'. First-generation women entrepreneurs are new in business; they will have their difficulties while implementing their ideas in the market, and it is important to study that. As the researcher has found a research gap during the literature review, the researcher has taken the topic of *"The*

*Innovation Imperative: Perceptions and Practices of First-Generation Women Entrepreneurs."*

## VII) Data Analysis and Interpretation:

### 1) Age-wise classification:

At a young age, human beings are more active, enthusiastic, energetic, and physically as well as mentally strong, which provides them with high rewards in any field. Businesses started at an early age, helping the first-generation women entrepreneurs to face challenges and undertake risks that result in great success for their business.

Table 1: Age-wise classification

Age (year)	Frequency	Percentage	Cumulative Frequency
21 to 30	88	18.07	18.07
31 to 40	254	52.16	70.23
41 to 50	136	27.93	98.15
above 51	9	1.85	100.00
Total	487	100.00	

**Analysis:** The analysis of the above data shows that 52.16% of the respondents are between the age group of 31 to 40 years, 27.93% are in the age group of 41 to 50 years, and 18.07% are less than 30 years where whereas 1.85% of the respondents are above 51 years.

**Interpretation:** The above data indicates that more than 50% of the FGWE belong to the age group of 31 to 40 years, followed by 27.93% belonging to the age group from 41% to 50 years, which means that middle-aged women are more successful and ready to take business risks. Similarly, 18.07% of the FGWE are below the age of 30, which reveals that youngsters are also interested in self-employment, which may be due to government schemes, family support, and unique product development

### 2) Nature of your business:

Through this information, the researcher wanted to know the nature of business of the respondents, whether they are into manufacturing, providing services, or are in trading activity.

Table 2 : Nature of Business

Nature of business	Frequency	Percentage	
Manufacturing	264	54.21	54.21
Service	198	40.66	94.87
Other	25	5.13	100.00
Total	487	100.00	

**Analysis:** The analysis of the above data shows that 54% of the respondents are in manufacturing, whereas 41%

are in the service industry, and 5% are in trading activities.

**Interpretation:** Half of the respondents are in manufacturing sector, at the same time 41% women entrepreneurs are in service sectors which means that first generation women entrepreneurs has not limited themselves only into manufacturing of *pickle* and *papad*, but have also flourished their business in service industries like software development, hotel industries, image consultant, and interior designing, and so on.

### 3) Annual profit percentage:

To know the annual percentage of profit earned by the respondent, the following question was asked.

Table 3: Annual profit percentage

Profit %	Frequency	Percentage	Cumulative Frequency
Below 10%	86	17.66	17.66
11% to 20%	320	65.71	83.37
21% to 30%	40	8.21	91.58
Above 30%	18	3.70	95.28
Not Responded	23	4.72	100.00
Total	487	100.00	

**Analysis:** The analysis of the above data shows that 65.71% of the respondents earn profit in the range of 11% to 20%, and 17.66% earn profit below 10%. 8.21% earn profit in the range of 21% to 30%, and 3.70% of the respondents earn profit above 30%.

**Interpretation:** As the respondents are the first generation women entrepreneurs and the majority of them have started their business in the last 10 years, more than half of the respondents earn profit between the range 11% to 20%.

### 4) Product innovation:

Innovation is an important aspect of entrepreneurship. To start a new business, you need to be innovative. Through this question, the researcher wanted to know whether they find their product innovative or not.

Table 4: Product Innovation

Responses Of the respondent	Frequency	Percentage	Cumulative Frequency
Yes	427	87.68	87.68
No	60	12.32	100.00
Total	487	100.00	

**Analysis:** The analysis of the data shows that 87.68% of the respondents find their product innovative.

**Interpretation:** FGWE need to convenience their customer that product or service is unique. It is good to find that 88% of the respondents find their product innovative. The remaining percentage is those respondents who are in to trading business and hence the question of innovation dose not arises in their case.

### 5) Application of Innovative Idea:

Out 487 respondents, 427 respondents find their product unique. The researcher through this question wanted to know whether these women have applied an innovative idea has.

