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**A Study on
The Development of Tourism Entrepreneurship in
Assam, with Special Reference to
Accommodation Industry**

**A thesis submitted in part fulfillment of the
requirements for the degree of
Doctor of Philosophy**

By

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ABSTRACT

1. Introduction

Assam, as one of the prominent States of the North Eastern Region (NER) of India, has every scope of being the chosen destination of tourists because of its natural beauty, rich tourism products, ethnic diversity, and uncharted mysteries. Despite resource abundance, Assam is almost insignificant in the beneficiary list of Indian tourism industry. The share of Assam tourism in the national tourism market fluctuates between 0.30% to 0.40% over the years. As indicated, limited is the level of development of tourism entrepreneurship in Assam, but much more limited is the availability of data on whatever entrepreneurship in tourism sector exists there. Whatsoever little information is available in this regard is rather sketchy and far from being systematic. As such, any serious attempt at drawing comprehensive plans for the development of tourism entrepreneurship in the State is hampered by the non-availability of systematic and comprehensive data on the subject. Then, currency and predilection is given to the popular sentiments and general assumptions without rigorous empirical investigations. Any strategy and programme based on such assumptions are bound to fail to stimulate the development of tourism entrepreneurship if the real conditions are found to be different. This is an area of academic as well as policy interest in which no empirical research work has so far been done especially tourism entrepreneurship in accommodation industry in Assam.

Few terms have been discussed and deliberated so much in the recent times as much tourism, tourism development, and tourism entrepreneurship. Like development in any other field, tourism development is also contextual. The present study, therefore, proposes to make a modest and pioneering contribution based on primary data on the emergence, performance, and problems of tourism entrepreneurship in accommodation industry in Assam, in particular, and the North-East India, in general.

2. Objectives

The major objective of the study is to make introspection into the growth of tourism entrepreneurship in accommodation industry in Assam. For the convenience of the study, the major objective is divided into the following sub-objectives:

- 1) To analyse the socio-economic background of the entrepreneurs.

- 2) To investigate into the motivational forces to plunge into tourism entrepreneurship.
- 3) To assess the entrepreneurial performance.
- 4) To identify the problems faced by the entrepreneurs.
- 5) To suggest measures to overcome the problems and submit recommendations for the development of tourism entrepreneurship in Assam.

3. Significance of the Study

Accommodation sector is one of the most important tourism-infrastructure providers with the possibility of private sector participation. So far, no systematic study has been conducted in accommodation industry in Assam. As such, no comprehensive information is available on tourism accommodation-infrastructure in Assam. This study will, therefore, serve as pioneering research in accommodation industry in the region.

Development of entrepreneurship in accommodation sector may be the strong antidote of the fear of unsustainable tourism expansion. But, this requires an in-depth analysis of the potentiality as well as the necessity of tourism sector development in the entire region. Such an investigative study is considered very important from the NER perspectives due to its geo-physical, economic, and cultural linkages among the states where Assam occupies a prominent place.

Accommodation industry can augment the promotional process of tourism in the form of developing a tourist friendly atmosphere, creating employment, enhanced standard of living of the stakeholders, and thrust on environment sustainability.

This study is a modest and ice-breaking attempt to address to the existing gaps as identified above.

4. Research Methodology

a) Data Collection

The study basically utilises primary data for entrepreneurial analysis collected from four important tourist locations in Assam, comprising Dibrugarh, Sivasagar, Tezpur and Guwahati Metro. These locations have been selected purposively on the basis of their importance in State tourism economy. However, secondary sources have also been used to authenticate the present analysis. The secondary data have been collected from different Government, Semi-Government and Non-Government publications.

The primary data were collected through a sample survey during February, 2004 to July, 2005 using a self-administered questionnaire. The questionnaire was finalised

after the pilot survey of 25 selected entrepreneurs in the available segments of accommodation industry. The questionnaire contained questions relating to the following aspects:

1. Existing status of entrepreneurship in the industry.
2. Identification of the pattern of entrepreneurial succession.
3. Motivational forces of entrepreneurship.
4. Entrepreneurial performance.
5. Entrepreneurial problems.

In determining the sampling frame, purposive and judgmental sampling methods were used. A total of 230 enterprises have been included in the study, representing budget hotels, paying guest houses, private hostels, tourist resorts, and dhabas/wayside inns.

The collected data were analysed using SPSS package for windows.

b) Procedure of Data Analysis

Keeping the objectives of the study in mind, the collected data were analysed as follows:

First, a detailed profile of the entrepreneurs has been prepared with the socio-economic and environmental variables affecting the entrepreneurs. Data analysis is done with the help of frequency distribution tables, cross tabulations and measures of central tendency. For determining the pattern of the entrepreneurial succession, similar statistical tools were used.

Second, factor analysis was incorporated to determine the principal motivating factors of entrepreneurial growth in the accommodation industry of Assam. It is to note that 26 variables were selected based on literature review on entrepreneurial motivation. These 26 variables finally resulted in 8 principal factor components (See **Table-1** in **Appendix**). These factor components were named on the basis of the dominant factors in each component.

Third, factor scores were calculated based on the principal factors and the factor scores are compared with different socio-economic variables with the help of 'One way Analysis of Variance (ANOVA)' analysis. Levene's test of homogeneity and post-hoc methods (Bonferroni and Games Howel) of multiple comparisons were used to determine different significantly associated pairs of variables.

5. Summary of Findings

The major findings of the study are capitulated as follows:

5.1 The Entrepreneurial Profile

5.1.1 The growth of tourism entrepreneurship, in general, and accommodation sector, in particular, in Assam is at the nascent stage. In the accommodation industry, more than half of the entrepreneurs (51.3%) are at the preliminary stage of growth. Excessive dominance of the first generation entrepreneurs (90.9%), lower levels of business spill-over (3.5%), and dominance of local entrepreneurs (81.7%) establish this conclusion.

5.1.2 Excessive dominance of local entrepreneurs (81.7%) with comparatively smaller size of seed capital (38.3% entrepreneurs have used less than Rs.10 Lakh of seed capital) and generation of employment opportunity for the local youth (84.5%) in various capacities; prove that the industry has every chance of developing as a major industrial activity to mitigate the problem of unemployment in the state.

5.1.3 That business background still matters in the Indian entrepreneurial set-up is well confirmed as 60.5% of the male and 50.0% of the female entrepreneurs belong to business family background.

5.2 Entrepreneurial Motivation

5.2.1 Entrepreneurial behaviour is not the result of a single motive or motivating factor; it is, in deed, the result of a set of motives causing entrepreneurial behaviour.

5.2.2 The major motive of starting entrepreneurial activities in the accommodation industry is found to be 'economic necessity' or 'to earn an income'. This can be validated from the finding that 'economic necessity' shows the highest mean value (3.97; 4.04 for nascent and 3.97 for the non-nascent) as a motivational factor effecting entrepreneurship.

5.2.3 Squeezed job market and very slow pace of industrialisation in the State are found to put compulsion among the youth to take up self-employment activities including entrepreneurship in the accommodation sector. That 36.5% of the total entrepreneurs have started their occupational career in the accommodation industry, establishes such a conclusion.

5.2.4 The role played by the Government to encourage self-employment activities in the industry has not been found encouraging.

5.2.5 There is no significant difference between the nascent and non-nascent entrepreneurs regarding motives and motivational factors to take up entrepreneurial activities.

5.2.6 Although the socio-economic and structural variables of entrepreneurship show varied reactions to the acceptance of the principal motivating factors, yet a specific pattern of such relationships could not be determined.

5.3 Entrepreneurial performance

5.3.1 Entrepreneurs/ enterprises representing upper castes (40.4%), Assamese as linguistic origin (81.7%), 'son of the soil' (non-migrated) criterion (81.7%), business as family background (33.0%), institutional financing pattern (59.1%), smaller size (38.3%; in terms of worth), and self-supervision are found to be more successful than other entrepreneurs/enterprises.

5.3.2 The indicators including gender, marital status, location of business, and level of nascence are found to be least important in determining entrepreneurial success.

5.4 Entrepreneurial Problems

The major problems identified in the growth of entrepreneurship in the accommodation industry of Assam are as follows:

5.4.1 Shorter duration of entrepreneurial experience (8.40 years), fewer professionally trained entrepreneurs (3.8%), dominance of first-generation entrepreneurs (90.87%), lower level of entrepreneurial migration (9.09%) insufficient family support (26.09%), etc. are some of the major micro-environmental problems creating entrepreneurial incompetence in the accommodation industry of Assam.

5.4.2 There exist problems of incubating the entrepreneurs to react positively. This is clear from the instances of lack of realisation of the importance of project report formulation (13.30%), priority assigned in understanding hospitality business (11.20%), importance of Entrepreneurship Development Programmes (6.45%), and importance of consultancy firms (5.37%).

5.4.3 The problems of poor infrastructure (43.91%), insufficient manpower (84.50% of the workers are untrained and locally recruited), deep-rooted insurgency (47.39%) and lack of public awareness (52.61%) are also serious problems faced by the industry.

5.4.4 The tourism market in Assam represents heterogeneity. In the demand side, dominance of business travellers (51.74%), and lower-duration of stay (5.12 days) of the visitors represent lower rate of service diversifications.

5.5 Entrepreneurial Prospects

However, against these problems of tourism accommodation industry there are prospects as well. These are:

5.5.1 Assam, as gate-way to East Asia, is exposed to the potential international tourism market covering a long stretched international boundary (85% considering the NER as a whole).

5.5.2 The rate of local participation in the industry is very high (76.52%) along with the utilisation of local labour market (84.5%). This augurs well as the possibility of developing the tourism industry by the local-stakeholders for the benefit of the local economy.

5.5.3 Occupational shifts to the accommodation sector are found in case of government jobs (9.1%), politics and social work (8.3%), agro-based employment (6.5%), and jobs in non-hospitality firms (1.3%). As per economic history, these are considered as the signs of pre-industrialisation phase of an economy.

5.5.4 Horizontal spread of the industry in the form of diversification of accommodation units indicates the need for and possibilities of developing specialised tourist accommodation units in the State.

5.5.5 Less emphasis on informal credit (1.7%) and greater reliance on formal credit agencies (59.1%) by the entrepreneurs may also be considered positive for the growth of the industry in the State.

6. Suggestions

The study recognises the emergent obligation on the part of the society to help in properly conduit the entrepreneurial power in the most profitable and efficient ways. A simplified conceptual model of entrepreneurship development, nomenclatured as Tourism Entrepreneurship Incubator (TEI) is, therefore, suggested to overcome the problems of accommodation entrepreneurship development in Assam, in particular, and tourism industry, in general (See **Fig.1** in **Appendix**). The stakeholders in tourism trade at different levels including local community, prospective entrepreneurs, the Universities, financial institutions, non-government organisations (NGOs), and the Government have individual as well as cohesive roles to play in the three phases of the model.

TEI is a three-phase model. The '**primary phase**' of the model is associated with the determination of the core potential of the tourism base including determination of tourist carrying capacity of the region, awareness generation regarding the benefits of

tourism entrepreneurship, and market segmentation on the basis of available tourism products.

The '**intermediate phase**' is associated with the preparations to develop entrepreneurship as a coherent approach of a series of formal and informal institutions forming a sort of 'Tourism Entrepreneurship Incubator'. These institutions are responsible for providing technical, physical, and financial inputs to the growth of entrepreneurship in assigned tourism categories.

The '**final phase**' is divided into two sub-stages, viz, - *Self-evaluation Manoeuvres* and *Take Off /Open Competition*. Self-evaluation is essential for the attainment of clarity of sustainability conditions. If it is found during the evaluation period that in a designated area the stake-holders are contributing negatively to the process of change, the strategy of entrepreneurship should be withdrawn systematically.

7. Scope for Further Research

Tourism, and more particularly accommodation industry, is, in fact, one of the prospective industries for Assam considering the region's resourcefulness as well as necessity. In the present study, an initial attempt is made to understand the basic structure of the accommodation industry in Assam relating to the areas like entrepreneurial nascence, motivation, and succession pattern. There is no denying the fact that there is tremendous necessity of in-depth research in all the relevant branches of tourism industry in Assam. However, addressing to all these areas in a single study is not just feasible. During the course of the present study, the following areas were found highly relevant for further research:

1. Tourism multiplier analysis.
2. Comparative analysis of public and private sector participation in tourism.
3. Development of tourism entrepreneurship in a segmented tourism market.
4. Development of rural tourism in Assam under the ambivalence of social entrepreneurship.
5. Role of information technology in tourism entrepreneurship development.
6. Determination of the codes of conduct for the nascent entrepreneurs.
7. Development of a tourism entrepreneurship incubator.
8. Public awareness generation for entrepreneurship in tourism.
9. Determination of a detailed structure of educational curriculum for tourism entrepreneurship development in Assam.

10. Integrated entrepreneurship development for tourism in the NER as a whole.

8. Chapter Scheme

The study is arranged in the seven chapters as follows:

Chapter 1: Introduction

Chapter 2: Literature Review

Chapter 3: The Entrepreneurial Profile

Chapter 4: The Entrepreneurial Motivation

Chapter 5: The Entrepreneurial Performance

Chapter 6: The Entrepreneurial Problems and Prospects

Chapter 7: Summary of Findings and Suggestions

Bibliography

Appendices:

Appendix- I: Procedure of Factor Analysis

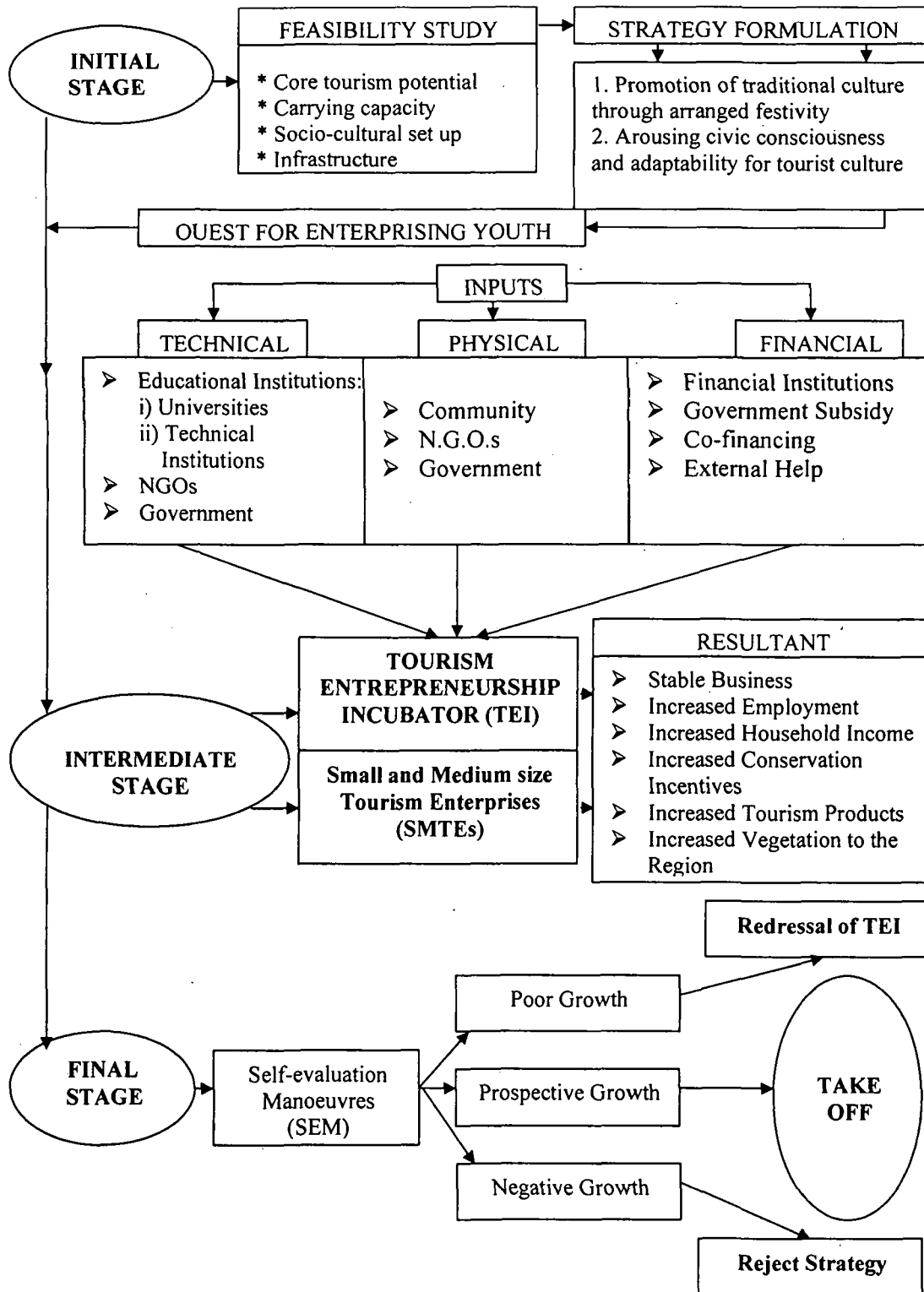
Appendix-II: Questionnaire

Appendix

Table 1: Principal Factors

Component 1: Freedom and social recognition			Component 6: Incubation		
1.	To get an employers status	.824	1.	Encouraged by Government and bank policies	.769
2.	Gaining social status	.791			
3.	Not to be controlled by others	.655	2.	Possess sufficient knowledge and expertise	.713
4.	Enjoying independence at work	.426			
Component 2: Getting engagement in work			Component 7: Family need		
1.	To pass time	.756	1.	Family tradition	.789
2.	To be relieved from routine activities	.634	2.	To look after family property	.737
3.	To have a subsidiary income	.606			
4.	Doing something different	.488			
Component 3: Creativity and leadership			Component 8: Family pressure/desire to work in flexible time schedule		
1.	To develop the state economy	.720	1.	Family pressure/desire	.816
2.	Job satisfaction	.652	2.	To work in flexible time schedule	.813
3.	To lead the society	.522			
4.	To overcome challenges	.503			
5.	To adopt an unorthodox business	.461			
Component 4: Self-dependence			Rejected Factors (< 0.40)		
1.	Getting self-employment	.813			
2.	Success story of other entrepreneurs	.614			
3.	Not getting a suitable job	.603			
Component 5: Enthusiasm					
1.	To use personal capacity to the fullest extent	.742	1.	To have a wider field of activity	
2.	Earning maximum amount of income	.694	2.	To have a leisurely life	

Fig. 1: Tourism Entrepreneurship Incubator (TEI)



Declaration

I do hereby declare that the thesis titled **“A Study on the Development of Tourism Entrepreneurship in Assam, with Special Reference to Accommodation Industry”**, being submitted to Tezpur University, Tezpur-784 028, Assam, in part fulfilment of the requirements for the award of the degree of Doctor of Philosophy, is an original work done by the undersigned and has not been published or submitted for any other degree in full or in part.

Dated: 26.11.2007


(ANJAN BHUYAN)



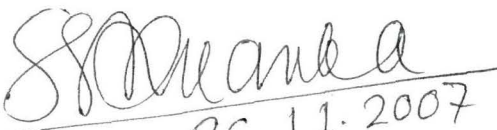
TEZPUR UNIVERSITY

This is to certify that the thesis entitled “A Study on the Development of **Tourism Entrepreneurship in Assam, with Special Reference to Accommodation Industry**” submitted to the School of **Management Sciences**, Tezpur University in part fulfilment for the award of the degree of Doctor of Philosophy in **Business Administration** is a record of research work carried out by Mr. **Anjan Bhuyan** under my supervision and guidance.

All help received by him from various sources have been duly acknowledged.

No part of this thesis has been submitted elsewhere for award of any other degree.

Signature of:


26.11.2007

Supervisor : **S. S. Khanka, Ph.D.** *Professor,*
Designation : **Professor & Dean** *Deptt. of Business Administration.*
School : **School of Management Science** *Tezpur University*
Department : **Business Administration**

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(Anjan Bhuyan)

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LIST OF ABBREVIATIONS

ANOVA	: One way Analysis of Variance
ATDC	: Assam Tourism Development Corporation
CIT	: Critical Incident Technique
DICs	: District Industrial Centres
DOT	: Directorate of Tourism
GATS	: General Agreement on Trade in Services
GDP	: Gross Domestic Product
GEM	: Global Entrepreneurship Monitor
GNFCs	: General National Framework Conditions
GOA	: Government of Assam
GOI	: Government of India
HRACC	: Hotel and Restaurant Approval and Classification Committee
ITDC	: India Tourism Development Corporation
KMO	: Kaiser-Meyer-Olkin
LDCs	: Less Developed Countries
NCAER	: National Council of Applied Economic Research
NCT	: National Committee on Tourism
NEC	: North East Council
NER	: North Eastern Region
NGOs	: Non-Government Organisations
NTP	: National Tourism Policy
OECD	: Organisation for Economic Co-operation and Development
PPT	: Pro-Poor Tourism
SCP	: Structure-Conduct-Performance
SMEs	: Small and Marginal Enterprises
SPSS	: Statistical Package for Social Science

STB	:	Small Tourism Business
TCBSS	:	Trade Capacity Building in the Services Sector
TDCs	:	Tourism Development Corporations
TEI	:	Tourism Entrepreneurship Incubator
TFCI	:	Tourism Finance Corporation of India
UK	:	United Kingdom
UMI	:	Universal Measuring Index
UNCTAD	:	United Nations Committee on Trade and Development
UNESCO	:	United Nations Educational, Scientific and Cultural Organization
UNWTO	:	World Tourism Organisation
USA	:	United States of America
WTTC	:	World Travel and Tourism Council
WTO	:	World Trade Organisation

CHAPTER – 1

INTRODUCTION

1.1 The Perspective

Tourism has been one of the oldest and important forms of economic activity. It is indicated by its share accounting for about 11% of global Gross Domestic Product (GDP), 34% of global service exports and employment for more than 200 million people worldwide. It is expected that international tourist arrivals will further climb to 1.6 billion by 2020 with over US \$2 trillion spending, making tourism the world's leading industry (Williams, 2002). After the inclusion of tourism under the General Agreement on Trade in Services (GATS), in 1994, the sector has been assigned higher priority in the developmental agenda of developing countries (World Trade Organisation, 2002).

So far, tourism and travel related services are strongly dominated by Europe and the United States of America (USA), with a few new entrants from Asia and Latin America. Almost half of the world's tourists come from Europe alone comprising of the world's top ranked tourism earners as well as spenders. As such, the USA is at the number one position in global tourism market being the second most popular destination for the world tourists. It is expected that East Asia and the Pacific will be second in generating tourists in 2020 (World Trade Organisation, 2002).

Historical evidences exhibit a strong domination of wealthy nations in tourism trade over the years. This may be due to the fact that the origin of tourism development is associated with the enhancement of disposable income of the individual households and community in general for recreational purposes. An excursion into the trend of tourism growth reveals three established patterns of socio-economic orientation.

First, development of modern tourism (early 19th century) focused on exploration, hunting, and trading in colonial territories because of colonial conquest (Naipaul, 1978, p.15).

Second, the development of mass tourism culture (1950 – 1980) led to the inclusion of the middle class adventures in the developing world.

Third, after the realisation of ambivalence of modern tourism, new directions of world tourism have been initiated during the last quarter of the 20th century. Sustainance of tourism gains, stakeholders' utility maximisation, preservation of local identity through

active aboriginal participation, cohesive participation of public and private enterprises, and long-term strategic planning are some of the major areas of concern in the present structure of world tourism. The changes altogether represent a 'paradigm shift' from the popular concept of 'mass tourism' to 'super-segmentation of market demand' to determine specific tourist category and their specific needs in developing, promoting, and marketing tourism products. Ecotourism, nature tourism, wildlife tourism, and rural tourism are some of the examples of such paradigm shift towards tourism segmentation.

In the event of declaring 21st century tourism as 'pro-poor' (PPT Partnership, November 2005), it is observed that the contribution of tourism has not been maintaining a steady rate especially in the less developed countries (LDCs). State domination, entrepreneurial incompetence, and lack of stakeholders' awareness regarding tourism development are considered some of the problems of the development of tourism trade in the LDCs. In the countries like Vanuatu, Maldives, Bahamas, Barbados, and San Marino, tourism contributes more than 50% of their GDP while India, Bangladesh, Burundi, Cameroon, and Haiti receive even less than 5% of their GDP from tourism trade. As a whole, tourism growth in the LDCs discerns a distinctive trend during 1990-2000 (EQUATIONS, 2006) as listed below:

- Tourism has emerged as the primary foreign exchange earner in 49 LDCs.
- Tourism is now the principal export earner for more than four-fifth (83%) of LDCs and the principal export earner for one-third of them.
- More than 20% of the population in around 20 of 49 LDCs is directly engaged in tourism related activities.

Thus, it is clear that there has been a widespread and enduring divergence regarding tourism sector development in the LDCs. The positive side is the tremendous possibilities of tourism trade with high GDP growth, better use of work force, and enhanced consumer capabilities. On the other side, there are some disturbing consequences of tourism related activities as well, associated with unsustainable growth, ecological depletion, loss of indigenous socio-cultural traditions, capital flight, and immoral trade practices.

As regards the Indian economy, there are reasons and evidences to believe that the transformation process has already been set in favour of radical changes in tourism industry. For example, recognition of private sector participation, issues relating to tourism awareness generation, high impetus to service sector in the GDP estimates,

introduction of tourism-based education and training in Indian universities, etc., are some of the positive steps that are being implemented in the economy at different levels. However, no concrete and perceptible result has so far been accomplished to justify the country's euphoric attempts made in developing tourism trade. Development of any kind has been context specific. It is against this background, a perspicacious introspection and validation of the reorientation of the Indian economy seems quite imperative.

1.2 Statement of the Problem

India has so far been termed as developing economy characterised by the co-existence of unexploited natural resources, on the one hand, and unutilised human resources, on the other. Recognising the potential for economic development of the country, the former President of India Dr. A.P.J. Abul Kalam has set forth a vision to make India developed by 2020. The visionary statement stresses upon both the comprehensive as well as harmonious future of India, which encompasses all the myriad aspects that constitute the Indian nation. It stresses on the balancing and synthesising of all the divergent views and forces that compete in the pursuit of self-fulfillment. Moreover, it is believed to be based on an objective assessment of facts and a realistic appraisal of possibilities. As Gupta (2002) opines, 'It must rise beyond the limitations of past trends, immediate preoccupations, and pressing challenges to perceive the emerging opportunities and concealed potentials.'

An examination of service sector contribution to economic development of countries including the U.S.A. (66.8%), Germany (56.7%), Brazil (46.4%), Japan (70%), and Singapore (63.8%) reveals that with economic development, the share of tertiary sector in their GDP tends to be higher than that of secondary and primary sectors (Premkumar, 2006; Nitta, 2003; OCED, 2004). Moreover, the quantum of employment generation by the service sector of the countries like U.S.A. (77%), the U.K. (82%), Germany (71%), Japan (68 %), and Singapore (69%) clearly establish their growing dependence on service sector (OCED, 2004).

Though India's service sector has also emerged as a positive contributor to the GDP, by contributing 46% of the GDP, yet, it is still far below the Universal Measuring Index (UMI) reference level of 60%. It is expected that the country will, in future, avail of the opportunity to skip the long slow phase of industrialisation that the most developed nations have passed through and transit rapidly into a predominantly service economy by 2020, creating services that meet human needs, generate employment covering the large

unorganised segment of the economy, raise incomes, and, in turn, increase purchasing power of the people (Gupta, 2002). That is precisely the reason why the Government of India, like elsewhere in the world, has been laying increasing emphasis on the development of tertiary sector (services) in the country.

Together with telecommunications and information technology, travel and tourism has been identified as one of the three 'paradigm service industries' which will drive the service-led economies of the 21st century throughout the world (Naisbitt, 2001). On the eve of the 57th Independence Day (2003), the honourable President of India commented that tourism sector development should be the fifth mission with higher targets in India's development agenda. He considers it as the core competent sector of the country and stresses on the primary need of the infrastructure development to accomplish the mission (Kalam, 2003).

India is considered the sixth fastest growing economies in the world. The country represents a vibrant and rapidly growing consumer market with a fast increasing middle-class already exceeding 250 million inhabitants. Economic forecasts for India indicate a continued high level of GDP growth. While India achieved an annual economic growth rate averaging 6% during the 1990s, it is currently poised to grow even faster at an impressive 8% and above in the coming years (Commission of the European Communities, Brussels, 2005). However, the contribution of tourism in the national income of India is so far dismally low at 2.5%. The share of India in world tourism has been hovering between 0.38% and 0.39% for a number of years (Government of India, 2006). However, against such dismal scenario are prospects as well. World Travel and Tourism Council (WTTC) has made projections that India has the potential to become number one tourist destination in the world with the demand growing at 10.1% per annum (WTTC, 2000). World Tourism Organisation has identified India as an attractive destination with ample promise for tourism development in terms of annual net revenue contribution (an average of Rs. 13,000 Crores) and average stay of tourists in the country for 30 days (UNWTO, 2003, pp. 53-56). These augur well for Indian tourism.

During 2005, Indian tourism experienced considerable upward shifts in tourist inflow and revenue generation. There was an increase of 20.2% in the foreign exchange earnings in dollar terms. The estimated foreign exchange earnings during the year touched the level of US \$ 5731 million against US \$ 4769 million during 2004 – a growth of about US \$960 million in one year. In absolute rupee terms, the increase in foreign exchange earnings during the year was to the tune of Rs.3570 crores. Moreover, it was

observed that, on an average, per tourist foreign exchange earnings in India was about US \$ 1462 against the estimated world average of US \$ 850. Even when the average earnings per tourist are compared with those of the top world tourist generating countries or with countries in India's neighbourhood, it was highest in India with an exception of USA. The high spending in India can be mainly attributed to more number of days spent by a foreign tourist in India compared to other countries besides the visit of high end tourists to India. According to the foreign tourist survey conducted by India, a foreign tourist from the top 15 international markets spends from 7 to 18 days in India, the overall average being 16 days. It is to note that after experiencing a steady increase in 2005, the number of foreign tourist arrivals and the corresponding foreign exchange earnings have increased by about 13.1% and 12.7% respectively during the early phase of 2006, over the corresponding period in 2005 (GOI, 2006).

Assam is one of the prominent states of the North Eastern Region (NER) of India with unique geo-political structure. Considering tourism, the entire NER is said to be the 'unexplored paradise for the tourists' for its rich natural resources and ethnic diversity. Assam has vast potential for tourism. It can develop cultural, lifestyle (tea), adventure, and eco-tourism. It has a variety of wildlife and bio-diversity with unique cultural and ethnic diversity (Planning Commission, India, 2003).

Despite resource abundance, Assam is almost insignificant in the beneficiary list of Indian tourism industry. The share of Assam tourism in the national tourism market fluctuates between 0.30 to 0.40% over the years (Government of Assam, 2003). In this age of increasing importance of service sector development, on the one hand, and the utmost necessity of the regional economy to generate sustainable employment opportunities, on the other, tourism sector may be strategically important to the state's economy.

Given such backdrop of 'dark beneath the lamp' like situation some obvious but vexing questions arise are: What holds Assam tourism back in development? Is there the lack of supportive facilities for tourism development? Are there the cultural and ecological inhibitions rooted in the society towards tourism development? Is there the lack of entrepreneurial spirit in the countryside? Each of these questions is quite evolving and embracing. And, duly addressing to all these questions in a single study is not just feasible. Of course, the debate on which is more important- environment or entrepreneur- in enterprise creation and development has been inconclusive. But, the example of jockey

and horse in a race gives clue to believe that entrepreneur is more significant in enterprise creation and development. This is because jockey is not the creator of horse, but entrepreneur is the creator of enterprise. Thus, recognising that entrepreneurial spirit is the pre-requisite for any economic activity including tourism, the present study proposes to study tourism entrepreneurship in accommodation industry in Assam which is a gateway to the NER with the possibility to be positioned as one of the promising tourism destinations of India.

1.3 Scope of the Study

The study is conducted within the geo-political coverage of the state of Assam. The underlying reason is that Assam is comparatively tourism enriched than other states of the NER excluding Sikkim, which has been the latest member state of the NER (**Table 1.2**). **Second**, the state is considered to be the doorway to the NER. **Third**, the NER has the possibility to be developed as the eastern international passage of India to the South East Asian Nations wherein Assam has every scope of being the central economic domain in the region. To be specific, the study area includes the Brahmaputra valley of Assam covering four major locations, namely Dibrugarh, Sivasagar, Tezpur, and Guwahati Metropolis. Guwahati Metropolis is the gateway of Assam as well as other North Eastern states of India. Tezpur is a place of heritage attraction and scenic beauty. It also gains importance as it is the connecting corridor of some of the internationally preferred ecotourism sites of Assam and Arunachal Pradesh. Sivasagar is a historic location having traditional monuments with a strong base of Assamese culture. Moreover, being the centre of petroleum exploration under Oil and Natural Gas Commission Limited, it has also been growing as an important business centre of Assam. Dibrugarh is a prominent location of eastern Assam famous for tea plantation industry. The objective of selecting these four locations is to analyse the spatial character of tourism entrepreneurship development under variables like physical connectivity, culture, trade development, and tourism products available to trade. Besides, this selection is also considered strategic in formulating a prospective tourism circuit covering the state of Assam.

As regards tourism entrepreneurship, the study assigns greater importance to the accommodation sector for two major justifications. **First**, tourism industry in Assam is at the budding state which requires initial focus on infrastructure development in which provision for tourist accommodation is, by all means, of strategic importance. **Second**, private sector participation in this segment of tourism infrastructure is comparatively

higher. That is why the accommodation units of the study are further restricted to the private sector accommodation units covering budget hotels, resorts, paying guest arrangements, private hostels, and wayside inns (*Dhabas*). It is also to note that there is no acceptable criterion of recognising student hostels and paying guest accommodation units as standard tourist accommodation units. This is due to the non-conformity of the definition of a tourist with a temporary boarder of a hostel or paying guest accommodation unit as prescribed by the UNWTO as well as the Hotel and Restaurant Approval and Classification Committee (HRACC) of the Government of India. However, the inclusion of these accommodation units is found to be justified under the following grounds:

First, these units serve as the main or subsidiary income provider to a sizeable number of population generating economic activities relating to temporary stay of persons.

Second, the units are found to be operating under the principles similar to the apartment accommodation.

Third, the Government of India declared guidelines for apartment hotels for voluntary classification vide letter No. 3TH.I (2)2002 dated 4.3.2004 (Government of India, 2005). The concerned units are not apartment houses, but they are operated by similar principles as operated in case of apartment hotels.

Fourth, it is observed that, way side inns serve not only as the 'highway transporters' transit space', which was observed as significant in the late 1980s; but also as a lifestyle recreation of city elites. It has also proved to be an affordable transit space of domestic tourists.

Fifth, these units possess every possibility to be developed as full-fledged tourist accommodation system.

Sixth, similar units have been given high impetus in some growing tourist destinations of LDCs in an attempt to encourage SMEs in accommodation sector (UNCTAD, 2004).

The thematic scope of the study is concerned mainly with economic sustenance of tourism entrepreneurship. However, this does not indicate that the study overlooks the importance of environmental sustainability. In fact, environmental stability is considered to be the foundation of developing a solid base for tourism entrepreneurship development. The study concentrates on the introspection of entrepreneurship in tourism industry of Assam, in general, and accommodation sector, in particular. It encompasses the variables

like entrepreneurial background, efficiency parameters (skills, cognitive domain of understanding tourism specialities, cross-cultural attributes, reactions to the role of government and other non-governmental institutions, etc.) and existing socio-economic settings to create an enterprising society.

1.4 Objectives of the Study

The major objective of the study is to make introspection into the growth of tourism entrepreneurship in accommodation industry in Assam. For the convenience of the study, the major objective is divided into the following sub-objectives:

- 1) To analyse the socio-economic background of the entrepreneurs.
- 2) To investigate into the motivational forces leading to entrepreneurship.
- 3) To assess the entrepreneurial performance.
- 4) To identify the problems faced by the entrepreneurs.
- 5) To suggest measures to overcome the problems and submit recommendations for development of tourism entrepreneurship in Assam.

1.5 Significance of the Study

There is no denying the fact that the role of private sector participation in the development of tourism infrastructure is determining the growth of Indian tourism industry. Accommodation sector is one of the most important tourism infrastructure providers with the possibility of private sector participation in SMEs besides scope for large-scale investments. So far, no comprehensive information is available on tourism accommodation infrastructure in Assam. This study will, therefore, serve as a pioneering research in accommodation industry in the region which will, in turn, help policy makers formulate realistic National Tourism Policy (NTP).

It is expected that with sound policies and good governance, Assam should and can develop much faster than it has been doing in recent years. For this, tourism entrepreneurship, initially at the infrastructure level, can be of strategic importance. Development of entrepreneurship in accommodation sector may be the strong antidote of the fear of unsustainable tourism expansion. Such a move is very important from the NER perspectives due to geo-physical, economic, and cultural linkages among the States.

Regarding service sector, particularly tourism is still at its nascent stage in Assam. To promote tourism in the State, infrastructure development is the primary necessity. Accommodation industry can augment the promotional process of tourism in the form of developing of a tourist friendly atmosphere, creating employment, enhanced standard of

living of the stakeholders, and thrust on environmental sustainability. Organised tourism trade bears the possibility of all round local development with local participation. Moreover, it can also be beneficial in enlarging tourist carrying capacity of the region. It is observed that so far no systematic and comprehensive information is available on tourism accommodation infrastructure development in Assam.

This study is a modest attempt to fill in the gaps as identified above, and initiates an approach towards establishing Assam as a major tourist destination in India.

1.6 Hypothesis of the Study

Three main hypotheses have been framed to shape the overall research design of the study. These are:

(1) Growth of tourism entrepreneurship in accommodation sector in Assam is still at the nascent stage due to lower entrepreneurial talent and lower degree of knowledge spill-over.

(2) The role of tourism within the community is shaped actively by the local as well as non-local actors. However, with the expansion of the economic role of tourism, non-local economic interests play a greater role in local decision-making processes.

(3) Assam holds good possibilities for developing tourism entrepreneurship.

1.7 Study Area Profile

1.7.1 The State Economy

Assam is situated at the heart of the North Eastern Region (NER) of the Indian sub-continent. It is located between latitude $24^{\circ}10'N$ to $27^{\circ}58'N$ and longitude $89^{\circ}49'E$ to $97^{\circ}26'E$. The state is located 79.5 metre above the sea level. The State constitutes about 2.4% of the country's geographical area. Its 26.64 million people account for 2.59% of the country's population (Human Development Report, Assam, 2003, pp.1- 6). It is considered the gateway to the NER which comprises eight states namely, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura. Geopolitically, the North East covers 98% of international boundary of India. It shares its boundary with China and Bhutan through its North and North – West, Myanmar and Bangladesh on its East, South and South West.

Table 1.1 reflects that the NER is lagging behind in national perspectives. However, figures for Assam establish that the state is comparatively advanced in the entire NER. The economic backwardness of the NER has given genesis to the feeling of alienation which has got manifestations in the forms of militancy and terrorism. These

problems over the years have become a headache for the whole country. Therefore, the problems warrants earliest solutions (Khanka, 2007).

