Empowering Women Through Social Entrepreneurship: Case Study of a Women’s Cooperative in India

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Women’s cooperatives offer self-employment opportunities that can contribute to women’s social inclusion and empowerment. This article seeks to broaden existing understandings of women’s entrepreneurship by focusing on less studied types of ventures and contexts—namely, a social entrepreneurial venture in India. A case study analysis was used to assess two primary areas of interest: (1) elements of empowerment embedded in the venture’s business model and (2) individual perceptions of empowerment. The personal accounts of sister members reveal that this collective form of entrepreneurship has empowered them in three ways: economic security, development of entrepreneurial behavior, and increased contributions to the family.

Introduction

Development brings freedom, provided it is development of people. But people can not be developed; they can only develop themselves.

Julius Nyerere (1974, p. 58)

The field of entrepreneurship is increasing its theoretical focus on the unique contributions of women entrepreneurs to business and society (de Bruin, Brush, & Welter, 2007). This increased attention is long overdue. Too often, entrepreneurial efforts by women have gone unnoticed, and their contributions have been underappreciated. In part, this is because women’s business ventures, particularly those in less developed countries, function more in the informal rather than formal economy. Consequently, a significant portion of women’s entrepreneurial efforts fail to garner sufficient media or political attention and are not addressed by academic researchers. Lack of recognition or attention, however, does not negate either the significant contribution women’s entrepreneurial efforts have had on wealth creation in economies around the globe (de Bruin, Brush, &
This article seeks to counteract the dearth of academic research on women’s entrepreneurial efforts by focusing attention on individual women owners of a five-decade old, women-run social enterprise in India called Lijjat. Lijjat was founded on the Gandhian Sarvodaya ideology of trusteeship, with its core principles of self-reliance, collective ownership, profit sharing, and cooperation (Lijjat, 2007; Ramanathan, 2004). Embedded in Lijjat as an institution are a number of structural elements that appear to enhance women’s position and power within the context of Indian society.

This research draws upon and seeks to contribute to the emerging field of social entrepreneurship (Austin, Stevenson, & Wei-Skillern, 2006; Bornstein, 2004; Nicholls, 2006; Short, Moss, & Lumpkin, 2009; Zahra, Gedajlovic, Neubaum, & Shulman, 2009). The focus of this research is on a collective effort to launch a social enterprise venture rather than on the more common investigation of a heroic individual social entrepreneur (Short et al.). The approach used in this article frames the analysis in line with Calás, Smircich, and Bourne (2009), who suggest a fundamental reframing of a common premise in mainstream entrepreneurship research. That is, rather than think of entrepreneurship as primarily an economic engine with potential social impact, entrepreneurship should be considered a social change activity with a variety of possible outcomes that may or may not be beneficial for women.

This article proceeds as follows. First, we frame our study in the existing literature related to women’s empowerment and social entrepreneurship and we consider how our study complements and differs from previous research on women’s cooperatives in India. We consider the context of our study in the broader social entrepreneurship literature, with a specific focus on the intentionality of design within business models. Second, we explain the methodology we have used to conduct our study. Third, we introduce Lijjat’s historical and organizational data. Fourth, we set out the methodological approach to our study. Fifth, we outline our research findings by way of a case study of Lijjat. Finally, we conclude with implications for researchers, policy makers, and practitioners while offering recommendations for future research.

Literature Review

To best situate our case study and findings within the broader literature, this section begins with a definitional framework of women’s empowerment. We support this definitional research by looking at literature that explores women’s roles in entrepreneurial ventures. Because much of the aforementioned literature addresses issues existing in the developed world, we narrow our focus to research that is specifically related to the success and failure of women’s cooperatives in India. The last subsection explores the concept of for-profit social enterprises and how they differ from many traditional Indian cooperatives in their design and operations.

Women’s Empowerment and Women’s Role in Entrepreneurial Efforts

As a theoretical construct, “women’s empowerment” often begins with an attempt to understand how and why women are oppressed. In the introduction of their book on women’s empowerment, Carr, Chen, and Jhabvala (1996) outline three theoretical approaches to thinking about women’s powerlessness: a system’s gendered approach, a
single-domain (household or workplace) approach, and a multiple-domain approach, which occurs sequentially or simultaneously (p. 3). While the authors acknowledge the abundance of vigorous theoretical debate concerning women’s empowerment, they lament the paucity of field-level research useful to practitioners hoping to better understand why women are oppressed and, more importantly, offering some tools and techniques that can be used to strengthen and empower women.