Table 5: Application of Innovative Idea

Application	Frequency	Percentage	Cumulative Frequency
Innovation in the process of producing a product/ or providing a service	241	56.44	56.44
Innovation in the product/ service	139	32.55	88.99
Innovation in management and work organization	11	2.58	91.57
Innovation in the marketing of products	22	5.15	96.72
Producing eco-friendly products	14	3.28	100.00
Total	427	100.00	

**Analysis:** The analysis of the above data shows that 56.44% of the respondents applied an innovative idea in the processing of a product or providing a service. 32.55% of the respondents find their product innovative, 5.15% of the respondents used innovative techniques in

marketing their products while 3.28% respondents produce eco-friendly products, and 2.58% of the respondents apply innovative idea in the management of the organisation.

**Interpretation:** Producing a unique or innovative product is not an easy task. One needs to invest a lot of time and resources in it. More than half of the respondents have applied an innovative idea in the 'production process' or 'providing a service'. It is worth noting that FGWE has used innovation in various forms, in either process, product marketing, or managing an organisation. This is possible due to the unique ability to understand market demand and the gap existing into the product or services.

### 6. Benefits of an Innovative Idea:

The researcher wanted to know whether there is any link between innovative ideas applied and the success achieved by the FGWE; hence utility of innovation is summarised as follows:

Table 6: Benefits of Innovative Idea:

Benefits	Stro ngly agre e	Agre e	Disa gree	Stro ngly Disa gree	Not Respo ndent	Tot al
Impro ve sales and custo mer relatio ns	289 (67.68 %)	132 (30.9 1%)	5 (1.1 7%)	1 (0.2 3%)	0 (0.00 %)	427 (10 0%)
Reduc tion in waste and cost	244 (57.14 %)	168 (39.3 4%)	11 (2.5 8%)	1 (0.2 3%)	3 (0.70 %)	427 (10 0%)
Boost your marke t positio n	233 (54.57 %)	175 (40.9 8%)	13 (3.0 4%)	0 (0.0 0%)	6 (1.41 %)	427 (10 0%)
Impro ve emplo yees' relatio ns	249 (58.3 1%)	153 (35.8 3%)	17 (3.9 8%)	4 (0.9 4%)	4 (0.94 %)	427 (10 0%)



Brought	255	147	11	8	6	427
social	(59.7	(34.4	(2.5	(1.8	(1.41	(10
status	2%)	3%)	8%)	7%)	%)	0% )

The researcher, to know respondents' views about the application of innovative ideas and their benefits, quoted five statements. The following summary states that:

#### ❖ Improve Sales and Customer Relations:

The above data indicates that almost all the respondents (98.59%) believe that due to the application of an innovative idea, their sales have increased, which has helped them to increase the number of customers, resulting in good profit

#### ❖ Reduction in Waste and Cost:

The analysis of the above data shows that 96.48% of the respondents agree that due to the application of innovation in business, they have been able to reduce waste, which ultimately helped them in cost reduction.

#### ❖ Boost to Market:

95.55% of the women entrepreneurs are of the view that due to innovation, their market share has increased.

#### ❖ Improved Employee Relations:

The data indicates that more than 94.14% of the respondents agree that an innovative idea has improved their relationship with the employees. Healthy relationships lead to work satisfaction and a positive working environment.

#### ❖ Social Status:

The analysis of the above data shows that the majority (94.15%) of the women entrepreneurs agreed that due to the application of an innovative idea in business, they obtained social status.

From the above summary, it can be interpreted that innovation is an important part of entrepreneurship. One cannot survive in the market without the uniqueness of products or services. The application of innovation is a tool for success. Improved sales and customer relations, reduction in waste and cost, boost to the market share, and improved employee relations have become the most tangible benefits of the application of innovation, and it has resulted in social recognition of FGWE.

### VIII) Hypothesis Testing:

***H<sub>0</sub>: There is no relation between the 'Innovative Idea' applied and the 'Business Success' achieved by the 'First Generation Women Entrepreneurs'***

***H<sub>1</sub>: There is a positive relation between the 'Innovative Idea' applied and the 'Business Success' achieved by 'First Generation Women Entrepreneurs'***

To find out whether there is any relation between the innovative idea applied and the business success achieved by the first-generation women entrepreneurs, the data relating to it was collected.

