

Chapter 14

Implications of Driving Factors for Entrepreneurship: A Case Study for Immigrants, Ethnic, and Religious Minorities' Entrepreneurship in Pune City

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14.1 Introduction

Pune city is one of the largest metropolis in India and the second largest in the state of Maharashtra, after Mumbai. Today, Pune is known not only for its educational facilities (also known as the Oxford of the East) but also for its relative prosperity. The city also has growing number of industries in various sectors. These activities attract migrants and students from all over India and abroad. As a result, the city has attained a cosmopolitan outlook which is also reflected in the augmented product range available from Gujarati Khakara, Rajasthani home décor and apparels to Irani bakeries and dry fruits mart. In addition, various enterprises are run by migrants who have started their own business and have become self-employed and are popularly known as migrant entrepreneurs or ethnic entrepreneurs.

Migrants, establishing and running their own businesses have drawn upon more attention in recent times, increasing the significance of ethnic entrepreneurship for local economies. By starting their own businesses, migrant entrepreneurs have

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become active agents shaping their own destinies as well as stimulating the economic sectors by creating not only their own jobs but also providing jobs and apprenticeships for others. They happen to provide goods and services, most of which are not likely to be offered by native entrepreneurs. Thus, migrant entrepreneurs contribute to both local community as well as local economies by offering social capital and paying taxes.

Ethnic groups' entry into entrepreneurship is attributable to a complex set of factors or triggers like economic disadvantages, cultural norms and values, family background in entrepreneurship. They have steadily become a native and significant part of the local economy because of the increased orientation toward ethnic products, ethnic markets and customers, and indigenous ethnic business strategies.

14.1.1 Need for the Study

The initial work of Piore (1979) on ethnic economies, explains a number of underlying factors and characteristic of ethnic populations and entrepreneurs into the formation of "enclave communities." Recently, the field of entrepreneurship is into major focus as it emphasizes self-employment as one of the significant ways to develop the economy of a nation. Considerable attention has also been laid on understanding the dynamics of ethnic economies, the social, religious, and cultural factors that influence the nature of these ethnic communities.

Many metropolitan cities of liberalized India have seen a massive influx of people from different sociocultural or ethnic origins, converting the cities into more multicultural societies. The current study aimed to understand the various dimensions of ethnic entrepreneurship and the factors influencing the establishment of an ethnic enterprise. Thus, the study progressed with following objectives:

14.2 Objective of the Study

1. To find out the driving factors for the entrepreneurship among the ethnic and religious minorities.
2. To find out whether ethnic minority entrepreneurship depends on the socio-economic and ethno-socio characteristics of the immigrant people.
3. To find out the impact of cultural factors for propensity toward entrepreneurship and family business.
4. To find out impact of ethnic enclave conditions to create ethnic business for new immigrants.

14.3 Literature Review

14.3.1 Entrepreneurship

The term “entrepreneurship” comes from the French verb “entreprendre” and the German word “unternehmen,” both mean to “undertake.” Since its conceptualization in the early 1700s, there have been several definitions of entrepreneurship put forth by scholars, educators, researchers, and policy makers.

The modern definition of “entrepreneurship” was first introduced in 1934 by Joseph Schumpeter and in his words, “the carrying out of new combination is called “enterprise,” and “the individual whose function is to carry them out are called “entrepreneurs.” Schumpeter attached the concept of entrepreneurship to the creation of five basic “new combinations” namely: (i) introduction of a new product, (ii) introduction of a new method of production, (iii) opening of a new market, (iv) the conquest of a new source of supply, and (v) carrying out of a new organization of industry.

In the words of Peter Drucker ‘entrepreneurship’ is a practice. It is neither a state of being nor is it characterized by making plans that are not acted upon. Entrepreneurship begins with action, creation of new organization. These kinds of organizations may or may not become self-sustaining and in fact, may never earn significant revenues too. But, when individuals create a new organization, they enter the “entrepreneurship paradigm.”

14.3.2 Driving Forces for Entrepreneurship

The Economists, sociologists, political people, and psychologists all place entrepreneurs at a special position. They have their own views on entrepreneurs. Economists view them as an essential element in generating investment opportunities. Sociologists view them as sensitive energizers in modernization of societies. Psychologists examine them as entrepreneurial elements of society. Entrepreneurs are viewed as kingpins of business not merely because they are willing to trade for a profit but because they are the correct exploiters of available resources meanwhile creating more goods and employment.

Facilitating factors	Barriers
1. Technical knowledge	1. Lack of technical skills
2. Entrepreneurial training facilities	2. Lack of proper market
3. Market contacts	3. Lack of capital
4. Family business	4. Lack of business knowledge
5. Availability of capital from sources	5. Social stigmas
6. Successful role models	6. Time pressures and distractions

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Facilitating factors	Barriers
7. Local manpower	7. Legal and bureaucratic constraints
8. Capable advisors and supporters	8. Political instability
9. Supplier assistance	9. Patent inhibition
10. Government and institutional support	10. Non cooperative attitudes of banks

Whether Entrepreneurs are born or made is a critical question that arises in entrepreneurship literature. Prior researches have demonstrated that the “entrepreneurial types,” possess certain characteristics linked to the probability of someone in the family being an entrepreneur themselves.