In her oft-cited article on measuring women’s empowerment, Kabeer (1999) suggests a key element of empowerment is the “ability to make choices.” (p. 436). Kabeer qualifies her argument by suggesting there are three interrelated dimensions required for women to be empowered to make decisions in their lives: (1) access to resources, including preconditions; (2) agency, including process; and (3) achievements, including outcomes (p. 437). Kabeer’s three dimensions are useful in understanding the theoretical scaffolding for this study.

**Access to Resources.** The preconditions faced by women in India are significant and reflect system-wide gender discrimination. Often women’s access to resources, particularly jobs in the formal economy, is limited due to cultural conditions that subordinate the role of women (Brahme, 1984). A more direct single-domain condition in India contributing to the subordination of women, particularly among women of poorer socioeconomic means, is a lack of macro-technical skills developed in school or vocational training (Ghosh, 2002). Often, girls are prevented from participating in skills-based education by family choice or by social norms. Not having specific skills can prevent many women from venturing into starting self-employed businesses. Yet, if a woman begins an individual entrepreneurial activity, the cultural gender dynamics in India may mean that she has to do a double shift of work and family while still not being allowed to acquire resources without a man’s approval (Calás et al., 2009).

**Agency.** Indeed, Calás et al. (2009) argue that having women gain access to resources does not guarantee social change (p. 555). Even if an Indian woman is given access to resources, cultural conditions may hinder her from being able to make her own decisions regarding vocational pursuits. Patriarchal sanctions/domination can indirectly foster employment barriers for women. If a father or a husband does not want his daughter/wife gaining certain skills or starting her own business, a woman can find it difficult to launch her own business. This culturally embedded male dependency limits a woman’s agency and prevents her from pursuing economic opportunities and personal capabilities (Sen, 1999).

This issue of agency also highlights the challenges that exist in measuring women’s empowerment. Williams (2005) offers an important distinction between increasing a woman’s social opportunities or choices and ensuring that a woman really is able to make her own choices. As Kabeer (1999) notes, the process in utilizing one’s agency is equally as important as having agency. Consequently, significant consideration must be paid to women’s perceptions of control over their own decisions (Pollard, 2006).

**Achievements.** As noted, Kabeer (1999) suggests that real achievements or outcomes are a critical factor for understanding women’s empowerment. One challenge of measuring specific outcomes for women’s empowerment is that community power dynamics are always evolving. Hence, the definition of what constitutes empowerment can change over time and from one location to another. As definitions change, it becomes more difficult to track meaningful quantifiable longitudinal data that contain comparable data points. To aid in the process of measuring long-term achievements in women’s empowerment, qualitative data can be a rich, informative resource.
Women Cooperatives in India

As a backdrop to our study, it is helpful to trace a brief history of cooperatives in general and women’s cooperatives in India in particular. Cooperatives in their modern form started in Europe during the early stages of capitalism (Brahme, 1984). Midway through the twentieth century, many newly independent but economically impoverished countries sought to encourage the growth of cooperatives as one way to help families living in poverty while not disrupting existing property rights. Brahme explains how Europe’s cooperatives were formed on a voluntary basis and centered on self-help and a common economic agenda. In contrast, Brahme explains how many of the cooperatives started in India during the 1940s and 1950s were started by government initiative and that many of these cooperatives were established and served mostly by men.

Since the early 1970s, however, a number of women-only cooperatives have been started in India (Carr et al., 1996; Mayoux, 1995). While women’s cooperatives in India vary in terms of structure (nonprofit versus for-profit), intent (producer, service, training, advocacy, etc.), and level of government support, many resemble the voluntary/self-help model of traditional European cooperatives. Yet, as noted in the introduction of this article, these firms have received less attention among the press and academics, in part because their work has been primarily focused on the informal economy rather than the formal economy. Yet, there are a few scholars who have taken an interest in studying women’s cooperatives in India (Brahme, 1984; Mayoux, 1989; Papa, Singhal, Ghanekar, & Papa, 2000).

Mayoux (1989, 1995) describes the prospects, but mostly problems, associated with women-focused economic development efforts in India. Mayoux argues that administrative mistakes, governmental interference, and bad planning can hinder, sometimes doom, women’s initiatives. While Mayoux acknowledges minimal empowerment benefits for women who participate in these operations, she suggests that the received benefits are no better than what the women would have received working for the private sector.