Analytical Table 7

Variables	Value of N	Mean	Mode	Median	Standard Deviation (SD)	Coefficient of variation (CV)	Karl Pearson's Coefficient of Correlation
X	487	3.09	4	3.4	1.22	0.40	0.20
Y	487	1.89	2	2	0.76	0.41	

The coefficient of correlation range 0.10 to 0.20 indicates a very weak correlation between the two variables. The above table shows the 'r' value of 487 respondents and their relationship between the innovative idea applied and success achieved by the first-generation women entrepreneurs. The value of 'r', 0.20, shows a very weak positive relationship between the variables.

Hence, **we failed to accept H<sub>0</sub>, i.e., H<sub>0</sub> is rejected and H<sub>1</sub> is accepted.**

From the above table, we can interpret that there is a positive correlation between the innovative ideas applied and the business success achieved by the first-generation women entrepreneurs. However, the relation is weak. The reason is that, as they are the first generation of women entrepreneurs, they believe that whatever they are producing is innovative. It shows that the concept of an innovative idea is not clear in their minds, and at the same time, they are producing an innovative product, but are not able to market their product.

### IX) Finding:

FGWE applies innovative ideas in the production process; they believe that due to the application of innovative ideas, their sales and market situation have improved. However, when a correlation between the 'innovative idea applied' and business success achieved based on 'profit earned' by these women was found, by applying test statistics, it was found that there was a positive correlation between the two variables, but the relation was very weak. From the data collected, we can interpret that though 88% of the FGWE said that they applied an innovative idea in their business, but has not reflected in their profit percentage. This is because the

concept of an innovative idea is not clear in the minds of these FGWE. They might think that whatever they are producing is either innovative or that they are not able to streamline an innovative idea in the proper direction. Example: A woman manufacturing '*puranpoli*' may think that she is doing an innovative business, but in actual practice, it is not an innovative idea, and that is affecting her business profit. In another case, there was a woman who manufactured '*chapatti*', which can be preserved for a longer period. People going abroad for studies or work purposes prefer taking these '*chapattis*' along with them, which can be preserved for two weeks. In this case, producing '*chapatti*' is not an innovative idea, but making chapatti, which can be preserved for a longer period, is an innovative idea. Though she applied innovative techniques in the production process, she was not able to market her product, which had affected her business profitability. That is the reason, after testing the relationship between innovative ideas and success achieved it is found that there exists a positive relation, but the relation is very weak. (Table 3, 4, 5)

#### X) Conclusion:

The FGWE needs to have clarity on innovative entrepreneurship. The idea of innovation need not be restricted only to the product level. Innovation can be applied in various ways in their businesses, such as packaging, marketing strategies, use of advanced technology, which normally may not be used by most. Innovation is one of the critical elements in any kind of business, but without innovation, no enterprise can survive long. It is found that many women have innovative ideas, but they are not able to properly channelize them, which has somehow affected the success of their business. There are women with innovative ideas, but they are not able to reach their customers as they are not able to market their product, and due to this, they are missing the opportunity of earning a good amount of profit. Hence, it is very important to orient these women about an innovation and how they can commercialize their innovative idea into to successful business.

#### XI) Reference:

- 1) Peter F. Drucker, 1985, 'Innovation and Entrepreneurship Practice and Principles', London, Heinemann Publication.
- 2) Erik Stam (2008). Entrepreneurship and Innovation Policy. Jena Economic Research Papers. ISSN: 1864-7057

- 3) Bulsara, H. P., et al. (2009). Women Entrepreneurship in India: A Case Study of Phoenix Soft Toys Creation. PCTE Journal of Business Management, 6(1)
- 4) Hemant Kumar, P Bulsara, Jyoti Chandwani, Shailesh Gandhi, (2014) Women Entrepreneurship and Innovation in India: An Exploratory Study, International Journal of Innovation, Volume 2, No 1
- 5) Benedict, E. T. (2019), 'The Role of Creativity and Innovation in the Development of Entrepreneurship in South Asia: India as a Case Study'. SSRN Page 17. DOI 10.2139/ssrn.3297805
- 6) [https://www.neuroquantology.com/openaccess/The+Role+of+Innovation+in+Startup+Success%253A+Disrupting+Traditional+Markets\\_14771/?download=true](https://www.neuroquantology.com/openaccess/The+Role+of+Innovation+in+Startup+Success%253A+Disrupting+Traditional+Markets_14771/?download=true)
- 7) <https://sharkbyte.ca/key-strategies-for-the-role-of-innovation-in-startup-success/>