One of the entrepreneurial characteristics—‘acceptance of responsibility’ is quite stronger because when they start a new business, they take charge, lead, and watch their business till it can stand alone. Though making profit primarily serves as a meter to gage their success and achievement, they often desire to achieve something outstanding and to fulfill this desire they bring all the components of business (including people) together. According to Schumpeter (1934), an entrepreneur may be driven not only by economic motives but also by psychological motives like the desire to innovate and create new products.

14.3.3 Defining Ethnic and Immigrant Entrepreneurship

Researchers have given various definitions for the term ‘ethnic group’. Yinger (1976) defined ethnic group as “a segment of a larger society whose members have common origin and share common culture and activities”. In his work Waldinger et al. (1990) defines *Ethnic entrepreneurship* as “a set of connections and regular patterns of interaction among people sharing common national background or migration experiences.”

The classic works of Weber et al. (2007) on ethnicity and entrepreneurship proposed the concept of strangers as traders, combined with the social structure of societies and pervasive religious norms. Greene and Owen (2004) put forward that “ethnic business typically starts when an entrepreneur begins serving other members of the ethnic community and satisfies their specific ethnic needs.” This process is facilitated when larger ethnic groups live in geographically concentrated areas.

Immigrant entrepreneurship: An alternative term used for “ethnic” is “immigrant entrepreneurs,” which only includes the individuals who have actually immigrated over the past few decades. “Immigrant entrepreneurs” refer to people who start their own business just after their arrival using their individual/personal connection with former immigrants. They may provide goods and services that indigenous entrepreneurs are not likely to provide. Immigrant entrepreneurs have expert knowledge on specific demands or specific sources of supply relating to

foreign products. By introducing such products and different ways of marketing, immigrant entrepreneurs create a demand for their business. For example, in the case of Chinese restaurants, the indigenous entrepreneurs lack the skill and credibility.

14.3.4 Socioeconomic Factors Affecting Entrepreneurship

Entrepreneurial activity at any time is dependent upon a complex and varying combination of socioeconomic, psychological, and other factors like:

Caste origins: Some social groups produce a larger and more capable body of entrepreneurs than other groups under the influence of prevailing social factors. The caste system has found to be exercising its own influence on the occupational mobility. Some religious communities seem to have an affinity toward industrial activity.

Family background: It comprises of size of family, type of family, and economic status of family. To some extent, joint family provides family property to invest and expand the family business.

Religious background: Religion exercises a strong influence on attitudes toward material gains. Some religions dominate certain type of business and these religious members cooperate with each other while carrying out the business.

Education: It is one of the significant factors having direct relationship with entrepreneurial developments. It equips one with business knowledge besides education, entrepreneurship, and development are interrelated. Education is the best means of developing mans resourcefulness which encompasses different dimensions of entrepreneurship.

14.3.5 Cultural Factors Affecting Entrepreneurship

The cultural theory suggests that ethnic and immigrant groups are equipped with culturally determined features such as dedication to hard work, membership of a strong ethnic community, economical living, acceptance of risk, compliance with social value patterns, solidarity and loyalty, and orientation toward self-employment (Masurel et al. 2004). These features provide an ethnic resource which can facilitate and encourage entrepreneurial behavior and support the ethnic self-employed (Fregetto 2004). Ethnic people often become aware of the advantages their own culture might offer only after arriving in the new environment: “Whether one is English, Albanian or Mongolian, the very act of transferring to a new society with alien customs and incomprehensible language is in itself likely to heighten awareness of one’s own cultural and national identity” (Jones and McEvoy 1986).

14.3.6 Ethnic Enclave Conditions

The immigrants who enter the labor market are unfamiliar with the language and culture and are obviously distinct from the mainstream. Hence, often they live in geographical concentrations or ghettos.

“Ethnic enclaves” provide positive rewards to their members and “ethnic entrepreneurship” is an important avenue for social mobility of ethnic minorities (and can) suggest alternative policies for those still “held up in poverty” (Portes et al. 1992, p. 418). These entrepreneurs also prefer to hire individuals from their own ethnic group (in the process perhaps creating relationships based on hierarchy, privilege, and exploitation among their own ethnic group) thus creating a social and labor network, which interacts as a group with the outside market. In doing so, the enclave has the solidarity and protection of numbers, and helps its members to circumvent discrimination.

14.3.7 Social Networks and Ethnic Entrepreneurship

Social networks are significant social context elements that encourage ethnic entrepreneurship. The study of an individual’s role in society in relation to others focuses on individual’s relationship with primary and secondary groups. The primary group included family, kin, and other community members who have a major impact on the individual. To these, a third group can be added which includes all those members whom an individual consults on a wide range of topics. These interactions of exchanges are called social networks. These networks provide a tremendous amount of information related to starting a new business and thus will have a significant effect on the prospective business owner’s decision whether to form a business.

Social networks in an ethnic community can play an important role in providing informational and economic resources (Portes 1987). Entrepreneurs need information on industrial trends, process, possible site locations, and market conditions. They also need information on specialists who can provide legal and financial advice (Waldinger et al. 1990).