A few examples of women’s groups deemed successful in India include the trade union called Self-Employed Women’s Association (Bhowmik & Jhabvala, 1996) and the Cooperative Development Foundation, a voluntary social action group (Ray & Vasundhara, 1996). Both of these organizations, like the organization featured in this study, have been operational for decades and count thousands of women in their ranks.

Social Enterprises and Business Models

While many cooperative models in India have relied on the direct involvement of the government or have operated as a nonprofit, a few cooperatives have chosen to operate under a different business model, that of a for-profit social entrepreneurial venture (SEV). SEVs are organizations that attempt to have both an economic (profitable/growth) goal and a social impact goal (Mair & Marti, 2006; Zahra et al., 2009). Dorado (2006) suggests there are three types of SEVs: a nonprofit organization venturing into a business that it hopes will generate revenue to help sustain its services, a for-profit business that defines its mission as being both social and economic, and a hybrid, or cross-sector, model that combines for-profit, nonprofit, and the government in trying to address larger social issues. Lijjat operates under Dorado’s second category of a for-profit organization with social goals.

Mair and Schoen (2007) argue that an organization’s business model is a critical component for understanding the economic and social impact of an SEV. Santos (2009) takes the notion a step further, suggesting that a better focal point for an analysis of impact of a SEV is the community and their experiences. One way to approach the community-
centered analysis recommended by Santos is to listen to the women owners themselves and hear their perspectives on their own empowerment (Pollard, 2006). From a “social change” perspective, it is important to study female entrepreneurship as one social activity among many in a masculine-dominated society (Calás et al., 2009). With these parameters in mind, we next lay out the methodology we used to explore the role of the Lijjat business model in fostering women’s empowerment.

**Methodology**

This study utilizes a persuasive case study approach (Siggelkow, 2007) to examine both the institutional structures, or business models, that support women’s empowerment and the self-perception of empowerment by the women-owners of the institution (Pollard, 2006). While a persuasive case study can never be used to prove a theory, it can be useful to illustrate, motivate, and inspire readers to better understand and appreciate a particular theory (Siggelkow).

Seven women were interviewed for this study, and their qualitative responses provide the basis on which we deduce our research findings (Eisenhardt & Graebner, 2007). An interpretive approach to the women’s answers was used to allow cultural values to help define the meaning of “empowerment.” We also considered the agency of the participants and their ability to bring about their own social change (Calás et al., 2009). Through the interview process and document analysis, we sought to better understand how the women owners of Lijjat felt about their own empowerment (Calás et al.).

**Data Collection**

Dindia and Allen (1992) and Snell, Miller, Belk, Garcia-Falconi, and Hernandez-Sanchez (1989) argue that women tend to be more willing than men to disclose their experiences and emotions to strangers and, in particular, to other women. The first author, a female of Indian origin, was directly involved in the data collection process in July–August 2009. Access was negotiated with a key informant, the Administrative Head (and a paid employee) of Lijjat on the basis that the researcher would be investigating the impact of the enterprise on its target beneficiaries, that is, its sister members.

Seven organizational informants (Collis & Hussey, 2003; Walsham, 1995; Yin, 2003) were interviewed. The interviews took place in Lijjat’s headquarters and branch office in Bandra, Mumbai and each interview lasted approximately 1 hour. Two of the women were interviewed on two separate occasions. The interviews were tape-recorded and transcribed. The interview focused upon the individual sister members’ accounts of their association with Lijjat and the uniqueness of the business model. While two limitations of this study are that the total number of women interviewed is small and that only veteran leaders in the organization were interviewed, interview data were supplemented with observations made during visits as well as secondary data on the organization. Thus, multiple sources of evidence were used, which were recorded, organized, and analyzed to deepen the findings (Creswell, 1998).

**Data Analysis**

Data analysis was carried out in four steps. First, we organized the interview transcripts and field notes to build an “event history database” (Van de Ven & Poole, 1990).
This allowed us to develop a historical narrative of the enterprise’s development over five decades, which was cross-checked with secondary data and the key informant. Second, we coded the interview transcripts and field notes to identify key themes (Eisenhardt, 1989) and compared these with relevant literature (Miles & Huberman, 1994). We focused ultimately on two broad themes: (1) elements of empowerment embedded in the venture’s business model and (2) individual sister members’ perceptions of empowerment, around which we grouped our findings.