Table 1.1: Selected Indicators of the Economy of Assam

Sl.	Indicators	Assam	NER	India
1.	Geographic coverage (in sq. km.)	78438	263179	3287263
2.	Population, 2001	26,6655528	38,857769	1,028610328
3.	Sex ratio, 2001 (per ,000 male)	932	937	933
4.	Population density (per sq. km.), 2001	340	148	313
5.	Literacy ratio, 2001	64.28	68.63	65.49
6.	Urban population (in per cent), 2001	12.90	15.51	27.78
7.	Land-man ratio, 2001	0.78	0.66	0.32
8.	Consumption of power, 2001 (KWH)	160	79	384
9.	Population per bank office, 2001	28	19	15
10.	Credit-deposit ratio (2004-05)	34.40	34.57	66.00
11.	Area per post office (in sq. km.), 2001	36.47	41.91	22.33
12.	Length of roads per 100 km (in sq. km.), 1997	62.30	54.80	74.90
13.	Rural electrification as on 31.03.2005 (in %)	74.60	73.32	86.30
14.	Per-capita income, 2001 (in Rs.)	6,756	12,407	16,487
15.	Net Domestic Product (at current price) 2002-03 in Rs. Crore	33516 (-)	56082 (9.49)	2008770 (8.69)
16.	Large and medium industries (units) (2002-03)	120	213	-
17.	SSI Units / Employment in SSIs in % (2002-03)	45,193 / 5.23%	775016 / 3.11%	24932763 / 5.6%

Sources: Economic Survey Assam, 2005-06; Directorate of Economics & Statistics of respective State Governments and Census Report, 2001

1.7.2 Tourism in Assam

Assam has every scope of being the chosen destination of tourists in India because of its natural beauty and unexplored mysteries. It is the optimistic projection of the policy document of Assam Vision 2025 that, by the end of 2025 tourism business turn off would be over worth Rs.136000 crores providing employment to 10.13 lakh persons in the State. It is also estimated that by the end of year 2020; 21, 00000 domestic tourists and 20,000 foreign tourists would be attracted to the State. This target would be increased to 27, 00000 domestic tourists and 30000 foreign tourists by 2025 (Government of Assam, 2003).

However, tourist inflow to the NER of India cannot be regarded much encouraging considering national as well as world tourist market. Except Sikkim, all other states in the region have lower rate of international tourists flow. However, in case of domestic tourist inflow, Assam may be seen as the prime location in the region (Table 1.2). It is to mention that Sikkim has been the recent administrative inclusion in the NER.

Table 1.2: Tourist Inflow to the North Eastern States during 1999 – 2001

States	1999		2000		2001	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Arunachal P.	1008	48	9932	2044	6349	323
Assam	14336	604	891433	5954	1010651	6171
Manipur	97523	277	105167	429	76527	183
Meghalaya	159730	1971	169929	2327	178697	2390
Mizoram	27139	216	28221	235	28771	152
Nagaland	21041	119	13272	451	9946	920
Sikkim	138785	8554	143105	10409	203306	31028
Tripura	246507	335	231902	0	254912	0
All India	190671014	5832105	22106941	5893542	234200935	5427366

Source: Ministry of Tourism, 2001, *Tourism Statistics*, p. 56.

Considering the tourist places within Assam, the highest number of tourists prefers to visit Kaziranga national park, which has been declared as one of the World Heritage Sites by the UNESCO. Other locations in the State have not been found having an encouraging rate of tourists' inflow over the years. Another striking feature is that a major section of the tourists (both domestic and foreign) visiting Assam is reported to use Guwahati as the transit space in visiting Meghalaya and Arunachal Pradesh. This trend of tourist traffic cannot be considered beneficial from the local economy perspectives, as local income generated in this manner is very poor. Tables 1.3 and 1.4 as given below, show the domestic and foreign tourists' arrival in some selected locations of Assam. This comparison shows that foreign tourist arrival to this State is not at all satisfactory. The 20 Year "Tourism Perspective Plan for Assam" undertaken by the Ministry of Tourism, Government of India determines that lack of tourist infrastructure facilities of international standard and other local social issues are the main reasons behind this. Another striking feature is that tourist inflow to different locations in Assam exhibits irregular trend.

Table 1.3: Domestic Tourist Inflow to Selected Locations in Assam (1991- 2001)

Tourist Places	1991	1992	1993	1994	1995	1996	1997	2000	2001	Total
Kaziranga	4871	7075	8131	7845	8306	7725	6630	6284	7910	62823
Guwahati	797	2991	2670	2002	1815	1604	2055	3835	3670	18286
Sivasagar	947	754	682	722	555	489	467	-	-	5447
Jorhat	1143	1125	1138	1185	1044	1085	810	831	746	9293
Tezpur	2085	2168	2333	1920	2168	1887	2092	1056	1739	18071
Diphu	1929	1713	1817	1232	138	162	406	109	-	9122
Haflong	703	824	456	366	210	-	-	-	-	3302
Barpeta Road	326	401	254	243	255	182	199	236	316	2386
Bhalukpong	1227	1035	1364	980	709	521	425	322	227	7572
Silchar	50	125	295	301	356	614	696	840	395	3545
Chandubi	148	322	290	334	50	14	40	6	-	1417
Nagaon	791	736	724	518	420	447	416	368	345	5085
Total	15071	19269	20154	17648	16026	14730	14236	13887	15348	146349

Source: Collected from Directorate from Tourism,

Note: Tourists data for the year 1998 and 1999 are not documented.

Table 1.4: Foreign Tourist Inflow to Selected Locations in Assam (1991-2001)

Tourist Places	1991	1992	1993	1994	1995	1996	1997	2000	2001	Total
Kaziranga	291	356	344	267	373	605	399	260	293	3626
Guwahati	27	40	63	71	49	232	188	159	131	979
Sivasagar	6	4	-	-	6	24	16	-	-	49
Jorhat	-	-	-	-	4	4	12	29	17	66
Tezpur	-	3	6	-	29	48	49	19	22	176
Diphu	-	-	-	-	-	-	4	-	-	4
Haflong	-	1	23	9	-	-	-	-	-	44
Barpeta Road	5	4	2	3	-	21	10	1	1	49
Bhalukpong	1	1	2	-	-	27	21	7	13	77
Silchar	-	-	-	-	-	34	24	56	14	128
Chandubi	-	-	-	-	-	-	-	-	-	-
Nagaon	2	22	-	-	-	-	-	-	-	29
Total	332	431	440	350	461	1000	723	531	490	5227

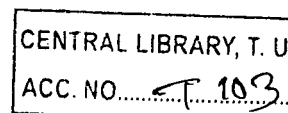
Source: Collected from Directorate from Tourism,

Note: Tourists data for the year 1998 and 1999 are not documented.

Modern tourism in Assam passed a phase of slow development since 1945. After the declaration of the Bhatia Committee rectifying Indian tourism as an exclusive state subject, several developmental activities, like elsewhere in India, took place in Assam also. However, all such moves were just irregular and routine type. However, after 1997, a new tendency is observed in the NER favouring radical changes in its tourism economy. This is the realisation of the tremendous possibilities of the sector in small and medium enterprises (SMEs) for generating income and employment. The effort has become more prominent after the enactment of the National Tourism Policy (NTP), 2002. However, to realise this potential of tourism in Assam, development of related infrastructure is the primary necessity along with the development of tourist information and travel services. Fiscal and other incentives would also to be given to private entrepreneurs to encourage a host of tourist related services such as hotels, restaurants, transport, etc. through soft loans and lower tax rates. The security scenario has to be improved to make Assam absolutely safe for all tourists. At the same time, sustainability in the growth performances is essential to ensure positive and prolonged socio-economic and cultural progress of the state. The last but not the least is the requirement of an integrated approach to promote tourism in the North-East region as a whole may prove useful.

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Local stakeholders' involvement in tourism business may be one of the best policies for employment and income generation in Assam. Moreover, it has been a worldwide acclamation that local stakeholders' participation is detrimental to ascertain sustainable development of tourism business of a region. The policy document of Assam Vision 2025 also projects the enthusiastic strategy of involving local stakeholders in tourism business. Encouragement to private investments by providing special incentive packages; allotment of land at concessional rates for the development of tourist facilities; diversification of tourism packages including golf tourism, eco tourism, and tea tourism in association with private sector; creation of community information centre network for tourist information; development of infrastructure for the identified tourist destinations and co-operation among the NER States in developing a suitable tourist package involving cultural and natural heritage sports in all the states etc are given higher importance in this regard. Besides these, attracting tourists for the entire North East under a combined effort of all states; identification and declaration of places of historical and cultural importance and to develop the heritage sites under a special plan by the end of 2010 in a phased manner; determination of codes of safe tourism by the combined efforts of the departments of forest, environments, culture and police; development of education



and training for tourism education in public as well as private educational institutions; relaxation of government restrictions on the tourists visiting North East India. Government initiatives for encouraging private investment for opening sale counters of locally made handicrafts, handloom and textiles, silk products etc. at different tourist locations and imposition of quality and price control measures are important elements of Assam Vision 2025.

1.7.3 Tourism Products in Assam

An examination of research methods used in the study of tourist attractions and the tourist attractiveness of places reveals that most studies can be classified into one or more of three general perspectives: the ideographic listing, the organization, and the tourist cognition of attractions. Each of these perspectives shares a distinct set of questions concerning the nature of the attractions, as expressed through the typologies used in their evaluation. At the same time, all the three perspectives make comparisons based on the historical, locational, and various valuational aspects of attractions. Regarding the tourist base of the economy of Assam, no comprehensive document is available so far. However, following ideographic listing, tourism products in Assam are categorised in two main categories (Planning Commission of India, 2004):

A. Natural endowment, which includes attractions related to climatology, scenic beauty, wildlife, and flora and fauna.

B. Created endowments refer to all those erections and modifications (innovations) of natural endowments attracting tourists to a region. These resources include – historical/archaeological remains, culture and traditions including performing art of a region, linguistic specialities; and urban life including market centres for tourism souvenirs, public parks, recreation centres (cinema, club, pub and like), eating places and accommodation arrangements.

1.7.4 Accommodation Industry in Assam

It is evident that for expected sustainable growth of tourism industry, accommodation arrangement for the tourists is of basic necessity. Paid accommodation system started in Assam after Independence only. It is to note that the first hotel in Assam was set up by a Bengali gentleman named Mr. Dutta near *Shukreshwar Ghat* of Guwahati in the first decade of the 20th century (Choudhuri, 1989, p.316). However, the name of the hotel and other related information could not be collected by the researcher during field-survey.

Modernisation and international standardisation of accommodation segment of Assam tourism is still at the stage of infancy. Based on linear regression analysis, it is observed that the compound annual rate of growth of tourist traffic in Assam comes to be 4.73% and 8.27% for domestic and foreign tourists respectively (GOI, 2003). Admittedly, increasing rate of tourist traffic may be sustained only by developing modern accommodation infrastructure. However, the existing tourism market scenario including accommodation provisions in the entire NER seems to be depressing one. This has been one of the major obstacles of the development of tourism trade in the entire NER, coupled with the problems of insurgency, geographical inaccessibility, lack of basic awareness among the indigenous society towards tourism business, and insufficient steps taken by the government towards tourism sector development. In the entire region, there are only 28 approved hotels with a total room capacity of 1141 only (**Table 1.5**). Of these, Assam has 17 approved hotels with 714 rooms. Although this shows a comprehensive domination of Assam in the NER regarding accommodation industry, but it is inferior from the national perspective (**Table 1.6**). According to the statistics of approved hotels (by Ministry of Tourism, GOI), total number of approved hotels in India was 1570 with 85481 rooms in 2002 which has increased to 1722 with 91720 rooms in 2003 (**Table 1.5**). These hotels include deluxe hotels, star category hotels, heritage hotels and unclassified (but applied) hotels. However, a number of budget hotels and supplementary accommodation units have not been included in the above list.

Table 1.5: Approved Hotels in Some Selected Locations of NER, 2001

States	<i>No. of approved hotels</i>	<i>No. of rooms</i>
Arunachal Pradesh	1	10
Assam	17	714
Manipur	-	-
Meghalaya	5	254
Mizoram	1	30
Nagaland	-	-
Tripura	-	-
Sikkim	4	133
NER Total	28	1141
India as a whole	1892	97770

Source: Ministry of Tourism, 2001, Tourism Statistics, p. 59-84.

Table No. 1.6: Number of Approved Hotels and Room Strength

Category ↓	Number of Hotels				Number of Rooms			
	Year →	2002	2003	2005	2006	2002	2003	2005
One Star	192	201	54	46	6343	6606	1629	1435
Two Star	476	533	209	217	15999	17629	5673	5823
Three Star	472	551	447	447	22783	26071	19985	20342
Four Star	120	122	80	111	8551	8655	5483	7354
Five Star	81	85	117	71	10107	10416	7367	8470
Five Star Deluxe	71	74	80	86	16240	16885	15739	20943
Heritage Hotel	77	77	58	57	2124	2124	1970	2211
Unclassified	81	79	145	133	3334	3334	9767	8924
Total	1570	1722	1190	1208	85481	91720	67613	75502

Source: India Tourism Statistics, 2006, Market Research Division, Ministry of Tourism, GOI

The department of tourism has constructed tourist lodges in major tourist locations in Assam along with private sector hotels and supplementary accommodation units (Table 1.7). Besides it, luxury and moderate hotels are also available in the urban centres of Assam. Nonetheless, considering the ever-growing rate of tourist traffic and gradual market exposure of the state necessitates better and diversified accommodation clusters. As of now, development of wayside amenities, resorts, timeshare, camping sites, etc. are some of the important segments of accommodation industry in the state.

Table 1.7: Approved Accommodation Units in Assam (As in March, 2002*)

Category	Type	No. of Units
A	Total No. of lodges under Directorate of tourism, Assam	10
B	Total No. of lodge under management of AIDC Ltd.	5
C	Total No. of Private Hotels	57
D	Total No. of Star Category hotels.	37
	Total	109

Source: Directorate of Tourism, Government of Assam

Table 1.8: Location-wise and Category-wise Hotel Accommodation Units in Assam

Sl. No	Location	Category	Air-conditioned		Non air-conditioned	
			Room	Bed	Room	Bed
1	Guwahati Metro	4 star	76	95		
		3 star	190	370	29	47
		2 star	170	331	278	532
		Non star	78	120	2087	3656
2	Sivasagar	2 star	4	8	22	44
		1 star	4	8	18	36
		Non star	15	17	154	274
3	Jorhat	3 star	8	16	23	35
		Non star	5	11	312	550
4	Tezpur	Non star	22	43	370	642
5	Dibrugarh	Non star	33	56	478	751
6	Kaziranga	Non star			16	32
7	Dhubri	Uncategorised			126	190
8	Tinsukia	Uncategorised			39	66
9	Bongaigaon	Uncategorised			43	84
10	Nagaon	Uncategorised			18	26
11	Golaghat	Uncategorised			17	31
12	North Lakhimpur	Uncategorised			26	40
13	Dhemaji	Uncategorised			8	12
	Total		605	1075	4064	7048

Source: Directorate of Tourism, Government of Assam

As revealed from the data provided by the Directorate of Tourism, Government of Assam for hotel sector accommodation units in Assam for 2001, the growth of accommodation units in the state has so far not been appreciable considering requirements of growing tourist traffic in the region. However, this estimate does not show the total capacity of accommodation industry of Assam in terms of different accommodation units.

Table 1.8 shows location wise and category wise hotel accommodation units in Assam. It reveals that only a very small percentage (6%) of hotels fall in star category. The available units are not sufficient to meet the growing need for tourist

accommodation. Though the list contains data of only thirteen important tourist locations of Assam, it is indicative of the similar position of tourist accommodation in other tourist locations in the State.

1.7.5 Government Policy and Programmes for Tourism Development

After independence of Indian nation in 1947, Assam, along with its national counterparts has been giving a continued emphasis on the development and up-gradation of various tourist facilities in the country's national plans namely tourist accommodation, wayside amenities, budget accommodation, beautification and refurbishment of historical monuments/monasteries etc. besides specific stress on adventure sports. During the initial years of economic planning of the State, tourism development was accorded the lowest priority. For instance, during the Fifth Plan (1974-79), tourism sector allocation for the state was only 0.08% of the total state plan outlay. However; situations started changing since the Seventh Plan (1985-90), at the central as well as state level policy promotions for the growth of this sector. Some of the major policy recommendations of the early period (1948-1988) of tourism development in Assam are shown in **Table 1.9**.

Table 1.9: Major Policy Recommendations of the Early Period (1948-1988)

Year	Events
1958	State department of tourism in Assam was instituted.
1958	National Tourism Development Council
1958	Tourist Information Bureau, Guwahati
1959	Directorate of Tourism was formed.
1962	Tourist Office of Kaziranga national park was set up.
1965	Tourist lodge of Sivasagar was opened. Lodges were also opened at Tezpur, Bhalukpong, Barpeta Road, Chandubi, Halflong, Diphu, Nagaon, Silchar and Jorhat.
1982	First ever Tourism Policy of independent India was declared with emphasis on public private partnership.
1987	The State Tourism Policy was declared. Subsequently Assam Tourism Development Corporation (ATDC) was set up with a paid up capital of Rs.24 Lakhs
1982	National Committee on Tourism (NCT)
1988	Restricted Area Permit (RAP) was enforced by the Central Government of India in 1962 restricting free movement of foreign nationals in the NER. However, by the notification No. 80450 (E) dated 19.5.1995; RAP was withdrawn from three north eastern states comprising Assam, Meghalaya and Tripura.

Table 1.9 clearly shows that the government approach towards tourism development in the initial decades of independence has not been appreciable in the State due to sporadic and routine types of activities relating to the formulation of tourism development strategy. As such, the outcome has not been much encouraging. However be the reality; there have been a positive tendency towards change after 1990. During this period, the widely dispersed tourism resources were tried to be linked to the national mainstream.

It is to note that 'Export House' status to tourism units was granted in the Ninth Economic Plan (1997-2002) of India. This status entitles the tourism units to get all the benefits that are available to recognised export houses of India.

The Tenth Plan (2002-07) of India considered tourism as a national priority stressing on the strategies like creation of national consensus on the positive role of tourism trade; effective public sector investment; leverage to private sector investment; mobilising the support of the State Governments; mobilising public support by creating awareness of the socio-economic benefits of tourism; and, providing legislative and regulatory support to protect the tourism industry, the consumer and the environment. Besides, the Plan also stressed on the development of the rural sector in tourism, facilities in hotel management and food craft to build the capacity of service providers, and to create excellent circuits and destinations.

The period 1990-2005, experienced some positive changes in the tourism sector development in the NER, in general, and Assam, in particular. A brief account of these initiatives is given in below:

(1) Administratively, the tourist office at Guwahati has been up-graded from the level of Director to the Regional Director.

(2) For generating requisite public awareness towards tourism development and to cater the industry with competent manpower the following steps have been taken:

- i) Establishment of the Institute of Hotel Management and Catering Technology at Shillong.
- ii) Opening up of a branch of Indian Institute of Tourism and Travel Management at Guwahati.
- iii) Up-gradation of the Food Craft Institute, Guwahati.

(3) Financial provisions have also been made industry-friendly. Some of the major developments during the period are mentioned below:

- i) Assistance for promotion of fairs and festivals was granted to North Eastern States every year on continuing basis.
- ii) Allocation for tourism sector in the 10th Plan has been increased five fold, from Rs. 595 crore in 9th Plan to Rs. 2,900 crore.
- iii) Annual allocation for 2003-04 was fixed at Rs. 325 crore.
- iv) During the year 2000-2001, Ministry of Tourism sanctioned an amount of Rs. Rs.7.79 crores for new projects relating to tourism in the NER.
- v) For the year 2001-2002, 121 projects relating to tourism in the NER were sanctioned amounting to Rs.32.57 crores.
- vi) Interest subsidy on loans at the rate of 5 percent is made available to 1-3 Star/Heritage category hotels in the Guwahati-Kaziranga-Shillong-Tawang Travel Circuits.
- vii) As per section 4 of the Expenditure Tax Act, expenditure tax has been waived off in respect of hotels located in a specified place of tourist importance with effect from 1st April, 1998 and until 31st March, 2008.

1.8 Research Methodology

The study is primarily designed to examine the present state of tourism sector development in Assam to have an objective assessment of the problems and prospects of the industry. In doing so, entrepreneurship in accommodation sector is given specific importance with an effort to determine a viable conceptual model of developing entrepreneurship in tourism.

1.8.1 Data Collection

The study utilises primary data for entrepreneurial analysis collected from four important tourist locations in Assam, comprising Dibrugarh, Sivasagar, Tezpur and Guwahati Metro. These locations have been selected purposively on the basis of their relative importance in State tourism economy. The study relies upon questionnaire based survey method. The questionnaire is prepared after making pilot survey of 25 selected entrepreneurs in accommodation industry on the basis of purposive and judgement sampling. These 25 samples are comprised of 11 budget hotel owners, 2 resort managers, 2 officers of Government owned tourist lodge, 3 owners of private hostels, 4 owners of way side inns, and 3 paying guest accommodation unit owners. The questionnaire contained questions relating to the following aspects:

1. Existing status of entrepreneurship in the industry.

2. Identification of the pattern of entrepreneurial succession.
3. The Motivational forces of entrepreneurship.
4. The Entrepreneurial performance.
5. The Entrepreneurial problems.

The time-frame of collecting primary data was scheduled to be 17 months from February, 2004 to July, 2005.

Although, the study basically utilises primary data for entrepreneurial analysis, secondary sources have also been used in this regard to authenticate the present analysis. The secondary data have been collected from the official sources of Directorate of Industries, Assam, Central and State Plan documents, State level and national tourism associations, World Tourism Organisation (UNWTO), World Travel and Tourism Corporation (WTTC). Besides, non-governmental sources including published as well as unpublished research studies, periodicals, journals, websites and periodic reports have also been used. Due care has been taken in acknowledging of all these sources.

1.8.2 Sampling Frame

Initially, the registration records of the District Industrial Centres (DICs) of the respective districts were scheduled to determine the sampling frame of the study. However, during the pilot survey, this could not be followed due to procedural difficulties attached with the DICs records. Finally, 230 samples out of 256 collected samples have been included in the study. 26 samples have been discarded due to incomplete and ambiguous responses in the questionnaire.

The collected samples exhibit the following characteristics:

(1) The accommodation units have been categorised in two distinct groups:

- (i) *Budget Hotels* including all private owned hotels (providing accommodation and food as well as providing only accommodation).
- (ii) *Others* include way side inns, paying guest accommodation units, and private hostels.

(2) Complete enumeration of budget hotels is done in the municipality areas of Sivasagar and Tezpur (within the time frame of survey). In other cases, representative samples were drawn which form at least 60% of the existing units in the specified categories within the given time frame.

(3) Regarding other accommodation categories, 10 samples each from way side inns and paying guest accommodation units have been collected.

(4) Tourist Resort has been a new phenomenon in the state tourism sector. All the available resorts (within the time frame of survey) within the study locations have been included in the study.

The collected data were analysed using Statistical Package for Social Sciences (SPSS), version 11.0 for windows and Microsoft Excel.

1.8.3 Procedure of Data Analysis

Based on the objectives of the study, data analysis was scheduled in the following procedure:

First, a detailed profile of the entrepreneurs has been prepared with the socio-economic and environmental variables affecting the entrepreneurs. Data analysis is done with the help of frequency distribution tables, cross tabulations and measures of central tendency. For determining the pattern of the entrepreneurial succession, similar statistical tools were used.

Second, factor analysis has been performed to determine the principal components of entrepreneurial motivation. It is to note that 26 variables were inducted in the questionnaire to reflect entrepreneurial motivation. These variables were selected based on literature review on entrepreneurial motivation.

Third, factor scores were scheduled to be calculated based on the principal factors and the factor scores are compared with different socio-economic variables with the help of 'One way Analysis of Variance (ANOVA)' analysis. Levene's test of homogeneity and post- hoc methods (Bonferroni and Games Howel) of multiple comparisons were used to determine different significantly associated pairs of variables.

1.9 Conceptual Framework

The study utilises a number of concepts, definitions, and variables. Although, these are tried to be relevantly used in the context of the chapters, some of these are restated here, for the clarity of interpretations and ease of reference.

Tourist: As the 'UNWTO Recommendations on Tourism Statistics defines' a visitor is "any person travelling to a place other than that of his/her usual environment for less than 12 months and whose main purpose of the trip is other than the exercise of an activity remunerated from within the place visited." Visitors are further sub-divided into two categories: tourists, who must stay one or more night in the place visited, and same-day visitors, comprising visitors who visit a place for less than one night.

Definitions Followed in India (NCAER, 2006):

International Visitor: Any person visiting the country on a foreign passport with main purpose of visit other than the exercise of an activity remunerated from within the country or for establishment of residence in the country.

International visitors may be tourists or excursionist.

Foreign Tourist: A foreign tourist is a person visiting India on a foreign passport, staying at least 24 hours in the country not exceeding 365 days, and the purpose of whose visit can be classified as one of the following:

- (i) Leisure (recreation, holiday, health, study, religion, and sport)
- (ii) Business, family, mission, meeting

The following are not regarded as foreign tourists:

- (i) Persons arriving with or without a contract to take up an occupation or to engage in activities remunerated within the country
- (ii) Persons coming to establish residence in the country
- (iii) "Same-day visitors" (including travellers on cruise ships)

Excursionist: A foreign visitor who stays less than 24 hours.

Cruise Passengers: Persons arriving on cruise ships who do stay a night in an accommodation establishment

Domestic Tourist: A person who travels within the country to a place other than his usual place of residence and stays at hotels or other accommodation establishments run on commercial basis or in *dharamshalas / sarais / musafirkhanas / agra-shalas / choultries* etc., for a duration of not less than 24 hours or one night and for not more than 12 months at a time for any of the following purposes:

- (i) Business & Trading, (ii) Leisure & Holiday, (iii) Religious & Pilgrimage
- (iv) Social purposes

The following are not treated as domestic tourists:

- (i) Persons travelling with or without a contract to take up an occupation or engage in activities remunerated from within the State/Centre, (ii) Foreigners resident in India.

Tourism Business: Entities involved in satisfying the needs of visitors travelling for either business or pleasure and who spend less than 24 hours and less than a year at a destination.

Entrepreneur: A person who shows practical creativity, combining resources and opportunities to benefit the individual, the family, and the community in general.

Entrepreneurship: Possession of skills and creativity to combine resources and opportunities in a competitive environment for the benefit of the individual, the family, and the community in general.

Enterprising Culture: It is a commitment of the individual to the continuing pursuit of opportunities and developing an entrepreneurial endeavour to its growth potentials for the purpose of creating wealth for the individual and adding value to society.

Small Tourism Business (STB): An STB is a new venture offering a new tourist service and product, or an existing business offering a new or an existing tourist service and product.

1. 10 Limitations of the Study

The study is likely to suffer from the following limitations:

- i) As the study is primarily associated with accommodation industry, the conclusions drawn for this sector may not equally be applicable to other industries.
- ii) The study mainly deals with the economic aspects of the industry.

1. 11 Chapter Scheme of the Study

The proposed study is arranged in the seven chapters as follows:

Chapter 1: Introduction

Chapter 2: Literature Review

Chapter 3: The Entrepreneurial Profile

Chapter 4: The Entrepreneurial Motivation

Chapter 5: The Entrepreneurial Performance

Chapter 6: The Entrepreneurial Problems and Prospects

Chapter 7: Summary of Findings and Suggestions

Bibliography

Appendices:

Appendix- I: Procedure of Factor Analysis

Appendix-II: Questionnaire

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CHAPTER – 2

LITERATURE REVIEW

With a view to understand the research works so far been carried out in the field of tourism entrepreneurship, more particularly in the accommodation sector, the present chapter is divided into four parts:

- 2.1 Changing Entrepreneurial Dimensions
- 2.2 Perspectives on New Tourism Entrepreneurship
- 2.3 Entrepreneurship in Accommodation Industry
- 2.4 Scope of the Present Research

2.1 Changing Entrepreneurial Dimensions

'Entrepreneurship' is one of the most frequently used words in development research. It is observed that attempts to define the term entrepreneurship tend to take on the academic bias of the researchers. However, three broad views on entrepreneurship literature may be framed, viz. - Economists' View, Sociological View, and Psychological View (Saxena, 2005, p. 5). The economists emphasise the entrepreneurs' ability to earn economic profits, while psychologists consider the motivation and behavioural attitudes of potential entrepreneurs (Hailey, 1992, pp. 4-14). The psychological aspect focuses on the personality traits that distinguish an entrepreneur to a non-entrepreneur. Similarly, the sociological perspective of entrepreneurship believes in broader societal views of recognition of entrepreneurial activities. Economists are also found discussing the role of non-economic factors in economic growth, including concepts developed in Sociology and Psychology. (Lipset, 2000, pp 111-112).

Table 2.1 exhibits the evolutionary concept of the term 'entrepreneur' as used in the previous research studies. Considering the purpose of the study, the chronological sequence of the development of the term is not maintained. Instead, a broad outline is framed to establish the psycho-economic aspect of the term.

It is important to note that it is the 'motivating factors' which induce a person to act as the entrepreneur. In entrepreneurship research, a number of factors have been discussed to be the driving force of an entrepreneur. **Table 2.2** exhibits some of the major factors determining entrepreneurial actions. These basic components have been taken

from the consulted models on entrepreneurship to understand the indigenous as well as exogenous factors responsible for entrepreneurial actions.

Table 2.1: Foundation of the Economic Interpretation of 'Entrepreneur'

Name	Period	Basic Idea
Belidor, Bernard de (French)	1715	Entrepreneur is the contractor who sells for a fixed price, while bearing the risk of uncertainty about the costs (Hoselitz, 1960, pp. 239-240).
Cantillon, Richard (Irish)	1775	The concept of uncertainty has been widely accepted as the basic character of entrepreneurship in economic literature (Casson, 1990a, pp. i-x.).
Say, J. B. (French)	1803	Distinction in the role of entrepreneurs between the activity of revenue accruing to the activity of organising production arising out of ownership of capital (Casson, 1990b, pp. xii-xxv).
Marshall, Alfred (English)	19 th century	Recognised the importance of the function of bringing together all the resources required for production, including capital, led them to focus on the entrepreneurial role (Menger, 1871).
Walras, Leon (French)	19 th century	The general equilibrium model assigned the role of entrepreneurs as obsolete (Adaman & Devine, 2005, p.3).
Webber, Max (German)	1864- 1920	Given the economic conditions for the emergence of a system of rational capital accumulation, whether or not such growth occurred in a systematic fashion would be determined by the values present. Structural conditions make development possible, while cultural factors determine whether the possibility becomes an actuality (Lipset, 2000a, p112).
Hayek, F.A. Von. (Austrian)	1945	Entrepreneurship and tacit knowledge are related. The social mobilisation of tacit knowledge occurs via entrepreneurial actions, with entrepreneurs directing their efforts toward the achievement of potential profits and thereby discovering what is possible and what is not (Hayek, 1945).

Table 2.2: Factors Determining Entrepreneurial Actions

The Model	Creator	Basic Idea
Lucas Model	(Lucas, R.E., 1978).	Individuals with higher innate ability become entrepreneurs and the most efficient entrepreneur successfully institutes the largest firm. The model indicates that with the accumulation of capital in the economy, workers shift from entrepreneurship to paid employment (Lucas, 1978, 508-523).
Kihlstrom and Laffont Model	(Kihlstrom, R.E. & J. J. Laffont, 1979).	Entrepreneurial choice and returns are dependent variables. The lesser the risk, higher will be the possibility of an individual to be an entrepreneur. It also establishes that there is a welfare loss caused by lack of risk sharing (Kihlstrom and Laffont, 1979, pp. 719-749).
Stiglitz and Weiss model	Stiglitz, J. & Weiss, 1981)	The projects/entrepreneurs differ from each-other in terms of risk. However, the amount of risk can not be rectified at the time of the sanction of the loan. Stiglitz and Weiss model is credited for 'credit rationing' system (Stiglitz and Weiss, 1981, pp.393-410).
Jovanovic model	(Jovanovic, B., 1982).	This model is credited for proven theoretical predictions like smaller new firms show higher and flexible growth rates along with higher exit rates than older and larger firms (Jovanovic, 1982, pp.649-670).
Evans and Jovanovic Model	(Evans, D.S. & Jovanovic, 1989)	The amount of fund possessed by an entrepreneur sets the wealth limit. The model strikes a link between wealth and the probability that encourages an individual to enter into entrepreneurship (Evans and Jovanovic, 1989, pp.649-670).
Klepper model	(Klepper, S., 1996)	There is need of higher degree of innovations in the later stage of industrial prosperity (Klepper, 1996, pp. 562-583).
Peretto model of R&D	(Peretto, Pietro F., 1998).	Steady productivity growth does not depend on population size. Population crowding in effect generates dispersion of R&D resources across firms and offsets the positive effect of the scale of the economy on the returns to R&D. Changes in population size have only transitory effects on productivity growth (Peretto, 1998, pp. 283-311).

Occupational and behavioural notions play important role in formalising economic interpretation of an entrepreneur. The former refers to individuals owning and managing a business for their own account and risk, while the later focuses on entrepreneurial behaviour in the sense of seizing an economic opportunity (Wennekers, 2006, pp. v-vii; Drucker, 1985, pp. 220-225). The industrial economists focus on the Structure-Conduct-Performance (SCP) paradigm (Acs and Audretsch, 1989, pp. 467-475). This conclusion assumes that the structure of an industry influences the conduct of its firms, which, in turn, influences their performance (Clarke, 1985). On the other hand, the labour economy approach examines new firm formation as a decision exercised by the individual in the context of the labour market. This is influenced by a variety of factors, such as work experience, motivation, personality, family environment, societal norms, and status (Storey, 1994).

Emerging Concepts on Entrepreneurship

The concept of social entrepreneurship bears a significant economic impact which was extended to the literature on social change in the 1960s and 1970s (Banks, 1972, p. 22). Fowler (2000) highlights three broad categories of social entrepreneurship as 'integrated social entrepreneurship', 're-interpretation' and 'complementary social entrepreneurship'. Among these three broad categories, integrated social entrepreneurship refers to the situations in which economic activities are specifically designed for positive social outcomes with surplus generating towards creating social benefits, and ideally create economic linkages (pp. 637-654). Social entrepreneurship, in essence, represents collective entrepreneurship. It is indicative of the absence of maverick business leaders in an effort to compartmentalise risk portfolios (Reich, 1987, pp. 77-83). In this way, it becomes a holistic process with societal innovations, minimisation of risks and uncertainty and participation of the stakeholders as a network or a team (Herlau & Tetzschner, 2003 p. 38).

The Global Entrepreneurship Monitor (GEM) Conceptual Model suggests that the 'General National Framework Conditions (GNFCs),' including market openness, the role of government, management (skills), technology, research & development, physical infrastructure, financial markets, labour markets and social and legal institutions based on internal social-cultural-political context can generate the opportunities and capacities for entrepreneurship. Together, these lead to business dynamics in a process in which new firms are created and older, less efficient firms are destroyed. This process is called 'creative destruction'. The GEM study defines entrepreneurship as any attempt at new

business or new venture creation, such as self-employment, a new business organisation, or the expansion of an existing business, by an individual, a team of individuals or an established business.

An insight of nascent entrepreneurial behaviour has been another recent contribution of entrepreneurship research. The pre start-up phase of entrepreneurial activities is called nascent entrepreneurship (Reynolds and White, 1992). The stage is vital for the further development of the firm as significant proportion of those attempting to establish a business fail due to wrong planning or other incompetence (Gelderen, Thurik and Bosma, 2006, pp. 319-335). Research on nascent entrepreneurship so far tends to focus on two major aspects: **First**, the causes of nascence and the **second** is the comparative rate of success of nascent entrepreneurs to those of successful entrepreneurs (Johnson, Parker and Wijbenga, 2006, pp. 1-4). The nascence level of entrepreneurship [Pre start-up] is also known as organisational emergence (Gartner, Bird and Starr, 1992, pp.13-31) and gestation (Reynolds and Miller, 1992, pp. 1-8). However, the popular trend of entrepreneurship research does not recognise entrepreneurial nascence (Gelderen, Thurik and Bosma, 2006, pp. 319-335). According to such a notion, enterprise formation has only four distinct stages comprising 'development of an intention to start an enterprise', 'recognition of an entrepreneurial opportunity', 'organisation of resources' and 'market exchange'. But, the growing necessity of the developing economies clarifies the need for sustainable entrepreneurship culture. Nascent entrepreneurship is considered the active pursuit of organisation creation, thus, the second and third phase.

Emerging entrepreneurship in service sector employing a large amount of labour has direct as well as indirect impact in the society. Direct impacts may be seen in the form of job creation, generation of investments, and technology transfer. The indirect impacts may be in the forms of increased economic efficiency and competitiveness (USAID Report, 2004). The General Agreement on Trade in Services (GATS, 1994) classifies the service sector in twelve sub groups. Tourism and travel including hotels, restaurants, travel agencies, tour operators and tourist guides form a major component of the list. India scheduled nine sectors in the GATS including tourism and related services (TCBSS, 2004).

The 'Changing Course' [The Report of the Business Council for Sustainable Development, 1992] is considered as the starting point of sustainable concept of socio-economic development (Schmidheiny, 1992, p.xix). The report introduces the term 'eco-

efficiency' to replace the holistic concept of 'sustainable development' at the firm-level production.

Typically, the wide range of definitions of the term 'entrepreneur' is ethno-centric and not capable of reflecting the differentiating qualities of entrepreneurs in developing countries. An appropriate definition for entrepreneurship in developing countries should not be based on the values and attitudes of developed, industrialised societies which are often incompatible with the social fabric of indigenous (aboriginal) societies. (Hailey, 1992, pp. 4-14). This indicates the authenticity of micro and medium scale entrepreneurial activities of the informal sector in developing countries. Development in such a society must represent the entire gamut of change by which an entire social system, tuned to the diverse basic needs and desires of individuals and social groups within that system, moves away from a condition of life widely perceived as unsatisfactory and toward a situation or condition of life regarded as materially and spiritually 'better' (Todaro, 1981).

Indian Entrepreneurial Set-up

Indian entrepreneurial set-up is said to be rooted in its traditional heritage and strong socio-cultural influences. However, there is no empirical evidence regarding the favourable or unfavourable role of socio-cultural influences in entrepreneurship development of India. Western scholars believe Hindu religious sentiments as responsible for economic backwardness of India (Kunkel, 1965, pp 257-277). It is also observed that the history of the rise and growth of a modern business class in India is largely the history of the activities of the members of certain groups. The caste group, '*Vaishyas*' (traders) was traditionally associated to business in India. Mercantile opportunities expanded considerably with the leverage of colonial economy of the British in India in the 18th century (Gadgil, 1959. p.16).

The process of enterprise creation in India can therefore be seen as a consequence of resemblance between environmental conditions and the entrepreneurial behaviour of individuals determined by their socio-cultural background. Based on Weber's thesis (1957), a number of scholars including David McClelland (McClelland and Winter, 1969), Berna (1960) and Tripathy (1997) have tried to explain the economic backwardness of India by linking it with the Indian culture. Tripathi has reported that the Indian personality, by and large, remained 'un-entrepreneurial', if not 'anti-entrepreneurial'. McClelland argued that Indians lack 'Achievement Motivation' due to the socio-cultural influences on them.

Rejection of Weber's philosophy is also prominent in the research works of a few Indian scholars like Saberwal (1976) and Chadha (1986). They are in the common opinion that more than cultural conditions, structural situations are important in entrepreneurship development of a country like India. However, these studies are not indicative of any definite credentials of structural determinants.

So far, entrepreneurial success in Indian context is found to be determined mainly on the basis of the tangible variables like financial performance, entrepreneurial recognition, net profit and turnover growth, level of diversification along with intangible measures like happiness, satisfaction, religious sentiments, caste system, family support, level of education etc. (Akhouri, 1979, p. 112). Regarding innovation as a quality of an entrepreneur, it is said that entrepreneurs in the less developed countries (LDCs) like India are not truly innovators in the traditional sense of the word. This process, which occurs in developed countries, is called "creative imitation" (Drucker, 1985, pp. 220-225).