14.3.8 Type of Research

Research is an endeavor to discover facts by scientific method and is a course of a critical investigation (AKPC Swain). The research methodology used was based on a quantitative method to investigate the research propositions. A survey questionnaire was used to gather primary data from respondents. It is pure or fundamental research. The research type is **exploratory research** and data will be collected from

the Pune region majorly from the communities like Muslims, Boharis, Sikhs, Sindhis, Marwaris', Rajasthani, Irani etc.

Exploratory research can be defined as initial research conducted to clarify and define the nature of the problem.

14.3.9 Research Approach

The research approach used is a **Quantitative approach**. It is more over inferential approach to research which infer characteristics or relationships of population.

14.3.10 Sampling Method

Random sampling method is used to select database. Randomly elements are selected from each community or religion for data analysis. A stratum has been created for each community and then data has been selected.

14.3.11 Type of Universe

Type of universe of the research was entrepreneurs from different communities from Pune region.

14.3.12 Sample Size

The sample size of the research is 183.

14.3.13 Data Collection

Data collection refers to the process of raw data and unprocessed information that can be processed into meaningful information, following the scientific process of data analysis.

The required data is collected from primary sources and secondary sources. Primary data is collected with the help of a questionnaire. We had taken responses of different entrepreneurs with actually visiting their enterprise and also some of them got filled up through telephonic conversation. Also, we got some responses through emails. The reason for personally visiting respondents as opposed to

mailing the questionnaire was to ensure that a better commitment to completing the questionnaire through personal contact and assistance would be obtained. The support of family and friends was sought to help distribute and collect the questionnaires. Secondary information is collected with the help of current affairs news.

14.4 Questionnaire Design

Structured Questionnaire was used to collect the data. The research questionnaire consists of 16-questions covered under five parts: the first, to extract the demographic information about the respondents; the second, to extract driving factors for entrepreneurship; the third, to extract cultural factors of the respondents. The fourth is to extract economical factors and market conditions affecting business. And last part to find out the ethnic enclave conditions affecting entrepreneurship.

Every question included options that each respondent was required to tick off as preferred choices, with certain open questions such as ethnic origin, or other factors not included in options.

14.5 Data Analysis and Interpretation

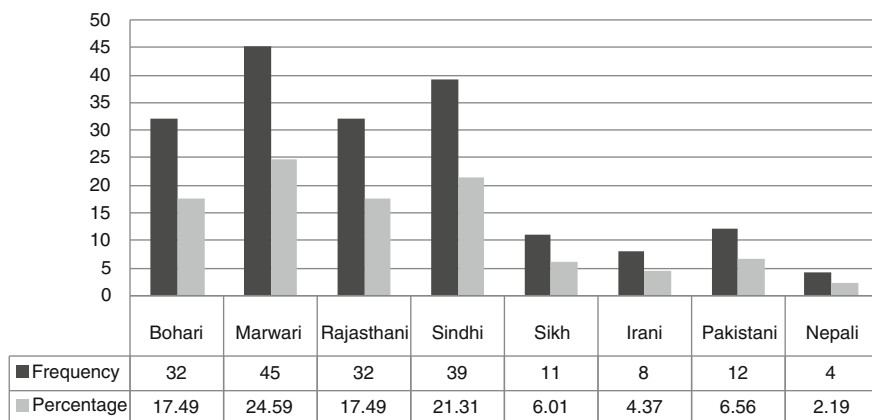
Data analysis is done for all five parts in questionnaire. The questionnaire consists of five parts: the first, to extract the demographic information about the respondents; the second, to extract driving factors for entrepreneurship; the third, to extract cultural factors of the respondents. The fourth is to extract economical factors and market conditions affecting business. And the last part to find out the ethnic enclave conditions affecting entrepreneurship.

14.5.1 Ethnic Group

This research is done with respect to old existing communities in Pune city as well as the immigrants from other countries. Data collected from Boharis, Marwaris, Rajasthanis, Sindhis, Sikh, Wani, and Sonar communities. But for the final evaluation, we have not considered the communities like Wani and Sonar since we got very less frequency in those communities. So here five communities and three immigrant groups are taken into consideration for analysis. With respect to total sample size 183, the frequency and percentage of sample for each community is shown in the Table 14.1 and Graph 14.1.

Table 14.1 Ethnicity of surveyed respondent

Ethnic group	Frequency	Percentage
Bohari	32	17.49
Marwari	45	24.59
Rajasthani	32	17.49
Sindhi	39	21.31
Sikh	11	6.01
Irani	8	4.37
Pakistani	12	6.56
Nepali	4	2.19
<i>Total</i>	<i>183</i>	<i>100</i>