The third step of our data analysis involved “enfolding” the findings with further insights from women’s entrepreneurship and empowerment literature. This allowed us to develop and contextualize our findings theoretically (Eisenhardt, 1989). Finally, we applied the principles for conducting interpretive studies outlined by Klein and Myers (1999). In essence, these principles require the interpretive researcher to build the “hermeneutic circle,” that is, build an understanding of the phenomenon under investigation (here empowerment) from iterations between interdependent meaning of parts and the whole that they form. In our case, this required understanding how collective entrepreneurship leads to women’s empowerment by analyzing individual sister members’ personal stories alongside the organizational structure and culture. In this study, we draw upon the views and life experiences of seven Lijjat sisters to develop insights into how this collective form of social entrepreneurship contributes to women’s empowerment.

**Empowerment and Social Entrepreneurship: Lijjat Case**

Indian society has been described as a patriarchal one where family structures manifest and perpetuate the subordinate status of women (Ramanathan, 2004). Women facing social restrictions tend to lose their self-confidence, which in turn creates employability barriers. In such a scenario, entrepreneurship can empower women as it helps them to attain “the ability to take action” (McNelly & Dunford, 1999, p. 63). Yet, in male-dominated environments, it is important to go beyond a mere observation of an increase in women’s entrepreneurial opportunities and probe more deeply as to whether or not the women entrepreneurs believe and act upon a sense of increased agency (Calás et al., 2009). This section illustrates the case of Lijjat and depicts how women at a grassroots level became active agents in the process of their own empowerment. In doing so, our study contributes to the ongoing research on women’s cooperatives in India.

**Organizational Context**

Our single case study is focused on Shri Mahila Griha Udyog Lijjat Papad, popularly known just as Lijjat. Since its inception in 1959, Lijjat has provided self-employment opportunities to mostly poor urban women. Over five decades, the enterprise has grown rapidly into a large-scale organization with 72 branches across 17 states of India and a

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1. Interpretive research aims to provide a deep insight into “the complex world of lived experience from the point of view of those who live it” (Schwandt, 1994; p. 118). The focus is on subjective experiences, beliefs, and values of the individuals involved (Darke et al., 1998; Robson, 2002). Klein and Myers (1999) provide principles for evaluating interpretive studies. The interpretive researcher must demonstrate that the findings involve iteration between the interdependent meanings of parts and the whole that they form (Gadamer, 1976; Klein & Myers, 1999). In other words, we understand a complex phenomenon such as empowerment from the preconceptions we have about the meanings of its parts, such as the key activities, the actors involved, and their interrelationships. This principle forms the very foundation of all interpretive work.
Lijjat's membership of 42,000 women. The core product of Lijjat is papad (or poppadum), a popular savory snack in India, which is now being exported worldwide.

Lijjat is a unique social entrepreneurial venture. It is organized as a worker’s cooperative, where ownership is restricted to its working women members, who are addressed as Lijjat sisters. Unlike many women’s cooperatives in India, Lijjat was founded without government support and has received limited government finances or involvement. Its sister members are typically unskilled women hailing from poor to lower-middle-class backgrounds.

Membership in Lijjat is open to any woman, irrespective of class or caste or religion, who is willing to work in any capacity by signing a pledge of devotion to the basic tenets of the organization. In 2008–2009, Lijjat’s financial turnover was Rs. 5 billion ($111 million) with profits of Rs. 200 million ($4.4 million). The organization also employs a few salaried employees, both men and women working in diverse roles such as accountants, drivers, and administrators. The employees do not have any ownership rights.

The average monthly income of a Lijjat sister is Rs. 3,000/– (about $70/–) for rolling papad from home for 6 hours of manual labor. Besides the daily rolling charges, the women earn distributed profits. For instance, in 2008, women members of Bandra Branch in Mumbai were paid Rs. 15,000/– (about $330/–). As collective owners, each sister member gets an equal share of profits and losses, regardless of her work, seniority, or responsibility. Lijjat provides a number of welfare measures to its women members such as daily transportation from home in company buses, health checkups, scholarships for sisters’ children, literacy campaigns, computer training for sisters’ children, and a savings/borrowings scheme.

Lijjat is organized as a for-profit cooperative with a nonhierarchical organization structure. Decision making in the organization is based on consensus. The overall running of Lijjat is entrusted to a Central Management Committee of 21 members, six of whom are sister members elected for a fixed term of 3 years. Similarly, branches are run by branch committees.

Lijjat’s History Over Five Decades

A brief snapshot of Lijjat’s 50-year history is presented in this section as it helps inform our discussion and understanding of social enterprise ventures by identifying key stages and mechanisms of growth. Figure 1 summarizes the key events in the organization’s history.