There is a paradigm shift in the concept of entrepreneurship in relation to the different challenges and opportunities of the emerging trends of global economy. An eclectic paradigm, psychic pressure of potential competition at the global level, the issues in getting rid of the path of dependency, particularly of the backlog of license and control regime, the aspects of getting to play 'strategically' with big competitors and, above all, the market character with 'institutional' parameters that condition entrepreneurial efficiency are some of the constituent elements that need to be incorporated in the newer concept of entrepreneurship. (Devi and Thangamuthu, 2006, pp.259-269). In the present era of global transformation, "collaborative distributed development model" has become more efficient and adaptable (Murthy, 2006).

The online data-base of GEM Report, 2005, determines entrepreneurial development index for its forty-one (41) global members which indicates India as a potential repository of entrepreneurship. The concept of entrepreneurial nascence has also been elaborately discussed in the report. The report clearly indicates the possibility of enhancing entrepreneurial growth in India compared to the well-known developed economics. Increased entrepreneurship at nascence index from 7.95 to 10.89 during the period 2001-02 is indicative of such a positive trend. Moreover, increasing rate of entrepreneurial nascence is also relevant in India due to the recent socio-economic restructuring.

2.2 Perspectives on New Tourism Entrepreneurship

The subject of tourism entrepreneurship has been relatively of a recent emergence in India. As such, not many studies have so far been conducted in this area. Whatever studies have been undertaken, these have been scanty and highly scattered published in some magazines, research journals, and edited volumes. Nonetheless, an attempt has been made in this section to review the same with an objective to configure the extent and type of research studies conducted relating to tourism entrepreneurship. It is to note that, due to insufficient literature on tourism entrepreneurship at national and regional levels, international sources had to be consulted. But in doing so, regional requirements have not been ignored. Moreover, developing country perspective of tourism research is tried to be maintained to the extent possible.

Tourism enterprises create marketability of tourism products and services which were earlier provided outside the market. Marxian ideology distinctively establishes the structure of commodification in arguing that tourism is an extension of the more generalised commodification of modern life (Watson and Kopachevsky, 1994, pp. 643–60). New Tourism is characterised mainly by super-segmentation of demand, the need for flexibility of supply and distribution, and achieving profitability through diagonal integration and subsequent system economies and integrated values, instead of economies of scale (Fayos-Solá, 1996, pp. 405-412). This paradigm permits the tourism industry to offer products against increasingly complex and diverse demand, while being competitive with the old standardised products. This has been a global phenomenon, affecting the demand as well as the supply side of the tourism industry. The changes due to the paradigm shift of tourism industry may be divided into five groups comprising new consumers, new technologies, new forms of production, new management styles, and new prevailing circumstances (Poon, 1993).

Multiplicity of product components and variety of business operations conveniently establish tourism as a collection of industries and markets (Shaw and Williams, 2002, p.111). Similarly, a tourism enterprise may be defined as “a composition of products involving transport, accommodation, catering, natural resources, entertainments and other facilities and services, such as shops and banks and other tour operators ” (Sinclair and Stabler 1997, pp. 58-59). Similar views have also been expressed by Smith (1998, P.46). However, another group of scholars believe that tourism

is a partial industry due to the sector's interdependence in a variety of interrelated activities (Sajnani, 1999, p. 7; Wilson, 1998, pp. 803-817).

The tourism production system [cycle] includes varied elements from tourism resources to tourism reception services. It is apparent that tourism enterprises refer to the different forms of tourist related business ventures permitted within the limitations of national constitution. Like any other enterprise, tourism enterprises are also business ventures having similar principles, but working on a very wide scale. A 'tourism entrepreneur' may be defined as a person or a group of persons producing and managing tourism products. In this process, the entrepreneur must have the commonly prescribed entrepreneurial traits along with service sector specialties. Tourism specialties arouse two fundamental observations in developing countries: "One, concerns the commercial structure of the industry (especially the dominance of certain activity components and ownership groups), while the second relates to an understanding of the general organisation of economic power structures" (Shaw and Williams, 2002, .p.111).

Another important notion of defining tourism industry as a mixture of public and private organisations is also prominent in scholarly literature. The industry can, therefore, be divided into three groups as direct suppliers, support service provider, and development organisations (Gee, Makens & Choy, 1989, pp. 4-5).

Economic literature on tourism development research has focused broadly on two major themes: the economic cost-benefits of tourism, and measurement of tourism's economic impact. However, there is little consideration of the linkages between these two dimensions of development. Indeed, such an obvious analysis may well be too simplistic, as there is strong evidence that the size of the local economy is also an important consideration (Shaw and Williams, 2002, p.146).

Entrepreneurship is considered as a critical factor in tourism development, both globally and regionally. However, inadequate methodological tools have impeded its study. Chaos and complexity theory provides a valuable perspective to destination development research, especially when combined with the Tourism Area Life-cycle Model. The synthesis creates a framework that takes into account different types of entrepreneurial activity while highlighting elements of turbulence, change, and unpredictability. Entrepreneurs take advantages of chaos and turbulence, and apply their creativity in a manner that gives one destination a competitive advantage over the other (Russell, 2004, pp- 556-579).

But the political economy approach of 20th century provides negligible role of entrepreneurship in tourism industry (Shaw and Williams, 2002, pp.152-153). Beyond general discussions of the impact of transactional organisations, the political economy literature is remarkably uninformative on the influence of small or even medium sized [tourism] business (Harper, 1984). However, the realisation on the part of the developing countries about the potential strength of tourism in economic reorientation and the need of sustainable growth of this sector have been changing the perception of tourism entrepreneurship in recent years. The basic themes of new research are associated with the importance of tourism business culture (Jafari, 1989, pp.17-60) and the role of local cultural systems in the growth of tourism venture (Cooke, 1982, pp.22-28).

A study of the research papers and articles published in the Asia Pacific based journals from 1989 to 1996 reveals four broad themes of tourism research in the Asia Pacific region. These include (Hing, 1998, pp. 7-19):

1. Attracting Asian outbound travel markets;
2. Stakeholder roles in service quality management;
3. Work place relations; and
4. Investment, planning, and development in education and training.

Regarding non-economic decision-making, the tourism entrepreneurs are assessed on the basis of capital structure in understanding general managerial and entrepreneurial skills. Based on these factors, the categories of entrepreneurs (tourism) may be classified as self-employed, small employer, owner-controllers, and owner-directors (Goffee and Scase, 1983, pp. 625-648).

It is to note that, production has been a relatively neglected area of research in tourism, in contrast to the notable advances made in adjoining disciplines such as economic geography. A review of the trajectory of tourism development in the United Kingdom (UK) provides insights into how changes in consumption, in scale and ownership, and in the geographical organisation of production are leading to new supply-side structures. There have been attempts to advance theoretical understanding and empirical knowledge of some aspects of the changing geography of tourism production, notably in respect of globalisation, labour markets, firm structures, information technology and restructuring (Agarwal et. al., 2000).

Sociologist's view regarding tourism entrepreneurship is also prominent in tourism entrepreneurship literature in recent period. Such studies are typically associated with cultural features in interaction with economic changes in tourism. Notably, such

studies have not only focussed on the changes in cultural practices of tourism and leisure but also highlighted the changes taken place in tourism entrepreneurship.

In case of tourism industry, entrepreneurship has the potential for providing greater benefits to the local population. Local entrepreneurial involvement in the industry, both in the formal and informal sectors, is pertinent to development. Within the context of tourism itself, development or quality growth is achieved when there is balance among economic, socio-cultural, and environmental elements (Mark, 1975, pp.147-160). The informal sector also helps in improving the livelihoods of the local poor.

Britton (1982, pp. 331-358) and Culpan (1987, pp. 541-552), in their scholarly works, have argued that the organisation of international tourism creates a dominant and dependent relationship between the metropolitan economy and the periphery economy. The extent to which indigenous entrepreneurial activity is considered within, the dependency paradigm tends to be limited. In the international tourism model for developing economies, Culpan (1987) identified the peripheral sector as being involved in food and drink, souvenirs, services, etc. Britton (1982) is of the opinion that the organisation of mass tourism favours high initial investment costs and increase in the dependency of foreign capital. This makes local entrepreneurial involvement largely peripheral in function. Although both Culpan and Britton acknowledged the presence of indigenous entrepreneurial activity at the destination and the role of such activity in international tourism, nonetheless the nature, scope and pattern of this activity were given scanty attention.

Regarding indigenous orientation in tourism entrepreneurship, particularly researchers from LDCs seem to be highly concerned. According to Poon (1993, pp. 129-142), access to capital, adequacies of training and preconditions for flexible specialisation are some of the immediate challenges for indigenous tourism entrepreneurship in the peripheral sector. Tourism development theories have implicitly addressed the local entrepreneurial functions. Thus, Third World tourism entrepreneurship may broadly be categorised under diffusion theory of Bryden (1973); development stage theory of Butler (1980, pp. 5-12); and dependency theory of Britton (1982, pp. 331-358).

Focussing on the peculiarities of indigenous entrepreneurship, the concept of small and medium enterprises (SMEs) has been evolved. It has been a globally acclaimed research area in recent years with the bi-fold objectives of manpower utilisation and enhancement of better community living standard. This aspect of research seems to be appropriate for developing countries. Entrepreneurship associated with small business is

regarded as the key vehicle for the creation of new enterprises as it generates job growth and stimulates competition (Ball, 2005, p. 2.).

Economic dualism in tourism entrepreneurship is another field of scholarly study in the LDC perspective. Crick (1992, pp. 135-147) distinguishes between formal and informal tourism markets and concludes that although international tourism creates many essentially humiliating roles, particularly for the poor, yet the sporadic income received is critical for their survival. Kermath and Thomas (1992, pp. 173-190) found that the expansion of the tourism-related formal sector results in the subsequent contraction of the tourism-related informal sector. The reason being the displaced group was not absorbed by the expanding formal sector.

In this context, it may be concluded that the contrasting perspectives on the nature of the tourism industry in developing countries are the reflections of differing local conditions. In addition, they have also arisen because of the limited level of understanding of local entrepreneurship within the tourism sector. Clearly, there is a range of local contingencies which encompass at one extreme resort enclaves, and at the other a more locally developed tourism economy. Given the dominance of resort enclaves it is surprising that so little is known about their operation and functional characteristics (Shaw and Shaw, 1999, pp.68-81).

2.3 Entrepreneurship in Accommodation Industry

Accommodation is a vital segment of hospitality industry. It is so because, absence of accommodation is regarded as the cause of absence of tourism. The tourism industry has a two-way impact: supply determination as well as demand formation. The total supply of tourism resources depends upon the level and quality of accommodation sector development. Similarly, the business pattern of accommodation industry is mainly influenced by tourism demand on the part of the tourists. The industry has an in-built capacity of developing industrial framework of a backward region through its backward and forward linkages. The real significance, however, lies in the three specific aspects of employment generation, acceleration of regional economic activities, and contribution in favourable balance of payments (Mohanty, 1992, pp. 7-9.).

At the international level, hospitality research has made considerable advancements. However, definitional precision of hospitality; a clearly articulated research philosophy locating hospitality as a specialist field of study within the social science landscape; an enhanced degree of research philosophy awareness by researchers;

and the benefits of formulating and agreeing an internally valid conceptual framework are still waiting in hospitality research (Morrison, 2002, pp. 161 - 169). In case of India, the related research activities are, by all indicators, at nascence.

The origin of the term 'hospitality' is considered coming from the Latin '*hospes*' meaning guests and developed into '*hospice*', a place for shelter to travellers. The services (or products) offered to the modern traveller by hospitality establishments can cater for every human comfort. Following Encyclopedia Britannica (1964), the French word '*Ostel*' may be associated with the most vibrant modern accommodation unit of hotels. The term '*ostel*' meant an inn servant of the Eighteenth century. The Latin word '*hospitum*', the hall in medieval monasteries, were the centres of providing hospitality to the guests. Latter it became 'hospice' in French, then English 'hostel' and finally 'hotel'. By 1760, the term 'hotel' became famous in England. In Paris, traveller accommodations created were popularly called 'hotel garni'. In Indian tradition, *Dharamsalas*, *Musafir khanas* or *Vihars* may be termed as earlier evidences of accommodation industry in Indian style. There is a very thin line of distinction between different accommodation units like a hotel, a lodge, a motel, a *dharamsala*, or a guest house or similar establishments. It is said that the completeness that a hotel unit possesses may not be available in any other form of accommodation unit. In fact, a hotel is a serviced industry in complete sense. In this aspect 'a hotel is a world within a world with its own peculiar movements and fashions' (HMSO, 1971, p.1).

Accommodation industry is normally introduced as any facility providing lodging and boarding facilities to the tourists at the destination or nearby. Due to its role in creating foundation of tourism by providing "recreation away from home" the industry is nominated as one of the basic infrastructure components in tourism trade (Tribe, 1995, pp.1-6). It is "an essential component of the cultural tourism product" fulfilling customers' needs on several levels covering core products, e.g. room comfort and convenient location; facilitating products, e.g. bellboy in a luxury hotel; supporting products e.g. full-service health spa and, the augmented products including atmosphere and customers' interaction with the service organisation and each other, e.g. lobby socialising (Kotler et. al., 2003).

Accommodation provisions can be broadly divided into three sectors: (a) serviced accommodation including hotels, motels, inns, guest houses, lodges etc ; (b) self-serviced accommodation like resort hotels, youth hostels, hostel facilities provided by

educational institutions providing for short-term (less than one year); and (c) visiting friends and relatives (Lickorish et. al., 2002, pp.120-124).

Research studies (Sessa, 1983) suggest that the importance of accommodation industry can be realised from its association with three basic segments of travel and tourism trade, including tourism infrastructure, tourist receptive facilities, and tourism reception services. It is conventionally placed within the hospitality business. However, different approaches are available in the process of classifying the hospitality industry. In this study, the meaning of 'hospitality' is adapted from Nykiel, Ronald (1989, p.2) who states that hospitality industry deals with "products and services offered to the consumers away from home." The range of products and services of consumption 'away from home' includes travel, lodging, eating, entertainment, recreation, and gaming.

Environmental scanning has been a growing concern for accommodation industries. It is noted that limited labour markets and increasing customer demand for an excellent price/value ratio are some of the major determinants of the expansion of Asian tourism industry. Increase in productivity in line with increasing consumer demands simultaneously maintaining or improving customer satisfaction has been a major requirement of modern accommodation units (Olsen, 1996, pp 53 -62).

Hing's study (1998, pp. 7-19) establishes "investment, planning and development in the accommodation sector" in the fourth thematic importance of tourism research in the Asia Pacific region. In fact, accommodation sector in tourism is itself a diverse field of analysis. The same study also points out that the recent trend of research in this field comprises of short-term as well as long-term focus on areas like development strategy formulation, property investment, specific managerial and operational concerns involving historical influences of accommodation sector development, management and marketing of resorts, locational advantages in star rating of hotels, leakages in investment from foreigners, role of Government, economising the use of energy resources, and environment policies. It is also urged that increasing expectation on foreign investment in tourist facilities in this region presents significant challenges, not only in attracting such capital investment in an increasing and competitive environment, but also in maximising the benefits of tourism in such destinations while minimising associated costs.

Empirical as well as concept-based research on entrepreneurship growth in hospitality and accommodation is still at a growing stage. Of the articles on entrepreneurship applied to these fields, those related to hospitality are possibly greatest in number. But, the common argument is that "... only scant attention has been paid to the

role of entrepreneurs in the tourism industry. Beyond general discussion of the impact of transnational organisations, the literature is remarkably uninformative on the influence of small or even medium-sized businesses” (Harper, 1984). However, within the vicinity of limited research, certain concepts have so far been developed regarding entrepreneurship in the accommodation segment at the global level beginning from the last quarter of 20th century. Morrison and Thomas (1998) have highlighted some of the elements of hospitality entrepreneurs. Chell and Pittaway (1998, pp. 23-32) have introduced the Critical Incident Technique (CIT) to be used to investigate entrepreneurial behaviour. Williams and Tse (1995, pp. 22-26) studied the US restaurant sector and explored the relationship between strategy and ‘entrepreneurship’. Lennon and Vannocci (1989, pp. 25-27) have explored innovation as a necessary condition of success of the hospitality entrepreneurs. Kermally (1986, p.40) has stressed on entrepreneurial education for hospitality students. Berger and Bronson (1981, pp. 52-56) and Litzinger (1965, pp.269-281) examined the personality profile of entrepreneurs in the hospitality industry.’ Lynch and MacWhannell (2000, pp. 100-114) claim that research on entrepreneurship in hospitality adopts similar approaches to more general research and concentrates on formally established organisations. They indicate that accommodation workers have been neglected, and state that research findings do not relate to wider macro-social and economic aspects. According to them, the level of knowledge regarding hospitality entrepreneurs remains low, and this is particularly so regarding small businesses, which predominate in the industry.

In the Indian context, accommodation industry has not been a preferred area of entrepreneurial research. Most of the available research works have made commendable observations and recommendations for the growth and development of Indian tourism industry including definitional debate on tourism, touristic perceptions, government role in promoting tourism trade, destination positioning, etc. Of late, there has been an increasing emphasis of research in tourism entrepreneurship relating to the analysis of tourism value added, sustainable growth requirements, and market segmentation including accommodation specialties. However, most of the contemporary research works on Indian accommodation industry mainly follow a historical approach rather than the problem of generating indigenous entrepreneurs.

The pioneering work on Indian accommodation industry was done by Singh, T.V. (1975). This study was based on the hotel sector of twelve tourist spots in Uttar Pradesh. By providing a historical account of the development of global accommodation industry,

he remarks that tourism is a mix of heterogeneous but interrelated production units. He is not found optimistic about Indian tourism as the findings of his research reveal that Indian tourism is at a budding stage and, therefore, there is limited scope for developing transport and accommodation facilities. Ancillary services like souvenirs, shopping etc. can not be developed within the existing situation. Instances of a few studies on Indian accommodation industry before Singh (1975) could also be traced. In one of such studies, Mahadev (1967, pp. 30-40) analysed the spatial pattern of the growth of accommodation units of the city of Mysore and suggested modifications in the existing locational pattern. However, the study could not generalise the argument of spatial fixity.

The importance of government participation in tourism development of India has been an important area of research in accommodation sector. In one of such studies (Dharmarajan, 1981), the researcher found that hotels and like establishments create global tourism infrastructure with the possibilities of infinite earnings and substantial employment creation along with other 'spin off effects' in the entire industry.

Effectiveness of multi-dimensional tourist plan facilitating accommodation industry is in sharp focus of Indian researchers. In one such study, Anand (1976) made an elaboration of the nature of multi-dimensional tourist plant as containing lodging facilities to conducted tours. Demand forecasting, according to him, would be the most important requirement of the accommodation industry. He also suggested that based on appropriate demand projections, profitable pricing of the accommodation services may be determined. He also highlighted the seasonality and temporality aspects of accommodation infrastructure in developing tourism industry.

Historical development of accommodation industry is another important theme of research in accommodation sector in India. Bhatia (1978), in his study on the history and development of Indian tourism industry categorically stated that in determining the total accommodation capacity for a given number of visitors; the expected average length of stay and expected occupancy of the visitors in the accommodation unit are crucial. In another study, the researcher (1982) pointed out that accommodation is one of the most important tourism superstructures which may be regarded as the imagery of tourism development of the nation. Sufficient accommodation, therefore, augments tourism development of the community. Such an expansion also stimulates economic development, social contracts and related commercial activities.

In the decade of 1980's, the researchers took initiatives to determine entrepreneurial competence in Indian accommodation industry. Chakraborty (1981) in his

study partially recognised tourism research towards entrepreneurial competence determination by relating hotel management with fundamental requirements like boarders' satisfaction and security. He observed that Indian accommodation industry is run on western style and flavour. Despite rapid growth, the Indian accommodation industry could not be fully successful in satisfying growing tourist demand. He also stressed the need for development of accommodation units in Indian style.

Negi (1982) in his work analysed different aspects of hotel industry including hotel ownership, franchise policy, investment pattern, etc. He favoured the development of economy (budget) hotels catering mainly the need of low and middle income earners including domestic tourists. He was in the opinion of initiating a cohesive relationship between private and public sectors of Indian tourism. According to him, proper planning of tourism resources, appropriate monetary and fiscal measures, subsidies, tax rebate etc., would have a positive impact on the growth of accommodation industry in India. Negi (1984) analysed the significance of tourism and hotel business in the process of economic development of the country. He suggested that intensive research and insights of promoting efficiency and revenue potentials would be very important. In another study, *Negi (1987) discussed on the insights of financial and cost control techniques in hotel and catering industry.* The main issues deliberated by the researcher are determination of room rent and pricing of the related products in relation to the existing as well as hotel units to be opened. He observed that marketability of accommodation related products depends upon seasonal variability, volume of trade, duration of sale and like factors. Moreover, determination of room rent was also found to be dependent upon other related factors like hotel location, amenities provided, average occupancy rate, patronage of the hotel, capital investment, availability of non-revenue services and so on. Negi (1990) related tourism development with socio-economic and eco-environmental impact of tourism. He was of the opinion that tourism has the best potentiality of regional development. It is noteworthy that Negi's observations on accommodation industry mainly relate to the marketing aspects of accommodation industry rather than entrepreneurial growth.

Kaul (1985) discussed about the role of accommodation industry in Indian tourism and concluded that without a proper line up of this segment, promotion of national tourism would be impossible.

Mohanty (1992) studied the hotel industry of Orissa and arrived at the conclusion that for developing Indian tourism, development of accommodation industry is necessary.

Indisputably, limited is the level of tourism development in the North East Region, but much more limited is the number of assessable studies conducted on tourism development. It is striking to note that compared to other states, the NER of India and more precisely Assam; tourism sector research has not attracted proper attention of the researchers. It is to note in this context that no trace of scholarly studies relating to tourism entrepreneurship in Assam could be found by this researcher. A review of the few available studies on tourism in the NER where tourism development of Assam is given preference is made to understand the direction of research about the tourist economy and industry of Assam. However, keeping in view the basic objectives of this study, the works not related to accommodation sector have not been elaborated.

Dutta (1980, pp. 642-644) identified some of the problems faced by the tourists in the NER including accessibility, non-availability of transport and communication, political conditions etc. He emphasised on the fact that the NER may be called unexplored in the eyes of the tourists. He ascribes the poor accommodation industry as cause for the slow growth of tourism sector in the state.

Sarma (2000) made an in-depth study on the preferences and perceptions of the tourists in positioning North East India as a tourist destination. In another study (2003, pp.104-117), he stated that the first step towards positioning of a tourist destination is to determine the most important variables tourists consider while evaluating a destination. Visitors' preferences on these variables and matching these with their perception on the destination can only help in determining the preferred position for a destination. An elaborated process of determining the preferred position for North East India is discussed in his study based on two principal factors namely, infrastructure and external influence.

Nazir (2002) studied the management pattern of the wildlife sanctuaries in Assam with a case study of the famous Kaziranga National Park.

Bhattacharjee (2003) in his study makes an attempt to analyse the tourism marketing procedure as adopted by the state level tourism promotion organisations like Assam Tourism Development Corporation (ATDC).

Bhattacharya (2003) makes a detailed study of status and potentiality of tourism in Assam from cartographic perspectives.

Regarding entrepreneurship in accommodation industry in the NER, only a single study could be traced. Panda (1999) makes the pioneering study on NER economy relating to hotel component of accommodation industry of Nagaland. The study followed a historical approach in analysing the common entrepreneurial traits of hotel sector

entrepreneurs in Nagaland. The major problems of entrepreneurship identified by the researcher were basically related to the operation of hotel industry in Nagaland which had impeded indirectly, the growth of entrepreneurship in the sector. One of the major suggestions offered was that the problems faced by the entrepreneurs in the sector could be overcome through 'a collective and concerned effort'. According to him, institutionalised promotion of an entrepreneurs' association of all the hotel owners in the state may prove beneficial in this regard. He also indicated the positive role played by market segmentation, service quality management, seasonal pricing schemes, and self-supervision for healthier growth of the industry.

2.4 Scope of the Present Research

Based on the discussions under the three preceding sections, now it may be summed up that as there has been no systematic study on the growth and functioning of entrepreneurship in the accommodation segment of tourism industry in Assam, the present study would serve as pioneering in this regard. Since, it is difficult, if not impossible to cover the entire nitty-gritty of tourism entrepreneur in a single study; the present study proposes to focus on the major aspects relating to the growth of tourism entrepreneurship in accommodation industry in Assam.

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CHAPTER – 3

THE ENTREPRENEURIAL PROFILE

Entrepreneurship research reveals that there is no typical entrepreneur as such. Entrepreneurs belong to different backgrounds, qualifications, age groups, religions, castes and so on. That the socio-economic background and personality environment wherefrom the entrepreneurs emerge bear considerable impact upon the formation of entrepreneurial talent has been a common contention among the researchers. It is said that entrepreneurial talent differs among population across societies and regions (Young, 1971, pp. 139-149). Research studies conducted in different countries have shown that host of factors including both the external such as material resources, industrial climate, and responsiveness of political system and the internal factors such as entrepreneur's demographic characteristics, family background, psychological attributes, etc., exert their influence on the entrepreneurial responsiveness to the entrepreneurial functions (Khanka, 1990, pp. 37-83). It is against this background, it seems pertinent to know who are our sample entrepreneurs and where do they come from. The present chapter is, therefore, devoted to delineate the profile of the sample entrepreneurs. For the convenience of analysis, the profile of the entrepreneurs is divided under three sections:

- 3.1 Demographic and Socio-economic Profile
- 3.2 Occupational Profile
- 3.3 Organisational Profile

These are presented one by one.

3.1 Demographic and Socio-Economic Profile

In this section, the entrepreneurial profile is explained based on the demographic and socio-economic variables including category and location of the enterprises and entrepreneurial nascence, as well as, gender, age, mother tongue, caste, religion, marital status, and educational background of the entrepreneurs.

Entrepreneurs by Category, Location and Gender

Table 3.1 bears information on category, location and gender-wise distribution of the entrepreneurs of the study. The entrepreneurs represent owner-managers, inheritors and acquirers in different segments of the accommodation industry in Assam. It is to note that the units selected for study have been collected mainly from the urban and semi-urban locations under judgement sampling. Absence of information regarding

accommodation units in the rural locations is the main reason of not including such locations in the study. From **Table 3.1**, the following observations are made:

1. Around three-fifths (59.6%) of the accommodation enterprises belong to budget hotel category followed by the categories of dhaba / wayside inn (15.2%), paying guest house (11.7%), private hostel (11.3%) and 2.2% of tourist resorts. The presence of merely 2.2% of the tourist resorts indicates abysmal inadequacy of such accommodation provisions in the region. This is possibly because the concept of resort accommodation is still new in the region, on the one hand, and their small size to qualify the norms to be declared as tourist resorts, on the other. These units may be considered developed forms of wayside inns only.

2. As regards the budget hotel category, Guwahati Metro (35.2%) makes highest representation with least representations from Tezpur (7.0%). Similarly, in case of inter-locational distribution of the samples also budget hotels are highest in number. The reason is obvious. Accommodation units other than budget hotels are recent additions into the industry along with largely unorganised administrative and managerial standards. In case of tourist resorts, Tezpur and Guwahati Metro have no representation due to non-availability of such units within the area of the study.

3. In India, entrepreneurship, especially of industrial type, is all male dominated. Women owned enterprises comprise just 7.69% of all the small-scale enterprises in India (Saxena, 2005, p.56). However, the percentage of women entrepreneurs in the present study is comparatively higher (19.1%). This indicates that women find running service sector enterprises more convenient than the manufacturing sector. The percentage of female participation is expectedly higher in the ownership of paying guest houses and private hostels. However, in the cases of tourist resorts and dhaba/ wayside inns, female participation is absent. Area wise, percentage of female participation is slightly higher only in Guwahati Metro with 8.3% of participation. In other locations, it changes between 3 to 4%. That the majority of women entrepreneurs are inactive players assigning entrepreneurial activities to their husband or other male members of the family, is yet another distinguishing feature observed.

Table 3.1: Entrepreneurs by Category, Location and Gender

Category	Dibrugarh			Sivasagar			Tezpur			Guwahati Metro			Grand Total		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
Budget Hotel	15 (6.5)	4 (1.7)	19 (8.3)	19 (8.3)	2 (0.9)	21 (9.1)	13 (5.7)	3 (1.3)	16 (7.0)	70 (30.4)	11 (4.8)	81 (35.2)	117 (50.9)	20 (8.7)	137 (59.6)
Paying Guest House	3 (1.3)	4 (1.7)	7 (3.0)	1 (0.4)	4 (1.7)	5 (2.2)	2 (0.9)	3 (1.3)	5 (2.2)	5 (2.2)	5 (2.2)	10 (4.3)	11 (4.8)	16 (7.0)	27 (11.7)
Private Hostel	6 (2.6)	1 (0.4)	7 (3.0)	1 (0.4)	3 (1.3)	4 (1.7)	4 (1.7)	1 (0.4)	5 (2.2)	7 (3.0)	3 (1.3)	10 (4.3)	18 (7.8)	8 (3.5)	26 (11.3)
Tourist Resort	3 (1.3)	-	3 (1.3)	2 (0.9)	-	2 (0.9)	-	-	-	-	-	-	5 (2.2)	-	5 (2.2)
Dhaba/Wayside Inn	10 (4.3)	-	10 (4.3)	10 (4.3)	-	10 (4.3)	10 (4.3)	-	10 (4.3)	5 (2.2)	-	5 (2.2)	35 (15.2)	-	35 (15.2)
Total	37 (16.1)	9 (3.9)	46 (20.0)	33 (14.3)	9 (3.9)	42 (18.3)	29 (12.6)	7 (3.0)	36 (15.7)	87 (37.8)	19 (8.3)	106 (46.1)	186 (80.9)	44 (19.1)	230 (100.0)

Note: A) Figures in the parentheses denote percentages to total (N = 230). Percentage totals may not agree due to the rounding off of the figures.

B) M= Male; F= Female.

Family Status of the Entrepreneurs

The family status of the reported entrepreneurs mostly represents unit families. While 203 (88.3%) entrepreneurs are found to have nucleus family status, only 27 (11.7%) entrepreneurs represent joint family structure. This finding is not in conformity with the general feature of the growth of small scale industries in India (Shivani, Mukherjee, and Sharan, 2006, pp. 5-13), where majority of the entrepreneurs belong to joint families. However, the joint family system of Indian society is an important factor in explaining India's retarded economic growth and the un-entrepreneurial personality of Indians (Tripathi, 1992, pp. 75-97).

Entrepreneurial Nascence

Dominance of nascent entrepreneurs is a major characteristic feature of the surveyed samples. It is distinctively found that more than half of the sample enterprises (51.3%) are at the preliminary stage of growth. This conclusion may be derived from two specific instances of decadal growth of accommodation units and entrepreneurial experience.

Decadal Growth of Entrepreneurs: Most of the surveyed units (118 or 51.3%) were established 2000-2005. Out of these 118 units, 102 (86.4%) were established after 2002. While this indicates that the most of the enterprises (44.3%) are of recent origin (nascent), it also suggests that the industry in the State has been growing at a gradual rate.

Table 3.2: Decadal Growth of Entrepreneurs

Year of establishment	Type of enterprises		Group Total
	Matured or non-nascent	Nascent and new	
1950-1959	3 (1.3)	-	3 (1.3)
1960-1969	4 (1.7)	-	4 (1.7)
1970-1979	8 (3.5)	-	8 (3.5)
1980-1989	30 (13.0)	-	30 (13.0)
1990-1999	67 (29.1)	-	67 (29.1)
2000 -2005	16 (7.0)	102 (44.3)	118 (51.3)
Total	128 (55.7)	102 (44.3)	230 (100.0)

N.B. Figures in the parentheses denote percentages to total. Percentage totals may not agree due to the rounding off of the figures.

Entrepreneurial Experience: Entrepreneurial experience is determined on the basis of 'generation based entrepreneurial experience' and 'number of years of experience'. The entrepreneurial experience level of the surveyed units clearly indicates that

accommodation industry in Assam is at the initial stage of development as 90.9% of the entrepreneurs belong to the first generation entrepreneurs. Of this, 71.7% entrepreneurs are male and 19.1% are female. The second generation entrepreneurs are, then, obviously quite less in number with a representation of 9.1% only (Table 3. 3).

Table 3.3: Entrepreneurial Experience Based on Category and Location

Gender	Type of enterprise	Category	Location				Total
			Dibrugarh	Sivasagar	Tezpur	Guwahati Metro	
Male	First generation	1	11 (6.7)	14 (8.5)	11 (6.7)	60 (36.4)	96 (58.2)
		2	3 (1.8)	1 (0.6)	2 (1.2)	5 (3.0)	11 (6.7)
		3	6 (3.6)	1 (0.6)	4 (2.4)	7 (4.2)	18 (10.9)
		4	3 (1.8)	2 (1.2)	-	-	5 (3.0)
		5	10 (6.1)	10 (6.1)	10 (6.1)	5 (3.0)	35 (21.2)
		Total	33 (20.0)	28 (17.0)	27(16.4)	77 (46.7)	165(100.0)
	Second generation	1	4 (19.0)	5 (23.8)	2 (9.5)	10 (47.6)	21 (100.0)
Female	First generation	1	4 (9.1)	2 (4.5)	3 (6.8)	11 (25.0)	20 (45.5)
		2	4 (9.1)	4 (9.1)	3 (6.8)	5 (11.4)	16 (36.4)
		3	1 (2.3)	3 (6.8)	1 (2.3)	3 (6.8)	8 (18.2)
		Total	9 (20.5)	9 (20.5)	7 (15.9)	19 (43.2)	44 (100.0)

Note: A) 1: Budget Hotel; 2: Paying Guests House; 3: Private Hostel; 4: Tourist Resort;

5: Dhaba/Wayside Inn.

B) Figures in the parentheses denote percentages of samples within specified generation and gender. Percentage totals may not agree due to the rounding off of the figures.

The decadal growth of the surveyed accommodation units and the entrepreneurial experience level provide a clear indication of preparatory entrepreneurial fillip in the industry. This can also be interpreted as growing awareness among the youth about the importance of tourism trade in an attempt to deviate from traditional line of business. This may be attributed to two major reasons:

First, importance of tourism as a major component of the service sector of the state economy has been realised as a global phenomenon particularly after 1990's.

Second, in the aftermath of National Tourism Policy, 1997, re-introduction of the role of private participation in Indian tourism business has encouraged new generation youth to take up tourism trade as a profitable profession.

On the basis of the number of years of entrepreneurial experience, similar conclusion can be drawn (Table 3.4).

Table 3.4: Entrepreneurial Experience Based on Age-group

Experience (in years)	Age group (in years)											
	< 20	20-29	30-39		40-49		50-59		60 and above		Total	
	M	M	M	F	M	F	M	F	M	F	M	F
0-3	-	13 (5.7)	41 (17.8)	16 (7.0)	17 (7.4)	11 (4.8)	1 (0.4)	1 (0.4)	-	2 (0.9)	72 (31.3)	30 (13.0)
3-6	-	-	4 (1.7)	-	2 (0.9)	-	5 (2.2)	2 (0.9)	3 (1.3)	-	14 (6.1)	2 (0.9)
6-9	-	-	7 (3.0)	2 (0.9)	16 (7.0)	4 (1.7)	2 (0.9)	-	3 (1.3)	1 (0.4)	28 (12.6)	7 (3.0)
9-12	1 (0.4)	2 (0.9)	-	-	7 (3.0)	-	5 (2.2)	-	2 (0.9)	-	17 (7.4)	-
12-15	-	-	1 (0.4)	-	7 (3.0)	2 (0.9)	4 (1.7)	-	-	-	12 (5.2)	2 (0.9)
15-18	-	-	-	-	3 (1.3)	1 (0.4)	3 (1.3)	-	3 (1.3)	-	9 (3.9)	1 (0.4)
18-21	-	-	2 (0.9)	1 (0.4)	5 (2.2)	1 (0.4)	3 (1.3)	-	2 (0.9)	-	12 (5.2)	2 (0.9)
21-24	-	-	1 (0.4)	-	1 (0.4)	-	1 (0.4)	-	1 (0.4)	-	4 (1.7)	-
24-27	-	-	-	-	-	-	2 (0.9)	-	2 (0.9)	-	4 (1.7)	-
27-30	-	-	-	-	-	-	1 (0.4)	-	1 (0.4)	-	2 (0.9)	-
30 & above	-	-	1 (0.4)	-	3 (1.3)	-	4 (1.7)	-	4 (1.7)	-	12 (5.2)	-
Total	1 (0.4)	15 (6.5)	57 (24.8)	19 (8.3)	61 (26.5)	19 (8.3)	31 (13.5)	3 (1.3)	21 (9.1)	3 (1.3)	186 (80.9)	44 (19.1)

Note: A) Figures in the parentheses denote percentages to total (N=230). Percentage totals may not agree due to the rounding off of the figures.

B) M= Male; F= Female.

As shown in Table 3.4, majority of the entrepreneurs possess entrepreneurial experience of less than 10 years. It is also seen that entrepreneurs having experience of less than 3 years are highest in number (31.3% male and 13% female). This also proves the entrepreneurial nascence. The study reveals that participation rate in tourism trade in Assam is dominated by the entrepreneurs in the age group 30 to 50 years. Only 7.0% male entrepreneurs represent age group below 30 years. However, no female entrepreneur belongs to this age-group. Only 11.4% of the female entrepreneurs' have experience of more than 10 years.

Table 3.5: Distribution of Nascent and Non-nascent Units

	Category	Nascent			Non-Nascent		
		Male	Female	Total	Male	Female	Total
Dibrugarh	1	4 (3.9)	3 (2.9)	7 (6.9)	11 (8.6)	1 (0.8)	12(9.4)
	2	2 (2.0)	3 (2.9)	5 (4.9)	1 (0.8)	1 (0.8)	2 (1.6)
	3	4 (3.9)	1 (1.0)	5 (4.9)	2 (1.6)	-	2 (1.6)
	4	3 (2.9)	-	3 (2.9)	-	-	-
	5	7 (6.9)	-	7 (6.9)	3 (2.3)	-	3 (2.3)
	Total		20 (19.6)	7 (6.9)	27 (26.5)	17 (13.3)	2 (1.6)
Sivasagar	1	7 (6.9)	2 (2.0)	9 (8.8)	12 (9.4)	-	12 (9.4)
	2	1 (1.0)	2 (2.0)	3 (2.9)	-	2 (1.6)	2 (1.6)
	3	1 (1.0)	3 (2.9)	4 (3.9)	-	-	-
	4	2 (2.0)	-	2 (2.0)	-	-	-
	5	7 (6.9)	-	7 (6.9)	3 (2.3)	-	3 (2.3)
	Total		18 (17.6)	7 (6.9)	25 (24.5)	15 (11.7)	2 (1.6)
Tezpur	1	2 (2.0%)	1 (1.0)	3 (2.9)	11 (8.6)	2 (1.6)	13 (10.2)
	2	1 (1.0)	2 (2.0)	3 (2.9)	1 (0.8)	1 (0.8)	2 (1.6)
	3	3 (2.9)	1 (1.0)	4 (3.9)	1 (0.8)	-	1 (0.8)
	5	5 (4.9)	-	5 (4.9)	5 (3.9)	-	5 (3.9)
	Total		11 (10.8)	4 (3.9)	15 (14.7)	18 (14.1)	3 (2.3)
Guwahati Metro	1	13 (12.7)	6 (5.9)	19 (18.6)	57 (44.5)	5 (3.9)	62 (48.4)
	2	2 (2.0)	3 (2.9)	5 (4.9)	3 (2.3)	2 (1.6)	5 (3.9)
	3	5 (4.9)	3 (2.9)	8 (7.8)	2 (1.6)	-	2 (1.6)
	5	3 (2.9)	-	3 (2.9)	2 (1.6)	-	2 (1.6)
	Total		23 (22.5)	1 (11.8)	35 (34.3)	6 (50.0)	7 (5.5)

Note: A) 1: Budget Hotel; 2: Paying Guests House; 3: Private Hostel; 4: Tourist Resort; 5: Dhaba/Wayside Inn

B) Figures in the parentheses denote percentage of the group total (nascent and non-nascent). Percentage totals may not agree due to the rounding off of the figures.