Graph 14.1 Ethnicity of surveyed respondent

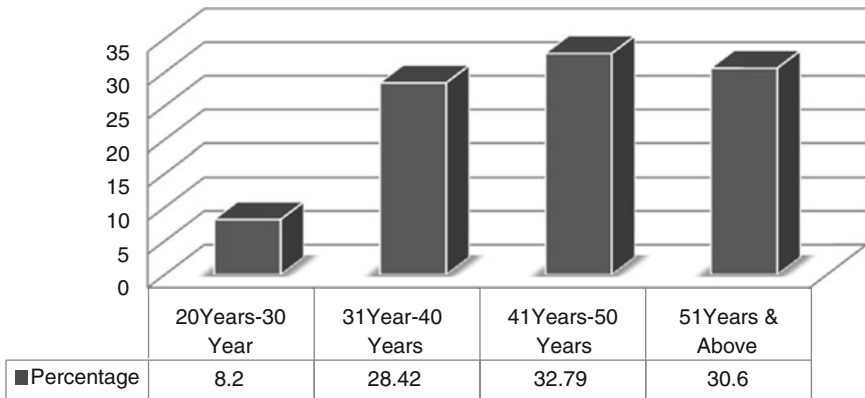
14.5.2 *Entrepreneurs’ Characteristics*

14.5.2.1 Age

The demographic profile of respondents in relation to age, gender and educational background are giving the comparative data of each community. Approximately, 8 % of total respondent are between the age group of 20–30 years. It has been observed that the numbers of respondents are very less in this age group as they are in process of learning about the business, or taking education, also they are struggling to start the business in the age of 25 years and above. 28 % of total respondent are between the age of 31–40 years. Entrepreneurs who are doing their family business are more in this group. The actual and perceived entrepreneurial skills are acquired overtime and age has an impact on entrepreneurship. It has been found that many people below the age of 30 are not able to capture those skills, but the people above 30 possess those skills. Approximately 32 % of total respondent

Table 14.2 Age group and entrepreneurship

Age group (years)	Frequency	Percentage
20–30	15	8.20
31–40	52	28.42
41–50	60	32.79
51 and above	56	30.60
<i>Total</i>	<i>183</i>	<i>100.00</i>



Graph 14.2 Age group and entrepreneurship

are between the age of 41–50 years. And 30 % of total respondent are between the age of 51 years and above (as shown in the Table 14.2 and Graph 14.2).

14.5.2.2 Gender

It has been observed that Ethnic entrepreneurship is male dominated. Hardly some women entrepreneurs are found in religious entrepreneurship. There is participation from women for helping the existing family business, but very few women have started their own business initially.

In almost 75 % businesses, women are helping their family members. But the percentage of women helping hands is still more in the Marwaris and Rajasthani communities, as compared to others. Hardly, any woman is found supporting the Bohari community business.

14.5.2.3 Educational Background

Nowadays people are very keen to take education and training which is necessary for the success of a business. It has been observed that respondents from ethnic communities are trying to educate their family members for further expansion of the

business. Approximately 10 % of the respondents are postgraduates from all communities. Most of the respondents, doing their family business are either graduates or secondary school certified showing 27 and 41 %, respectively. In some of the business like food and real estate business it is necessary to take training before entering into the business. Like bakery, they are required to take some training programs from reputed institutes. Hence, 13 % of respondents are taking vocational training in respective business. The entrepreneurs who are uneducated are in the business of selling handicraft products (especially Rajasthani people), opened Mutton Shops, Plant Nursery etc.

14.5.2.4 Starting Situation

Table 14.3 is an indication of whether the respondent (entrepreneur) is an owner himself or a successor of the business.

Majority of the entrepreneurs have started business on their own. The table is clearly indicating the percentage of newly started business from each ethnic community is more than those who have taken up business from their family or others. It is seen that in most of the communities, the culture values are more inclined toward self-employment.

In case of immigrants, 100 % respondents have started their business after they migrated from their native place to Pune city. They have established the businesses in Pune city and have mentioned that their next generational will also continue the same business ahead.

There are some entrepreneurs, who have taken up business from their family. Approximately, 40 % Boharis and 36 % Sikh are continuing their family business.

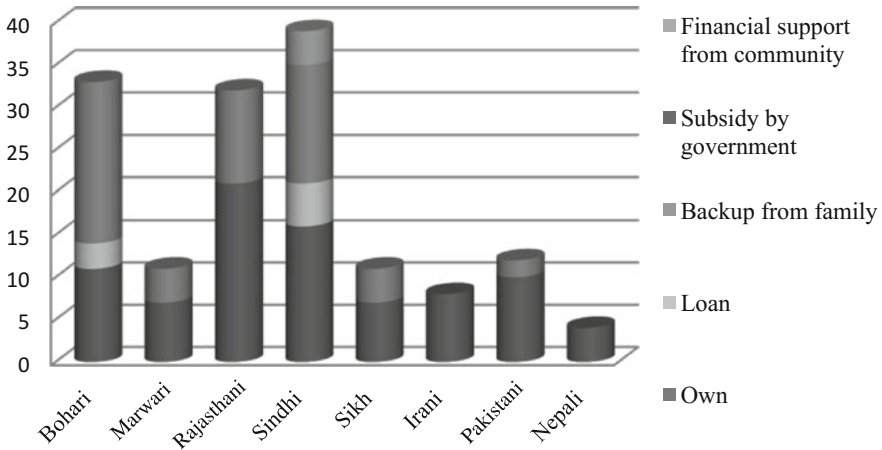
The percentages of entrepreneurs who purchased business from their friends are very less. There are only four Marwari respondents who have purchased business from their friends or others.