Founding Years of a Joint Initiative Based on Sarvodaya (1959–1966)

On March 1959, seven semi-literate women residents of an old building in Mumbai founded a home-based venture producing papad (a snack) with a meager start-up capital of Rs. 80/– (nearly $2). The finished product was sold locally, and its quality attracted customer demand. Production was gradually increased by expanding the group’s membership. By the end of 6 months, 25 women were engaged in the initiative, and profits were equally distributed in the form of 1 g of gold. This practice of profit sharing was influenced by the Gandhian ideology of Sarvodaya, or “progress of all,” which created a shared entrepreneurial spirit among the women members, and the enterprise grew as a result of their collective efforts.

By 1962, 300 women were engaged in manual production, creating space constraints that forced the decentralization of the production process. Every morning, the lentil dough...
for production was distributed among the women to be taken home for preparation as per standard specifications. The women delivered the finished product to the production center the following day while collecting another batch of premixed dough. Visual inspection by the more experienced women members ensured product quality and allowed for the mentoring of new members.

The women were paid rolling charges for their previous day’s production in cash. This production process innovation is quite significant, as it enhanced the production capacity without incurring substantial investments in production facilities. For the women members, it provided flexibility, as it enabled them to discharge their familial responsibilities while working from home. This meant that their endeavors were more likely to be supported and encouraged by their families. Yet, as noted below in the women’s own words, the women’s increased agency assured that they were not just doubling up their load of work and family (Calás et al., 2009).

Lijjat continued to grow as a cooperative initiative and in 1966 it was formally registered and recognized as a cottage industry by the Khadi & Village Industries Commission (KVIC), a government body in India. This helped Lijjat to access a subsidized, working capital loan for Rs. 8 Lakhs (approximately $18,000), and the organization’s status as a cottage industry attracted tax exemptions. This provided the women with increased visibility and greater agency to facilitate the growth of their business.

**Development of an Institution Based on Sarvodaya Principles (1966–2009)**

Following its formal registration, Lijjat scaled its operations by diversifying into new products and markets. Early attempts at branch diversification failed until 1968, when the
first branch was opened in Valod, Gujarat. Branch expansion was done systematically. To facilitate knowledge transfer, a few experienced women members from Mumbai relocated to a new branch for a couple of months at a time, taking turns to train the newly recruited (local) sister members (Ramanathan, 2004, p. 1692). The branches eventually developed into semi-autonomous units.

The institution then undertook diversification into related production areas that can be classified as cottage industries. First, the institution opened processing divisions for the ingredients that were needed to make or sell papad. This form of vertical integration also made economic sense as by 1975, Lijjat had more than 13 branches. The flour mills division was opened for grinding lentils in 1975, the spices division was opened in 1976, the printing division opened in 1977, and the polypropylene packing division opened in 1978 (Ramanathan, 2004). These diversifications into relevant businesses supported the process of papad production and were quite successful.

In 1979, the institution began leveraging its popular brand “Lijjat” to produce bakery goods and other products. Some of these diversifications were unsuccessful, such as the making of cottage leather, matches, and incense sticks. However, the institution was quick to respond by shutting down the ventures that were not economically viable. In 1988, Lijjat diversified into an unrelated area, soaps and detergents, under the brand name SASA. This brand became a major commercial success. In the early 1990s, Lijjat began exporting some products to countries and regions such as the United Kingdom, the United States, and the Middle East. By 2009, the fiftieth year of its existence, the enterprise had 72 branches and its annual turnover had crossed Rs. 5 billion ($111 million).

Learning from Lijjat

Lijjat’s case can offer intriguing insights into how collective entrepreneurship contributes to women’s empowerment. In the following sections, we investigate the empowerment elements that are embedded in the Lijjat business model and consider how individual members perceive their own empowerment (Pollard, 2006).