Table 3.5 shows the distribution of the nascent units in the surveyed locations of the study. It is seen that the growth of nascent entrepreneurs is prominent in all the surveyed locations led by Guwahati Metro (34.3% with 22.5% male and 11.8% female) followed by Dibrugarh (26.5% with 19.6% male and 6.9% female), Sivasagar (24.5% with 17.6% male and 6.9% female), and Tezpur (14.7% with 10.8% male and 3.9% female). Moreover, female entrepreneurs are also on rise in all the surveyed locations. The rate of nascent female participation is found to be higher in comparison to the non-nascent counterpart in all the categories of accommodation units as well as the concerned locations. This shows the growing concern of the present generation entrepreneurs towards the growth of accommodation industry of Assam. Yet another observation is that there has been an indication of developing smaller accommodation business in the form of paying guest houses, student hostels, *dhabas*/ wayside inns and resort or resort like accommodation business. However, conventional hotel sector has not lost its past glory. This horizontal spread of the industry indicates the possibilities of developing specialised tourist accommodation units.

Entrepreneurs by Mother Tongue

Mother tongue is a major factor reflecting mobility of the entrepreneurs. Collins and Moore (1970) suggested that recourse to small business entrepreneurship is a means to remain at home. Studies reveal that Indian entrepreneurs have narrow spatial spread at the initial stages of industrialisation due to weak communication networks, poor information systems, small capital resources of the entrepreneurs and virtually non-existent institutional arrangements (Sharma, 1974, 86-110). The present study also reveals similar conclusion relating to spatial distribution of the entrepreneurs. This observation is confirmed by the dominance of Assamese speaking local entrepreneurs in the industry. 188 (79.3% male and 20.7% female) entrepreneurs speak Assamese as their mother language. Considering the level of nascence also, dominance of Assamese linguistic community is found dominant (84.7% male and 90.0% female in nascent group and 77.2% male and 85.7% female in non-nascent group). Linguistic communities other than Assamese have a very low level of representation. This represents the industry as of a smaller scale with smaller return on investment. It is also indicative of spatial fixity of initial industrial growth (**Table 3.6**).

Table 3.6: Entrepreneurs by Mother Tongue (Location wise)

Type	Location	Mother tongue						Location Total		
		Assamese		Hindi	Bengali		Any other*		Male	Female
		Male	Female	Male	Male	Female	Male	Female		
Nascent	Dibrugarh	18 (25.0)	7 (23.3)	-	-	-	2 (2.8)	-	20 (27.8)	7 (23.3)
	Sivasagar	13 (18.1)	6 (20.0)	1 (1.4)	3 (4.2)	-	1 (1.4)	1 (3.3)	18 (25.0)	7 (23.3)
	Tezpur	10 (13.9)	2 (6.7)	-	1 (1.4)	2 (6.7)	-	-	11 (15.3)	4 (13.3)
	Guwahati	20 (27.8)	12 (40.0)	-	-	-	3 (4.2)	-	23 (31.9)	12 (40.0)
	Total	61 (84.7)	27 (90.0)	1 (1.4)	4 (5.6)	2 (6.7)	6 (8.3)	1 (3.3)	72 (100.0)	30 (100.0)
Non- nascent	Dibrugarh	14 (12.3)	1 (7.1)	1 (0.9)	1 (0.9)	1 (7.1)	1 (0.9)	-	17 (14.9)	2 (14.3)
	Sivasagar	15 (13.2)	2 (14.3)	-	-	-	-	-	15 (13.2)	2 (14.3)
	Tezpur	14 (12.3)	3 (21.4)	-	2 (1.8)	-	2 (1.8)	-	18 (15.8)	3 (21.4)
	Guwahati	45 (39.5)	6 (42.9)	1 (0.9)	-	-	18 (15.8)	1 (7.1)	64 (56.1)	7 (50.0)
	Total	88 (77.2)	12 (85.7)	2 (1.8)	3 (2.6)	1 (7.1)	21 (18.4)	1 (7.1)	114 (100.0)	14 (100.0)

Note: A) * Languages include Kanada, Oria, Rajasthani, Punjabi and Bhojpuri.

B) Figures in the parentheses denote percentages to group total (nascent and non-nascent) and respective gender. Percentage totals may not agree due to the rounding off of the figures.

An interesting feature to be noted from figures in **Table 3.7** is that non-Assamese linguistic communities are mainly concentrated in *dhabas*/way-side inns, which require minimum of capital investment. As regards the categories of accommodation units, Assamese origin entrepreneurs, both nascent as well as non-nascent groups, seem to dominate all the categories of accommodation units. On the other hand, Hindi speaking entrepreneurs have been found only in budget hotel category. Bengali origin entrepreneurs have been found operating in the budget hotels, paying guest houses and *dhabas*.

Table 3.7: Entrepreneurs by Mother Tongue (Category-wise)

Type	Category	Mother tongue						Total		
		Assamese		Hindi	Bengali		Any other*		M	F
		M	F	M	M	F	M	F		
Nascent	1	24 (33.3)	11 (36.7)	1 (1.4)	1 (1.4)	-	-	1 (3.3)	26 (36.1)	12 (40.0)
	2	6 (8.3)	8 (26.7)	-	-	2 (6.7)	-	-	6 (8.3)	10 (33.3)
	3	13 (18.1)	8 (26.7)	-	-	-	-	-	13 (18.1)	8 (26.7)
	4	5 (6.9)	-	-	-	-	-	-	5 (6.9)	-
	5	13 (18.1)	-	-	3 (4.2)	-	6 (8.3)	-	22 (30.6)	-
	Total	61 (84.7)	27 (90.0)	1 (1.4)	4 (5.6)	2 (6.7)	6 (8.3)	1 (3.3)	72 (100.0)	30 (100.0)
Non-nascent	1	66 (57.9)	6 (42.9)	2 (1.8)	3 (2.6)	1 (7.1)	20 (17.5)	1 (7.1)	91 (79.8)	8 (57.1)
	2	5 (4.4)	6 (42.9)	-	-	-	-	-	5 (4.4)	6 (42.9)
	3	5 (4.4)	-	-	-	-	-	-	5 (4.4)	-
	5	12 (10.5)	-	-	-	-	1 (0.9)	-	13 (11.4)	-
	Total	88 (77.2)	12 (85.7)	2 (1.8)	3 (2.6)	1 (7.1)	21 (18.4)	1 (7.1)	114 (100.0)	14 (100.0)

Note: A) 1: Budget Hotel; 2: Paying Guests House; 3: Private Hostel; 4: Tourist Resort; 5: Dhaba/Wayside Inn

B) * Languages include Kanada, Oria, Rajasthani, Punjabi and Bhojpuri.

C) Figures in the parentheses denote percentages to group total (nascent and non-nascent) and respective gender. Percentage totals may not agree due to the rounding off of the figures.

Thus, based on the linguistic division of the entrepreneurs two inferences may be drawn: **First**, local participation rate is very high due to initial state of tourism sector development in the State, which has not yet attracted entrepreneurs from the other States to operate business on this line.

Second, increase in the level of nascent local entrepreneurs reflects the increasing awareness of local youth about the economic benefits of accommodation sector as a profitable source of livelihood on one hand, and, growing importance of accommodation sector in the state economy on the other.

Entrepreneurs by Caste

Entrepreneurial studies put emphasis on caste based distribution of entrepreneurial traits. In the works of Balakrishna (1961), Nafziger (1982), and many others, the influence of Indian caste system in entrepreneurship is noticed. According to Munshi and

Rosenzweig (2006, p. 1230), caste networks place tacit restrictions on the occupational mobility of their members to preserve the integrity of the network. The caste system influences the propensity of being an entrepreneur. Individuals of backward caste exhibit a lower propensity to become an entrepreneur (Audretsch, Bönte, and Tamvada, 2007).

Table 3.8: Entrepreneurs by Caste (Location-wise)

Type	Location	Caste							Total	
		General		OBC/MOBC		SC		ST(H)	M	F
		M	F	M	F	M	F	M		
Nascent	Dibrugarh	12 (16.7)	4 (13.3)	5 (6.9)	2 (6.7)	3 (4.2)	1 (3.3)	-	20 (27.8)	7 (23.3)
	Sivasagar	14 (19.4)	4 (13.3)	4 (5.6)	2 (6.7)	-	1 (3.3)	-	18 (25.0)	7 (23.3)
	Tezpur	6 (8.3)	4 (13.3)	3 (4.2)		2 (2.8)	-	-	11 (15.3)	4 (13.3)
	Guwahati Metro	14 (19.4)	11 (36.7)	8 (11.1)	1 (3.3)	1 (1.4)	-	-	23 (31.9)	12 (40.0)
	Total	46 (63.9)	23 (76.7)	20 (27.8)	5 (16.7)	6 (8.3)	2 (6.7)	-	72 (100.0)	30 (100.0)
Non-nascent	Dibrugarh	13 (11.4)	2 (14.3)	3 (2.6)	-	1 (0.9)	-	-	17 (14.9)	2 (14.3)
	Sivasagar	10 (8.8)	1 (7.1)	5 (4.4)	1 (7.1)	-	-	-	15 (13.2)	2 (14.3)
	Tezpur	11 (9.6)	2 (14.3)	4 (3.5)	1 (7.1)	3 (2.6)	-	-	18 (15.8)	3 (21.4)
	Guwahati Metro	49 (43.0)	5 (35.7)	10 (8.8)	2 (14.3)	3 (2.6)	-	2 (1.8)	64 (56.1)	7 (50.0)
	Total	83 (72.8)	10 (71.4)	22 (19.3)	4 (28.6)	7 (6.1)	-	2 (1.8)	114 (100.0)	14 (100.0)

Note: Figures in the parentheses denote percentages to group total (nascent and non-nascent) and gender. Percentage totals may not agree due to the rounding off of the figures.

However, in this study, it is found that caste has not played any significant role in the formation of accommodation sector entrepreneurship in Assam. It is true that the participation of backward castes has not been sufficient during the observed period. However, Tables 3.8 and 3.9 do not indicate any specific pattern of entrepreneurship,

which is, dominated by a specific caste group in the accommodation industry of Assam. Low representation of entrepreneurs from the backward castes may be due to the fact that the studied locations are mainly dominated by non-scheduled/upper-caste population.

Table 3.9: Entrepreneurs by Caste (Category-wise)

Type	Category	Caste of the respondent							Total	
		General		OBC/MOBC		SC		ST(H)		
		M	F	M	F	M	F	M	M	F
Nascent	Budget Hotel	18 (25.0)	8 (26.7)	7 (9.7)	3 (10.0)	1 (1.4)	1 (3.3)	-	26 (36.1)	12 (40.0)
	Paying Guests House	5 (6.9)	9 (30.0)	-	1 (3.3)	1 (1.4)	-	-	6 (8.3)	10 (33.3)
	Private Hostel	7 (9.7)	6 (20.0)	5 (6.9)	1 (3.3)	1 (1.4)	1 (3.3)	-	13 (18.1)	8 (26.7)
	Tourist Resort	3 (4.2)	-	2 (2.8)	-	-	-	-	5 (6.9)	-
	Dhaba/ Wayside Inn	13 (18.1)	-	6 (8.3)	-	3 (4.2)	-	-	22 (30.6)	-
	Total	46 (63.9)	23 (76.7)	20 (27.8)	5 (16.7)	6 (8.3)	2 (6.7)	-	72 (100.0)	30 (100.0)
	Non-nascent	Budget Hotel	64 (56.1)	5 (35.7)	21 (18.4)	3 (21.4)	4 (3.5)	-	2 (1.8)	91 (79.8)
Paying Guests House		2 (1.8)	5 (35.7)	1 (0.9)	1 (7.1)	2 (1.8)	-	-	5 (4.4)	6 (42.9)
Private Hostel		4 (3.5)	-	-	-	1 (0.9)	-	-	5 (4.4)	-
Dhaba/ Wayside Inn		13 (11.4)	-	-	-	-	-	-	13 (11.4)	-
Total		83 (72.8)	10 (71.4)	22 (19.3)	4 (28.6)	7 (6.1)	-	2 (1.8)	114 (100.0)	14 (100.0)

Note: Figures in the parentheses denote percentages to group total (nascent and non-nascent) and gender. Percentage totals may not agree due to the rounding off of the figures.

Entrepreneurs by Religious Background

Religious background of the entrepreneurs is also considered a determining factor in entrepreneurial set up of a society (Shivani, Mukherjee, & Sharan, 2006; Saxena, 2005; Sharma, 1974). Regarding the people of the South Asia including India, it is said that they

are deeply religious and all facets of their lives including their endeavors to achieve material advancement are affected by religious beliefs and values (Uppal, 2001, p. 20).

Table 3.10: Entrepreneurs by Religious Background (Location-wise)

Type	Location	Religion								Total	
		A		B		C		D	E		
		M	F	M	F	M	F	F	M	M	F
Nascent	Dibrugarh	15 (20.8)	6 (20.0)	4 (5.6)	1 (3.3)	1 (1.4)	-	-	-	20 (27.8)	7 (23.3)
	Sivasagar	13 (18.1)	6 (20.0)	4 (5.6)	1 (3.3)	1 (1.4)	-	-	-	18 (25.0)	7 (23.3)
	Tezpur	7 (9.7)	3 (10.0)	3 (4.2)	-	1 (1.4)	1 (3.3)	-	-	11 (15.3)	4 (13.3)
	Guwahati Metro	15 (20.8)	7 (23.3)	6 (8.3)	5 (16.7)	2 (2.8)	-	-	-	23 (31.9)	12 (40.0)
	Total	50 (69.4)	22 (73.3)	17 (23.6)	7 (23.3)	5 (6.9)	1 (3.3)	-	-	72 (100.0)	30 (100.0)
Non-nascent	Dibrugarh	14 (12.3)	2 (14.3)	2 (1.8)	-	-	-	-	1 (0.9)	17 (14.9)	2 (14.3)
	Sivasagar	14 (12.3)	2 (14.3)	1 (0.9)	-	-	-	-	-	15 (13.2)	2 (14.3)
	Tezpur	11 (9.6)	3 (21.4)	3 (2.6)	-	4 (3.5)	-	-	-	18 (15.8)	3 (21.4)
	Guwahati Metro	44 (38.6)	4 (28.6)	13 (11.4)	2 (14.3)	7 (6.1)	-	1 (7.1)	-	64 (56.1)	7 (50.0)
	Total	83 (72.8)	11 (78.6)	19 (16.7)	2 (14.3)	11 (9.6)	-	1 (7.1)	1 (0.9)	114 (100.0)	14 (100.0)

Note: I) Figures in the parentheses denote percentage of the group total (nascent and non-nascent). Percentage totals may not agree due to the rounding off of the figures.

II) Religion: **A:** Hindu; **B:** Muslim; **C:** Sikh; **D:** Christian; **E:** Jain.

While considerable concern has emerged about the impact of religion on economic development, little is actually known about how religion impacts the decision making of individuals. Audretsch, Bönte, and Tamvada (2007) examined the influence of religion on the decision of a person to become an entrepreneur. Based on a large-scale data set of nearly ninety thousand workers in India, they found that religion shapes entrepreneurial decision. In particular, some religions, such as Islam and Christianity, are

found to be conducive to entrepreneurship, while others, such as Hinduism, inhibit entrepreneurship. However, for such a consideration, no valid empirical examples have so far been seen. In this study also, no specific conclusion could be drawn relating to the cited relationship between religion and entrepreneurship (Table 3.10 & 3.11).

Table 3.11: Entrepreneurs by Religious Background (Category-wise)

Type	Category	Religion								Total	
		A		B		C		D	E		
		M	F	M	F	M	F	F	M	M	F
Nascent	Budget Hotel	18 (25.0)	6 (20.0)	7 (9.7)	5 (16.7)	1 (1.4)	1 (3.3)	-	-	26 (36.1)	12 (40.0)
	Paying Guests House	6 (8.3)	8 (26.7)	-	2 (6.7)	-	-	-	-	6 (8.3)	10 (33.3)
	Private Hostel	12 (16.7)	8 (26.7)	1 (1.4)	-	-	-	-	-	13 (18.1)	8 (26.7)
	Tourist Resort	4 (5.6)	-	-	-	1 (1.4)	-	-	-	5 (6.9)	-
	Dhaba/Wayside Inn	10 (13.9)	-	9 (12.5)	-	3 (4.2)	-	-	-	22 (30.6)	-
	Total	50 (69.4)	22 (73.3)	17 (23.6)	7 (23.3)	5 (6.9)	1 (3.3)	-	-	72 (100.0)	30 (100.0)
Non-nascent	Budget Hotel	67 (58.8)	5 (35.7)	15 (13.2)	2 (14.3)	8 (7.0)	-	1 (7.1)	1 (0.9)	91 (79.8)	8 (57.1)
	Paying Guests House	3 (2.6)	6 (42.9)	2 (1.8)	-	-	-	-	-	5 (4.4)	6 (42.9)
	Private Hostel	5 (4.4)	-	-	-	-	-	-	-	5 (4.4)	-
	Dhaba/Wayside Inn	8 (7.0)	-	2 (1.8)	-	3 (2.6)	-	-	-	13 (11.4)	-
	Total	83 (72.8)	11 (78.6)	19 (16.7)	2 (14.3)	11 (9.6)	-	1 (7.1)	1 (0.9)	114 (100.0)	14 (100.0)

Note: I) Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender. Percentage totals may not agree due to the rounding off of the figures.

II) Religion: A: Hindu; B: Muslim; C: Sikh; D: Christian; E: Jain.

The participation of Hindu entrepreneurs (72.2%) is found to be higher than Muslim (19.6%), Sikh (7.4%), Christian (7.1%), and Jains (0.9%). In the nascent category

25.0% male and 20.0% female entrepreneurs are Hindus with 9.7% male and 16.7% female are Muslims. In the non-nascent category, 58.8% male and 35.7% female entrepreneurs are Hindus with 13.2% male and 14.3% female are Muslims. From this, it is evident that Hinduism does not inhibit entrepreneurship as the earlier researchers believed. However, it is also obvious that, for probable non-sampling errors of the primary data, religious sentiment of the entrepreneurs may not be the suitable measure for generalising entrepreneurship quality in the accommodation industry of Assam.

Entrepreneurs by Educational Background

It is believed that education received in formal institutions introduces the value of achievement and the value of equality of opportunity along with enabling people to acquire various types of technical skills. (Shivani, Mukherjee, and Sharan, 2006, p.9). Entrepreneurship is also introduced as a career, where formal education is not a necessary requirement either for business start-up or success. Yet entrepreneurs are generally found to be better educated than average population. In societies where entrepreneurship is scarce, educational attainment becomes a source of confidence and self-efficacy perception vis-à-vis contemplation of a career in entrepreneurship (Saxena, 2005, p.64).

However, educational profile of the entrepreneurs of our study does not provide an impressive picture (**Tables 3.12 and 3.13**). This is for the following reasons:

First, a very small percentage of the total entrepreneurs (3.04%) have got tourism related or other professional education or training.

Second, majority of the entrepreneurs are reported to be graduates (40.0%) or post graduates (8.7%) in conventional pattern of formal education. This is one of the reasons, which indicates that like elsewhere in India, entrepreneurship in accommodation sector of Assam is a compulsion of the youth in absence of paid job.

Third, lack of professional expertise creates absence of professional competence in the industry which may be a major obstacle for the sustainability of accommodation industry in Assam.

The unimpressive entrepreneurial set up leads to the conclusion that entrepreneurship in tourism/ accommodation sector in Assam has not been spontaneous. But, at the same time, the total absence of illiterate entrepreneurs in the industry suggests the requirement of basic literacy to run accommodation industry.

Table 3.12: Entrepreneurs by Educational Background (Location-wise)

Type	Location	Educational Background											Total	
		A		B		C		D		E		F	M	F
		M	F	M	F	M	F	M	F	M	F			
Nascent	I	-	1 (3.3)	3 (4.2)	2 (6.7)	7 (9.7)	1 (3.3)	9 (12.5)	2 (6.7)	1 (1.4)	1 (3.3)	-	20 (27.8)	7 (23.3)
	II	2 (2.8)	-	6 (8.3)	1 (3.3)	3 (4.2)	2 (6.7)	5 (6.9)	3 (10.0)	1 (1.4)	1 (3.3)	1 (1.4)	18 (25.0)	7 (9.3)
	III	1 (1.4)	-	3 (4.2)	-	5 (6.9)	1 (3.3)	2 (2.8)	3 (10.0)	-	-	-	11 (15.3)	4 (13.3)
	IV	1 (1.4)	-	2 (2.8)	3 (10.0)	5 (6.9)	4 (13.3)	12 (16.7)	3 (10.0)	3 (4.2)	2 (6.7)	-	23 (31.9)	12 (40.0)
	Total	4 (5.6)	1 (3.3)	14 (19.4)	6 (20.0)	20 (27.8)	8 (26.7)	28 (38.9)	11 (36.7)	5 (6.9)	4 (13.3)	1 (1.4)	72 (100.0)	30 (100.0)
Non-nascent	I	-	-	1 (0.9)	-	7 (6.1)	1 (7.1)	7 (6.1)	1 (7.1)	1 (0.9)	-	1 (0.9)	17 (14.9)	2 (14.3)
	II	-	-	2 (1.8)	-	4 (3.5)	-	7 (6.1)	1 (7.1)	2 (1.8)	1 (7.1)	-	15 (13.2)	2 (14.3)
	III	4 (3.5)	-	1 (0.9)	-	6 (5.3)	1 (7.1)	5 (4.4)	2 (14.3)	1 (0.9)	-	1 (0.9)	18 (15.8)	3 (21.4)
	IV	-	-	10 (8.8)	-	19 (16.7)	2 (14.3)	25 (21.9)	5 (35.7)	6 (5.3)	-	4 (3.5)	64 (56.1)	7 (50.0)
	Total	4 (3.5)	-	14 (12.3)	-	36 (31.6)	4 (28.6)	44 (38.6)	9 (64.3)	10 (8.8)	1 (7.1)	6 (5.3)	114 (100.0)	14 (100.0)

Note: A) I: Dibrugarh; II: Sivasagar; III: Tezpur IV: Guwahati Metro

B) A: Primary Education; B: Matriculation; C: Higher Secondary Education; D: Graduation; E: Post Graduation; F: Professional Degree/Diploma

C) Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender. Percentage totals may not agree due to the rounding off of the figures.

Table 3.13: Entrepreneurs by Educational Background (Category-wise)

Type	Category	Educational Background												Total	
		A		B		C		D		E		F		M	F
		M	F	M	F	M	F	M	F	M	F	M	F		
Nascent	1	-	-	1 (1.4)	4 (13.3)	8 (11.1)	5	15 (20.8)	2 (6.7)	1 (1.4)	1	1 (1.4)	-	26 (36.1)	12 (40.0)
	2	-	-	-	2 (6.7)	3 (4.2)	(16.7) 2	2 (2.8)	5 (16.7)	1 (1.4)	(3.3) 1	-	-	6 (8.3)	10 (33.3)
	3	-	1 (3.3)	-	-	4 (5.6)	(6.7) 1	6 (8.3)	4 (13.3)	3 (4.2)	(3.3) 2	-	-	13 (18.1)	8 (26.7)
	4	-	-	2 (2.8)	-	1 (1.4)	(3.3)	2 (2.8)	-	-	(6.7)	-	-	5 (6.9)	-
	5	4 (5.6)	-	11 (15.3)	-	4 (5.6)	-	3 (4.2)	-	-	-	-	-	22 (30.6)	-
	Total	4 (5.6)	1 (3.3)	14 (19.4)	6 (20.0)	20 (27.8)	8 (26.7)	28 (38.9)	11 (36.7)	5 (6.9)	4 (13.3)	1 (1.4)	-	72 (100.0)	30 (100.0)
Non-nascent	1	-	-	10 (8.8)	-	29 (25.4)	2 (14.3)	36 (31.6)	6 (42.9)	10 (8.8)	-	6 (5.3)	-	91 (79.8)	8 (57.1)
	2	-	-	-	-	1 (0.9)	2 (14.3)	4 (3.5)	3 (21.4)	-	1 (7.1)	-	-	5 (4.4)	6 (42.9)
	3	-	-	1 (0.9)	-	2 (1.8)	-	2 (1.8)	-	-	-	-	-	5 (4.4)	-
	5	4 (3.5)	-	3 (2.6)	-	4 (3.5)	-	2 (1.8)	-	-	-	-	-	13 (11.4)	-
	Total	4 (3.5)	-	14 (12.3)	-	36 (31.6)	4 (28.6)	44 (38.6)	9 (64.3)	10 (8.8)	1 (7.1)	6 (5.3)	-	114 (100.0)	14 (100.0)

Note: I) 1: Budget Hotel; 2: Paying Guests House; 3: Private Hostel; 4: Tourist Resort; 5: Dhaba/Wayside Inn

II) A: Primary Education; B: Matriculation; C: Higher Secondary Education D: Graduation; E: Post Graduation;
F: Professional Degree/Diploma.

III) Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender.
Percentage totals may not agree due to the rounding off of the figures.

Entrepreneurs by Marital Status

Compatibility of marriage with entrepreneurship development has been a matter of demographic interpretation of entrepreneurial start up. Single status would imply less of family responsibility so that the individual may devotedly work for his fledging initiatives (Saxena, 2005, p.62). In fact, based on the component of marital status of persons in India, the enquiries involving cause of enterprise formation, competence level, and optional income sources of a person may be determined. **Table 3.14** provides information on the marital status of our sample entrepreneurs. It is seen from the table that the majority of the entrepreneurs, both nascent (92.2%) and non-nascent (100.0%), of the accommodation industry of Assam are married. All the female entrepreneurs are found to start their ventures only after marriage.

Table 3.14: Entrepreneurs by Marital Status

Type	Location	Marital status			Total	
		Married		Unmarried	Male	Female
		Male	Female	Male		
Nascent	Dibrugarh	14 (19.4)	7 (23.3)	6 (8.3)	20 (27.8)	7 (23.3)
	Sivasagar	18 (25.0)	7 (23.3)	-	18 (25.0)	7 (23.3)
	Tezpur	11 (15.3)	4 (13.3)	-	11 (15.3)	4 (13.3)
	Guwahati M.	21 (29.2)	12 (40.0)	2 (2.8)	23 (31.9)	12 (40.0)
	Total	64 (88.9)	30 (100.0)	8 (11.1)	72 (100.0)	30 (100.0)
Non- nascent	Dibrugarh	17 (14.9)	2 (14.3)	-	17 (14.9)	2 (14.3)
	Sivasagar	15 (13.2)	2 (14.3)	-	15 (13.2)	2 (14.3)
	Tezpur	18 (15.8)	3 (21.4)	-	18 (15.8)	3 (21.4)
	Guwahati M.	64 (56.1)	7 (50.0)	-	64 (56.1)	7 (50.0)
	Total	114 (100.0)	14 (100.0)	-	114 (100.0)	14 (100.0)

Note: Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender. Percentage totals may not agree due to the rounding off of the figures.

Universality of marriage among the entrepreneurs reflects some important observations about the entrepreneurs in the accommodation industry of Assam:

First, the industry is still at the optional status in formulating a formidable project to start with. The entrepreneurs seem to consider venturing into accommodation business as the second choice.

Second, female entrepreneurs in the industry are found to be inactive partners, as all the studied units formally owned by female entrepreneurs are actually governed by their male family members.

3.2 Occupational Profile

In this section, the process of entrepreneurial succession is explained based on the factors like family background, inter-generation occupational mobility, and the level of family assistance availed by the entrepreneurs.

Family Background of the Entrepreneurs

Family background has a strong influence upon the choice of occupation by an individual. Even self employed / practicing fathers have strong role models for the individuals to seek such occupations where they can assert their independence (Saxena, 2005, p.46). That is why, the history of the rise and growth of a modern business class in India is largely the history of the activities of members of certain groups (Gadgil 1959, p. 16). It is to note that the studies based on Weber's (1958) forecast for India's economic future try to conclude that traditional business class is dominating in Indian entrepreneurship formation. Deviation from Weberian philosophy is also prominent in the studies of some of the modern historians like Chandravarkar (1985) and Rudner (1994). They have argued in contrast that occupational mobility in India is not the only factor determining enterprise formation. In their view, mobility is historically facilitated through the endogenous formation of new networks in groups without a prior business background.

The present study also establishes deviations from the Weber's thesis. The samples of this study represent their family background as different from traditionally adopted caste-based background of Indian entrepreneurs. **Tables 3.15** and **3.16**, reflect the following major characteristics of the family background of the entrepreneurs:

First, the accommodation industry in Assam represents a lower level of family business spill-over as only 3.5% of entrepreneurs possess hospitality business itself as family background. **Second**, like previous studies on the influences of family background like Berna (1959), Tripathi (1992), and (Chadha, 1986) the present study also indicates that business background is still a major factor determining entrepreneurship in India. To quote, 60.5% male and 50.0% of the female entrepreneurs have other business as family background. **Third**, shift from service to trade is also prominent as 21.1% per male and 21.4% of the female entrepreneurs have government service as family background.

Table 3.15: Family Background of the Entrepreneurs (Location-wise)

Type	District	Occupation of the Family Head												Total	
		I		II		III		IV		V		VI		M	F
		M	F	M	F	M	F	M	F	M	F	M	F		
Nascent	Dibrugarh	-	-	8 (11.1)	3 (10.0)	8 (11.1)	4 (13.3)	1 (1.4)	-	3 (4.2)	-	-	-	20 (27.8)	7 (23.3)
	Sivasagar	-	-	12 (16.7)	3 (10.0)	1 (1.4)	3 (10.0)	-	-	5 (6.9)	1 (3.3)	-	-	18 (25.0)	7 (23.3)
	Tezpur	-	-	4 (5.6)	3 (10.0)	1 (1.4)	1 (3.3)	-	-	6 (8.3)	-	-	-	11 (15.3)	4 (13.3)
	Guwahati Metro	-	-	14 (19.4)	5 (16.7)	8 (11.1)	3 (10.0)	-	-	-	2 (6.7)	1 (1.4)	2 (6.7%)	23 (31.9)	12 (40.0)
	Total	-	-	38 (52.8)	14 (46.7)	18 (25.0)	11 (36.7)	1 (1.4)	-	14 (19.4)	3 (10.0)	1 (1.4)	2 (6.7%)	72 (100.0)	30 (100.0)
Non-nascent	Dibrugarh	1 (0.9)	-	8 (7.0)	1 (7.1)	6 (5.3)	-	1 (0.9)	-	1 (0.9)	1 (7.1)	-	-	17 (14.9)	2 (14.3)
	Sivasagar	-	-	9 (7.9)	2 (14.3)	2 (1.8)	-	-	-	4 (3.5)	-	-	-	15 (13.2)	2 (14.3)
	Tezpur	-	-	11 (9.6)	1 (7.1)	1 (0.9)	1 (7.1)	-	-	4 (3.5)	1 (7.1)	2 (1.8)	-	18 (15.8)	3 (21.4)
	Guwahati	3 (2.6)	-	41 (36.0)	3 (21.4)	15 (13.2)	2 (14.3)	-	-	4 (3.5)	2 (14.3)	1 (0.9)	-	64 (56.1)	7 (50.0)
	Total	4 (3.5)	-	69 (60.5)	7 (50.0)	24 (21.1)	3 (21.4)	1 (0.9)	-	13 (11.4)	4 (28.6)	3 (2.6)	-	114 (100.0)	14 (100.0)

Note: 1: I: Hospitality business itself; II: Other business; III: Govt. job; IV: Agro-base employment; V: Jobs in non-hospitality firm; VI: Politics and social work.

2: Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender. Percentage totals may not agree due to the rounding off of the figures.

Table 3.16: Family Background of the Entrepreneurs (Category-wise)

Type	Category	Occupation of the Family Head												Total	
		I		II		III		IV		V		VI			
		M	F	M	F	M	F	M	F	M	F	M	F	M	F
Nascent	Budget Hotel	-	-	17 (23.6)	6 (20.0)	9 (12.5)	4 (13.3)	-	-		2 (6.7)	-	-	26 (36.1)	12 (40.0)
	Paying Guests House	-	-	4 (5.6)	5 (16.7)	2 (2.8)	4 (13.3)	-	-		-	-	1 (3.3)	6 (8.3)	10 (33.3)
	Private Hostel	-	-	5 (6.9)	3 (10.0)	5 (6.9)	3 (10.0)	-	-	3 (4.2)	1 (3.3)	-	1 (3.3)	13 (18.1)	8 (26.7)
	Tourist Resort	-	-	4 (5.6)	-	1 (1.4)	-	-	-	-	-	-	-	5 (6.9)	-
	Dhaba/ Wayside Inn	-	-	8 (11.1)	-	1 (1.4)	-	1 (1.4)	-	11 (15.3)	-	1 (1.4)	-	22 (30.6)	-
	Total	-	-	38 (52.8)	14 (46.7)	18 (25.0)	11 (36.7)	1 (1.4)	-	14 (19.4)	3 (10.0)	1 (1.4)	2 (6.7)	72 (100.0)	30 (100.0)
Non-nascent	Budget Hotel	4 (3.5)	-	64 (56.1)	5 (35.7)	17 (14.9)	3 (21.4)	-	-	6 (5.3)	-	-	-	91 (79.8)	8 (57.1)
	Paying Guests House	-	-	4 (3.5)	2 (14.3)	1 (0.9)	-	-	-	4 (28.6)	-	-	5 (4.4)	6 (42.9)	
	Private Hostel	-	-	1 (0.9)	-	2 (1.8)	-	-	-	1 (0.9)	-	1 (0.9)	5 (4.4)	-	
	Dhaba/ Wayside Inn	-	-	-	-	4 (3.5)	-	1 (0.9)	-	6 (5.3)	-	2 (1.8)	13 (11.4)	-	
	Total	4 (3.5)	-	69 (60.5)	7 (50.0)	24 (21.1)	3 (21.4)	1 (0.9)	-	13 (11.4)	4 (28.6)	3 (2.6)	-	114 (100.0)	14 (100.0)

Note: 1: I: Hospitality business itself; II: Other business; III: Govt. job; IV: Agro-base employment; V: Jobs in non-hospitality firm; VI: Politics and social work.

2: Figures in the parentheses denote percentage of the group total (nascent and non-nascent) respective to gender. Percentage totals may not agree due to the rounding off of the figures.

Previous Occupation of the Entrepreneurs

It is a general contention that the majority of persons setting up a venture acquire experience before taking up the actual venturing. However, perception of an opportunity is an entrepreneurial function of the first order. Recourse to entrepreneurship is not a matter of first career option. Rather it becomes a matter of managing the mid career transition (Saxena, 2005, p.70). Such a mid career transition has been indicated in the growth of accommodation industry in Assam. As shown in **Table 3.17**, the occupational mobility pattern establishes the growing importance of hospitality industry in the economy of Assam under the following considerations:

First, a good number of entrepreneurs (36.5%) have started their career in the hospitality sector. This indicates that there has been a growing consciousness regarding entrepreneurship in the accommodation industry of Assam.

Second, occupational shifts from other sectors are indicative of a positive symptom for tourism industry growth in the state. Occupational shifts to the accommodation sector are found in case of government jobs (9.1%), politics and social work (8.3%), agro-base employment (6.5%), and jobs in non-hospitality firms (1.3%).

Third, dominance of business background is also prominent reflecting common entrepreneurial growth pattern in India. 38.3% of the entrepreneurs have shifted from other businesses to the hospitality sector. Moreover,

Table 3.17: Previous Occupation of the Entrepreneurs

Occupation	Frequency
Hospitality business itself	84 (36.5)
Other business	88 (38.3)
Government job	21 (9.1)
Agro-base employment	15 (6.5)
Jobs in non-hospitality firm	3 (1.3)
Politics and social work	19 (8.3)
Total	230(100.0)

Note: Figures in the parenthesis denote percentages to total (N=230)

Inter-generational Occupational Mobility of the Entrepreneurs

Like occupational shifts, inter-generational occupational mobility and stability of the entrepreneurs are also considered directional in entrepreneurial performance determination. There is a high propensity for the members of the next generation to

choose an occupation related to business and industry, if the first generation belonged to the same occupation (Khanka, 1990). According to Kazmi (1999), first-generation entrepreneurs have a different background, motivation, and character than second-generation entrepreneurs. They have to start from scratch and enter the business with a yearning to find a place for themselves and an overwhelming compulsion to be on their own. Though they lack in terms of family support systems, sources of funds, etc., they try to make it up through sheer determination to succeed. Their share of problems is decidedly greater than that of the second-generation entrepreneur. The first-generation entrepreneur is found to be extra diligent, more confident, having a greater propensity to persevere as compared to the second-generation entrepreneur. Their motivation level is higher and time management skills are also more refined. The need for achievement is extremely strong as they realise that they have nothing to fall back upon if they fail (pp.76).

It is to mention that six options were given to the entrepreneurs of the study to signify their previous occupation along with the occupations of their fathers and the grand-fathers. The options include 'hospitality business itself (A)', 'business other than hospitality (B)', 'government job (C)', 'agro-based employment (D)', 'jobs in non-hospitality firm (E)' 'politics & social work (F)'. In **Table 3.18**, generational shifts in occupations from grand-father to father and from father to the entrepreneurs have been depicted. The major distinguishing features revealed from **Table 3.18** with regard to inter-generational occupational mobility are mentioned as follows:

First, there has been a distinct shift of occupations from grandfathers to fathers. Except in case of 'E' to 'E' (3.9%), in all other categories such a shift is clear. Such shifts are experienced in case of the grandfathers' occupation as business other than hospitality, government jobs, jobs in non-hospitality firms and politics & social work. Highest variations of occupational mobility are seen in case of grandfathers' occupation as 'jobs in non-hospitality firms ('E' to 'A', 'B', 'C', 'D', 'E', 'F') followed by 'business other than hospitality' ('B' to 'A', 'B', 'C', 'D'). Lowest variations of shifts are found regarding 'agro-based employment' ('D' to 'B'), and 'politics & social work' ('F' to 'C').

Second, in case of occupational transformation from father to son/daughter (the previous occupation of the entrepreneur), stable intergenerational mobility is found only in 1.8% cases of in 'A' to 'A'. Other relationships clearly indicate intra-generational shifts only. However, considering similarity of 'A' to 'A' (1.8%) and 'B' to 'B' (41.7%) mobility, it may be concluded that 22 (9.6%) entrepreneurs out of the total of 230, exhibit

inter-generational occupational mobility. Influential intra-generational shifts to hospitality business may also be observed in case of family occupations (Occupation of either father or grandfather or both) in government jobs (31.74%) and non-hospitality firms (63.91%). However, family occupations as agro-based employment (3.04%) and politics and social work (3.04%) contribute minimal intra-generational shifts towards hospitality industry.