Table 14.3 Starting situation

Ethnic background	Own (newly started business)	Taken over from family	Taken over from others
Bohari (sample size 32)	19 (59.37 %)	13 (40.63 %)	–
Marwari (sample size 45)	31 (68.89 %)	10 (22.22 %)	4 (8.89 %)
Rajasthani (sample size 32)	28 (87.5 %)	4 (12.5 %)	–
Sindhi (sample size 39)	26 (66.67 %)	13 (33.33 %)	–
Sikh (sample size 11)	7 (63.63 %)	4 (36.37 %)	–
Irani (sample size 8)	8 (100 %)	–	–
Pakistani (sample size 12)	12 (100 %)	–	–
Nepali (sample size 4)	4 (100 %)	–	–

Note the percentage is calculated with respect to individual community sample size

Economic Factors: Capital / Investment



Graph 14.3 Position before startup the business

14.5.2.5 Position Before Startup

An indication of respondents positing prior to the current business is shown in the Graph 14.3.

Most of the respondents as shown in the Table 14.4 were entrepreneurs (different business) before starting the current business. There are majorly two reasons found to start new business: first is most of them were not satisfied with current small-scale business and suffered losses in their business. The second reason is they got the opportunity to start new business in a larger scale than their previous one.

Family business and continuation of the same business is considered by respondents who are assisting their parents while completing their study and training. There are some respondents who have started new business after completion of their respective vocational training and their education.

Table 14.4 Position before startup the business

Ethnic background	Employed	Unemployed	School/study	Entrepreneur
Bohari (sample size 32)	–	5 (15.62 %)	5 (15.625 %)	22 (68.75 %)
Marwari (sample size 45)	–	12 (26.67 %)	6 (13.33 %)	27 (60 %)
Rajasthani (sample size 32)	–	19 (59.375 %)	–	13 (40.625 %)
Sindhi (sample size 39)	11 (28.205 %)	–	14 (35.897 %)	14 (35.897 %)
Sikh (sample size 11)	2 (18.18 %)	–	–	9 (81.818 %)
Irani (sample size 8)	–	–	–	8 (100 %)
Pakistani (sample size 12)	–	–	–	12 (100 %)
Nepali (sample size 4)	–	–	–	4 (100 %)

Note the percentage is calculated with respect to individual community sample size

Some of the respondents have taken the existing business as an opportunity to earn money as well as to get them employed. For example, there are some entrepreneurs who started the business of handicraft and ethnic wear by initially selling goods in exhibitions and then after some years started a retail outlet for the same.

Few respondents were earlier employed, but were not satisfied with their job and work culture. So they left their job and started their own business. Some of them had mentioned that they were not ready to work under someone else and wanted to be their own boss.

14.5.3 Nature of the Business

The industry, in which respondents business operated, is indicated in Table 14.5.

While surveying Ethnic entrepreneurship it is found that it is very easy and convenient for people to start business in food and retailing category. Family business in garment industry and in retailing are more in number. Approximately 13.6 % respondents are from manufacturing business, such as manufacturing of Bakery products, hot chips, milk products, ethnic food products etc. Majority of Boharis are in Hardware business. They have attained expertise in hardware business and most of them are doing their family business.

Ethnic food products selling is generally done by women from Marwari and Rajasthani communities. Most of them are selling products like Khakara, Chiwada, and Pickles etc.

Boharis are more in hardware business and few in food and clothing. Sikh communities are more into retailing and some of them are in food business.

Most of the immigrants are in food manufacturing business as most of them are producing and selling varieties of food products in Pune city through more and more outlets.

14.5.4 Driving Factors for Start Up

Table 14.6 shows the responses of these communities to various driving factors. Desiring independence or the urge to be own boss is found to be a common driving factor among all communities. The cultural impact is also seen while getting different response like—Marwaris and Sindhi are more inclined toward financial progress through economic living. This driving factor is also strong because of unemployment while entrepreneurship provides better career with future opportunities. Those respondents who were employed and not satisfied with job are also motivated to start new business.

The drive to continue family business is high among the Bohari, Marwari, and Sindhi communities in comparison to Sikh and Rajasthani people who show less percentage.

Table 14.5 Nature of business

Nature of industry	Service sector	Manufacturing sector	Textile sector	Food	Hardware	Retailing/wholesaling	Construction
Ethnic communities							
Frequency							
Bohari	–	–	8M (4.37 %)	9M (4.91 %)	15M (8.19 %)	–	–
Marwari	5M (2.73 %)	8M (4.37 %)	4F + 3 M (3.82 %)	4F + 5 M (4.91 %)	–	12M (6.55 %)	4M (2.18 %)
Rajasthani	–	–	2F + 10 M (6.55 %)	5M (2.73 %)	–	15M (8.19 %)	–
Sindhi	–	–	6M (3.27 %)	17M (9.28 %)	–	11M (6.01 %)	5M (2.73 %)
Sikh	–	–	–	2M (1.09 %)	–	9M (4.91 %)	–
Irani	–	4M (2.18 %)	–	4M (2.18 %)	–	–	–
Pakistani	–	9M (4.91 %)	–	3M (1.63 %)	–	–	–
Nepali	–	–	–	4M (2.18 %)	–	–	–
Total percentage	5	21	33	53	15	47	9
Sample size 183	2.73 %	11.47 %	18.03 %	28.96 %	8.19 %	25.68 %	4.91 %