Embedding Empowerment Elements in a Business Model

This section addresses the first area of interest in this case study: How are elements of empowerment embedded in a business model? To better frame this discussion, it is important to note the limited employment options available to most Indian women. Due to a strong patriarchal society that restricts women’s agency combined with the low levels of female education, on average, a number of barriers exist for women to gain access to formal employment (Mayoux, 1995). These barriers are evident in the accounts of Lijjat sisters. For instance, when Priti, vice president (who joined the organization in 1973), was asked to describe her association with the organization, she explained her reason for joining as an unprecedented opportunity: “When I joined, I lacked education or skills so that job opportunities for me were nearly nonexistent. The possibility to earn income by using my spare time and working close to my residence attracted me to work here.” Similarly, Sita, treasurer, described her lack of education: “When I joined the organization, I had just left school as my family could not afford it. While working here, I managed to earn a regular income and then continued with my studies by attending evening school.” These statements reflect the restrictions many poor Indian women face when their lack of technical skills or family prohibitions prevent them from accessing the formal employment market and they are left with limited options of self-employment or not working at all.
The Lijjat business model, conversely, provides their members with a means to structured employment in a formal entity while being able to work from home and gain access to greater income through profit sharing. This is reflected in Gul’s account: “After my marriage, I migrated to Mumbai. Since I was illiterate, there were no job opportunities for me. My husband has always found it difficult to find meaningful employment. I realized that by working here, I could earn an income to support my family. Also, since I would be working from home and with other women, my husband would not raise any objections.” While still showing deference to her husband’s preferences, this account from one “sister” suggests that by joining Lijjat, some women are able to take personal action to transform their lives (McNelly & Dunford, 1999) and become active agents in the process of their own empowerment (Ramanathan, 2004).

Researchers have claimed that social enterprise ventures operate from the logic of empowerment rather than control and that empowerment approaches can be embedded in a business model (Mair & Schoen, 2007; Santos, 2009). In the case of Lijjat, the institutionalization of the four principles of Sarvodaya ideology can be seen as an empowerment approach. Ramanathan (2004) elaborates the four core principles of the Sarvodaya ideology: (1) collective ownership; (2) cooperation; (3) self-reliance and (4) profit sharing. Table 1 summarizes evidence of the practice of these four principles in Lijjat from the quotes extracted from interviews with the seven organizational informants.

**Collective Ownership.** Collective ownership as per the Gandhian ideology of Sarvodaya advocates for the “joint ownership of assets by a community and business was to be nothing but a refined form of service” (Ramanathan, 2004, p. 1690). This principle is reflected in accounts of Lijjat sisters. When asked to describe the uniqueness of their organization, the participants claimed that theirs was a unique equity-based women’s organization where each member had the flexibility to choose her work. For instance, Shashi, elected secretary to the Central Management Committee, states, “As sister member and co-owner in the organization, I have no boss as such. This means that I have the freedom to choose my work.” Similarly, Priti, the elected vice president, states, “I am my own boss. I strongly feel part of the Lijjat family.” Finally, Gita, a Lijjat sister from Bandra branch, elaborates the collective orientation of the organization in this way: “In Lijjat, we are like a large family of sisters. The sister members come from every religion, castes, and background. We support each other through difficult times.”

Collective ownership has been investigated in the social entrepreneurship literature in the case of community-led social ventures in Scotland (Haugh, 2007), community-based ventures in Peru (Peredo & Chrisman, 2006), and worker-owned cooperatives in the Basque region of Spain (Mair & Schoen, 2007). However, the Lijjat case is unique, as its ownership and membership is restricted to women. In this regard, Handy et al. (2002) make an interesting point that ventures founded by feminists usually reflect their founders’ ideology, resulting in relatively flat, nonhierarchical structures. Although this study is not based purely on a feminist approach, the flat structure of Lijjat and the reiteration of the term “sister” in all discourses lends some credence to the claim that women founders have feminist ideologies and that the organizations they form are relatively “flat”-structured. Further comparative studies are needed on how the organizational structures of women-founded enterprises are influenced by the gender-focused objectives of the organization (Ahl, 2006, p. 613).

**Cooperation.** Another principle of the Sarvodaya ideology is cooperation, and the need to cooperate for the growth of the enterprise is emphasized throughout Lijjat’s literature.
For example, one of the issues of *Lijjat Patrika* (the organizational newsletter) states, “The Lijjat is in a real sense a school to learn how to develop oneself by imbibing the spirit of unity and cooperation” (Lijjat, 2009, p. 3). Similarly, Surekha, another Lijjat sister, explains the spirit of cooperation among the women members: “I enjoy working here in the company of other sister members, and the informal atmosphere means that I feel a part of the Lijjat family.” These statements by Lijjat sisters reflect the solidarity among the women, which may be a direct outcome of collective ownership as it allows for the congruence between individual women’s goals with the stated goals of the organization (Sitkin & Roth, 1993). The shared ownership, in turn, can foster, even require, more cooperative behavior. Researchers taking a feminist approach argue that cooperation is