Third, the analysis is indicative of occupational choice restrictions for a majority of entrepreneurs of the hospitality entrepreneurs in Assam. This is highly prominent in case of the entrepreneurs having family background as 'agro-based employment', 'government job' and 'politics and social work'. However, in case of business and business related experiences as family backgrounds, maximum entrepreneurial choices are seen.

Fourth, steady movement of occupational shift is absent in the accommodation industry of Assam. This is prominent in the shifting patterns like 'B to C to A', 'B to C to D', 'B to C to E', 'B to D to A', 'C to E to D', 'D to B to A', 'E to C to A', and 'E to F to B' etc.

Finally, the most prominent, stable shifts in occupation are found in case of 'B to B to B', 'B to B to A', 'B to A to A', 'E to E to A', 'B to A to A', and 'E to B to B'. On this basis, it may be said that the accommodation industry of Assam shows a clear occupational shift of business-based families towards hospitality trade. Besides, the requirement of prior experience/expertise in hospitality trade has also been authenticated by the pattern of occupational shift from jobs in non-hospitality firms towards business and hospitality sectors.

Table 3.18: Inter-generational Occupational Mobility of the Entrepreneurs

Grand-father's Occupation	Father's Occupation	Previous occupation of the respondent						Total
		A	B	C	D	E	F	
Other business (B)	Hospitality business itself (A)	1 (100.0) (1.8)	-	-	-	-	-	1 (100.0) (1.8)
	Other business (B)	20 (41.7) (35.7)	21 (43.8) (37.5)	4 (8.3) (7.1)	-	-	3 (6.3) (5.4)	48 (100.0) (85.7)
	Government job (C)	2 (33.3) (3.6)	1 (16.7) (1.8)	1 (16.7) (1.8)	1 (16.7) (1.8)	1 (16.7) (1.8)	-	6 (100.0) (10.7)
	Agro-based employment (D)	-	-	-	1 (100.0) (50.0) (1.8)	-	-	1 (100.0) (50.0) (1.8)
Government job (C)	Jobs in non-hospitality firm (E)	6 (33.3) (15.4)	8 (44.4) (20.5)	-	3 (16.7) (7.7)	-	1 (5.6) (2.6)	18 (100.0) (46.2)
	Government job (C)	11 (52.4) (28.2)	3 (14.3) (7.7)	6 (28.6) (15.4)	1 (4.8) (2.6)	-	-	21 (100.0) (53.8)
Agro-based employment (D)	Other business (B)	1 (20.0) (20.0)	4 (80.0) (80.0)	-	-	-	-	5 (100.0) (100.0)
Jobs in non-hospitality firm (E)	Hospitality business itself (A)	3 (100.0) (2.3)	-	-	-	-	-	3 (100.0) (2.3)
	Other business (B)	28 (49.1) (21.7)	24 (42.1) (18.6)	3 (5.3) (2.3)	-	-	2 (3.5) (1.6)	57 (100.0) (44.2)
	Government job (C)	7 (25.0) (5.4)	13 (46.4) (10.1)	3 (10.7) (2.3)	1 (3.6) (0.8)	2 (7.1) (1.6)	2 (7.1) (1.6)	28 (100.0) (21.7)
	Agro-based employment (D)	-	-	-	1 (100.0) (0.8)	-	-	1 (100.0) (0.8)
	Jobs in non-hospitality firm (E)	5 (14.7) (3.9)	11 (32.4) (8.5)	4 (11.8) (3.1)	7 (20.6) (5.4)	-	7 (20.6) (5.4)	34 (100.0) (26.4)
	Politics and social work (F)	-	3 (50.0) (2.3)	-	-	-	3 (50.0) (2.3)	6 (100.0) (4.7)
Politics and social work (F)	Government job (C)	-	-	-	-	-	1 (100.0) (100.0)	1 (100.0) (100.0)

Note: The upper parentheses represent percentage within occupation of the respondent's the father; lower parentheses represent percentage of total.

Family Assistance

Family assistance plays a pivotal role in creating a successful entrepreneur. In fact, it has been proved to be a determining factor in entrepreneurship development in Indian case. A person imbibes certain norms and values in the way of life practiced in a religion or society through his upbringing in the family. Many sociologists have regarded family as the corner stone of society (Shivani, Mukherjee, and Sharan, 2006, p.11). It is believed that family assistance forms the basic unit of social organisation as in the society it's the responsibility of family as a social organisation to internalise the society's culture and hence structuring of human personalities (Haralambos, 1980, p.325).

Family assistance may be in the form of finance, infrastructure supply, managerial guidelines or emotional strength. However, due to subjective qualifications, emotional strength has not been included in the study as a variable determining family assistance. The type and degree of family assistances received by the entrepreneurs is shown in Table 3.19.

Table 3.19: Family Encouragement to Entrepreneurs

Category	Sex	Family Encouragement					Total
		I	II	III	IV	V	
Budget Hotel	M	18 (9.7)	19 (10.2)	43(23.1)	17 (9.1)	20 (10.8)	117 (62.9)
	F	-	3 (6.8)	7 (15.9)	3 (6.8)	7 (15.9)	20 (45.5)
Paying Guests House	M	2 (1.1)	1 (0.5)	-	2 (1.1)	6 (3.2)	11 (5.9)
	F	1 (2.3)	-	-	2 (4.5)	13 (29.5)	16 (36.4)
Private Hostel	M	4 (2.2)	-	2 (1.1)	2 (1.1)	10 (5.4)	18 (9.7)
	F	-	1 (2.3)	1 (2.3)	1 (2.3)	5 (11.4)	8 (18.2)
Tourist Resort	M	-	-	3 (1.6)	2 (1.1)	-	5 (2.7)
Dhaba	M	8 (4.3)	18 (9.7)	4 (2.2)	5 (2.7)	-	35 (18.8)
Total	M	32 (17.2)	38 (20.4)	52 (28.0)	28 (15.1)	36 (19.4)	186 (100.0)
	F	1 (2.3)	4 (9.1)	8 (18.2)	6 (13.6)	25 (56.8)	44 (100.0)

Note: Types of family encouragement: **I:** Discouraged by family; **II:** Family members were indifferent; **III:** Did not discourage, but were ignorant to advice; **IV:** Encouraged with ideas; **V:** Highly encouraged with ideas, guidance and infrastructure

M = Male; F = Female

Figures in the parentheses denote percentages to total (N= 230). Percentage totals may not agree due to the rounding off of the figures

The data as shown in Table 3.19 can be interpreted as follows:

First, 28% of the male entrepreneurs reported that due to ignorance of the family members about the business, they could not encourage them. Family discouragement (17.2%) and indifferent behaviour (20.4%) discouraging initial entrepreneurial actions prove unawareness of the general public about the importance of accommodation industry of the region. Male entrepreneurs who were highly encouraged by their family members with ideas, guidance and infrastructure account for 19.4%. Moreover, only 15.1% entrepreneurs received emotional attachment of their family members in their entrepreneurial actions. However, majority (56.8%) of the female entrepreneurs reported to have received encouragement from their family members with ideas, guidance and infrastructure.

Second, in comparison to the other components of accommodation industry, entrepreneurship in the budget hotel category seems to be less preferred family option as 23.1% of the entrepreneurs stated about ignorance of the family members about the business.

3.3 Organisational Profile

In this section, the organisational profile of the entrepreneurs is highlighted including variables like 'age at start-up', 'ownership pattern', 'size of investment', 'sources of long term finance', 'manpower utilisation', and 'services management'.

Age at start-up

Studies on entrepreneurial start-up age reveal that the years between 25 and 40 have frequently been mentioned as the age when the entrepreneurial decision is most likely to be made (Brockhaus, 1982, pp. 39-71). One could contemplate mid-age start ups when the individual is most likely to experience an identity crisis. Age at start up would also be a function of the type of business – the new economy start-ups, being knowledge rather than experience driven, are likely to happen at much younger age. Moreover, the inheritors/successors are likely to start at a younger age than the founders. In the present context of the economy, late-age start-ups can also be expected, whereby competent and experienced professionals look for productive investment opportunities (Saxena, 2005, pp. 59-60).

The start-up age of the entrepreneurs of the study and the basic characteristics of the start-up age are shown in **Table 3.20** and **3.21**:

Table 3.20: Entrepreneurs' Age at Start-up (A)

Present Age	SEX	Age at Start-up						Total
		< 20	20 – 29	30 – 39	40 – 49	50– 59	60 & above	
20 – 29	M	-	14 (6.1)	-	-	-	-	14 (6.1)
30 – 39	M	1 (0.4)	6 (2.6)	52 (22.6)	-	-	-	59 (25.7)
	F	-	3 (1.3)	16 (7.0)	-	-	-	19 (8.3)
40 – 49	M	-	5 (2.2)	28 (12.2)	26 (11.3)	-	-	59 (25.7)
	F	-	-	5 (2.2)	14 (6.1)	-	-	19 (8.3)
50– 59	M	1 (0.4)	6 (2.6)	8 (3.5)	9 (3.9)	7 (3.0)	-	31 (13.5)
	F	-	-	-	1 (0.4)	2 (0.9)	-	3 (1.3)
60 & above	M	-	3 (1.3)	5 (2.2)	4 (1.7)	8 (3.5)	3 (1.3)	23 (10.0)
	F	-	-	-	-	2 (0.9)	1 (0.4)	3 (1.3)
Total	M	2 (0.9)	34 (14.8)	93 (40.4)	39 (17.0)	15 (6.5)	3 (1.3)	186 (80.7)
	F	-	3 (1.3)	21 (9.1)	15 (6.5)	4 (1.7)	1 (0.4)	44 (19.1)

Note: Figures in the parentheses denote percentages to total. Percentage totals may not agree due to the rounding off of the figures
M = Male; F = Female.

Table 3.21: Entrepreneurs' Age at Start-up (B)

	Mean	Minimum	Maximum	N	% of N
Male	36.9	18.0	62.0	186	80.9%
Female	40.3	25.0	62.0	44	19.1%
Total	37.6	18.0	62.0	230	100.0%

As seen from **Table 3.20** and **3.21**, the majority of the entrepreneurs (68.9% male and 54.6% female) plunged into their entrepreneurial career at the average age of 37.6 years spreading over the age group 20 – 39 years. The mean start-up age for the male entrepreneurs is 36.9 years, while, that of the female entrepreneurs is 40.3 years. Entrepreneurial career starting below 20 years of age (0.9%) and 60 years and above (1.7%) represents the minimum participation.

Ownership Pattern in the Sample Units

It is seen from the **Table 3.22** that the sample entrepreneurs of this study are mostly sole proprietors (96.1%) with a negligible representation of partnership firms and family operated business (3.9%).

Table 3.22: Ownership Pattern in the Sample Units

Type	Category	Type of business				Grand Total		
		Sole trading			Partnership	Male	Female	Total
		Male	Female	Total	Male			
Nascent	Budget Hotel	25 (10.9)	12 (5.2)	37 (16.1)	1 (0.4)	26 (11.3)	12 (5.2)	38 (16.5)
	Paying Guests House	6 (2.6)	10 (4.3)	-	-	6 (2.6)	10 (4.3)	16 (7.0)
	Private Hostel	13 (5.7)	8 (3.5)	-	-	13 (5.7)	8 (3.5)	21 (9.1)
	Tourist Resort	5 (2.2)	-	-	-	5 (2.2)	-	5 (2.2)
	Dhaba/Wayside Inn	22 (9.6)	-	-	-	22 (9.6)	-	22 (9.6)
	Total	71 (30.9)	30 (13.0)	-	1 (0.4)	72 (31.3)	30 (13.0)	102 (44.3)
Non-nascent	Budget Hotel	83 (36.1)	8 (3.5)	-	8 (3.5)	91 (79.8)	8 (3.5)	99 (43.0)
	Paying Guests House	5 (2.2)	6 (2.6)	-	-	5 (2.2)	6 (2.6)	11 (4.8)
	Private Hostel	5 (2.2)	-	-	-	5 (2.2)	-	5 (2.2)
	Dhaba/Wayside Inn	13 (5.7)	-	-	-	13 (5.7)	-	13 (5.7)
	Total	106 (46.1)	14 (6.1)	-	8 (3.5)	114 (49.6)	14 (6.1)	128 (55.7)

Note: Figures in the parentheses denote percentages to total (N = 230). Percentage totals may not agree due to the rounding off of the figures

Dominance of sole proprietorship reflects individualistic approach towards business. It is also indicative of the early stage of the development of accommodation industry in Assam, which has been established by the absence of multi-dimensional accommodation units in Assam at private initiatives.

Size of Initial Investment in the Sample Units

The break-up of accommodation units by the size of their initial investment is shown in Table 3.23, which indicates that the accommodation units under analysis have used smaller amount of the initial capital. 70.0% of the units have been established with a seed capital less than Rs. 50 Lakh. Only 8.7% of the units have utilised seed capital of more than Rs.1 Crore. Out of the 70.0% of the units which have been established with a seed capital less than Rs. 50 Lakh, the highest number of units (38.3%) represents an investment size of less than Rs. 10 Lakh. The smaller size of initial seed capital reflects the possibility of developing SME clusters in the accommodation sector in Assam.

Table 3.23: Size of Initial Investment in the Sample Units (in Rs.)

Size of Investment	No. of Units
Less than Rs.10 Lakh	88 (38.3)
Rs.10 Lakh - Rs.19 Lakh	36 (15.7)
Rs.20 Lakh - Rs.29 Lakh	20 (8.7)
Rs.30 Lakh - Rs.39 Lakh	14 (6.1)
Rs.40 Lakh - Rs.50 Lakh	5 (2.2)
Rs. 50 Lakh - Rs. 99 Lakh	49 (21.3)
Rs.1 Crore - Rs.1.49 Crore	20 (8.7)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total. Percentage totals may not agree due to the rounding off of the figures.

Sources of long-term finance

The break-up of the accommodation units in terms the sources of the long-term finance availed is shown in **Table 3.24**.

Table 3.24: Sources of long term finance

Attribute	Frequency
Self finance	59 (25.7)
Nationalised banks	136 (59.1)
Private moneylender	4 (1.7)
Relatives/Friends	31 (13.5)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total.

It is seen from the table (**Table 3.24**) that for the development of the accommodation industry in Assam, there is no dearth of institutional finance, which is revealed by the fact that more than half of the entrepreneurs (59.1%) have availed institutional finance (loans from nationalised banks) and, that 25.7% of the entrepreneurs have established their units without external assistance. Besides, role of informal credit market is found to be less impressive because, only 1.7% entrepreneurs in the industry have reported to be dependent on the informal sector.

Manpower Utilisation

As revealed in **Table 4.25**, accommodation industry in Assam has been relying upon locally available labour market. 84.5% of the total workers (95.7% male and 4.3%

female) engaged in the industry are from the State itself. It is found that only 15.5% workers are from outside the State. It provides a distinct picture of local participation in the accommodation industry in Assam. The executive positions are mostly occupied by local youths (98.9%) and the requirement of semi-skilled workers is the highest in the industry (83.3%). However, the number of female workers in the industry is almost insignificant by its meagre 3.6% participation.

Table 3.25: Employment Generation by Accommodation Industry

Employment Category	Workers from Assam			Workers from NER (excluding Assam)	Workers from India (excluding NER)	Total
	Male	Female	Total	Male	Male	
Executive Class	255 (13.1)	4 (0.2)	259 (13.3)	-	3 (0.2)	262 (13.5)
Clerical	50 (2.6)	2 (0.1)	52 (2.7)	4 (0.2)	6 (0.3)	62 (3.2)
Semi-skilled	1266 (65.2)	64 (3.3)	1330 (68.5)	38 (2.0)	250 (12.9)	1618 (83.3)
Total	1571 (80.9)	70 (3.6)	1641 (84.5)	42 (2.2)	259 (13.3)	1942 (100.0)

Note: Figures in the parenthesis denote percentages to total (N=1942). Percentage totals may not agree due to the rounding off of the figures

Services Offered by the Accommodation Industry

Services combined as a package to the customers under perceived opportunities determine the success of hospitality industry. The entrepreneurs depend upon their perception of opportunities in selecting in a particular line of products (Reid, 1993, pp. 129-140). From the general point of view, the services offered in an accommodation unit include lodging, food, parking facilities, laundry, conference hall, transportation, relaxation mediums, fitness centres, bar, shopping centres etc. However, provision of lodging is considered primary to an accommodation unit.

Table 3.26: Services offered by the Accommodation Units

Services Offered	Locations				Total
	Dibrugarh	Sivasagar	Tezpur	Guwahati	
Lodging	46 (20.0)	42 (18.3)	36 (15.7)	106 (46.1)	230 (100.0)
Food (meals)	46 (20.0)	42 (18.3)	36 (15.7)	106 (46.1)	230 (100.0)
Food (breakfast)	46 (20.0)	42 (18.3)	36 (15.7)	106 (46.1)	230 (100.0)
Room Service	25 (10.7)	23 (10.0)	16 (7.0)	40 (17.4)	104 (45.2)
Entertainment*	15 (6.5)	12 (5.2)	10 (4.3)	45 (19.6)	82 (35.7)
Parking facility	29 (12.6)	25 (10.7)	18 (7.8)	87 (37.8)	159 (69.1)
Bar	4 (1.7)	4 (1.7)	3 (1.3)	20 (8.7)	31 (13.5)
Laundry Service	9 (3.9)	6 (2.6)	7 (3.0)	29 (12.6)	51 (22.2)
Conference Hall	3 (1.3)	2 (0.9)	1 (0.4)	14 (6.1)	20 (8.7)
Beauty Parlour	0 (0.0)	0 (0.0)	0 (0.0)	3 (1.3)	3 (1.3)
TRS**	5 (2.2)	5 (2.1)	2 (0.9)	23 (10.0)	35 (15.2)

Notes: * Entertainment inclusions provisions for news paper, television set, lounge, telephones inside rooms etc.

** TRS stands for Travel Related Services. It includes transportation, package tours and travel agency.

Figures in the parentheses denote percentages to total. Percentage totals may not agree due to the rounding off of the figures.

Table 3.26 shows that majority of the accommodation units adopt conventional service packages to the customers involving lodging (100.0%), food (100.0%) and parking facilities (69.1%). It is striking to note that, services additional to food and stay, have not been incorporated by the majority of the entrepreneurs. Most of the units have been found to be least conscious for diversified customer choices.

Scope of Market for the Accommodation Industry

The scope of marketing in accommodation industry is primarily based on carrying capacity which, in turn, depends upon the factors like seasonality of demand, purpose of the visits by the visitors, and service packages offered to the visitors. Beside these, average stay of a visitor in a unit is also an important factor determining factor of capacity utilisation. Leisure tourists form the major group in determining seasonality whereas business tourists may not be considered in the category of seasonal visitors (Butler, 1986, 70-71).

During field study, it was observed that there is no consensus among the entrepreneurs on the determination of a specific tourist season. However, as the **Table 5.27** shows, during the period September to December capacity utilisation seems to be higher in comparison with other periods. This is possibly for the favourable climatic condition of the autumn, which encourages holiday travellers to visit far and nearby places.

Table 3.27: Tourist Season

Period	Frequency
January to April	40 (17.4)
May to August	32 (13.9)
September to December	66 (28.7)
Any other	9 (3.9)
No specification	83 (36.1)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total (N=230)

One of the major reasons of not having consensus on a specific tourist season among the entrepreneurs is the type of capacity utilisation of the accommodation units by the visitors in visiting a place. As shown in **Table 3.28**, business related occupation (51.7%) of the accommodation units has been prominent, whereas, other purposes like educational visits (19.6%) and recreational visits (7.4%) are not much significant. Moreover, the general conclusion that pilgrimage is one of the determining motivations of tourists in Assam has not been properly established by the present study. This may be attributed to two specific reasons. **First**, the locations included in the present study are mainly urban locations as well as tourist transit locations. **Secondly**, as per the responses of the entrepreneurs in the accommodation sector under study, the purposes of the tourists for visiting the places do not indicate pilgrimage as a major concern.

Table 3.28: Purpose of the Visitor

Purpose of the visitor	Frequency
Business	119 (51.7)
Official work	49 (21.3)
Educational	45 (19.6)
Recreation	17 (7.4)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total (N=230)

Another important observation is that in most of the studied accommodation units, the average lodging period of a visitor does not exceed 5 days (74.8%). Evidences of persons staying for more than 30 days in an accommodation unit were also found (23.0%); but such lodgers represent the students temporarily staying in private hostels. (**Table 3.29**)

Table 3.29: Average Stay of a Visitor

Duration	Frequency
< 5 days	159 (69.1)
5 – 9 days	5 (2.2)
10 – 19 days	3 (1.3)
20 – 29 days	10 (4.3)
30 days and above	53 (23.0)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total (N=230)

However, it is observed that ‘lodgers per night’ is on an increasing trend in the accommodation units over the years. The estimated number of bed-use (per night) is shown in **Table 3.30**. The gradual and steady rate of increase in the rate of utilisation of bed capacity is a symptom of growth of accommodation industry in Assam.

Table 3.30: Utilisation of Bed per Night

Year	Utilisation of Bed per Night			
	Foreign	Change (%)	Domestic	Change (%)
2001-02	374	-	618748	-
2002-03	499	33.4	681530	10.1
2003-04	591	18.4	785139	15.2
2004-05	634	7.2	918613	17.0

As seen from **Table 3.30**, there has been a continuous increase in the number of domestic visitors over the years during 2001-05. But, the rate of increase in the foreign visitors has not been consistent during the same period.

Concluding Remarks

Based on the above discussion, the following tentative inferences are made regarding the entrepreneurs of the accommodation industry in Assam:

First, entrepreneurial nascence is prominently seen in the accommodation industry of Assam as more than half of the entrepreneurs (51.3%) are at the preliminary stage of growth. Dominance of first generation entrepreneurs (90.9%), lower levels of business spill-over (3.5%) and dominance of local entrepreneurs (81.7%) establish this conclusion.

Second, like elsewhere in India, business background of the entrepreneurs is found to be dominating in the accommodation industry of Assam as 60.5% of the male and 50.0% of the female entrepreneurs have business as family background

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CHAPTER – 4

THE ENTREPRENEURIAL MOTIVATION

Motivation is a multifaceted psychological process and naturally, there are considerable disagreements in defining its nature. In simplest words, motivation may be defined as the driver that causes behaviour. It is an inferred internal process, which activates, guides, and maintains behaviour over time (Baron, 1996, p.375). Human behaviour is always motivated by a set of certain pre-defined motivations. According to 'Drive Theory', motivation is a process in which numerous biological needs drive human beings to take special actions to accomplish the needs (Weiner, 1989). Obviously, the question arises, that, what motivates an entrepreneur? In entrepreneurship literature, three broad views are generalised in categorising the factors responsible for entrepreneurial motivation. **First**, from an economist's stance, it is economic profit (return over opportunity cost) which induces an entrepreneur to select a particular action for enterprising. **Second**, the Schumpeterian view, on the other hand, reflects that entrepreneurs are primarily motivated by three factors: (1) 'the dream and will to find a private kingdom', (2) 'the will to conquer', and (3) 'the joy of creating, of getting things done, or simply of exercising one's energy and ingenuity' (Schumpeter, 1936. pp 55-60). **Third**, Schumpeter is of the opinion that the entrepreneur does not have to be a single person but can equally well be an organisation (Swedberg, 2000, pp. 7-44). Behaviour of an enterprise reflects the motive of operation.

Occupational image of a person is the most important part of the totality of a person. The 'Career Theory' of Holland (1966) establishes that along with occupational orientations, occupational environment also plays major role in career growth of a person. The theory determines six major dimensions of occupational orientations and occupational environment: realistic, intellectual, social, conventional, enterprising, and artistic (Schein, 1997, p 79).

The purpose of this chapter is to investigate into the motivational forces of entrepreneurial choice. This, accordingly, attempts to:

- identify the core motivational factors of the entrepreneurs of the study,
- trace out the motivational differences among the entrepreneurs, and
- find out relative importance of motivating factors in enterprising.

A set of 26 occupational motivational factors were scheduled for extensive study. These motivational variables are based on available literature relating to entrepreneurial growth in Indian socio-economic environment. The factors have been initially validated through pilot study. A brief outline of the factors under study is given in **Table 4.1**.

Table 4.1: The Factors

The Factors	Researchers
<p><u>Motives</u></p> <p>Job satisfaction; Not to be controlled by others; To adopt an unorthodox business; To be relieved from routine activities; Doing something different*; To have a wider field of activity; To lead the society; To overcome challenges; Enjoying independence at work; To develop the state economy*; To work in flexible time schedule; To have a leisurely life*; To pass time*.</p>	<p>Sharma, 1974; Thangamuthu & Iyyampillai, 1983 ; Singh, 1989; Munshi & Rosenzweig , 2006;</p>
<p><u>Prime Motivators</u></p> <p>To look after family property; Family tradition; To get an employers status; Gaining social status; Earning maximum amount of income; To have a subsidiary income.</p>	<p>Gadgil, 1959; Medhora, 1965 Guha, 1984; Tripathi, 1985;</p>
<p><u>Compelling Factors</u></p> <p>Getting self-employment; Not getting a suitable job; Family pressure/desire.</p>	<p>Patel, 1991 Tripathi, 1985;</p>
<p><u>Facilitating Factors</u></p> <p>Success story of other entrepreneurs in the sector; Encouraged by Government and bank policies.</p>	<p>Chadha, 1986 Awasthi & Jose, 1996;</p>
<p><u>Opportunity Factors</u></p> <p>Possess sufficient knowledge and expertise; To use personal capacity to the fullest extent.</p>	<p>Chakravarthy, T. K. (1987) Saxena, 2005</p>

Note: A. * These factors have been included based on pilot survey.

B. The influence of the factors on the entrepreneur is measured based on a five-point scale as :1: Not at all important; 2: Least important; 3: Important; 4: Very important; 5: Extremely important

The motives of choosing entrepreneurship are varied in nature, which lead to entrepreneurial actions of a person. Evidences of multiplicity of motives may also be present in a single case of entrepreneurial actions. Besides, there are different motivators, which create a motive or an ambition in the entrepreneur. They may be classified as prime motivators, compelling factors, facilitating factors, and opportunity factors. As Raman (2004) quotes, "The major motives behind starting a new venture are to earn more money, to support one's family, to continue a family business or to achieve higher social status. The factors that compel a person to start a new business could be unemployment or dissatisfaction with his/her particular job. Facilitating factors include the availability of idle funds at the entrepreneur's disposal, eagerness to make use of the skills the person has acquired over time, previous experience in the same line, support from friends and / or relatives and inherited property. The opportunity factors of entrepreneurship are trade information, business contacts, knowledge about sources of raw materials etc., and good education and training (pp. 23-24)."

For convenience of analysis, this chapter is divided in two sections:

4.1 Identifying the Principal factors.

4.2 An Appraisal of the Significance of the Principal Factors.

These are presented one by one:

4.1 Identifying the Principal factors

Initially, a comparative structure is prepared to enquire the relative strength of the assumed motivational forces on the entrepreneurs in the accommodation industry in Assam. In the later stage, 'factor analysis' technique in SPSS is used to ascertain the possibility of reducing the number of assumed motivational factors by clubbing similar and interrelated factors.

Relative Strength of the Motivational Factors

For determining relative importance of the factors, mean scores and standard deviations of the 26 factors are calculated and clubbed into three groups: Nascent entrepreneurs' score, non-nascent entrepreneurs' score, and common score (see **Table 4.2**). The objective is to find out the differences of motivational strength between nascent and non-nascent entrepreneurs along with their relative importance in determining entrepreneurial actions. This is under the hypothesis that the comparative structures of the set of motivational forces of the nascent and non-nascent entrepreneurs do not show significant differences with the common structure of the motivational forces.

Table 4.2: Influence of Motivating Forces

The Factors	Nascent (n ₁ = 102)		Non-nascent (n ₂ = 128)		Overall Score (N = 230)	
	Mean Value \bar{X}_1	Standard Deviation s.d. ₁	Mean Value \bar{X}_2	Standard Deviation s.d. ₂	Mean Value \bar{X}	Standard Deviation S.D.
MOTIVES						
Job satisfaction	3.02	0.72	3.10	0.76	3.07	0.74
Not to be controlled by others	3.57	0.91	3.38	0.80	3.47	0.85
<i>To adopt an unorthodox business</i>	<i>1.63</i>	<i>0.84</i>	<i>1.47</i>	<i>0.66</i>	<i>1.54</i>	<i>0.75</i>
To be relieved from routine activities	2.26	1.12	1.90	0.81	2.06	0.97
Doing something different	2.76	1.23	2.11	1.04	2.40	1.17
To have a wider field of activity	3.24	1.13	2.88	0.94	3.04	1.04
To lead the society	2.46	1.03	2.18	0.81	2.30	0.92
To overcome challenges	3.43	0.80	3.27	0.73	3.34	0.76
Enjoying independence at work	3.77	0.84	3.27	0.93	3.49	0.93
To develop the State economy	2.26	0.84	2.10	0.77	2.17	0.81
To work in flexible time schedule	3.24	0.96	3.35	0.89	3.30	0.92
To have a leisurely life	1.64	0.54	1.60	0.52	1.62	0.53
<i>To pass time</i>	<i>1.39</i>	<i>0.73</i>	<i>1.31</i>	<i>0.56</i>	<i>1.35</i>	<i>0.64</i>
PRIME MOTIVATORS						
To look after family property	2.02	1.03	2.21	1.01	2.13	1.02
<i>Family tradition</i>	<i>1.29</i>	<i>0.54</i>	<i>1.84</i>	<i>0.89</i>	<i>1.60</i>	<i>0.80</i>
To get an employers status	3.10	0.87	3.16	0.70	3.13	0.78
Gaining social status	3.07	1.04	2.95	0.84	3.00	0.93
Earning maximum amount of income	4.04	0.81	3.92	0.76	3.97	0.78
To have a subsidiary income	1.76	1.05	1.69	1.01	1.72	1.02
COMPELLING FACTORS						
Getting self-employment	2.88	1.26	2.66	1.08	2.76	1.16
<i>Not getting a suitable job</i>	<i>2.45</i>	<i>1.13</i>	<i>2.00</i>	<i>1.00</i>	<i>2.20</i>	<i>1.08</i>
Family pressure/desire	2.71	0.83	2.68	0.78	2.69	0.80
FACILITATING FACTORS						
Success story of other entrepreneurs	3.73	1.15	3.63	0.97	3.67	1.05
<i>Encouraged by Government and bank policies</i>	<i>2.24</i>	<i>1.05</i>	<i>2.35</i>	<i>0.98</i>	<i>2.30</i>	<i>1.01</i>
OPPORTUNITY FACTORS						
Possess sufficient knowledge and expertise	1.94	1.03	2.06	1.30	2.01	1.19
To use personal capacity to the fullest extent	3.66	0.87	3.45	0.88	3.54	0.88

Table 4.2, shows the mean and standard deviation of the responses in the assigned 5-point scale for the nascent ($n_1 = 102$) and non-nascent ($n_2 = 128$) entrepreneurs in comparison with the total samples ($N = 230$). The relative strength of the assumed factors are shown in terms of mean value and standard deviation. Higher the mean score, higher is the comparative weight of the factor in determining entrepreneurial motivation. In the table, mean values of 2.5 and more are typed in bold. Similarly, the least important factor in each category is shown in italics. Measurement of standard deviation reveals the closeness of the impact of the concerned factor on the designated group of the entrepreneurs.

From **Table 4.2**, the following tentative inferences are made:

1. Not all the assumed motivational forces are equally applicable in case of entrepreneurship in the accommodation industry of Assam. Among the listed motives, 'job satisfaction', 'not to be controlled by others', 'to have a wider field of activity', 'to overcome challenges', 'enjoying independence at work', and 'to work in flexible time schedule' are found to be the major motives behind starting entrepreneurial activities. These motives bear higher mean score (more than 2.5) and smaller deviations from the mean value (within 0.72 to 1.26). It is also to note that the motives are not significantly different between nascent and non-nascent entrepreneurs.

2. 'Earning maximum amount of income' has been the most important motivator in starting entrepreneurial actions ($\bar{X} = 3.97$). It is equally applicable for nascent (4.04) as well as non-nascent entrepreneurs (3.92). Similarly, having command over the society ('to get an employers status and 'gaining social status') is also found to be highly important as the 'prime motivator'.

3. 'Getting self-employment' is found to be the most important 'compelling factor' to take up entrepreneurial activities ($\bar{X} = 2.76$). Squeezed job market and very slow pace of industrialisation in the State are the major reasons of compulsion of the youth to take up self-employment activities. 'Family pressure/desire' is another important 'compelling factor' in this regard ($\bar{X} = 2.69$).

4. It is found that the aspiration of the youths cannot be regarded as the resultant of the government policy measures as the entrepreneurs. This is for the reason that the entrepreneurs of the study have not accredited 'Government and bank policies' as an important 'facilitating factor' ($\bar{X} = 2.30$). In stead, they are found to prefer 'success stories of other entrepreneurs' as befitting ($\bar{X} = 3.67$). Possibly, this is one of the reasons, for which, imitative entrepreneurial domination is prominent in the industry.

5. However, regarding the 'opportunity factors', it is found that the entrepreneurs show higher preferences for the 'use of personal capacity to the fullest extent'. 'Possession of sufficient knowledge and expertise' as an 'opportunity factor' is given lower preference ($\bar{X} = 2.01$). This is one of the indications that the entrepreneurs in the accommodation industry of Assam consider entrepreneurship in the sector, as similar to the manufacturing sector.

6. There is no significant difference between the nascent and non-nascent entrepreneurs regarding motives and motivational factors to take up entrepreneurial activities in the accommodation industry of Assam. However, the sense of innovative ideas is seen in case of the nascent entrepreneurs. This is for the reason that the nascent entrepreneurs consider 'doing something different', as an important motive of taking up entrepreneurship as a career.

Factor Reduction

Out of the 26 listed motives, some may be repetitive and interrelated. Therefore, it is possible that the actual number of motives would be smaller. There may be the possibility of reducing data by clubbing similar and interrelated factors. To investigate into this possibility, factor analysis was performed by using of SPSS software. (The process of factor analysis is shown in the **Appendix-1**.) The result of factor analysis is discussed below:

In the R-matrix, it was found that values greater than 0.05 are rare. Similarly, majority of correlation coefficient were smaller than 0.9. As such, no factor was eliminated at the initial stage. The Kaiser-Meyer-Olkin (KMO) measure and the Bartlett's test of sphericity of sampling adequacy were highly significant for the data-set under study. The KMO measure is 0.673, which fulfils the basic requirement of factor analysis. Similarly, Bartlett's test of sphericity was also highly significant ($p < 0.001$). As such, factor analysis was considered appropriate.

Before extraction, SPSS has identified 26 linear components within the data set. For each of the factors eigenvalues were determined, e.g., factor 1 explained 16.551 per cent of total variance. In the 'Extraction Sums of Squared Loadings' part of the table all the factors having eigenvalues more than one (1) were extracted limiting the factors to only eight (8). In the third and final part of the table, ('Rotation Sums of Squared Loadings') optimisation of the factor structure was done by considering the relative importance of the retained factors. Before rotation factor 1 accounted for considerably more variance than the remaining eight (16.551% compared to 9.180, 8.117, 6.389, 5.936, 5.472, 4.888,

4.744 and 4.062%), but after rotation it accounted for only 10.034% compared to 9.321, 9.282, 8.217, 6.763, 6.060, 5.712, 5.352 and 4.598% only.

Following Kaiser's criterion, the following characteristics were found in the experimented data set:

a) The factors were reduced to 8 after extractions. Communalities after extraction were greater than 0.7 for 11 cases.

b) Average communality was greater than 0.6 in the data set.

c) As the sample size is 230, the data set was not applicable for Scree plot.

The rotated component matrix contained similar information as in component matrix prepared following Kaiser's criterion, except that it was calculated after rotation. Thus, all factors having Eigen values greater than one (1) are retained as determining factors (Table 4.3).

Table 4.3: Principal Factors

Component 1: Freedom and social recognition			Component 5: Enthusiasm		
1.	To get an employers status	.824	1.	To use personal capacity to the fullest extent	.742
2.	Gaining social status	.791	2.	Earning maximum amount of income	.694
3.	Not to be controlled by others	.655	Component 6: Incubation		
4.	Enjoying independence at work	.426			
Component 2: Getting engagement in work			Component 7: Family need		
1.	To pass time	.756	1.	Encouraged by Government and bank policies	.769
2.	To be relieved from routine activities	.634	2.	Possess sufficient knowledge and expertise.	.713
3.	To have a subsidiary income	.606	Component 8: Family pressure/desire to work in flexible time schedule		
4.	Doing something different	.488			
Component 3: Creativity and leadership			Component 8: Family pressure/desire to work in flexible time schedule		
1.	To develop the state economy	.720			
2.	Job satisfaction	.652	1.	Family tradition	.789
3.	To lead the society	.522	2.	To look after family property	.737
4.	To overcome challenges	.503	Component 8: Family pressure/desire to work in flexible time schedule		
5.	To adopt an unorthodox business	.461			
Component 4: Self-dependence			Component 8: Family pressure/desire to work in flexible time schedule		
1.	Getting self-employment	.813			
2.	Success story of other entrepreneurs	.614	Rejected Factors (< 0.40)		
3.	Not getting a suitable job	.603			
			1.	To have a wider field of activity	
			2.	To have a leisurely life	

As seen from **Table 4.3**, the studied data set reveals specific characteristics in transforming the 26 available factors into 8 mutually agreed reduced factor components.

Thus, the principal motivating forces leading to the growth of entrepreneurship in the accommodation industry of Assam may be short-listed as under:

Table 4.4: Principal Motivating Factors

Factor 1: Freedom and social recognition	Factor 2: Getting engagement in work	Factor 3: Creativity and leadership
Factor 4: Self-dependence	Factor 5: Enthusiasm	Factor 6: Incubation
Factor 7: Family need	Factor 8: Family pressure/desire to work in flexible time schedule	

4.2 An Appraisal of the Significance of the Principal Factors

Indian researchers have identified different socio-economic variables showing impact upon entrepreneurial motivation. Family backgrounds, average age, aim in life, educational qualifications, work experience, and regional specialties are some of the widely discussed variables in this regard (Kundu & Rani, 2007, pp. 229–252). Besides, religious belief, perceived family support, caste, and family structure have also been considered important in the formation of entrepreneurial motivation (Shivani, Mukherjee, & Sharan, 2006, pp. 5-13). In this section of the study, an assessment of the principal factors is made in relation to the socio-economic variables determining entrepreneurship in the accommodation industry of Assam. This is an attempt to assess the relative level of significance of the principal motivating forces in determining the growth of entrepreneurship in the accommodation industry of Assam. In doing so, factor scores were calculated based on the principal factors and the factor scores are compared with different socio-economic variables with the help of ‘One way Analysis of Variance (ANOVA)’ technique (see **Appendix-I**). **Tables 4.5 to 4.18** show the relative importance of the eight principal motivating factors (as shown in **Table 4.4**) in relation to the start-up age, gender, marital status, mother tongue, caste, religion, migration status, education, level of nascence, previous occupation, and family occupation of the entrepreneurs, as well as, location of business, category of the units, and type of business venture. The inferences drawn on these relationships are mentioned in the following points. The figures shown in the parentheses represent the corresponding mean scores of the variables relating to the specified motivational factor.