Note

1. **F** indicates Female respondents and entrepreneurs and **M** indicates Male respondents and entrepreneurs
2. Percentage of each frequency is indicated in bracket below and total for each sector given in total column

Table 14.6 Driving factors for starting business

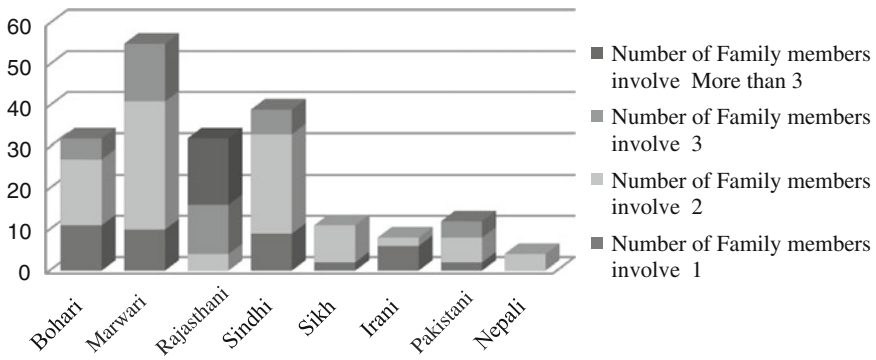
Communities ⇒	Bohari	Marwari	Rajasthani	Sindhi	Sikh	Irani	Pakistani	Nepali
Driving factors ↓								
Desire independence/ to be own boss	27	23	18	19	7	6	9	4
Financial progress		21		20				
Unemployed		12	19					
Dissatisfaction with current job				11	2			
Continuation of family business	13	10	4	13	4			
Good start up opportunities				28		8	12	4
Extra income		3	4	22	2			
Desire for self-employment	31			17				
Skills and knowledge	5	6		14		8	12	4
Personal satisfaction	6					2	3	
Need of achievement				12				
Personally know someone who started business (role model)		9	3					

Women are supporting their family with extra income by selling food products. Pune city and its food lovers are one of the prime motivational factors for many communities to start new business. In fact, many are choosing proper training programs and are taking the relevant knowledge before starting their business.

Followers of their role models can be seen in communities like Marwari and Rajasthani. They are influenced by members from their family or friends or other members from community and are working hard to achieve success in business.

14.5.5 Cultural Factors

Cultural values or religious beliefs are man’s primary motivators to do best in whatever one’s role is. The preferred values are spirit of openness, conformity,



Graph 14.4 Cultural factors

trust, authenticity, proactively, creativity, innovation, collaboration, experimentation, and confrontation. These values, generally followed in corporate organizations with strong culture help in the creation of an effective organizational team.

It is observed that in most of the communities these cultural values are strongly practiced and taught which in turn motivates them to start new business on their own. The value preference is shown below.

Variations in cultural beliefs regarding individual autonomy may influence a person. The other values taught by their culture and religion are dedication to hard work, economic living, acceptance of risk and challenges, orientation toward self-employment, solidarity, and loyalty (Graph 14.4 and Table 14.7).

It is found that dedication toward work as cultural values is taught in almost all communities. Economic living is mostly practiced among Marwaris and acceptance of risk and is high among Marwari, Sindhi, and Sikh communities.

Immigrants are also influenced largely by their cultural values like dedication to hard work, acceptance of the risk, and orientation toward self-employment. This fact cannot be ignored that even they follow the most important cultural value of

Table 14.7 Cultural factors

Cultural values/frequency				
Communities	Dedication to hard work	Economic living	Acceptance of risk	Orientation toward self-employment
Bohari (sample size 32)	32	15	22	30
Marwari (sample size 45)	40	42	41	41
Rajasthani (sample size 32)	25	30	29	32
Sindhi (sample size 39)	39	34	36	39
Sikh (sample size 11)	11	7	11	9
Irani (sample size 8)	8	7	8	8
Pakistani (sample size 12)	10	11	12	9
Nepali (sample size 4)	3	4	3	4

Table 14.8 Number of family members in business

Communities	Number of family members involved			
	1	2	3	More than 3
Bohari	11	16	5	
Marwari	10	31	14	
Rajasthani		4	12	16
Sindhi	9	24	6	
Sikh	2	9		
Irani	6	2		
Pakistani	2	6	4	
Nepali		4		

“Hindu dharma”—“Atithi Deva Bhav.” Considering every customer as an “Atithi,” i.e., guest, they prefer giving personal attention to them and trying to serve them.

14.5.6 Family Involvement

Cultural values and belief of communities encourage hard work, self-sufficiency, thrift, and helping each other through informal credit institutions. In the same way, family members are also supporting and motivating them to become successful entrepreneurs. The contribution of the family member and the impact of family business is questioned in this part of the questionnaire. It is found that in majority of cases, an immediate family member is involved in the business who guides the others.