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### Table 1

**Practice of Sarvodaya Principles at Lijjat**

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<tr>
<th>Core principle</th>
<th>Interview quotes</th>
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<tr>
<td>Collective ownership</td>
<td>“As sister member and co-owner in the organization, I have no boss as such. This means that I have the freedom to choose my work.” (Sita, Lijjat sister) &lt;br&gt; “Our sister members are the real owners of the organisation” (Iris, paid employee administrator) &lt;br&gt; “All sisters are part of the Lijjat family. Besides the daily rolling charges, sisters receive a share of the profits” (Priti, Lijjat sister and management committee member) &lt;br&gt; “In Lijjat, we are like a large family of sisters. The sister members come from every religion, castes, and background. We support each other through difficult times.” (Gul, Lijjat sister)</td>
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<td>Cooperation</td>
<td>“In case of disputes, women members are asked to resolve them as they would in a family situation” (Priti, management committee member) &lt;br&gt; “All decisions are based on consensus. We make decisions that benefit all the sisters” (Sita, Lijjat sister) &lt;br&gt; “We don’t have the concept of a boss at work. All of us Management Committee members have rolled pappads” (Shashi, Lijjat sister and management committee member) &lt;br&gt; “Decisions are taken by all the sisters present at the time. However, sister has a right to veto” (Iris, paid employee)</td>
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<td>Self-reliance</td>
<td>“The women did not take any form of charitable donations or other support offered to them” (Iris, paid employee) &lt;br&gt; “We have not taken any form of donation or grant. The organization has grown because of the hard work of all the sisters.” (Priti, Lijjat sister and management committee member) &lt;br&gt; “My husband has always been unemployed. Earlier, I was worried but now I support my entire family with the income I receive from Lijjat” (Gita, Lijjat sister). &lt;br&gt; “As I had little education, finding employment in Mumbai was impossible. By joining Lijjat, I was able to contribute to my family income and discharge familial responsibilities.” (Shashi, Lijjat sister)</td>
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<td>Profit sharing</td>
<td>“The profit from the first six months of operations were equally distributed in the form of one gram of gold” (Iris, administrator). &lt;br&gt; “Over the years, I have received several tolas of gold as profits. Last year I received Rs. 15,000/– in distributed profits.” (Gita, Lijjat sister) &lt;br&gt; “For my daughters' marriages, the gold coins I received as distributed profits were very useful” (Gul, Lijjat sister) &lt;br&gt; “The profits from exports of Lijjat products is also distributed to sister members” (Iris, paid employee)</td>
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*Note:* The names of organizational informants have been changed.
fundamental to the feminist organizing theme of cooperative enactment (Buzzanell, 1994; Norsigian & Pincus, 1984).

Researchers also argue that empowerment is embedded in democratic organizational processes (Eisenberg, 1994; Harrison, 1994), which can also facilitate cooperative behavior. In the case of Lijjat, a participative style of decision making has evolved as explained by Priti, the vice president: “All decisions are made on the basis of consensus of the sister members present. However, if a sister wishes she can veto a decision.”

Self-Reliance. Self-reliance as per the Sarvodaya ideology advocates the use of manual labor for production (as in a cottage industry) as an alternative to the Western concept of mechanized production (Lijjat, 2009). It also stresses being self-sufficient. Iris, the administrative head of Lijjat, explains the importance of self-reliance: “The women founders did not take any form of charitable donations or other support offered to them.” Stressing self-reliance, Priti, the vice president, states, “We have not taken any form of donation or charity. The organization has grown because of the hard work of all the sisters.” These contributions indicate that self-reliance is a practice followed by the sister members since its inception, which has reduced the organization’s reliance on external borrowings.

Ramanathan (2004) points out that self-reliance has helped to develop the self-confidence of the sister members while enabling the institution to retain its independence. This is especially important as many of the women members come from the lower economic levels of society. This example contrasts with the findings of Mayoux (1995), whose empirical study on 10 women’s cooperatives in India found that all of the cooperatives were supported by government funding and had involvement by government officials.