Start-up Age and Entrepreneurial Motivation

The younger generation of the entrepreneurs [aged below 30 years] are highly motivated by the factors like 'freedom & social recognition' (6.99), 'self-dependence' (3.43), 'enthusiasm' (3.23), and 'family pressure/desire to work in flexible time schedule' (2.29). On the other hand, elderly entrepreneurs [aged 60 years or more] have visualised their entrepreneurial motivation as a mix of factors like, 'family need' (3.30) and 'creativity & leadership' (2.86). However, the mid-aged entrepreneurs (aged 30-59 years) have asserted the role of 'incubation' (3.43) as the major motivating force in establishing their enterprises [Table 4.5].

Table 4.5: Start-up Age and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	20-29 years (6.99)	60 and above (5.83)
Factor 2	Less than 20 years (2.18)	30-39 years (1.72)
Factor 3	60 years and above (2.86)	20-29 years (2.39)
Factor 4	20-29 years (3.43)	60 years and above (2.33)
Factor 5	Less than 20 years (3.23)	60 years and above (1.97)
Factor 6	30-39 years (3.43)	20-29 years (2.65)
Factor 7	60 years and above (3.30)	30-39 years (2.18)
Factor 8	20-29 years (2.29)	Less than 20 years (1.97)

Gender and Entrepreneurial Motivation

Gender related differences of motivations were also identified. 'Freedom and social recognition' (6.42), 'self-dependence' (3.43), 'enthusiasm' (3.40), 'family need' (3.10), and 'family pressure/desire to work in flexible time schedule' (2.62) mainly motivate the female entrepreneurs in the industry. On the other hand, the male entrepreneurs are mainly motivated by the factors including 'incubation' (3.06) 'creativity and leadership' (2.78), and 'getting engagement in work' (1.97) [Table 4.6].

Table 4.6: Gender and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Female (6.42)	Male (3.36)
Factor 2	Male (1.97)	Female (1.74)
Factor 3	Male (2.78)	Female (2.56)
Factor 4	Female (3.43)	Male (3.34)
Factor 5	Female (3.40)	Male (2.53)
Factor 6	Male (3.06)	Female (2.71)
Factor 7	Female (3.10)	Male (2.82)
Factor 8	Female (2.62)	Male (2.42)

Marital Status and Entrepreneurial Motivation

The married entrepreneurs are seen motivated by the factors like 'family pressure/desire to work in flexible time schedule' (2.47) and 'getting engagement in work' (1.79). On the other hand, factors including 'freedom and social recognition' (6.96), 'self-dependence' (3.70), 'family need' (3.36), 'incubation' (3.34), 'enthusiasm' (2.85), and 'creativity & leadership' (2.68) show higher impact on the unmarried entrepreneurs [Table 4.7].

Table 4.7: Marital Status and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Unmarried (6.96)	Married (6.35)
Factor 2	Married (1.79)	Unmarried (1.47)
Factor 3	Unmarried (2.68)	Married (2.59)
Factor 4	Unmarried (3.70)	Married (3.34)
Factor 5	Unmarried (2.85)	Married (2.69)
Factor 6	Unmarried (3.34)	Married (2.76)
Factor 7	Unmarried (3.36)	Married (2.86)
Factor 8	Married (2.47)	Unmarried (2.19)

Mother Tongue and Entrepreneurial Motivation

The motivational factors are seen having different impact upon different linguistic communities. The Bengali speaking entrepreneurs are seen motivated by the factors like 'freedom & social recognition' (6.81) and 'family pressure/desire to work in flexible time schedule' (2.70), whereas, the Hindi speaking entrepreneurs are found motivated by 'self-dependence' (3.70) and 'incubation' (2.92). On the hand, the local Assamese speaking entrepreneurs are found motivated by the factors like 'family need' (2.92), 'enthusiasm' (2.74), 'creativity and leadership' (2.62), and 'getting engagement in work' (2.62) [Table 4.8].

Table 4.8: Mother Tongue and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Bengali (6.81)	Other languages (6.30)
Factor 2	Assamese (1.80)	Bengali (1.60)
Factor 3	Assamese (2.62)	Hindi (2.12)
Factor 4	Hindi (3.70)	Other languages (3.30)
Factor 5	Assamese (2.74)	Hindi (2.29)
Factor 6	Hindi (2.92)	Other languages (2.50)
Factor 7	Assamese (2.92)	Other languages (2.60)
Factor 8	Bengali (2.70)	Other languages (2.31)

Note: Other languages include Kanada, Oria, Rajasthani, Punjabi and Bhojpuri.

Caste and Entrepreneurial Motivation

It is seen that socio-economically backward entrepreneurs are motivated by the factors including 'freedom and social recognition' (6.82), and 'family pressure/desire to work in flexible time schedule' (3.00). For other entrepreneurs, factors like 'self-dependence' (3.47), 'incubation' (2.90), 'family need' (2.90), 'enthusiasm' (2.74), 'creativity and leadership' (2.64), and 'getting engagement in work' (1.81) have been more prominent [Table 4.9].

Table 4.9: Caste and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	SC (6.82)	ST(H) (5.66)
Factor 2	General (1.81)	SC (1.66)
Factor 3	OBC/MOBC (2.64)	SC (2.55)
Factor 4	OBC/MOBC (3.47)	ST(H) (2.98)
Factor 5	General (2.74)	ST(H) (2.53)
Factor 6	OBC/MOBC (2.90)	SC (2.62)
Factor 7	OBC/MOBC (2.90)	ST(H) (2.50)
Factor 8	ST(H) (3.00)	OBC/MOBC (2.40)

Note: SC = Scheduled Caste; ST (H) = Scheduled Tribe (Hills); OBC = Other Backward Class; MOBC = More Other Backward Class.

Religion and Entrepreneurial Motivation

Religious sentiment of the entrepreneurs is an important variable determining differences of motivational strength among the entrepreneurs. In this study, the Hindu entrepreneurs are found motivated by the factors like 'freedom and social recognition' (6.46) and 'enthusiasm' (2.76). Jains are found motivated by 'self-dependence' (3.95), 'family need' (3.06), 'family pressure/desire to work in flexible time schedule' (3.01) and 'getting engagement in work' (2.03) while the Sikhs are found motivated by 'creativity and leadership' (2.76). Similarly, Christianity showed the role of 'incubation' (3.00) as a major factor of entrepreneurial growth [Table 4.10].

Table 4.10: Religion and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Hindu (6.46)	Muslim (6.04)
Factor 2	Jain (2.03)	Christian (1.30)
Factor 3	Sikh (2.76)	Jain (1.98)
Factor 4	Jain (3.95)	Muslim (3.32)
Factor 5	Hindu (2.76)	Jain (1.47)
Factor 6	Christian (3.00)	Muslim (2.57)
Factor 7	Jain (3.06)	Christian (2.53)
Factor 8	Jain (3.01)	Sikh (2.41)

Migration and Entrepreneurial Motivation

The status of entrepreneurial migration is also seen as a determining factor of motivational differences among the entrepreneurs. As the study reveals, non-migrated [Born and brought up in the locality of business] entrepreneurs are highly motivated by 'creativity and leadership' (2.62) and 'family pressure/desire to work in flexible time schedule' (2.48). Entrepreneurs migrated from other parts of Assam except the locations have rated 'incubation' (2.87) as the major motive starting their enterprises. 'Freedom and social recognition' (6.68) and 'self-dependence' (3.47) are the major motives of the entrepreneurs migrated from outside the NER, while the entrepreneurs migrated from the neighbouring NER States of Assam have rated 'enthusiasm' (3.30) and 'family need' (3.03) as the major motives of entrepreneurship [Table 4.11].

Table 4.11: Migration and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Other parts of India except NER (6.68)	Other parts of the NER (5.50)
Factor 2	Other parts of the NER except Assam (1.93)	Other parts of India except NER(1.75)
Factor 3	Born and brought up in the locality (2.62)	Other parts of India except NER (2.52)
Factor 4	Other parts of India except NER (3.47)	Coming from other parts of the NER (2.74)
Factor 5	Other parts of the NER except Assam (3.30)	Other parts of India except NER (2.38)
Factor 6	Other parts of Assam except location (2.87)	Other parts of the NER except Assam (2.42)
Factor 7	Other parts of the NER except Assam (3.03)	Other parts of Assam except location (2.57)
Factor 8	Born and brought up in the locality (2.48)	Other parts of the NER except Assam (2.25)

Education and Entrepreneurial Motivation

The role of education in forming entrepreneurial motivation is inevitable. In this study the entrepreneurs with lower educational status are found to be motivated by the factors like 'freedom and social recognition' (7.36), 'self-dependence' (3.60), 'family pressure/desire to work in flexible time schedule' (2.61) and 'getting engagement in work' (1.92), while the professionals are mainly motivated by 'family need' (3.12) and 'creativity and leadership' (2.89). The highly educated entrepreneurs accredited 'enthusiasm' (3.30) and 'incubation' (2.87) as the major motivating factors [Table 4.12].

Table 4.12: Education and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Primary Education (7.36)	Post-graduation (5.98)
Factor 2	Primary Education (1.92)	Post-graduation (1.88)
Factor 3	Professionals (2.89)	Matriculation (2.46)
Factor 4	Primary Education (3.60)	Post Graduation (3.31)
Factor 5	Post-graduation (3.16)	Matriculation (2.37)
Factor 6	Post-graduation (3.24)	Matriculation (2.40)
Factor 7	Professionals (3.12)	Primary Education (2.46)
Factor 8	Primary Education (2.61)	Matriculation (2.30)

Nascence and Entrepreneurial Motivation

As the profile of the entrepreneurs (Chapter-3) reveals, entrepreneurial nascence is prominent in the accommodation industry of Assam. The nascent entrepreneurs are mainly motivated by ‘freedom and social recognition’ (6.55), ‘self-dependence’ (3.47), ‘family need’ (3.07), ‘enthusiasm’ (2.98), ‘incubation’ (2.90), and ‘creativity & leadership’ (1.86). On the other hand, non-nascent entrepreneurs are motivated by ‘family pressure/desire to work in flexible time schedule’, (2.47) and ‘getting engagement in work’ (1.86) [Table 4.13].

Table 4.13: Nascence and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Nascent (6.55)	Non-nascent (6.22)
Factor 2	Non-nascent (1.86)	Nascent (1.68)
Factor 3	Nascent (2.64)	Non-nascent (2.57)
Factor 4	Nascent (3.47)	Non-nascent (3.26)
Factor 5	Nascent (2.98)	Non-nascent (2.47)
Factor 6	Nascent (2.90)	Non-nascent (2.68)
Factor 7	Nascent (3.07)	Non-nascent (2.72)
Factor 8	Non-nascent (2.47)	Nascent (2.43)

Previous Occupation and Entrepreneurial Motivation

Regarding previous occupational background of the entrepreneurs, it is found that the entrepreneurs with agro-based employment background are basically motivated by ‘freedom and social recognition’ (7.71), ‘self-dependence’ (3.73), and ‘creativity and leadership’ (2.34). Entrepreneurs with experiences of work in non-hospitality firms are found motivated by ‘family need’ (3.36), ‘incubation’ (3.31), and ‘getting engagement in work’ (2.34). On the other hand, for the entrepreneurs with experiences of Government job, ‘enthusiasm’ (2.92) is the major motivating force, while, ‘family pressure/desire to

work in flexible time schedule' (2.63) is found as the major motivating factor for those who were earlier engaged in 'politics and social work' [Table 4.14].

Table 4.14: Previous Occupation and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Agro-base employment (7.71)	Other business(5.97)
Factor 2	Jobs in non-hospitality firm (2.34)	Agro-base employment(1.41)
Factor 3	Agro-base employment (2.66)	Politics and social work (2.51)
Factor 4	Agro-base employment (3.73)	Jobs in non-hospitality firm (3.06)
Factor 5	Govt. job (2.92)	Other business (2.65)
Factor 6	Jobs in non-hospitality firm (3.31)	Politics and social work(2.65)
Factor 7	Jobs in non-hospitality firm (3.36)	Hospitality business itself (2.80)
Factor 8	Politics and social work (2.63)	Jobs in non-hospitality firm (2.00)

Family Occupation and Entrepreneurial Motivation

Regarding family background of the entrepreneurs, it is found that the entrepreneurs with agro-based employment background are basically motivated by 'freedom and social recognition' (7.22), along with 'family need' (3.60), 'self-dependence' (3.55), 'family pressure/desire to work in flexible time schedule' (2.51), and 'getting engagement in work' (1.08). On the other hand, for the entrepreneurs with experiences of Government job, 'incubation' (2.96), and 'creativity and leadership' (2.67) are the major motivating forces, while, 'enthusiasm' (2.30) is the major motivating factor for those who were earlier engaged in 'politics and social work' [Table 4.15].

Table 4.15: Family Occupation and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Agro-base employment (7.22)	Other business (6.22)
Factor 2	Agro-base employment (1.08)	Hospitality business itself (2.42)
Factor 3	Govt. job (2.67)	Agro-base employment (2.27)
Factor 4	Agro-base employment (3.55)	Hospitality business itself (2.77)
Factor 5	Politics and social work (2.30)	Agro-base employment (1.45)
Factor 6	Govt. job (2.96)	Agro-base employment (2.42)
Factor 7	Agro-base employment (3.60)	Hospitality business itself (2.65)
Factor 8	Agro-base employment (2.51)	Hospitality business itself (2.12)

Location and Entrepreneurial Motivation

Location-wise, entrepreneurs from Dibrugarh are found to be motivated by the factors 'family need' (3.41) and 'incubation' (2.93), while, the entrepreneurs from Sivasagar are found to be motivated by 'freedom and social recognition' (7.14) and 'self-dependence' (3.70), and 'family pressure/desire to work in flexible time schedule' (2.73).

On the other hand, entrepreneurs from Tezpur are highly motivated by the factor ‘getting engagement in work’ (1.99), while the entrepreneurs from Guwahati are found to be motivated by ‘enthusiasm’ (2.81) and ‘creativity & leadership (2.63) [Table 4.16].

Table 4.16: Location and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Sivasagar (7.14)	Guwahati (5.70)
Factor 2	Tezpur (1.99)	Sivasagar (1.51)
Factor 3	Guwahati (2.63)	Tezpur (2.53)
Factor 4	Sivasagar (3.70)	Guwahati (3.22)
Factor 5	Guwahati (2.81)	Dibrugarh (2.52)
Factor 6	Dibrugarh (2.93)	Tezpur (2.56)
Factor 7	Dibrugarh (3.41)	Guwahati (2.64)
Factor 8	Sivasagar (2.73)	Guwahati (2.26)

Category of the units and Entrepreneurial Motivation

Entrepreneurs in dhaba /wayside inn are motivated by freedom and social recognition (7.09) while the entrepreneurs in paying guests houses seems to be motivated by ‘family pressure/desire to work in flexible time schedule’ (2.56) and ‘getting engagement in work’ (2.17). ‘Self-dependence’ (4.16), ‘incubation’ (3.87), ‘enthusiasm’ (3.86), ‘creativity and leadership’ (3.72), and ‘family need’ (3.61) are found to be major motivating forces of entrepreneurship in tourist resorts [Table 4.17].

Table 4.17: Category of the units and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Dhaba/Wayside Inn (7.09)	Tourist Resort (5.79)
Factor 2	Paying Guests House (2.17)	Dhaba/Wayside Inn (1.50)
Factor 3	Tourist Resort (3.72)	Dhaba/Wayside Inn (2.38)
Factor 4	Tourist Resort (4.16)	Private Hostel (3.14)
Factor 5	Tourist Resort (3.86)	Dhaba/Wayside Inn (2.25)
Factor 6	Tourist Resort(3.87)	Dhaba/Wayside Inn (2.36)
Factor 7	Tourist Resort(3.61)	Dhaba/Wayside Inn (2.75)
Factor 8	Paying Guests House (2.56)	Tourist Resort(1.69)

Type of Business Venture and Entrepreneurial Motivation

The ownership pattern of the accommodation units is also found important in differentiating the motivational forces. The partnership firms are found to be basically motivated by ‘incubation’, while the sole traders are motivated by ‘freedom and social recognition’ (6.31), ‘self-dependence’ (3.35), ‘family need’ (2.88) ‘enthusiasm’ (2.70),

'creativity and leadership' (2.60), 'family pressure/desire to work in flexible time schedule' (2.47), and 'getting engagement in work (1.78) [Table 4.18].

Table 4.18: Type of Business Venture and Entrepreneurial Motivation

Motivation	Variables	
	Maximum Mean Score	Minimum Mean Score
Factor 1	Sole Trading (6.31)	Partnership(6.18)
Factor 2	Sole Trading (1.78)	Partnership(1.75)
Factor 3	Sole Trading (2.60)	Partnership(2.57)
Factor 4	Sole Trading (3.35)	Partnership(3.32)
Factor 5	Sole Trading (2.70)	Partnership(2.50)
Factor 6	Partnership(3.13)	Sole Trading (2.77)
Factor 7	Sole Trading (2.88)	Partnership(2.75)
Factor 8	Sole Trading (2.47)	Partnership(2.17)

Concluding Remarks

The basic purpose of the present chapter was to examine the motivational factors of the entrepreneurs in the accommodation industry of Assam. Based on the findings that we have arrived at, it may be concluded that entrepreneurial behaviour in the accommodation industry of Assam is not the result of a single motive or motivating factor; it is, in deed, the result of a set of motives causing entrepreneurial behaviour. By using 'Factor Analysis' the factors of entrepreneurial motivation have been reduced to eight major components and each of the comparative importance of each of the major components have been judged with the basic socio-economic variables of the data-set. Following are some of the major inferences based on these findings:

1. The entrepreneurs are primarily motivated by the expectation of 'earning maximum amount of income'.
2. Squeezed job market and very slow pace of industrialisation in the State are the major factors creating compulsion of the youth to take up self-employment activities including entrepreneurship in the accommodation sector.
3. The role played by the Government to encourage self-employment activities in the accommodation industry has not been found encouraging.
3. There is no significant difference between the nascent and non-nascent entrepreneurs regarding motives and motivational factors to take up entrepreneurial activities.
4. Although the socio-economic and structural variables of entrepreneurship show varied reactions to the acceptance of the principal motivating factors, yet a specific pattern of such relationships could not be determined.

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CHAPTER – 5

THE ENTREPRENEURIAL PERFORMANCE

Entrepreneurial performance reflects the success of an entrepreneur. As already discussed in the previous chapters, researchers have identified and used a number of indicators determining entrepreneurial performance. These include socio-economic characteristics of the entrepreneurs, as well as, quantitative and qualitative measurement of their performance. A brief outline of these is given in **Table 5.1**.

Table 5.1: Selected Indicators of Entrepreneurial Performance

Indicators of Entrepreneurial Performance	Researchers
Family status	Shivani, Mukherjee, & Sharan, 2006; Tripathi, 1992; Gadgil 1959; Medhora, 1965
Level of migration, linguistic origin and regionality	Sharma, 1974
Gender distribution	Saxena, 2005
Caste	Munshi & Rosenzweig, 2006; Nafziger, 1982;
Religious background	Uppal, 2001
Educational background	Shivani, Mukherjee, & Sharan, 2006; Saxena, 2005
Marital status	Saxena, 2005
Net profit	Akhouri, 1979
Turnover growth rate	Rao, 1986
Enterprise diversification	Kumar 1990
Expansion in the market scope	Sharma, 1980
Customer profile	Sharma, 1980
Long term finance	Dhar & Lydall, 1960

Note: The table is framed based on the Chapters 2 & 3.

However, some of these indicators could not be validated under this study because of the limitations imposed by the primary data.

For the convenience of analysis, the present chapter is divided into two sections:

5.1 Indicators of Entrepreneurial Performance.

5.2 Measurement of Entrepreneurial Performance.

These are presented one by one.

5.1 Indicators of Entrepreneurial Performance

Entrepreneurial performance depends upon a number of indicators. However, these indicators are highly influenced by the perception and the level of experience of an entrepreneur gained over time. Thus, the same indicator may have different influences on

different classes of entrepreneurs. Some of these indicators are tried to be validated in the present study. 'One way Analysis of Variance (ANOVA)' is used for determining relationship between the rate of success and indicators of entrepreneurship in accommodation industry of Assam. Levene's test of homogeneity and post-hoc methods (Bonferroni and Games Howel) of multiple comparisons were used to determine different significantly associated pairs of groups. However, Post-hoc tests were not performed for those cases where at least one group has fewer than two cases of observations.

Start-up Age and the Rate of Success

To examine the validity of the observation that early start-ups lead to higher level of success of the entrepreneurs, the following hypotheses were framed:

H₀: There is no difference between the mean values of start-up age of the entrepreneurs and success.

H₁: not **H₀**.

Table 5.2: Start-up Age and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	26.002	40	.650	1.628	.017
Within Groups	75.481	189	.399		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.950; Level of significance: 0.002.

As seen from **Table 5.2**, the level of significance in the test of homogeneity is 0.002 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 1.628 and 0.017 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes **H₁** and rejects **H₀**. However, significantly different pairs of groups could not be determined, as post-hoc tests are not possible.

Gender and the Rate of Success

To have a contextual resemblance between gender and entrepreneurial success, the following hypotheses were framed:

H₀: There is no difference between the mean values of the gender of the entrepreneurs and success.

H₁: not **H₀**.

Table 5.3 shows that the level of significance in the test of homogeneity is 0.273 (>0.05). As such, the test is not significant and the two groups bear approximately equal variance. The F value and the significance value in the ANOVA table are 0.641 and 0.424

(>0.05) and, thus, considerable similarity between the two groups may be noticed. It establishes that the rate of success in the accommodation industry entrepreneurship in Assam cannot be visualised as dominated by a certain gender group.

Table 5.3: Gender and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.285	1	.285	.641	.424
Within Groups	101.198	228	.444		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.206; Level of significance: 0.273.

Category of Accommodation Units and the Rate of Success

The five forms of accommodation units included in the study may establish differential success rates. It is expected that entrepreneurship in the budget hotel segment may be more beneficial than other segments. To validate this idea, the following hypotheses were framed:

H₀: There is no difference between the mean values of the types of accommodation units and success.

H₁: not H₀.

Table 5.4: Types of accommodation units and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.460	4	1.365	3.199	.014
Within Groups	96.022	225	.427		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.665; Level of significance: 0.159.

The level of significance, as seen from **Table 5.4**, in the test of homogeneity is 0.159 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 3.199 and 0.014(<0.05). This establishes difference between the two groups. However, significantly different pairs of groups could not be determined by the post-hoc tests. As such, there is no sufficient ground to reject the null hypothesis.

Caste and the Rate of Success

To validate the role played by caste in enterprise formation, the study frames the following hypotheses:

H₀: There is no difference between the mean values of the caste of the entrepreneurs and success.

H₁: not **H₀**.

Table 5.5: Caste and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.648	3	.216	.484	.694
Within Groups	100.835	226	.446		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.835; Level of significance: 0.142.

The level of significance (see **Table 5.5**) in the test of homogeneity is 0.142 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 0.484 and 0.694 (>0.05) and, thus, insignificant difference between the two groups may be noticed. In this case Games-Howell method of post-hoc test is applied (as sig. value 0.694>0.50). This test establishes that the success rate of the Scheduled Tribe (Hills) entrepreneurs bear significantly poorer to other caste entrepreneurs. It is found significant at 0.05 levels. However, in other castes including General, OBC/MOBC and Scheduled Castes, there exists no significant difference in success.

Religion and the Rate of Success

Like caste, religion is also attributed to entrepreneurial success in India. To validate this observation this study frames the following hypothesis:

H₀: There is no difference between the mean values of the religion of the entrepreneurs and success.

H₁: not **H₀**.

Table 5.6: Religion and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.395	4	.599	1.360	.249
Within Groups	99.087	225	.440		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 3.304; Level of significance: 0.012.

Table 5.6 shows that the level of significance in the test of homogeneity is 0.012 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 3.304 and 0.012 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes H₁

and rejects H_0 . However, significantly different pairs of groups could not be determined, as post-hoc tests are not possible. However, considering the highest mean value, Jains (4.00) may be considered the most successful entrepreneurs in the industry.

Education and the Rate of Success

Education is a major component bearing its impact on entrepreneurial success. However, studies reflecting lesser importance to formal education for entrepreneurship development are also found (Saxena, 2005). To validate the role of education, this study frames the following hypothesis:

H_0 : There is no difference between the mean values of the level of education of the entrepreneurs and success rate.

H_1 : not H_0 .

Table 5.7: Education and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.734	5	.147	.326	.897
Within Groups	100.749	224	.450		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.076; Level of significance: 0.374.

The level of significance (see Table 5.7) in the test of homogeneity is 0.374 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 0.326 and 0.897 (>0.05). Thus, insignificant difference between the two groups may be noticed. In this case, Games-Howell method of post-hoc test is applied (as sig. value 0.897>0.50). However, significantly different pairs of groups could not be determined, as post-hoc tests are not possible. Thus, H_0 cannot be rejected. However, considering the highest mean value, professional degree/diploma holders (7.00) may be considered as important in entrepreneurial success.

Training and the Rate of Success

Like education, entrepreneurship training is also a major factor in entrepreneurial success. To validate the importance of training in this regard, this study frames the following hypotheses:

H_0 : There is no difference between the mean values of training of the entrepreneurs and success.

H_1 : not H_0 .

Table 5.8: Training and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.810	1	2.810	6.493	.011
Within Groups	98.673	228	.433		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.446; Level of significance: 0.505.

Table 5.8 shows that the level of significance in the test of homogeneity is 0.505 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 6.493 and 0.11 (>0.05) and, thus, insignificant difference between the two groups may be noticed. In this case, post-hoc tests could not be performed. Thus, H_0 cannot be rejected.

Location of Business and the Rate of Success

Nearness to affluent and expanded tourist locations tourism business may provide higher prospects of success. To validate the importance of location of business in entrepreneurial success, this study frames the following hypotheses:

H₀: There is no difference between the mean values of the location of business and success.

H₁: not **H₀**.

Table 5.9: Location of Business and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.886	3	.295	.664	.575
Within Groups	100.596	226	.445		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.998; Level of significance: 0.124.

It is seen from **Table 5.9** that the level of significance in the test of homogeneity is 0.124 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are .664 and 0.575 (>0.05) and, thus, insignificant difference between the two groups may be noticed. Thus, H_0 cannot be rejected.

Marital Status and the Rate of Success

It is believed that the success rate of unmarried entrepreneurs is higher than that of the married entrepreneurs. To validate the importance of marital status, this study frames the following hypotheses:

H₀: There is no difference between the mean values of the marital status of the entrepreneur and success rate.

H₁: not **H₀**.

Table 5.10: Marital Status and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.361	1	.361	.814	.368
Within Groups	101.122	228	.444		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.339; Level of significance: 0.561.

Table 5.10 shows, the level of significance in the test of homogeneity is 0.561(>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 0.814 and 0.368 (>0.05) and thus insignificant difference between the two groups may be noticed. Thus, **H₀** cannot be rejected.

Mother Tongue (Regionality) and the Rate of Success

Entrepreneurial success at the initial stage bears regional character and, thus, mother language becomes a major element of business success. To validate this observation, this study frames the following hypothesis:

H₀: There is no difference between the mean values of the mother tongue of the entrepreneurs and success.

H₁: not **H₀**.

Table 5.11: Mother Tongue (Regionality) and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.846	3	2.282	5.450	.001
Within Groups	94.636	226	.419		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 3.277; Level of significance: 0.022.

Table 5.11 shows that the level of significance in the test of homogeneity is 0.022 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 5.450 and 0.001 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes **H₁** and rejects **H₀**. In this case, Bonferroni method of post-hoc test is applied (as sig. value 0.001<0.50). This test establishes that the success of the Assamese-speaking local entrepreneurs is significantly higher. It is found significant at 0.05 levels.

Experience and the Rate of Success

Entrepreneurial success is a matter of experience of similar activities. To validate this observation, this study frames the following hypotheses:

H₀: There is no difference between the mean values of the entrepreneurial experience and success.

H₁: not H₀.

Table 5.12: Experience and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	23.539	40	.588	1.427	.041
Within Groups	77.943	189	.412		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.643; Level of significance: 0.015.

A close look at the **Table 5.12** shows that the level of significance in the test of homogeneity is 0.015 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 1.427 and 0.041 (<0.05) and thus considerable difference between the two groups may be noticed. It establishes H₁ and rejects H₀. However, significantly different pairs of groups could not be determined, as post-hoc tests are not possible.

Ownership Pattern and the Rate of Success

To validate the relationship, if any, between ownership pattern and entrepreneurial success, the following hypotheses were framed:

H₀: There is no difference between the mean values of entrepreneurial experience and success.

H₁: not H₀.

Table 5.13: Ownership Pattern and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.470	1	2.470	5.688	.018
Within Groups	99.013	228	.434		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.074; Level of significance: 0.386.

Table 5.13 shows that the level of significance in the test of homogeneity is 0.386 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 5.688 and 0.018 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes H₁

and rejects H_0 . However, significantly associated pairs of groups could not be determined, as post-hoc tests are not possible.

Previous Occupation and the Rate of Success

To validate the role of previous occupation on the present entrepreneurial role, the following hypotheses were framed:

H_0 : There is no difference between the mean values of the previous occupation of the entrepreneur and success.

H_1 : not H_0 .

Table 5.14: Previous Occupation and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.963	5	.593	1.248	.045
Within Groups	98.519	224	.440		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 1.074; Level of significance: 0.321.

As revealed in the **Table 5.14**, the level of significance in the test of homogeneity is 0.321 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 1.248 and 0.045 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes H_1 and rejects H_0 . In this case Bonferroni method of post-hoc test is applied (as sig. value $0.045 < 0.50$). This test establishes that the success rate of the entrepreneurs having previous experiences of business has significant differences with the entrepreneurs having experience in Government job, agro-base employment, politics and social work, and Jobs in non-hospitality firm . It is found significant at 0.05 levels.

It is to note that family occupation (occupation of the father or grandfather or both) also represent similar results, which establish that business as previous occupation, or as family business has positive impact on entrepreneurial success.

Nascence and the Rate of Success

At nascent levels of enterprise, the rate of success of entrepreneurs is generally expected to be lower in comparison to the non-nascent entrepreneurs. To validate this observation, this study frames the following hypotheses:

H_0 : There is no difference between the mean values of entrepreneurial nascence and success.

H_1 : not H_0 .

Table 5.15: Nascence and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.244	1	2.244	5.156	.054
Within Groups	99.238	228	.435		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.481; Level of significance: 0.489.

Table 5.15 shows, the level of significance in the test of homogeneity is 0.489 (>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are 5.156 and 0.054 (>0.05) and thus insignificant difference between the two groups may be noticed. Thus, H_0 cannot be rejected.

First Generation of Entrepreneurship and the Rate of Success

Previous occupation, if any, of an entrepreneur may prove beneficial for the present business. To validate this observation this study frames the following hypothesis:

H₀: There is no difference between the mean values of the first generation of entrepreneurship and success.

H₁: not H_0 .

Table 5.16: First Generation of Entrepreneurship and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.364	1	5.364	12.724	.000
Within Groups	96.118	228	.422		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 4.147; Level of significance: 0.043.

The level of significance (see Table 5.16) in the test of homogeneity is 0.043 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 12.724 and 0.000 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes H_1 and rejects H_0 . In this case Bonferroni method of post-hoc test is applied (as sig. value 0.000<0.50). This test establishes that the success rate of the first generation entrepreneurs has significant differences with the second-generation entrepreneurs. It is found significant at 0.05 levels.

Financing Pattern and the Rate of Success

To enquire whether there is any significant relationship of the financing pattern of an enterprise with the success of the entrepreneur, the following hypotheses were framed:

H₀: There is no difference between the mean values of the financing pattern of the enterprise and success.

H₁: not **H₀**.

Table 5.17: Financing Pattern and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.413	3	1.471	3.425	.018
Within Groups	97.069	226	.430		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.966; Level of significance: 0.041.

Table 5.17 shows, the level of significance in the test of homogeneity is 0.041 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 3.425 and 0.018 (<0.05) and thus considerable difference between the two groups may be noticed. It establishes **H₁** and rejects **H₀**. In this case Bonferroni method of post-hoc test is applied (as sig. value 0.05<0.50). This test establishes that the success rate of entrepreneurs financed by the nationalised banks is more successful than those who are financed by friend and relatives. It is found significant at 0.05 levels.

Worth of the Unit and the Rate of Success

'Present worth of the accommodation unit' is an important factor determining entrepreneurial performance and, in turn, success. It provides information relating to the financial capacity of an entrepreneur. It also indicates the type and rate of change of financial status of the entrepreneur over time. To validate this observation, this study framed the following hypotheses:

H₀: There is no difference between the mean values of the worth of the unit and success

H₁: not **H₀**.

Table 5.18: Worth of the Unit and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.724	2	3.862	9.350	.000
Within Groups	93.759	227	.413		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 0.573; Level of significance: 0.585.

As seen in the **Table 5.18**, the level of significance in the test of homogeneity is 0.585(>0.05). As such, the test is not significant and the variances of the two groups are approximately equal. The F value and the significance value in the ANOVA table are

9.350 and 0.000 (<0.05) and thus significant difference between the two groups may be noticed. Thus, H_0 may be rejected. In this case Bonferroni method of post-hoc test is applied (as sig. value <0.50). This test establishes that the success rate of enterprises worth less than Rs. 50 Lakh are more successful than enterprises worth more than Rs. 50 Lakh. It is found significant at 0.05 levels.

Migration Status and the Rate of Success

Spatial migration of the entrepreneurs to a particular region establishes that the region to which the entrepreneurs tend to flow is favourable to trade (Marger, 1989, pp 539-563). To validate this observation this study frames the following hypotheses:

H_0 : There is no difference between the mean values of the migration status of the entrepreneur and success.

H_1 : not H_0 .

Table 5.19: Migration Status and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.787	3	1.262	2.920	.035
Within Groups	97.695	226	.432		
Total	101.483	229			

Note: Results of the Test of Homogeneity:

Levene Statistic: 2.810; Level of significance: 0.040.

Table 5.19 shows, the level of significance in the test of homogeneity is 0.040(<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 2.920 and 0.035 (<0.05) and thus considerable difference between the two groups may be noticed. It establishes H_1 and rejects H_0 . In this case Bonferroni method of post-hoc test is applied (as sig. value $0.035 < 0.50$). This test establishes that the success rate of local entrepreneurs is better than those migrated from outside the NER. It is found significant at 0.05 levels.

Supervision and the Rate of Success

Supervision of the unit by the entrepreneur himself/herself may be perceived as one of the major element of business success. It is believed that self-supervision leads to proper management of a concern then hired personnel. To validate this observation this study frames the following hypothesis:

H_0 : There is no difference between the mean values of the supervision of the enterprise and success.

H_1 : not H_0 .

Table 5.20: Supervision and the Rate of Success

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.836	2	1.418	3.263	.040
Within Groups	98.647	227	.435		
Total	101.483	229			

Note: *Results of the Test of Homogeneity:*

Levene Statistic: 2.561; Level of significance: 0.0475.

Table 5.20 shows, the level of significance in the test of homogeneity is 0.0475 (<0.05). As such, the variances of the two groups bear significant differences. The F value and the significance value in the ANOVA table are 3.263 and 0.040 (<0.05) and, thus, considerable difference between the two groups may be noticed. It establishes H_1 and rejects H_0 . In this case Bonferroni method of post-hoc test is applied (as sig. value $0.040 < 0.50$). This test establishes that the enterprises supervised by the entrepreneur himself/herself have better success rate than those, which are supervised by the hired managers. It is found significant at 0.05 levels.

5.2 Measurement of Entrepreneurial Performance

In this section, an attempt has been made to assess the financial performance, as well as, real rewards of the entrepreneurs under reference.

Income and Expenditure Pattern

For the non-disclosure of financial figures by the sample entrepreneurs, the net profit and turnover growth could not be measured for the industry. However, with the available financial data, a generalised picture of income and expenditure pattern in the industry under study could be assessed (see **Table 5.21**). It is found that the accommodation industry in the state is only a marginally profitable industry. However, the slow but steady rate of growth has been a positive symptom to further growth of the industry in the state. Another interesting observation is the similarity of income and expenditure pattern throughout the year. This establishes the fact of not formalising a tourist season or absence of accommodation seekers for touristic purposes.

It is to mention that 51.7% of the entrepreneurs in the industry assert that the majority of lodgers stay in their units for business purposes. Against this, 4.3% of the entrepreneurs in the industry believe that the lodgers stay in their units mainly for recreation purposes. Similarly, some of the entrepreneurs also informed that official works (21.3%), medical purposes (19.6%) and educational requirements (3.1%) also induce visitors to stay in the accommodation units of Assam. (**Table 5. 22**)

Table 5.21: Size of Income and Expenditure

Range of Income & Expenditure	Period					
	January-April		May-August		Sept - December	
	Income	Expense	Income	Expense	Income	Expense
Below Rs. 10,000	98 (42.6)	102 (44.3)	98 (42.6)	102 (44.3)	98 (42.6)	102 (44.3)
Rs. 10,000- Rs. 19,000	24 (10.4)	31 (13.5)	27 (11.7)	31 (13.5)	25 (10.9)	31 (13.5)
Rs. 20,000- Rs. 29,000	31 (13.5)	30 (13.0)	29 (12.6)	30 (13.0)	31 (13.5)	30 (13.0)
Rs. 30,000- Rs. 39,000	19 (8.3)	22 (9.6)	18 (7.8)	22 (9.6)	18 (7.8)	22 (9.6)
Rs. 40,000- Rs. 49,000	19 (8.3)	17 (7.4)	18 (7.8)	17 (7.4)	19 (8.3)	17 (7.4)
Rs. 50,000 and above	39 (17.0)	28 (12.2)	40 (17.4)	28 (12.2)	39 (17.0)	28 (12.2)
Total	230 (100.0)	230 (100.0)	230 (100.0)	230 (100.0)	230 (100.0)	230 (100.0)

Note: Figures in the parentheses denote percentages to total.

Table 5.22: Purpose of the Visitors

Purposes	Frequency
Business	119 (51.7)
Official work	49 (21.3)
Medical	45 (19.6)
Recreation	10 (4.3)
Educational	7 (3.1)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total.

Besides, it is also observed that the entrepreneurs show no interest in following proper advertisement policy to attract visitors. Although it is not generalised, majority of the accommodation units do not possess properly maintained guest ledger, attractive signboards, restaurant menu, descent system of welcoming guests, and even a hygienic atmosphere at lounge. In such a situation, computerised record management, provisions like individual websites for net booking of rooms, sky advertisements or additional modern facilities like swimming pool, health club, attached shopping mall or facilities of conducted tours, and travel booking centres are, so far, out of reality.

Non-financial Gains

Non-financial gains of an entrepreneur reflect his/her socio-economic status and own subjective assessment of business. Like in other avocations, self-perceived level of satisfaction of the entrepreneurs also affects and determines the level of dedication and

involvement of the entrepreneur in the business. Moreover, it is indicative of the entrepreneurs' vision towards the industry. The distribution of the entrepreneurs based on the self-perceived level of satisfaction is shown in the following table (Table 5.23)

Table 5.23: Own Success Rating by the Entrepreneurs

Level of satisfaction	Frequency
Fully unsatisfactory	8 (3.5)
Least satisfactory	70 (30.4)
Satisfactory	133 (57.8)
Highly satisfactory	19 (8.3)
Total	230(100.0)

Note: Figures in the parentheses denote percentages to total.

It is seen from Table 5.23 that only one entrepreneur out of every 20 entrepreneurs is fully unsatisfied with his/her entrepreneurial role and two are highly satisfied out of every 119 satisfied entrepreneurs. Majority of the entrepreneurs, i.e., 11 out of every 20 show average satisfaction with their entrepreneurial role, thus, indicating good scope for increasing the level of satisfaction to highly satisfied and, in turn, entrepreneurial performance and/ or success.