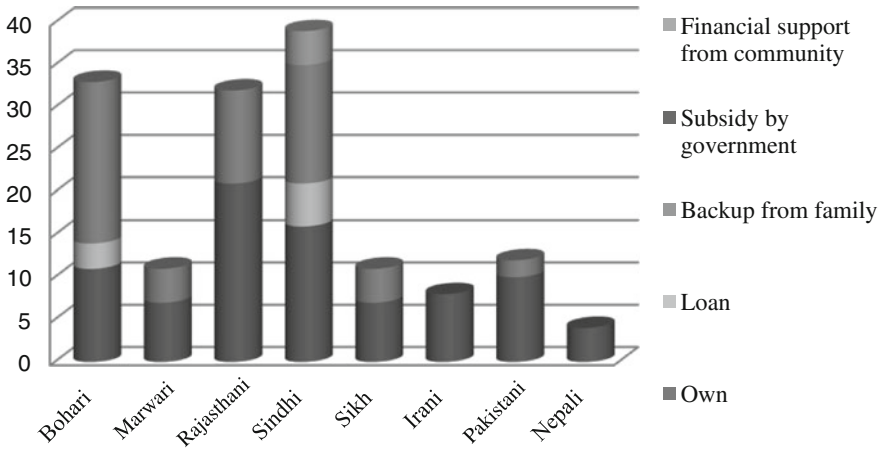
14.5.7 Number of Family Members in Business

At the most in every community more than two members from the family actively participate in the business. In case of Marwaris, Rajasthanis, and Sindhis more than two family members are involved in their business. Contribution of women is also high in these communities (as shown in Table 14.8 and Graph 14.5).

14.5.8 Economic Factors

Source of the capital used by entrepreneur to financially fund his business is mentioned in Table 14.9 and Graph 14.6.

Majority of the entrepreneur, use their own capital to fund their business with the help of funds from either family or friends. None of these entrepreneurs are taking the help of government funds (subsidy). There are some communities who are funding the entrepreneurs from their own communities and are also giving them



Graph 14.5 Number of family members in business

Table 14.9 Economic factors: capital/investment

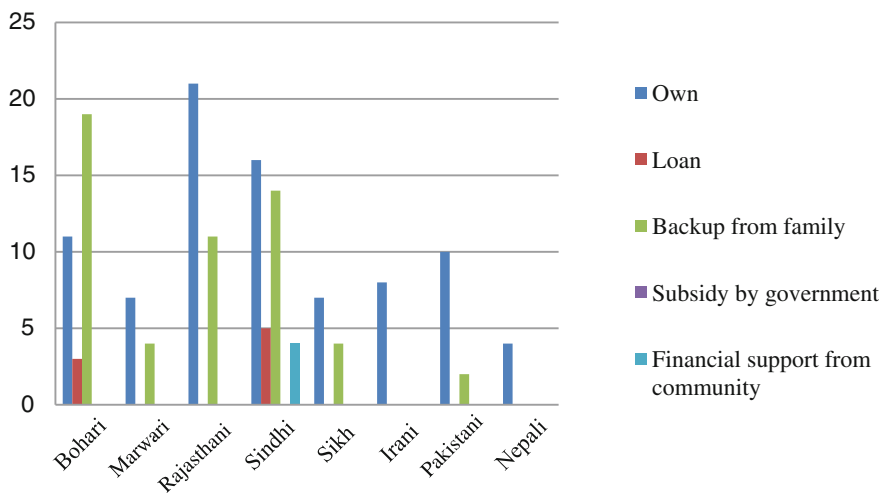
Capital/ investment	Own	Loan	Backup from family	Subsidy by government	Financial support from community
Bohari	11	3	19		
Marwari	7		4		
Rajasthani	21		11		
Sindhi	16	5	14		4
Sikh	7		4		
Irani	8				
Pakistani	10		2		
Nepali	4				

guidance. Even if someone is doing bad in their business or facing losses, the other members from their community are helping them.

14.5.9 Market Conditions

Approximately 72 % of Marwari entrepreneurs have started business with the objective of introducing ethnic products. The Bohari community (28 %) entered into the food joints like mutton shops and nonvegetarian restaurants due to low economies of scale. 37.5 % of Rajasthanis, 59 % of Sindhis, and 63 % of Sikhs have entered business due to acceptance from local communities. 50 % Irani and all the four Nepali entrepreneurs entered into businesses with low economies of scale. Around 58 % of Pakistani migrants have entered into business as they found less legal restrictions in starting their business (As shown in Table 14.10).

Capital /Initial Investment



Graph 14.6 Economic factors: capital/investment

Table 14.10 Market conditions

Ethnic background	Growth of ethnic communities	Markets with low economies of scale	Introducing ethnic products	Acceptance from local communities	Less legal restriction
Bohari		9	8	6	9
Marwari	4		23	14	4
Rajasthani	11		9	12	
Sindhi	7			23	9
Sikh				7	4
Irani		4			4
Pakistani	6			5	7
Nepali		4			

14.5.10 Ethnic Enclave

Migration is an important factor, which conditions the chances of ethnic entrepreneurship. Migration as a social process bestows on ethnic group a “sociological advantage” in the form of internal ethnic cohesiveness and collectivity, which appears to be conducive to doing business. Clustering of the same ethnic community in a neighborhood is known as Ethnic enclave who create more

entrepreneurial opportunities. Below mentioned four questions are put to these people to extract the information regarding their ethnic enclave. The questions and the responses to them are given below.

1. How would you describe the general reaction of your community to entrepreneurial behavior?

Most of the communities have given their reaction as “good.” And they usually support the entrepreneurial behavior of any member from their community. Some of the communities like Marwaris and Sindhis support their members to start new business and their cultural values are also inclined toward entrepreneurship.

The immigrants Irani, Pakistani, and Nepali have a small number of community members in Pune and nearby Pune region but their response to this question shows that their community provides “extremely good” support for entrepreneurial behavior. All of them are entrepreneurs and they support others to start their businesses.

2. How are successful business people generally viewed by your community?

Most of the respondents have replied to this question as “very highly regarded” by community members. Since their cultural value support and motivates entrepreneurship these people are conditioned from childhood toward starting their own venture and also give high regard to successful business people.

3. How much does Social networking help your business?

Social networking is the most important activity of the ethnic enclave. Through networking opportunities are created for further progress of the business. Their cultural values teach them to make strong social network which is useful in all kinds of business.

It has been observed that one of the important and distinctive features of the ethnic entrepreneurship is to support the community networks. Ethnic entrepreneurs generally take advantages from their networks. Many of these ethnic entrepreneurs, both in manufacturing and service-oriented sectors, have also developed good contacts with large companies through subcontracting relationships.

Respondents have also explained that these networks not only develop their business contacts, but also help them to raise their social standing, which in turn contributes to their entrepreneurial success.

4. How much support in terms of personnel do you get from Community people?

It has been found that most of the communities are helping and guiding the members of their community for the business. Some of the ethnic communities are directly and indirectly giving guidance and making different opportunities available for their people. There are some communities who help new entrepreneurs by supporting them financially for their business.

14.6 Findings

1. Majority of the entrepreneurs fall in the age group of 30 and above and it is found that the actual and perceived entrepreneurial skills are acquired overtime and age has an impact on entrepreneurship.
2. Very few have completed their education till post graduation while starting business but now community members from Sindhi and Sikh are also educating their children for further advancements in business.
3. Maximum entrepreneurs have started business on their own. Very few young entrepreneurs were found who have taken over the business from family members or others.
4. Majority the respondents had started their business on a very small scale and today they have expanded their businesses to great heights.
5. Desire for independence means to be own boss is the primary driving factor and continuation of family business for financial progress happens to be the secondary factor toward entrepreneurship.
6. All communities have shown dedication to hard work as their basic cultural value. Also these communities emphasize upon orientation toward self-employment. Communities like Marwari, Sindhi, and Rajasthani believe in economic living while all immigrants showed acceptance of risk as their learned cultural values.
7. It has been observed that more than two family members are involved in family businesses who happen to be immediate family members.
8. Most of the ethnic and immigrant entrepreneurs have started their business on their own with their personal savings while some have taken financial help from family members. Communities like Sindhis openly provide financial support to their co-ethnic members.
9. Most of the Marwari entrepreneurs have started business with the objective of introducing ethnic products. The Bohari community entered into the food sector like mutton shops and nonvegetarian restaurants due to low economies of scale. Few of the Rajasthani, Sindhi, and Sikh people have entered business due to acceptance from local communities. Half of the Irani and all the four Nepali entrepreneurs entered into businesses with low economies of scale. Around 58 % of Pakistani migrants have entered into business as they found less legal restrictions.
10. The study of ethnic enclave conditions shows that the community members support the growth of co-ethnic businesses not only financially but also by providing personnel from their respective communities. They have all rated social networking as a catalyst to their businesses.

14.7 Limitations

The present analysis is a pilot study and has achieved its primary objective of unearthing facts, from responses to questionnaire and personal interviews of some ethnic entrepreneurs to get more insights into the driving factors, while simultaneously taking into account other structural factors such as communities, gender, education, and nativity.

In the stipulated time, maximum data was collected and the findings and conclusion are purely based on the responses received.

14.7.1 Scope for Future Research

For the socioeconomic well-being of members of the ethnic groups and for the future socioeconomic development, a well-structured program for studying ethnic entrepreneurship coupled with minority and women as essential segments is of paramount importance.

14.8 Conclusion

1. First, the main objective of this chapter was to find out driving factors for entrepreneurship among ethnic and religious minorities. Majority of the respondents have rated desire independence/to be own boss as the primary driving factor.
2. Second, we found that the ethnic entrepreneurs and the immigrants are benefitted by the socio-ethnic characteristics like the socio-ethnic networks they create for their business. Working with ethnic enclaves improves the prospects for social mobility among the ethnic workers.
3. Third, the study reveals that ethnic, religious, and migrated communities are well equipped with culturally determined features such as hard work, membership of a strong ethnic community, economical living, acceptance of risk, and orientation toward self-employment. These features provide an ethnic resource which facilitate and encourage entrepreneurial behavior and support the ethnic self-employment.
4. Fourth, the study has offered evidence suggesting that ethnic enclaves contribute to increase in the level of earnings. This is consistent with the view that the enclave offers a “warm embrace,” helping immigrants and ethnic entrepreneurs to move upward on the business ladder. Most of the respondents have shown that the ethnic enclave conditions have supported them in flourishing their business and are regarded highly in the society.

For the ethnic entrepreneurs, entrepreneurship is a survival strategy rather than hobby. Entrepreneurship is the only alternative for economic advancement and social mobility.

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