Table 5.24: Chance of leaving Accommodation Business

Chance of leaving	Frequency
Yes	32 (13.9)
No	173 (75.2)
No comments	25 (10.9)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total.

That fairly a majority of entrepreneurs have joined entrepreneurship by choice is indicated by as many as 15 out of every 20 entrepreneurs do not want to leave or change their entrepreneurial career (see Table 5.24). This augurs well for the future growth of accommodation industry in the State

Table 5.25: Expectation of Expansion of the Accommodation Industry

Approaches	Frequency
Complete disagreement in expansion	38 (16.5)
Indifferent in expansion	13 (5.7)
Expansion at own fate and risk	138 (60.0)
Solicit expansion	41 (17.8)
Total	230 (100.0)

Note: Figures in the parentheses denote percentages to total.

In line with the majority of the entrepreneurs interested to remain in the present business, as many as nearly 8 out of every 10 entrepreneurs interested in expansion of their business also indicates that the majority of the entrepreneurs have joined accommodation industry by choice. Hence, this is indicative of good prospects for the development of accommodation industry and, in turn, tourism industry in the State. Only one marginal number of entrepreneurs either in different or least interested in enterprise expansion may change their attitude towards positive in due course of time (see **Table 5.25**).

Concluding Remarks

The performance of an entrepreneur leads to entrepreneurial rewards. The factors, which affect entrepreneurial performances, are multidimensional in character. Similarly, the rewards of entrepreneurial success cannot be signified only in terms of quantitative assessment of income and expenditure. The success also depends upon the psychological reactions of the entrepreneurs towards business and long-term vision towards the expansion of business. Based on the analysis in this chapter, three major conclusions are derived:

A) Indicators including caste, mother tongue, migration status, previous occupation, inter-generation occupational shift, financing pattern, size of investment (worth), and supervision of the enterprise bear highest importance in determining performance and, in turn, success rate of the entrepreneurs. The following conclusions are made regarding these indicators:

1. The success rate of the Scheduled Tribe (Hills) entrepreneurs is very poor in comparison with the other caste entrepreneurs.
2. The success rate of the Assamese-speaking entrepreneurs is considerably higher in comparison to other entrepreneurs.
3. The success rate of local entrepreneurs is better than those migrated from outside the NER.
4. Experiences help one perform better in his/her entrepreneurial role.
5. Similarly, one's business family background is found helpful in performing better in one's business.
6. Availability of funds helps an entrepreneur perform better.
7. The success rate of enterprises worth less than Rs. 50 Lakh is more successful than enterprises worth more than Rs. 50 Lakh.

8. Direct or self-supervision by the entrepreneur is more effective in enterprise performance than hired supervision.

B) Indicators including start-up age, religion, level of education and training, types of accommodation unit, and entrepreneurial experience in the industry are also found important in determining success rate of the entrepreneurs. In case of the start up age, it is noticed that mid-age start-ups led to higher profitability of success in the majority of the cases; but it is difficult to specify the age group, which has become the most successful. Considering the highest mean value, professional degree/diploma holders (7.0%) may be considered the most successful entrepreneurs in the industry. Professional education is more useful in entrepreneurial performance than general education.

C) Finally, what matters in entrepreneurial performance is one's entrepreneurial traits rather where has he/she come from.

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CHAPTER – 6

THE ENTREPRENEURIAL PROBLEMS AND PROSPECTS

Having studied the dynamics of tourism entrepreneurship development in accommodation industry in Assam, the study identifies the major problems faced by the accommodation industry, in particular, and, tourism industry in general. Besides, the prospects of development of accommodation industry in the study region have also been highlighted. This is for the reason that entrepreneurship is not only about starting the enterprises alone; it is also about growing and running them. For the convenience of analysis, the subject-matter of the chapter is divided into two broad categories:

6.1 The Entrepreneurial Problems

6.2 The Entrepreneurial Prospects

These are discussed one by one.

6.1 The Entrepreneurial Problems

Based on the previous studies, evidences and observations, specific queries relating to the major problems of entrepreneurship development in accommodation industry were included in the questionnaire (see **Annexure-II**). From the responses received from the entrepreneurs, it was found that the entrepreneurs indicated a multitude of problems relating to the growth and development of the industry. Also, the problems have been experienced at different levels of entrepreneurial development. For convenience of analysis, all the problems as reported by the entrepreneurs have been classified into two broad categories:

6.1.1 Micro-Environmental Problems, and

6.1.2 Macro-Environment Problems.

The micro-environment of problems of entrepreneurship development in the accommodation industry of Assam is mainly associated with the grooming of the entrepreneurs relating to the different aspects of entrepreneurial talents or traits. On the other side, the macro environment of the problems of entrepreneurial development is associated with the exogenous factors which shape the entrepreneurial talent in real world. These problems have already been indicated in the preceding chapters of this

study. However, to present a comprehensive structure of the problems, these are discussed here in a more orderly manner (Table 6.1).

Table 6.1: Problems of Entrepreneurial Development

Entrepreneurial Problems	Male N₁=186	Female N₂= 44	Total N = 230
MICRO-ENVIRONMENT			
<u>The entrepreneur</u>			
Entrepreneurs without business experience (%)	90.63	95.70	91.60
Entrepreneurs without experience in hospitality business at start (%)	97.22	96.20	96.71
Entrepreneurs other than first generation entrepreneurs (%)	11.30	0.0	9.13
Entrepreneurs without hospitality training (%)	93.0	97.70	93.91
Migrated entrepreneurs (%)	26.88	9.09	23.48
<u>Socio-economic Influences</u>			
Ownership other than sole-proprietorship (%)	4.84	0.0	3.91
Entrepreneurs without sufficient family encouragement (%)	80.65	45.46	73.91
Entrepreneurs without a vision of business development (%)	91.96	88.64	91.30
Problems of socio-political disturbances (%)	53.23	50.00	52.61
Lack of public awareness about tourism development (%)	45.17	56.82	47.39
MACRO-ENVIRONMENT			
<u>Incubation</u>			
Absence of consciousness of project report formulation (%)	86.56	97.73	86.70
Lack of interest in understanding hospitality business (%)	89.79	97.70	88.80
Lack of interest in EDPs (%)	93.77	98.73	93.55
Absence of consultancy firms (%)	94.68	99.77	94.63
Amount of nascent entrepreneurs (%)	38.71	68.18	44.34
<u>Infrastructure</u>			
Average Carrying capacity (Bed per night)	31.98	20.39	29.77
Entrepreneurs blaming on poor Infrastructure (e.g. transport, communication, power and water) (%)	43.55	59.09	46.52
Entrepreneurs experiencing Financial hardship (%)	45.70	25.00	56.09
<u>Manpower</u>			
Workers from Assam (%)	80.90	3.60	84.50
Workers from NER (except Assam) (%)	2.20	0.0	2.20
Workers from other parts of India (%)	13.30	0.0	13.30
<u>Market</u>			
Entrepreneurs considering 'business and official works' as the main purpose of the visitors (%)	43.00	70.45	48.26
Entrepreneurs complaining about ill-intentioned visitors (%)	71.51	86.37	74.35
Average stay of a visitor in an unit (Days)	2.96	7.27	5.12
<u>Role of Government</u>			
Entrepreneurs not covered under government policy measures (%)	86.56	88.64	86.96

6.1.1 Micro- Environmental Problems

Factors like start-up age, knowledge of business, experience, family encouragement, and socio-economic situations, etc., are some of the factors which create the internal traits of an entrepreneur, creating the micro-environment of entrepreneurship.

The Entrepreneur

That the level of competence of the entrepreneurs in the industry has been at the preliminary stage of the development of the industry in Assam is established by a number of evidences. To cite:

(a) The average period of entrepreneurial experience is only 8.40 years. The female entrepreneurs have a much lesser duration of experiences (4.3 years) than the male counterpart (9.37 years). Moreover, the hospitality sector experience at the start is only around 3.29 years on average.

(b) That the entrepreneurs are not professionally trained in hospitality industry is indicated by only 7 (3.8%) of the total entrepreneurs to have education in the tourism industry (See **Table 3.12**) and 6.09% (7.00% male; 2.30% female) entrepreneurs have professional training on one or more branches of hospitality management (**Table 6.1**).

(c) Lower participation of entrepreneurs other than the first-generation entrepreneurs (9.13%; 11.30% male, 0% female) in the industry is also noticed in prominence. This, in a way, shows the growing importance of tourism related growth in the State.

(d) Low entrepreneurial migration (23.48%) implies lack of competition and exposure. This, on the other hand, arouses the 'syndrome of spatial fixity' of the industry with marginal profit expectation.

Socio-economic Influences

The socio-economic variables have also posed problems for the growth of the industry.

(a) The accommodation industry is plagued by the individualistic approach is evident by 96.09% of enterprises belong to sole proprietorship form of ownership. This inhibits the dynamism and checks the growth of the industry.

(b) Business requires support first from family, and, then from the society. The family support as a whole is at a low level (1 entrepreneur out of 4 gets family support). However, nearly half of the entrepreneurs do not get the required family support in their business ventures.

(c) As many as 9 out of every 10 entrepreneurs are not optimistic i.e., having no vision about their enterprises mainly because of the lack of entrepreneurial talent and governmental policies in this regard.

(d) Unlike elsewhere, the accommodation industry in the study region has been suffering from the problem of insurgency. It has been a major pit-hole of tourism development restricting the tourist inflow at a dismally low level (less than 1% of foreign tourists visiting India per year) since independence.

(e) Lack of public awareness about tourism sector development has been another serious problem of the accommodation industry in Assam. 52.61% of the entrepreneurs (54.83% male; 43.18% female) have reported this as one of the serious problems for the growth of the industry in Assam.

6.1.2 Macro- Environmental Problems

Some of the elements of the environment of entrepreneurship development are associated with infrastructure, market arrangements, skill development system, and promotional formalities etc. The exogenous factors which help in the enterprise formation altogether form the macro-environment of entrepreneurship growth. The locational advantages, the system of incubation, access to basic industrial infrastructure, availability of financial facilities, manpower, and the role of the government in creating a congenial entrepreneurial environment are some of the major elements of the macro-environment of business.

Locational Disadvantages

The NER including Assam is situated in the remotest North Eastern edge of India being open to foreign countries from three of its directions. Following the 'Core-periphery Criterion' of tourism trade (Zurich, 1992, pp. 608-628), the central locations of India are the common destinations for the tourists. As such, NER States do not enter into the favourite national tourism circuits. Geographical and topographic varieties are also major causes of low tourist turnover in the region. Some writers optimistically try to establish that locational specialty of the region does not stand against international tourist flow as it is surrounded by foreign countries. The possibility of such a positive aspect of international tourist route may not be discarded; but, careful consideration of the present situation will certainly establish the falsity of such statements, at least in the present environment. Cancellation of the lone international flight from Guwahati to Bangkok, use of only 3% of international trade routes from the North Eastern side which possesses 98% of international boundary of India are some of the discouraging factors in this regard. It is

to note that the Civil Aviation Ministry of India decided to withdraw the lone Guwahati-Bangkok Air-India flight in September, 2002 faced with mounting losses and low traffic. This decision comes within six months of the commencement of the operation (Times of India, September 27, 2002).

Spatial difficulties have also hindered the growth of indigenous tourism entrepreneurs. High operation cost, great deal of uncertainty and absence of any pragmatic instance of successful small and medium tourism enterprises (SMTEs) prevent new generation entrepreneurs of the region to react positively.

Problems of Incubation

Incubation is the external process by which the new as well as potential entrepreneurs (nascent) are prepared for entrepreneurial actions. Formal education and training institutions, creation of a supportive environment for entrepreneurial actions, exposure to national and regional platforms of business development, and business consultancy, etc., are considered the foundation of an industrial incubation structure. The prevalence of entrepreneurial nascence (44.34%) in the accommodation industry of Assam well reflects the requirement of a proper incubation system. That the standard of the incubation system in the State is by all means very poor as indicated by the following statements:

(a) Nearly 90% of the entrepreneurs do not realise the importance of project report formulation for enterprise development.

(b) An irresistible majority of the entrepreneurs (89.0%) have not shown any inclination in understanding hospitality business.

(c) As many as 9 out of every 10 entrepreneurs are either not aware of or realise the importance of Entrepreneurship Development Programmes (EDPs) for enterprise development.

(d) 19 out of every 20 entrepreneurs do not realise the importance of consultancy firms for enterprise development.

Problems of Infrastructure Facilities

Assam and the entire North Eastern States are often criticised as poor considering general as well as tourism infrastructure. The level of infrastructure development is at a quite low level in the NER as compared to the country as a whole (Khanka, 2007). The same is also applicable for accommodation sector of the State. Lack of general infrastructure, high cost of construction and legal hurdles discourage the entrepreneurs. In this regard, it should also be mentioned that not only the region is poor in infrastructure,

but also, there is lack of sincere efforts at the competent levels to mitigate the problems of infrastructure over the years. Only a single instance will establish such lags in the will to combat infrastructure related problems. It should be noted that the Government of Assam, way back in 1987, declared certain subsidies and concessional rates applicable for the entrepreneurs in tourism trade in the state under the 'State Tourism Policy'. By 1992, norms for the selection of the entrepreneurs were also been framed at competent levels. But, till date no beneficiaries could be decided in any of the decided categories (GOI, 2002). The ultimate consequence of lack or inadequacy of required infrastructure facilities is it holds the industry back from taking benefits of the advantages the region holds for the development of tourism industry.

The accommodation industry in Assam suffers from the twin problems internal and external infrastructure. One concerns the internal requirements of the industry in terms of building materials, power, water, transport and communication, and the other concerns similar drawbacks of general infrastructure in the State. 29.77% (31.98% male; 20.39% female) of the entrepreneurs have complained about the internal infrastructure of the industry, whereas, 46.52% of the entrepreneurs have reported about the problems in external infrastructure affecting the growth of their industry. A good number of entrepreneurs (42.0%) also reported that they have suffered from financial hardship in establishing the units.

Problems of Efficient Manpower

Lack of efficient manpower has been another serious problem in the growth of the accommodation industry in Assam. Not only that the entrepreneurs in the industry are devoid of tourism related education and training, but also the workers at different levels of management of the industry have not received hospitality training. This is likely to prove as a serious threat to the expansion of the industry in the State. Besides, majority of the workers (84.50%) in the industry have been recruited from the State itself. This has two ramifications:

First, there may be sufficient and efficient labour market in the State itself.

Second, the labour market for accommodation industry is unattractive and lacks competition.

In the absence of a proper education and training for hospitality workers in the State, the first ramification seems to be impossible. That is why, the second is the reality of the state of affairs.

Problems of Market

The tourism market in the North East India and specifically Assam represents a heterogeneous character from the supply side as well as the demand side. On the supply side, discrete attempts are being made to modernise the existing structure with non-parallel importance to the varied tourism products. The main reason for this is the absence of proper tourism planning in the region. Instead of planned efforts of developing the tourist sites, haphazard growth is observed over the years. Non-conformity of local resources and needs make supply side greatly ineffective. On the demand side, the problem of tourism unpredictability is an evident condition of trade. Due to low tourist inflow, the level of unpredictability is going high.

Along with the problems of lack of publicity (exposure) of the State tourism market at the national and international levels, sub-standard hospitality services including unattractive service packages, and lack of security for the dwellers in the ambivalence of wide spread insurgency, the entrepreneurs in the study region have faced the following major problems relating to hospitality marketing:

1. The majority of the entrepreneurs (52.0%) reported that the lodgers using their units are mostly business tourists with minimum demand for better services.

2. According to a section of the entrepreneurs (26%), some of the visitors check-in the units with ill-intensions like gambling, smuggling, prostitution and even for extremist activities. Expectedly, such visitors do not require service variations, but hide-out from the public and law.

3. Lastly, the average stay of a visitor in an accommodation unit in Assam is quite less around 5 days. Against this, the UNWTO has identified India as an attractive destination with ample promises for tourism development in terms average stay of tourists in the country for 30 days (UNWTO, 2003, pp. 53-56).

Role of Government

There is reason and evidences to believe that tourism-led growth of a periphery region like Assam at the initiatives of the private sector must be propelled by the Government, at least, at the initial stage of development. However, public initiatives for tourism sector development in Assam have not been sufficient over the years. Only 13.04% entrepreneurs have, however, availed the benefits of government policy measures. The analysis of the role of the Government in tourism sector development in Assam, in general, and accommodation industry, in particular, raises the following two major drawbacks of government initiatives:

First, it is perplexing to note that Assam being the gateway state of the NER and being the pioneering in declaring tourism as an industry as well does not have a well-defined tourism policy so far. The state government has a separate ministry to monitor travel and tourism sector in the state, but the ministry has no policy framework to adhere to. It is evident in the Planning Commission Report on Assam Tourism, 2002 which states, "It is said that Assam has a policy on tourism prepared in 1987. Unfortunately, it is not available in any of the offices connected with tourism. It appears that there was an attempt in November 1987 to formulate a tourism policy and, then, in December 1992 an exercise was done to frame certain rules on tourism. It appears that these steps did not bring forth any concrete result.(GOI, 2002)" It is a major reason of haphazard entrepreneurship development in the State.

Second, the Government of India successively re-stressed on the need of private sector participation in tourism industry in the country. Restructuring of the capacities of Indian tourism Development Corporation (ITDC), disinvestment of ITDC owned and managed accommodation units, financial incentives to the private entrepreneurship and approval of foreign capital investment up to 100% are some of the salient features of the recent tourism development strategy of India. On the contrary, Assam is lacking internal as well as external linkages along with improper treatment to the local entrepreneurs. The Planning Commission Report on Assam Tourism, 2002 marks it as 'palpable lack of coordination' creating a serious threat to tourism industry of the region where "stagnation has been the striking mark of the status of tourism in Assam"(GOI, 2002).

6.2 The Entrepreneurial Prospects

Against the problems are prospects as well for the development of tourism industry in the State. The remote and undulating topography of the NER not only poses problems for economic and entrepreneurship development, but also possesses good prospects within its fold for its development (Anonymous, 2002 as quoted in Khanka, 2007). An overview of the prospects of tourism industry in Assam in general, and, accommodation industry in particular, is made as follows:

1. The NER (2, 55, 089 sq. kms) has been a strategically important corner for the Indian economy. Geo-politically, the NER covers 98% of international boundary of India. It shares its boundary with China and Bhutan through its North and North-West, Myanmar and Bangladesh on its East, South, and South West. Being one of the important regions of the NER, Assam has the opportunity to be an international trade centre. It is for

this vast potential that the Government of India is giving increasing emphasis on its “Look east policy through the North-East’ (Khanka, 2007, p.101).

2. Assam has a unique geo-political structure. The region is said to be the ‘unexplored paradise for the tourists’ for its rich natural resources and ethnic diversity. It can develop cultural, lifestyle (tea), adventure and eco-tourism. It has a variety of wildlife and bio-diversity with two sites that are recognized by the UN as wetlands that are unique, rare or representative and internationally sensitive to preserve biodiversity. Assam has also unique cultural and ethnic diversity. All these augur well for tourism (See **Chapter-1**) booming in Assam.

3. Based on the primary data of the study (See **Chapter-3**), some positive inferences on the development of accommodation industry in Assam are made:

(a) Dominance of the higher level of nascent entrepreneurs (44.35%) in the accommodation industry of Assam indicates that there has been an increasing awareness and appreciation of the tourism industry in the State economy.

(b) The rate of local participation in the industry is very high (76.52%) along with the utilisation of local labour market (84.5%). This arouses the possibility of developing the industry by the local-stakeholders for the benefit of the local economy.

(c) A good number of entrepreneurs (36.5%) have started their career in the hospitality sector indicating growing consciousness regarding entrepreneurship in the accommodation industry of Assam.

(d) Occupational shifts from other sectors are indicative of a positive symptom for the development of tourism industry growth in the State. Occupational shifts to the accommodation sector are found in case of government jobs (9.1%), politics and social work (8.3%), agro-based employment (6.5%), and jobs in non-hospitality firms (1.3%).

(e) Slow but increasing number of the visitors over the years (**Table 3.30**) in terms of the use of carrying capacity is another symptom of growth of the industry.

(f) Diversification of accommodation unit has also set in. There has been an indication of developing smaller accommodation business in the form of paying guest houses, student hostels, *dhabas* / wayside inns and resort or resort like accommodation business. However, conventional hotel sector has not lost its past glory. This horizontal spread of the industry indicates the possibilities of developing specialised tourist accommodation units.

(g) The financial structure of the industry also seems to be encouraging. Lower dependence on informal credit (1.7%) and greater reliance on formal credit agencies (59.1%) indicate positive symptom for the future growth of the industry.

(h) The industry has the possibility to be developed in the SMTEs sector with smaller capital structure. It is clear from the fact that 44.35% the entrepreneurs in the industry have established their units with less than Rs.50 lakh as seed capital. This also arouses the possibility of developing social entrepreneurship in tourism trade of Assam.

Based on the discussions made so far, it is quite evident that the accommodation industry of Assam, in particular, and the tourism industry, in general, has good possibility to be developed as full-fledged industry.

Concluding Remarks

Accommodation industry is, in fact, one of the prospective industries for Assam considering the region's resourcefulness as well as necessity. The resourcefulness is, no doubt, a class of its own. The necessity arises from the economic standpoint as well as from sustainability considerations. In fact, the boon of accommodation industry is associated with high level of employment and income multiplier. Sustainability threats have not yet been experienced in prominence in Assam due to its nascent stage of development. However, proper development in the sector should be sustainability conscious, so that any possible damage in the economy in future may be restrained. It is perceptible that without sustainable development in the accommodation sector, sustainability in tourism economy is almost impossible. Proper initiatives in generating local entrepreneurs may be the wisest step in this regard which is an integrated process induced jointly by the State as well as private sector.

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CHAPTER – 7

SUMMARY OF FINDINGS AND SUGGESTIONS

The focus of the present study was primarily on the introspection into the growth of tourism entrepreneurship in the accommodation industry in Assam. The structure of present research was designed accordingly by emphasising the areas including socio-economic profile of the entrepreneurs, the motivational forces leading to entrepreneurship, the level of entrepreneurial performance, and identification of the problems faced by the entrepreneurs. The findings of this study have been discussed at different sections throughout the preceding chapters. However, to reflect the importance of these findings in a more orderly manner, the major findings of the study are recapitulated in the following sections.

7.1 Major Findings

7.1.1 Literature Review

Entrepreneurship is one the most frequently used word in development research with an overabundance of interpretations based on the academic bias of the researchers. The economists emphasise the entrepreneurs' ability to earn economic profits, while psychologists consider the motivation and behavioural attitudes of potential entrepreneurs. However, both the approaches are interrelated. The emerging concepts of social entrepreneurship, nascent entrepreneurial behaviour, and eco-efficiency of entrepreneurial actions have also been widely discussed in recent studies. However, studies relating to the entrepreneurial behaviour in tourism, in general, and accommodation industry in Assam, in particular, are extremely rare.

7.1.2 The Entrepreneurial Profile

The major findings in the analysis of the entrepreneurial profile of the study are as follows:

First, like previous studies, the entrepreneurs of the present study also confirm that the entrepreneurs form a distinct class in the society with heterogeneous socio-economic background, incubation system, and entrepreneurial environment.

Second, the growth of tourism entrepreneurship, in general, and accommodation sector, in particular, in Assam is at the nascent stage. Entrepreneurial nascence is prominently seen in the accommodation industry of Assam, as more than half of the entrepreneurs (51.3%) are at the preliminary stage of growth. Dominance of first

generation entrepreneurs (90.9%), lower levels of business spill-over (3.5%), and dominance of local entrepreneurs (81.7%) establish this conclusion.

Third, the accommodation sector has every possibility to be developed as a major industrial activity in the state. Dominance of local entrepreneurs (81.7%), comparatively smaller size of seed capital (38.3% entrepreneurs have used less than Rs.10 Lakh of seed capital), and generation of employment opportunity for the local youth (84.5%) in various capacities prove that the industry has every chance of developing as a major industrial activity to mitigate the problem of unemployment in the State.

Fourth, like elsewhere in India, business background of the entrepreneurs is found to be dominating in the accommodation industry of Assam as 60.5% of the male and 50.0% of the female entrepreneurs have business-family background.

Fourth, absence of specialised hospitality education, training, and exposure of the entrepreneurs (Only 3.04% of the entrepreneurs have hospitality related education or training) have been noticed as the major problems of the industry. These may be visualised as the causes of the major problem of conventionality in preparing service packages (See **Table 3.28**) and induction of inexperienced and semi-skilled workers (See **Table 3.27**). Moreover, it was also found that the comparative dominance of business travellers (51.7%) is another major factor leading to non-diversification of accommodation services in the State.

7.1.3 Entrepreneurial Motivation

Entrepreneurial behaviour is not the result of a single motive or motivating factor; it is, in deed, the result of a set of motives causing entrepreneurial behaviour. The major findings in the analysis of the entrepreneurial motivation are as follows:

First, the factors of entrepreneurial motivation classified as 'Motives', 'Prime Motivators', 'Compelling Factors', 'Facilitating Factors' and 'Opportunity Factors', are not equally applicable in case of entrepreneurship in the accommodation industry of Assam. Enjoying independence at work and job satisfaction have been the major motives, while 'earning maximum amount of income' is the prime motivator of starting entrepreneurship. Similarly, 'getting self-employment' is found as the major compelling force with 'success story of other entrepreneurs' as the facilitating factor and 'to use personal capacity to the fullest extent' as the opportunity factor.

Second, the entrepreneurs are found primarily motivated by the expectation of 'earning maximum amount of income'.

Third, squeezed job market and very slow pace of industrialisation in the State are the major factors creating a sort of compulsion among the youth to take up self-employment activities including entrepreneurship in the accommodation sector. The role played by the Government to encourage self-employment activities in the accommodation industry has not been found encouraging from the entrepreneurial perspectives.

Fourth, there is no significant difference between the nascent and non-nascent entrepreneurs regarding motives and motivational factors to take up entrepreneurial activities in the accommodation industry of Assam.

Fifth, although the socio-economic and structural variables of entrepreneurship show varied reactions to the acceptance of the principal motivating factors, yet a specific pattern of such relationships could not be determined.

7.1.4 Entrepreneurial Performance

The major findings regarding entrepreneurial performances are summarised as follows:

First, the indicators including caste, mother tongue, migration status, previous occupation, inter-generational occupational shift, financing pattern, size of investment (worth), and self-supervision of the enterprise bear highest importance in determining success rate of the entrepreneurs in the accommodation industry of Assam. The following conclusions are made regarding these indicators:

- a) The success rate of the Scheduled Tribe (Hills) entrepreneurs is very poor in comparison with the entrepreneurs from other castes.
- b) The success rate of the Assamese-speaking entrepreneurs is considerably higher in comparison to other entrepreneurs.
- c) The success rate of local entrepreneurs is better than those migrated from outside the NER.
- d) The success rate of the entrepreneurs having previous experiences of business is significant in comparison to the entrepreneurs having experience in Government job, agro-base employment, politics and social work and, non-hospitality firms.
- e) The success rate of the first generation entrepreneurs has been significantly lower in comparison to the second-generation entrepreneurs.
- f) The success rate of entrepreneurs financed by the nationalised banks is higher than those who are financed by friend and relatives.
- g) The success rate of enterprises worth less than Rs. 50 Lakh is higher than enterprises worth more than Rs. 50 Lakh.

- h) The enterprises supervised by the entrepreneur himself / herself have better success rate than those supervised by the hired managers.

Second, the indicators including start-up age, religion, level of education and training, types of accommodation unit, and entrepreneurial experience in the industry are also found important in determining success rate of the entrepreneurs. In case of the start up age, it is noticed that mid-age start-ups led to higher profitability in the majority of the cases. Considering the highest mean value, professional degree/diploma holders (7%) may be considered the most successful entrepreneurs in the industry.

Third, the indicators including gender, marital status, location of business, and level of nascence are found to be least important in determining success rate of the entrepreneurs.

7.1.5 Entrepreneurial Problems in Accommodation Industry

The accommodation industry of Assam suffers from micro as well as macro environmental problems of entrepreneurship. The micro-environmental problems are associated with the internal capacity generation of the entrepreneurs, while macro-environment is external to the entrepreneurs leading to the entrepreneurial orientation. Accommodation industry is, in fact, one of the prospective industries for Assam considering the region's resourcefulness as well as necessity. The resourcefulness is, no doubt, a class of its own. The necessity arises from the economic standpoint as well as from sustainability considerations.

However, against problems are prospects as well for the development of accommodation industry in Assam.

7.2 Suggestions

On the basis of the study, it may be emphasised that the creation of a congenial atmosphere for the development of accommodation industry in Assam is one of the most important requirements to reap sustainable benefits of tourism industry in the State.

Throughout the study, it was realised that, there is no dearth of entrepreneurial talent in the State. But, problems arise in maintaining and up-grading entrepreneurial potentialities to suit the changing economic environment and competition. This creates the emergent obligation for the society to help in properly conduit the entrepreneurial power in the most profitable and efficient way. One of the ways to ascertain the requisite development of the sector is to have a consistent and integrated approach to develop the micro as well as macro environments for entrepreneurship development, along with

creating the supportive facilities. This will persuade the new generation entrepreneurs to actively take part in the developmental process. This is, in a way, associated with the formation of an enterprising society.

The entire process of the formation of an enterprising society is holistic in nature requiring contributions from every corner of the society in one form or the other. This is, in fact, a growing necessity of all the developing nations in the age of global economic transformation. Loss of indigenous identity of the smaller socio-economic communities seems to be inevitable in the face of the giant global competition, if appropriate measures have not been adopted well ahead of time. It is also to note that areas under tourism economy are vulnerable to unsustainable growth. Therefore, the sectors must be co-ordinated under Government control.

A simplified conceptual model of entrepreneurship generation in accommodation industry, in particular, and tourism industry of Assam, in general, has been formulated (Fig.7.1). This model is specifically applicable for SMEs in the accommodation industry of Assam. It is to note that our study has already established the possibility of developing small capital-fed accommodation units in Assam. This possibility validates the application of the model in the State economy.

The Model: Tourism Entrepreneurship Incubator (TEI)

Tourism development can be successful only when the development process is linked with the local stakeholders who provide physical assets as tourism products. This is essential for three reasons:

1. The concerned stakeholders must be benefited socially as well as commercially from their own assets.
2. Without the active participation of the stakeholders, the policy of maintaining eco-bio-diversity and originality of traditional value system can never be accomplished.
3. It is to remember that tourism trade, in general, and accommodation industry, in particular, is still at infancy in Assam.

The TEI works at the grass-root level of tourism planning and promotion. It is a sort of nodal agency devoted to the systematic process of enhancing tourism entrepreneurship development. It has three distinct stages:

- I. The Primary Phase,
- II. The Intermediate Phase, and
- III. The Final Phase.

I. The Primary Phase

Determination of core potential of the tourism base of the State is the primary task. This task may be fulfilled by the Government by adopting independent or joint spatial surveys in co-ordination with local non-government organisations (NGOs.). At every stage of the survey, participation, recommendations, and preferences of the local stakeholders should be given priority. Besides, a well coordinated tourism development plan should be prepared for the potential (nascent) entrepreneurs with the following objectives:

1. Arousing the need for developing tourism entrepreneurship in terms of prospective income generation, growth of employment opportunities and conservation of available natural and man-made tourism resources of the region, is the basic necessity for the application of model. This can be done through local publicity in print and visual media, festivals and fairs of indigenous culture and traditional products.

2. Declaring the locations of tourism potentialities of the region as places of interest and importance by the competent authority and appropriate guidelines should be prepared for this purpose.

3. Formulation of a well defined policy to attract specified categories of tourists satisfying their requirements is felt to be a major step in this regard. This is a preferred action to boost up certainty in the growth of entrepreneurship. This may be contradictory to the popular belief of attracting mass tourism culture. 'Attracting specified category of tourists' represents promoting one or a few favourable tourism clusters like ecotourism, rural tourism, etc. Indian Tourism Policy has already taken such a step by initiating the promotion of ecotourism as a major segment of Indian tourism.

4. Up-gradation of the existing tourism infrastructure like means of communication, transport, and accommodation etc., is required.

5. There is a need to initiate drive to develop requisite manpower for the industry at all levels of education and training. From the secondary level of education, there should be optional courses on tourism development and management, forest and environmental studies, etc.

II. The Intermediate Phase

The intermediate phase of tourism entrepreneurship development is to provide entrepreneurial incubation to the selected nascent entrepreneurs. The incubator helps in property development and management as well as small business development and management. It should be planned in such a manner that it can provide the requisite

micro-environment for an entrepreneur whose activities accelerate the process of enterprise development and increases the likelihood of business growth. In the process the following steps are included:

1. Making provisions for flexible and condensed training modules for entrepreneurial grooming which can assure the conservation of the entrepreneurs' time and money.

2. Helping entrepreneurs to overcome the constraints to enterprise growth that arise from their macro-entrepreneurial environment.

3. Accelerating the rate at which the entrepreneurs learn core elements of business planning, by providing informational interchanges, mentoring, technical and management assistance, and workshops.

4. Providing ready access for entrepreneurs to learning resources on design, management, and networking in an incubating environment.

The incubating agency must be an impartial organisation having equal participation of public and private sectors.

The development of tourism entrepreneurship lies in the inputs like technical, physical, and technical resources. Like elsewhere in India, Universities and technical educational institutions in the State may take bold steps towards the introduction of tourism specific education curriculum.

Similarly, NGOs can adopt the participatory process of tourism community education through public interactions in different forms like seminars, workshops, short training programmes and arranged festivities.

The Central Government is the final policy maker regarding the incubator. However, in certain areas the State Government must take its own interest. Some of such sectors are: development of general and tourism based infrastructure, developing 'hospitality services', making scope for private sector participation declaring special incentive policy, and maintenance of law and order to provide security to the tourists as well as the tourist sites.

Financial institutions play a major role by supplying much needed capital to the tourism based entrepreneurs at special concession rates.

As shown in the model, an integrated process of developing tourism based entrepreneurship can successfully overcome the difficulties of entrepreneurship generation by ensuring stability in businesses, increased employment, increased

household income, increased conservation incentive, increased tourism products, and increased vegetation to the region.

III. The Final Phase

The final phase is divided into two sub-stages, viz, - Self-evaluation Manoeuvres and Take Off /Open Competition. Self-evaluation is essential for the attainment of clarity of sustainability conditions, on one hand, and assurance of strict adherence to the sustainability ethics, on the other. If it is found during the evaluation period that in a designated area, the stake-holders are contributing negatively to the process of change, it is advisable that the strategy of entrepreneurship should be withdrawn systematically. Otherwise, it will prove dangerous for the native value system. The concept of 'Open Competition' is attached to the exposure of the local market for tourism to the national as well as international markets. Open competition is possible only when the stake-holders practically realise the economic as well as non-economic conditions of sustainable growth in tourism sector.

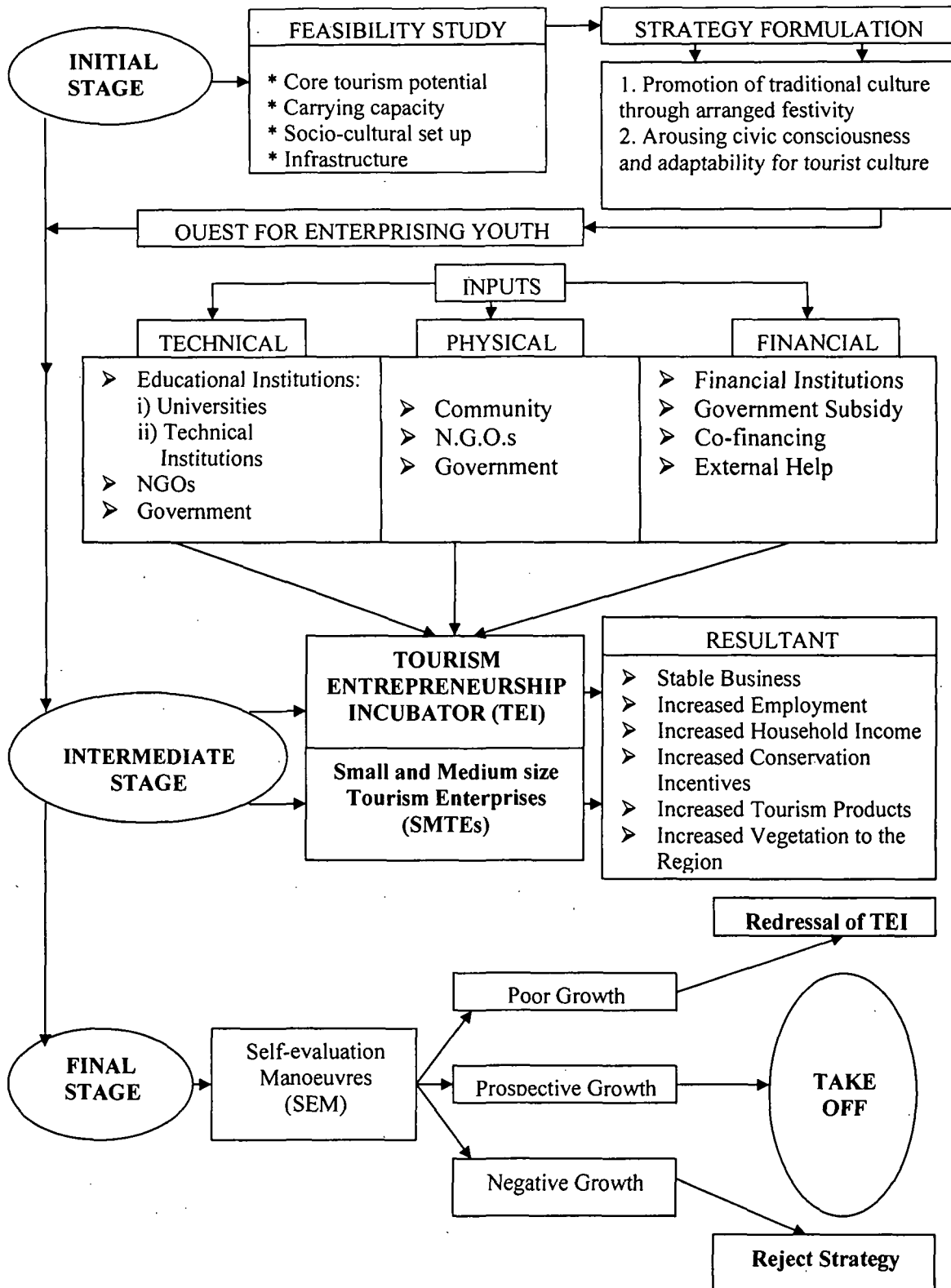
Tourism industry take off is considered to be a subjective phenomenon. However, the incubating agency may fix certain targets of industrial take off based on the quantitative criteria like annual flow of international tourists, net annual tourism revenue, annual increase of income to the incubated entrepreneurs, and growth of entrepreneurs in the sector over the incubated ones.

The final step is to withdraw external support in a gradual but regular interval. This inevitability of withdrawal has the positive impact on increased competitiveness in the tourism industry for quality services.

Limitations

It is to mention that the proposed model has not been empirically tested for its validity. It tries to highlight a possible process by which entrepreneurship in tourism in Assam, in general, and more particularly, in accommodation sector may be generated. Moreover, the model emphasises on a holistic process in which the stakeholders are expected to contribute in their best possible capacities at every stage of entrepreneurial activities. In the absence of genuine contributions of the stakeholders, the application the model may not be beneficial.

Fig.7.1: Tourism Entrepreneurship Incubator (TEI)



7.3 Scope for Further Research

Tourism, and more particularly accommodation industry is, in fact, one of the prospective industries in Assam. In the present study, a modest attempt is made to understand the basic structure of the industry in the State relating to the areas like entrepreneurial nascence, motivation, and the succession pattern. There is no denying the fact that there is tremendous necessity of in-depth research in all the relevant branches of tourism industry in Assam. However, addressing to all these areas in a single study is not just feasible. During the course of the present study, the following areas were found highly relevant for further research:

1. Tourism multiplier analysis.
2. Comparative analysis of public and private sector participation in tourism.
3. Development of tourism entrepreneurship in a segmented tourism market.
4. Development of rural tourism in Assam under the rationale of social entrepreneurship.
5. Role of information technology in tourism entrepreneurship development.
6. Determination of the codes of conduct for the nascent entrepreneurs.
7. Development of a tourism entrepreneurship incubator.
8. Public awareness generation for entrepreneurship in tourism.
9. Determination of a detailed structure of educational curriculum for tourism entrepreneurship development in Assam.
10. Integrated entrepreneurship development for tourism in the NER as a whole.

The above mentioned list for further research is not comprehensive, but an illustrative one.

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APPENDICES

Appendix I

Procedure of Factor Analysis

1. Initially, the SPSS 11.0 output shows an abridged version of R-matrix. The top half of this table of correlation matrix comprises the Pearson correlation coefficient between all pairs of questions and the bottom half contains the one-tailed significance of these coefficients. This matrix checks the pattern of relationship.

2. Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity were used to validate the analysis. KMO measure varies between 0 and 1, and values closer to 1 are considered better. KMO value equal to zero (0) indicates larger sum of partial correlations diffusing the pattern of correlations. It makes factor analysis inappropriate. A value of 0.6 is a suggested minimum. Kaiser (1974) recommends accepting values greater than 0.5 as acceptable.

Bartlett's Test of Sphericity tests the null hypothesis that the original correlation matrix is an identity matrix. An identity matrix is matrix in which all of the diagonal elements are 1 and all off diagonal elements are 0.

3. This stage is associated with factor extraction process. It lists the eigenvalues associated with each linear factor (component) before extraction, after extraction and after rotation. The eigenvalues associated with each factor represent the variance explained by that particular linear component. It is to note that the first few factors (especially the factor 1) show relatively large amounts of variance whereas subsequent factors explain only small amounts of variance. Then SPSS extracts all factors with eigenvalues greater than one (1). The eigenvalues associated with these factors are again displayed in the columns labelled 'Extraction Sums of Squared Loadings'. The values in this part are same as the values before extraction, except that the values for the discarded factors are ignored. In the final part of the table ('Rotation Sums of Squared Loadings') the eigenvalues of the factors after rotation are displayed. Rotation has the effect of optimising the factor structure and one consequence for these data is that the relative importance of the retained factors is equalised.

4. This stage deals with Communalities before and after Extraction. Principal component analysis works on the initial assumption that all variance is common. Therefore, before extraction the communalities are all 1. The communalities in the

column labelled Extraction reflect the common or shared variance in the data structure. Another way of measuring these communalities is in terms of the proportion of variance explained by the underlying factors. After extraction some of the factors are discarded and so some information is lost. The amount of variance in each variable that can be explained by the retained factors is represented by the retained factors is represented by the communalities after extraction. The output also shows the component matrix before rotation. This matrix contains the loadings of each variable onto each factor. This matrix is not very much important for having interpretations in factor analysis.

According to Kaiser's Criterion, if there are less than thirty (30) variables and communalities after extraction are greater than 0.7 or if the sample size exceeds 250 and the average communality is greater than 0.6, then all factors having Eigen values greater than one (1) are retained as determining factors. If none of these conditions apply, then Scree Plot may be used provided sample size is around 300 or more.

5. Factor Rotation is the fifth output in factor analysis. It shows the rotated component matrix (also called rotated factor matrix). It contains similar information as in component matrix in output 4 except that it is calculated after rotation.

The rotated component matrices of the data set reveal the following specifications:

1. Factor loadings below 0.40 are suppressed.
2. The variables are listed in the order of size of their factor loadings.
3. Rotation converged in 29 iterations.
4. Orthogonal rotation is used under the presumption that factors are theoretically independent.

Before rotation, most variables loaded highly onto the first factor. However, by rotation the factor structure has been clarified considerably.

Descriptive Statistics

The Factors	Mean	Std. Deviation
Getting self-employment (EC1)	2.76	1.164
Family pressure/desire(EC2)	2.69	.801
Not getting a suitable job (EC3)	2.20	1.079
To look after family property (EC4)	2.13	1.022
Family tradition (EC5)	1.60	.802
To pass time (EC6)	1.35	.641
To have a subsidiary income (EC7)	1.72	1.024
Job satisfaction (EC8)	3.07	.742
Not to be controlled by others (EC9)	3.47	.855
To adopt an unorthodox business (EC10)	1.54	.751
To get an employers status (EC11)	3.13	.782
Gaining social status (EC12)	3.00	.935
Success story of other entrepreneurs in this sector (EC13)	3.67	1.054
Encouraged by Government and bank policies (EC14)	2.30	1.012
Possess sufficient knowledge and expertise in this sector (EC15)	2.01	1.186
Earning maximum amount of income (EC16)	3.97	.781
To use personal capacity to the fullest extent (EC17)	3.54	.880
To be relieved from routine activities (EC18)	2.06	.974
Doing something different (EC19)	2.40	1.173
To have a wider field of activity (EC20)	3.04	1.042
To lead the society (EC21)	2.30	.922
To overcome challenges (EC22)	3.34	.765
Enjoying independence at work (EC23)	3.49	.929
To develop the state economy (EC24)	2.17	.807
To work in flexible time schedule (EC25)	3.30	.921
To have a leisurely life (EC26)	1.62	.530

Analysis N = 230; Missing = 0

SPSS OUTPUT 1
CORRELATION MATRIX

	EC 1	EC 2	EC 3	EC 4	EC 5	EC 6	EC 7	EC 8	EC 9	EC 10	EC 11	EC 12	EC 13	EC 14	EC 15	EC 16	EC 17	EC 18	EC 19	EC 20	EC 21	EC 22	EC 23	EC 24	EC 25	EC 26
EC1	1.00	.083	.515	-.062	-.218	-.155	-.009	-.103	.057	.156	.045	-.076	-.303	-.112	.169	.228	.056	.002	-.024	-.154	-.130	.158	.236	-.020	.264	.018
EC2	.083	1.00	.238	.080	.165	.091	.097	-.069	-.070	-.042	-.124	-.105	.004	.012	-.020	-.159	.070	-.105	.109	.051	-.008	-.069	-.001	-.214	-.140	-.063
EC3	.515	.238	1.00	-.185	-.310	.000	.047	-.267	-.092	-.058	-.191	-.139	-.196	-.071	.050	.063	-.027	-.049	-.036	-.197	-.241	-.010	.098	-.140	.049	-.026
EC4	-.062	.080	-.185	1.00	.318	.312	.209	-.267	.013	.042	.170	.183	-.059	-.045	.082	-.056	.021	.352	.191	.122	.038	.056	.072	-.032	.066	.073
EC5	-.218	.165	-.310	.318	1.00	-.039	-.074	.070	-.113	-.187	-.027	-.070	.076	.080	-.189	-.066	.007	-.075	-.138	-.018	-.069	-.143	-.160	-.033	-.083	-.027
EC6	-.155	.091	.000	.312	-.039	1.00	.387	.007	-.065	.180	.014	.204	.052	-.061	.163	-.191	.007	.288	.232	.195	.101	.040	.056	.009	-.015	.162
EC7	-.009	.097	.047	.209	-.074	.387	1.00	.110	.024	.116	-.053	.096	.005	.132	.300	-.156	-.036	.262	.249	.100	.072	.173	.121	-.047	.056	.052
EC8	-.103	-.069	-.267	.070	.089	.007	.110	1.00	.276	.250	.076	.157	-.029	.224	.104	-.140	.127	.097	.231	.211	.201	.276	.137	.287	.035	.108
EC9	.057	-.070	-.092	.013	-.113	-.065	.024	.276	1.00	.084	.405	.405	.019	.202	.125	.097	.083	.129	.254	.195	.196	.403	.289	.224	.138	.038
EC10	.156	-.042	-.058	.042	-.187	.180	.116	.250	.084	1.00	.051	.087	-.058	-.108	.260	.009	.034	.265	.235	.163	.140	.178	.176	.198	-.014	.082
EC11	.045	-.124	-.191	.170	-.027	.014	-.053	.076	.405	.051	1.00	.580	.147	.121	.201	.120	.100	.282	.224	.278	.211	.275	.218	.047	.000	.089
EC12	-.076	-.105	-.139	-.183	-.070	.204	.096	.157	.405	.087	.580	1.00	.089	.176	.248	-.030	-.058	.345	.223	.309	.269	.293	.221	.098	-.076	.185
EC13	-.303	-.004	-.196	-.059	.076	.052	.005	-.029	.019	-.058	.147	.089	1.00	.211	-.183	.106	.322	.024	.124	.238	.170	-.093	.201	-.082	-.002	-.021
EC14	-.112	.012	-.071	-.045	.080	-.061	.132	.224	.202	.108	.121	.176	.211	1.00	.373	.203	.132	-.103	.189	.175	.192	.075	-.134	.161	-.116	.011
EC15	-.169	-.020	.050	.082	-.189	.163	.300	.104	.125	.260	.201	.248	-.183	.373	1.00	.066	.000	.087	.136	.134	.145	.132	.028	.135	-.034	.019
EC16	.228	-.159	.063	-.056	-.066	-.191	-.156	-.140	.097	.009	.120	-.030	.106	.203	.066	1.00	.326	-.004	-.046	.001	.096	.081	-.109	.070	.041	-.119
EC17	.056	.070	-.027	.021	.007	.007	-.036	.127	.083	.034	.100	-.058	.322	.132	.000	.326	1.00	.063	.150	.206	.174	.094	.054	.089	-.001	-.005
EC18	.002	-.105	-.049	.352	-.075	.288	.262	.097	.129	.265	.282	.345	.024	-.103	.087	.004	.063	1.00	.460	.329	.237	.347	.276	.092	.014	.206
EC19	-.024	.109	-.036	.191	-.138	.232	.249	.231	.254	.235	.224	.223	.124	.189	.136	-.046	.150	.460	1.00	.530	.460	.236	.264	.208	.018	.170
EC20	-.154	.051	-.197	.122	-.018	.195	.100	.211	.195	.163	.278	.309	.238	.175	.134	.001	.206	.329	.530	1.00	.469	.246	.273	.158	.024	.011
EC21	-.130	-.008	-.241	.038	-.069	.101	.072	.201	.196	.140	.211	.269	.170	.192	.145	.096	.174	.237	.460	.469	1.00	.285	.100	.375	-.082	.070
EC22	.158	-.069	-.010	.056	-.143	.040	.173	.276	.403	.178	.275	.293	-.093	.075	.132	.081	.094	.347	.236	.246	.285	1.00	.462	.320	.113	.046
EC23	.236	-.001	.098	.072	-.160	.056	.121	.137	.289	.176	.218	.221	-.201	-.134	.028	-.109	.054	.276	.264	.273	.100	.462	1.00	.084	.113	.082
EC24	-.020	-.214	-.140	-.032	-.033	.009	-.047	.287	.224	.198	.047	.098	-.082	.161	.135	.070	.089	.092	.208	.158	.375	.320	.084	1.00	.059	.054
EC25	.264	-.140	.049	.066	-.083	-.015	.056	.035	.138	-.014	.000	-.076	-.002	-.116	-.034	.041	-.001	.014	.018	.024	-.082	.113	.113	.059	1.00	.057
EC26	.018	-.063	.026	.073	-.027	.162	.052	.108	.038	.082	.089	.185	-.021	.011	.019	-.119	-.005	.206	.170	.011	.070	.046	.082	.054	.057	1.00
EC1		.105	.000	.174	.000	.009	.443	.060	.194	.009	.250	.125	.000	.045	.005	.000	.198	.491	.357	.010	.024	.008	.000	.383	.000	.392
EC2		.105	.000	.114	.006	.085	.071	.149	.145	.266	.031	.056	.474	.426	.381	.008	.146	.057	.050	.220	.451	.150	.496	.001	.017	.169
EC3		.000	.000	.002	.000	.500	.241	.000	.083	.190	.002	.018	.001	.141	.226	.170	.344	.230	.294	.001	.000	.443	.070	.017	.229	.348
EC4		.174	.114	.002	.000	.000	.001	.146	.425	.264	.005	.003	.187	.248	.108	.199	.375	.000	.002	.032	.284	.199	.137	.315	.158	.134
EC5		.000	.006	.000	.000	.276	.133	.090	.044	.002	.342	.146	.126	.113	.002	.161	.458	.130	.018	.396	.149	.015	.008	.312	.104	.349
EC6		.009	.085	.500	.000	.276	.000	.457	.161	.003	.419	.001	.215	.180	.007	.002	.460	.000	.000	.001	.064	.272	.197	.445	.412	.007
EC7		.443	.071	.241	.001	.133	.000	.048	.360	.039	.214	.074	.473	.023	.000	.009	.292	.000	.000	.065	.140	.004	.033	.240	.197	.215
EC8		.060	.149	.000	.146	.090	.457	.048	.000	.000	.127	.008	.333	.000	.059	.017	.028	.071	.000	.001	.001	.000	.019	.000	.298	.051
EC9		.194	.145	.083	.425	.044	.161	.360	.000	.103	.000	.103	.000	.388	.001	.029	.072	.104	.026	.000	.001	.001	.000	.000	.018	.283
EC10		.009	.266	.190	.264	.002	.003	.039	.000	.103	.222	.094	.190	.051	.000	.445	.304	.000	.000	.007	.017	.003	.004	.001	.417	.109
EC11		.250	.031	.002	.005	.342	.419	.214	.127	.000	.222	.000	.013	.033	.001	.035	.064	.000	.000	.000	.001	.000	.000	.239	.500	.089
EC12		.125	.056	.018	.003	.146	.001	.074	.008	.000	.094	.000	.090	.004	.000	.326	.189	.000	.000	.000	.000	.000	.000	.068	.125	.002
EC13		.000	.474	.001	.187	.126	.215	.473	.333	.388	.190	.013	.090	.001	.003	.054	.000	.361	.031	.000	.005	.079	.001	.108	.486	.375
EC14		.045	.426	.141	.248	.113	.180	.023	.000	.001	.051	.033	.004	.001	.000	.001	.023	.060	.002	.004	.002	.128	.021	.007	.040	.432
EC15		.005	.381	.226	.108	.002	.007	.000	.059	.029	.000	.001	.000	.003	.000	.159	.498	.096	.020	.021	.014	.023	.337	.020	.302	.386
EC16		.000	.008	.170	.199	.161	.002	.009	.017	.072	.445	.035	.326	.054	.001	.159	.000	.478	.245	.492	.074	.111	.050	.147	.267	.036
EC17		.198	.146	.344	.375	.458	.460	.292	.028	.104	.304	.064	.189	.000	.023	.498	.000	.169	.012	.001	.004	.079	.208	.090	.494	.469
EC18		.491	.057	.230	.000	.130	.000	.000	.071	.026	.000	.000	.000	.361	.060	.096	.478	.169	.000	.000	.000	.000	.000	.082	.419	.001
EC19		.357	.050	.294	.002	.018	.000	.000	.000	.000	.000	.000	.000	.031	.002	.020	.245	.012	.000	.000	.000	.000	.001	.394	.005	
EC20		.010	.220	.001	.032	.396	.001	.065	.001	.001	.007	.000	.000	.000	.004	.021	.492	.001	.000	.000	.000	.000	.000	.008	.358	.432
EC21		.024	.451	.000	.284	.149	.064	.140	.001	.001	.017	.001	.000	.005	.002	.014	.074	.004	.000	.000	.000	.000	.065	.000	.107	.147
EC22		.008	.150	.443	.199	.015	.272	.004	.000	.000	.003	.000	.000	.079	.128	.023	.111	.079	.000	.000	.000	.000	.000	.000	.043	.246
EC23		.000	.496	.070	.137	.008	.197	.033	.019	.000	.004	.000	.000	.001	.021	.337	.050	.208	.000	.000	.000	.065	.000	.103	.044	.108
EC24		.383	.001	.017	.315	.312	.445	.240	.000	.000	.001	.239	.068	.108	.007	.020	.147	.090	.082	.001	.008	.000	.103	.188	.207	
EC25		.000	.017	.229	.158	.104	.412	.197	.298	.018	.417	.500	.125	.486	.040	.302	.267	.494	.419	.394	.358	.107	.043	.044	.188	.194
EC26		.392	.169	.348	.134	.345	.007	.215	.051	.283	.109	.089	.002	.375	.432	.386	.036	.469	.001	.005	.432	.147	.246	.108	.207	.194

a Determinant = 6.211E-04

SPSS OUTPUT 2
KMO AND BARTLETT'S TEST

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.673
Bartlett's Test of Sphericity Approx. Chi-Square	1620.801
df	325
Sig.	.000

SPSS OUTPUT 3
FACTOR EXTRACTION

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.303	16.551	16.551	4.303	16.551	16.551	2.609	10.034	10.034
2	2.387	9.180	25.731	2.387	9.180	25.731	2.423	9.321	19.355
3	2.111	8.117	33.849	2.111	8.117	33.849	2.413	9.282	28.637
4	1.661	6.389	40.238	1.661	6.389	40.238	2.136	8.217	36.854
5	1.543	5.936	46.173	1.543	5.936	46.173	1.758	6.763	43.616
6	1.423	5.472	51.646	1.423	5.472	51.646	1.576	6.060	49.676
7	1.271	4.888	56.534	1.271	4.888	56.534	1.485	5.712	55.389
8	1.234	4.744	61.278	1.234	4.744	61.278	1.392	5.352	60.741
9	1.056	4.062	65.340						
10	.993	3.818	69.158						
11	.889	3.417	72.575						
12	.821	3.160	75.735						
13	.713	2.744	78.478						
14	.666	2.561	81.039						
15	.607	2.333	83.373						
16	.572	2.199	85.572						
17	.546	2.101	87.672						
18	.500	1.921	89.594						
19	.443	1.704	91.298						
20	.416	1.602	92.900						
21	.377	1.451	94.351						
22	.346	1.330	95.681						
23	.325	1.251	96.932						
24	.293	1.126	98.058						
25	.267	1.026	99.084						
26	.238	.916	100.000						

Extraction Method: Principal Component Analysis.

**SPSS OUTPUT 4:
COMMUNALITIES BEFORE AND AFTER EXTRACTION**

	Initial	Extraction
Getting self-employment	1.000	.742
Family pressure/desire	1.000	.753
Not getting a suitable job	1.000	.699
To look after family property	1.000	.772
Family tradition	1.000	.755
To pass time	1.000	.599
To have a subsidiary income	1.000	.617
Job satisfaction	1.000	.632
Not to be controlled by others	1.000	.646
To adopt an unorthodox business	1.000	.456
To get an employers status	1.000	.741
Gaining social status	1.000	.750
Success story of other entrepreneurs in this sector	1.000	.743
Encouraged by Government and bank policies	1.000	.738
Possess sufficient knowledge and expertise in this sector	1.000	.732
Earning maximum amount of income	1.000	.749
To use personal capacity to the fullest extent	1.000	.603
To be relieved from routine activities	1.000	.680
Doing something different	1.000	.634
To have a wider field of activity	1.000	.600
To lead the society	1.000	.594
To overcome challenges	1.000	.567
Enjoying independence at work	1.000	.634
To develop the state economy	1.000	.592
To work in flexible time schedule	1.000	.731
To have a leisurely life	1.000	.231

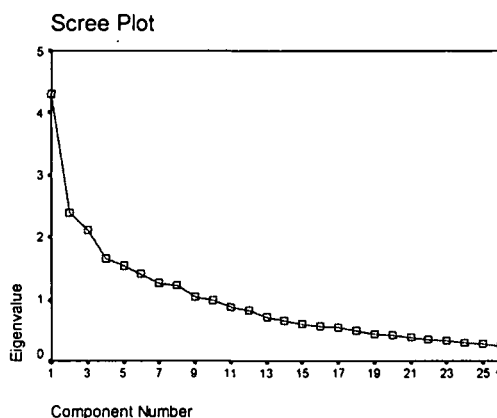
Extraction Method: Principal Component Analysis.

COMPONENT MATRIX

	Component							
	1	2	3	4	5	6	7	8
Doing something different	.676							
To have a wider field of activity	.643							
Gaining social status	.618					.510		
To be relieved from routine activities	.600							
To overcome challenges	.596							
To lead the society	.595							
To get an employers status	.545					.480		
Not to be controlled by others	.530							
Job satisfaction	.442				-.431			
To adopt an unorthodox business								
To have a leisurely life								
Getting self-employment		.774						
Not getting a suitable job		.661						
Success story of other entrepreneurs		-.546						
Enjoying independence at work	.445	.452						
To pass time			.621					
Earning maximum amount of income			-.582					.429
To have a subsidiary income			.492					
To look after family property			.487				.403	.402
Encouraged by Government and bank policies				.433				
To use personal capacity to the fullest extent								
To develop the state economy					-.413			
Possess sufficient knowledge and expertise					-.419	.477		
Family tradition		-.528					.611	
Family pressure/desire				.431			.463	-.458
To work in flexible time schedule								.423

Extraction Method: Principal Component Analysis.
a 9 components extracted.

SPSS OUTPUT 5 SCREEE PLOT



SPSS 11.0 OUTPUT 6

FACTOR ROTATION

Rotated Component Matrix

	Component							
	1	2	3	4	5	6	7	8
To get an employers status	.824							
Gaining social status	.791							
Not to be controlled by others	.655							
Enjoying independence at work	.426							
To pass time		.756						
To be relieved from routine activities		.634						
To have a subsidiary income		.606						
Doing something different		.488	.406					
To have a leisurely life								
To develop the state economy			.720					
Job satisfaction			.652					
To lead the society			.522					
To overcome challenges	.454		.503					
To adopt an unorthodox business			.461					
To have a wider field of activity								
Getting self-employment				.813				
Success story of other entrepreneurs				.614	.522			
Not getting a suitable job				.603				
To use personal capacity to the fullest extent					.742			
Earning maximum amount of income					.694			
Encouraged by Government and bank policies						.769		
Possess sufficient knowledge and expertise						.713		
Family tradition							.789	
To look after family property		.444					.737	
Family pressure/desire								.816
To work in flexible time schedule								.813

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 29 iterations.

Component Transformation Matrix

Component	1	2	3	4	5	6	7	8
1	.626	.474	.570	-.050	.185	.142	.011	.037
2	.072	.059	.022	.885	-.164	-.070	-.360	-.001
3	-.192	.728	-.228	-.001	-.455	-.168	.269	.265
4	-.356	.243	-.111	.099	.512	.508	-.259	.396
5	.349	.066	-.490	.041	.541	-.541	.054	.197
6	.484	-.017	-.568	.079	-.188	.546	.116	-.225
7	.034	-.305	.131	.270	.031	.194	.706	.481
8	-.284	.286	-.029	.158	.364	.100	.382	-.650
9	.047	.049	-.173	-.314	-.095	.226	-.263	.171

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

Measurement of Factor Score

Factor scores were calculated based on the principal factors and the factor scores are compared with different socio-economic variables with the help of 'One way Analysis of Variance (ANOVA)' analysis. Levene's test of homogeneity and post- hoc methods (Bonferroni and Games Howel) of multiple comparisons were used to determine different significantly associated pairs of groups.

The factor scores were calculated based on the principal factors by using the following formula*:

$$\text{Motivation PC}_{nj} = \frac{\sum (\text{Loading } V_{ji})^2 \times \text{Score}_{nji}}{\sum (\text{Loading } V_{ji})^2}$$

Where,

Motivation PC_{nj} = Weighted means of the scores of the respondents 'n' against the variable that constitute the Factor 'j', which can explain the combined motivation assigned by the respondent 'n' on factor 'j'.

Loading V_{ji} = Loading of the variable 'i' under factor 'j', where 'i' is a component set 'j'.

Score V_{nji} = Score of the respondent 'n' against raw variable 'i' under factor 'j'.

* The researcher is indebted to **Dr. M.K. Sharma**, Reader, Department of Business Administration, Tezpur University for the use of the formula.

Appendix - II

DEPARTMENT OF BUSINESS ADMINISTRATION, TEZPUR UNIVERSITY, ASSAM

QUESTIONNAIRE

DEVELOPMENT OF TOURISM ENTREPRENEURSHIP IN ASSAM, WITH SPECIAL REFERENCE TO ACCOMMODATION INDUSTRY

(A Doctoral Research Project by **Anjan Bhuyan**,
under the guidance of **Prof. S.S. Khanka** Dean, School of Management Sciences & Head,
Department of Business Administration, Tezpur University, Assam)

BASIC INFORMATION ABOUT THE ENTREPRENEUR AND ENTERPRISE

Sl. No.	Date & time	District		Type of response sheet		Respondent		
		Tezpur	Sivasagar	Complete	Incomplete	Owner	Manager	Others (Specify)
		Dibrugarh						
		Guwahati Metro						

Name of the accommodation unit	Year of Establishment	Location			
		Urban	Semi-urban	Rural	Others (Specify)

Name (s) of the owner(s)	Gender		Type of the present business venture		
	Male	Female	Public	Private	Others (Specify)

Address:	
	Email ID:

Distance from :(km.)	Railway station	Bus stand	Airport

PART – 1: THE ENTREPRENEUR

This section is designed to have an idea about your enterprise. You are requested to go through the queries (Column 2), the response options (Column 3) provided and to put your own response in the (column 4).

1	2	3	4
Sl.No	The query	The options	The response
1.	How can your organisation be distinguished?	(1) Government Tourist Lodge (2) Budget Hotel (3) Paying Guests System (4) Private Hostel (5) Tourist Resort (6) Dhaba/Way-side Inn (7) Dharamsala (8) Others	
2	What is your present age?	(1) No response (2) Below 20 years (3) 20-29 years (4) 30-39 years (5) 40-49 years (6) 50-59 years (7) 60 years and above	
3	What was your age at the time of starting this enterprise?	(1) Below 20 years (2) 20-29 years (3) 30-39 years (4) 40-49 years (5) 50-59 years (6) 60 years and above	
4	Whether the respondent is a first generation entrepreneur?	(1) No response (2) First Generation (3) Second Generation (4) Third Generation	
5	What is your present educational qualification? <i>If your response is not in the list please put your own response</i> <hr/>	(1) No response (2) Primary Education (3) Matriculation (4) Higher Secondary (5) Graduation (6) Post graduation (7) Professional degree/diploma	

6	<p>What was your educational qualification at the time of starting this enterprise?</p> <p><i>If your response is not in the list please put your own response</i></p> <hr/>	<p>(1) No response (2) Primary Education (3) Matriculation (4) Higher Secondary (5) Graduation (6) Post graduation (7) Professional degree/diploma</p>	
7	<p>Please state your religion.</p> <p><i>If your response is not in the list please put your own response</i></p> <hr/>	<p>(1) No response (2) Hinduism (3) Islamism (4) Sikhism (5) Christianity (6) Jainism</p>	
8	<p>Are you trained in hospitality industry?</p>	<p>(1) No response (2) Yes (3) No</p>	
9	<p>What is your migration status? <i>If your answer is not (1) or (2), please specify the name of the district [in case of (3)] or state [in case of (4)] of your birthplace</i></p> <hr/>	<p>(1) No response (2) Born and brought up in the same locality of business (3) Other parts of Assam (4) Other parts of NER (5) Other parts of India</p>	
10	<p>Please indicate your place of birth.</p>		
11	<p>What is your mother tongue? <i>If your choice is (3) please specify the name of your mother tongue:</i></p> <hr/>	<p>(1) No response (2) Assamese (3) Other local language (4) Hindi (5) Bengali (6) Other Indian language</p>	
12	<p>Do you have the working knowledge of English?</p>	<p>(1) No response (2) Yes (3) No</p>	
13	<p>Do you have the working knowledge of any foreign language other than English?</p>	<p>(1) No response (2) Yes (3) No</p>	
14	<p>What was your occupation before starting this venture?</p> <p><i>If your response is not in the list please put your own response</i></p> <hr/>	<p>(1) No response (2) Hospitality business itself (3) Other business (4) Govt. Jobs (5) Jobs in pvt. firm (6) Agro-based employment (7) Jobs in family firm (8) Politics and social work</p>	
15	<p>What is your father's occupation?</p>	<p>SAME AS 15</p>	
16	<p>What is your grand-father's occupation?</p>	<p>SAME AS 15</p>	

17	Please mention your caste.	(1) General (2) OBC/MOBC (3) SC (4) ST(H) (5) ST(P)	
18	Are you married?	(1) No response (2) Yes (3) No (4) Divorced/Separated	
19	Did you have family encouragement in establishing business? <i>If your response is not in the list please put your own response.</i>	(1) No response (2) Discouraged by family (3) Family members were indifferent (4) Did not discourage, but they were ignorant to advise (5) Encouraged with ideas (6) Highly encouraged with ideas, guidance and infrastructure (Land, finance etc)	
20	What is your idea about EDP? <i>If your response is not in the list please put your own response.</i>	(1) What is that? (2) I do not believe EDPs to be beneficial (3) No one invited me although I am interested (4) Attended and partially benefited (5) Attended and received lots of information	
21	Do you wish that your ward(s) should join you?	(1) I discourage to join (2) I am indifferent (3) They may join at their own fate (4) I solicit their entry (5) I solicit their entry and I am interested to share my ideas with them.	
22	Do you wish that the new generation of youth should join business in this line?	(1) I discourage to join (2) I am indifferent (3) They may join at their own fate (4) I solicit their entry (5) I solicit their entry and I am interested to share my ideas with them.	

23	Do you take the help of any consultancy firm?	(1) Its just a fashion to have one (2) I have my manager to have consultancy (3) I am my own consultant (4) I consult with my family (5) I want, but no such firm seems to be competent	
24	On the basis of your own experience, do you think that project report is important in starting an enterprise?	(1) No project proposal is needed (2) I have my manager to have consultancy (3) It is needed only when you need financial help (4) It is somewhat important (5) It is highly beneficial and the blue print of the enterprise	
25	Have you prepared project report for your venture? If yes, who prepared the project report?	(1) I do not have one. (2) I have and it is prepared by me. (3) I have and it is prepared by Govt. Officials (4) I have and it is prepared by Pvt. firm (5) I have and it is prepared by bank officials	

PART – 2: THE ENTERPRISE AND ITS PERFORMANCE

This section is designed to have a brief idea about the structure and working of your enterprise. Questions have been selected not to disclose your identity in any manner.

However, if you feel so in certain question, leave it blank.

1. Physical structure of the enterprise:

Sl. No.	Item	Area (in sq feet)	Total Number	
			Initial Stage	Present Status
1.	Total land area			
2.	Carrying capacity (No. of Beds)			
3.	Rooms			
	i) Single Bed Rooms			
	ii) Double Bed Rooms			
	iii) Dormitories			
4.	Parking area			
5.	Restaurant / Dinning Space			
6.	Bar			
7.	Conference hall			
8.	Own garden (Lawn)			

* If the specified item is available put a tick (√) and unavailable put a cross (×) mark,

2. Supervision of the unit:

	Self	Family/Friends	Hired Manager
At the initial stage			
At present			

3. Long term finance:

	Self financed	Nationalised Banks	Private moneylender	Family/Friends
At the initial stage				
At present				

4. Experiences of financial hardship

	No hardship	Managed hardship by borrowing from banks	Managed hardship by borrowing from friends/relatives	Managed hardship by borrowing from private moneylender	Managed hardship by curtailing requirements
Initial stage					
At present					

5 Present worth of the unit

<50Lakh	50 Lakh – 99 lakh	1 rore – 1.49 Crore	1.5 Crore – 2 Crore	> 2 Crore

If total worth is <50Lakh

< 10 Lakh	10Lakh – 19 Lakh	20 Lakhs – 29 Lakhs	30 Lakhs – 39 Lakhs	40 Lakhs and more

6. Please furnish the following information to reflect employment structure in the unit:

(a) No. of workers:

From Assam	Workers from the North-East excluding Assam	From other parts of India

(b) What is the basis for paying remuneration to the workers?

Grade-wise	Consolidated	Contractual	Daily basis

(c) Average monthly payment to the employees:

Amount Range of	Below Rs.1000	Rs.1000– Rs.3000	Rs.3000– Rs.6000	Rs.6000– Rs.9000	Rs.9000 – Rs.12, 000	Above Rs.12, 000
Type employees						
Executives						
Clerical						
Semi-skilled						

(d) Provision for extra-allowances to the workers?

NO	YES					
	Group insurance	Provident fund	Gratuity at retirement	Medical Allowances	House-rent allowance	Free food and stay

(e) Educational background of workers:

<u>Number of Employees</u>	Permanent			Temporary		
	No. of male		No. of female	No. of male		No. of female
<u>Educational Qualifications</u>						
Illiterate						
Primary Education						
Below matriculation						
Below graduation						
Graduates and Post-graduates						
Professionally trained						

(f) Procedure of recruitment:

	Source	Put tick (√)
1	Own search of the owner	
2	Recommendation by friends/relatives	
3	Pressure of influential persons	
4	Candidates own approach	
5	Media advertisement (Specify.....)	
6	Private Employment agency	
7	Through government agencies	
8	Any other process (Specify.....)	

(g) Selection criteria:

	Attribute	Investigator's Rank	Entrepreneur's Rank
1	Qualifications	1	
2	Personality	2	
3	Innovativeness	3	
4	Better communication skill	4	
5	Experiences	5	
6	Knowledge about North East India	6	
7	Smartness	7	
8	Proficiency in foreign languages	8	
9	Social background	9	
10	Looks	10	

7. Labour-management disputes in the last two years:

	Causes	Response (Tick)	
		Yes	No
1	No dispute at all		
2	Disputes relating to the absence of labour from duty		
2	Dispute due to wage/salary related matters		
3	Dispute due to misconduct of workers with the customers		
4	Dispute due to mistakes in works		
5	Dispute due to misappropriation of funds/property		
6	Dispute due to practice of illegal acts in the unit (drinking/gambling etc.)		
7	Dispute due to personal disliking of the entrepreneur		
8	Any other cause (Specify.....)		

8. Purpose of the visitors:

Sl. No.	Purposes	Entrepreneur's rank
1	Business purposes	
2	Official work	
3	Educational	
4	Recreation	
5	Excursion	
6.	Sports	
7.	Religious causes	
8.	Visiting relatives	
9.	Visiting without a definite purpose	
10.	Honeymoon	

9. Have you ever found a visitor with ill intentions?

Yes	No

If yes, rate the reasons (Please rank as 1, 2, 3.....)

Sl. No.	Reasons	Entrepreneur's rank
1	Flesh trade, pornography and harassment of women	
2	Smuggling	
3	Gambling	
4	Sheltering by the members of insurgent groups	
5	Using intoxicants excluding maritime drinking	
6	Cheaters	

10. Average stay of a visitor: (Please rank as 1, 2, 3.....)

Visitor's stay	Entrepreneur's rank
Less than 5 days	
5 – 9 days	
10 – 14 days	
15 – 19 days	
20 – 24 days	
25 – 29 days	
30 days and above	

11. The majority choice of hotel rooms:

Tourists	Luxury	Comforts at Moderate price	Cheaper Accommodation	Any other (Pl. specify...)
Indian				
Foreign				

12. Approximate monthly income:

Income	January - April	May-August	September-December
Below Rs.10,000			
Rs.10,000-Rs.19,000			
Rs.20,000-Rs.29,000			
Rs.30,000-Rs.39,000			
Rs.40,000-Rs.49,000			
Rs.50,000 and above			

13. Approximate monthly expenditure:

Expenditure	January - April	May-August	September-December
Below Rs.10,000			
Rs.10,000-Rs.19,000			
Rs.20,000-Rs.29,000			
Rs.30,000-Rs.39,000			
Rs.40,000-Rs.49,000			
Rs.50,000 and above			

14. How many visitors availed accommodation facility in your unit during 2001- 2005?

2001-02		2002-03		2003-04		2004-05	
Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign

15 What according to you is the main drawback of hospitality business in Assam

Sl. No.	Options	Response
1	No response	
2	Terrorism and sociopolitical disturbance	
3	Lack of infrastructure	
4	Government inactivity	
5	Lack of public awareness	
6.	Lack of expertise and public awareness	
7.	Any other	

PART – 3: THE ENTREPRENEURIAL CHOICE

This section is designed to have an idea about the motivational forces that encouraged you to decide to be an entrepreneur, the process you have followed to be so and related problems encountered. Moreover, we will also be interested know the procedures that you have taken to mitigate the encountered problems.

1. Please rank the following statements by putting a tick (✓) mark in the appropriate boxes.

(This ranking is intended to know the basic reason which encouraged you to take up such a promising career)

	Reasons to be an entrepreneur	Rank1	Rank2	Rank3	Rank4	Rank5
1	Getting self-employment					
2	Family pressure/desire					
3	Not getting a suitable job					
4	To look after family property					
5	Family tradition					
6	To pass time					
7	To have a subsidiary income					
8	Job satisfaction					
9	Not to be controlled by others					
10	To adopt an unorthodox business					
11	To get an employers status					
12	Gaining social status					
13	Success story of other entrepreneurs in this sector					
14	Encouraged by Government and bank policies					
15	Possess sufficient knowledge and expertise					
16	Earning maximum amount of income					
17	To use personal capacity to the fullest extent					
18	To be relieved from routine activities					
19	Doing something different					
20	To have a wider field of activity					
21	To lead the society					
22	To overcome challenges					
23	Enjoying independence at work					
24	To develop the state economy					
25	To work in flexible time schedule					
26	To have a leisurely life					

2. Did you have any experience in hospitality business before starting for your own?

Yes	No

If yes, wherefrom you received that experience?

Sl No	Source of knowledge	Please tick (√)
1	Started as a normal business	
2	Idea received from similar/dissimilar family business	
3	Idea received from similar/dissimilar business of relatives/friends	
4	Media study	
5	Own field study	
6	Any other source (Please specify.....)	

3. Why did not you join a paid job?

	Reasons	Please tick (√)
1	Did not possess competent qualification in the preferable jobs	
2	Paid job can not pay satisfactory amount of income.	
3	Paid job is monotonous and devoid of challenges	
4	Corruption and nepotism in the selection process	
5	Not at all interested	
6	Any other reason (Please specify.....)	

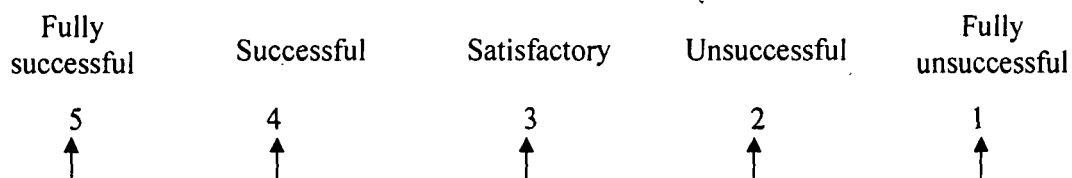
4. If you are given a paid job with equivalent amount of monthly financial benefit of your unit, will you consider leaving this business?

Yes	No

5. On an average, how much time you spend in your office?

Less than 2 hours (1)	2 – 4 Hours (2)	6 – 8 Hours (3)	More than 8 Hours (4)

6. How will you rate your success in the enterprise?



7. Do you have any suggestion to improve hospitality industry in Assam?

Thank You