Profit Sharing. The fourth principle of Sarvodaya advocates profit sharing, which emerged in Lijjat when the “profits from the first six months of operations were distributed amongst sister members in the form of gold coins” (Ramanathan, 2004, p. 1690). Recent issues of the Lijjat Patrika, the organization’s in-house newsletter, mention profit-sharing announcements. Evidence for profit sharing also exists in the accounts of Lijjat sisters. For instance, Gita, a veteran Lijjat sister who has worked at Lijjat for three decades mentions, “Over the years, I have received several tolas (gram) of gold as profits. Now that the price of gold has risen, we receive our profits in cheques or cash. Last year I received Rs. 15,000/- in distributed profits.” In India, gold is a significant form of savings and useful in cultural exchanges for things such as dowry. These contributions indicate that Lijjat sisters regularly receive distributed profits. The likelihood of receiving financial rewards (distributed profits) may have encouraged further entrepreneurial behavior among the women. Again, this contrasts with Mayoux’s (1995) findings among government-supported ventures, which indicate a number of failed women’s cooperatives where the women members generally lacked enthusiasm.

In summary, this section has shown that the principles of Sarvodaya are embedded in Lijjat’s business model. Lijjat is an entrepreneurial venture that has thrived in a competitive market for more than five decades. Lijjat’s governance structure and business model are designed in such a way as to facilitate women’s empowerment and agency.

Women Entrepreneurs’ Perceptions on Empowerment

To better understand how this particular structure impacts women’s empowerment, it is important to engage in conversation with the women operating in the Lijjat model and to listen to their personal stories. The women’s replies facilitate a deeper understanding of
the second research interest of this study: How do women entrepreneurs perceive their own empowerment? Researchers have emphasized the importance of women’s perceptions (rather than actual support) on their success in entrepreneurial ventures (Pollard, 2006). According to Hashemi and Schuler (1993), the dimensions of women’s empowerment include: sense of self and vision of future, mobility and visibility, economic security, decision making in household, ability to interact effectively in public sphere, and participation in nonfamily groups. In the case of Lijjat, all the seven sister members interviewed reported that their association with Lijjat had a positive impact on their lives. Based on their interview accounts, we can see that this particular form of collective social entrepreneurship has empowered the women members in three different ways: (1) economic security; (2) development of entrepreneurial behavior; and (3) increased contributions to the family.

**Economic Security.** Lijjat provides mostly poor, urban, low-educated women with an opportunity to gain lifelong self-employment through becoming members and owners of Lijjat. Moreover, the decentralized production process ensures that the sisters can follow a flexible schedule working from home without compromising their familial responsibilities. The interview accounts of Lijjat sisters portray the empowering role that lifelong employment has on economic security for a woman. For instance, Shashi reflects in her interview that “from the very beginning, my income from Lijjat exceeded that of my husband, who worked for the State Government of Maharashtra. This gave me a lot of self-confidence, as I always had cash with me.” Similarly, Gita, another Lijjat sister, describes the significance to her of having greater economic security when she states, “Personally, my husband has been long-term unemployed. I run the family entirely from my income from Lijjat.” These contributions depict how lifelong self-employment provides women with a greater sense of economic security and empowerment. Women gain confidence from earning a regular income to the extent that they are able to support their family, especially in cases where the husband is unemployed.

**Development of Entrepreneurial Behavior.** Austin et al. (2006) define social entrepreneurship as the “innovative, social value creating activity that can occur within or across the non-profit, business or government sectors” (p. 2). Bornstein (2004) describes a social entrepreneur as those, “with new ideas to address major problems who are relentless in the pursuit of their visions” (p. 1). Based on these definitions, several comments made by Lijjat sisters in their interviews suggest attitudes and actions that can be defined as entrepreneurial in nature. For instance, Priti has risen through the ranks by undertaking additional administrative responsibilities, as her account illustrates:

> I was introduced to Lijjat by a neighbor. I joined in 1973 and began rolling out papads. I received training here. I then joined the packaging section, where I spent the next 10 to 12 years. Then, I took the responsibility of travelling to new branches to train new recruits. I was promoted to the post of Sanchalika, or branch head, Bandra (West), and I have recently been elected to the post of vice president. I continue to hold both these posts, and I have no plans for retirement. Lijjat is a part of my life.

The statement “I have no plans for retirement. Lijjat is a part of my life” illustrates Priti’s sense of self-worth and her vision of the future, which is deeply tied in to her leadership of and investment in Lijjat.

Another Lijjat sister, Gita, has chosen a different entrepreneurial route to her career by putting in more physical labor. Her account, too, demonstrates an attitude that is entrepreneurial: “My children and now my daughter-in-law help me with papad rolling and
drying every day in the evenings at home. We collectively roll out over 25 to 50 kilos of dough every day.” The entrepreneurial mindset is summarized by Priti in this statement: “Even now at the age of 60, I cannot think of a life without Lijjat. At present, I hold two posts as vice president and Sanchalika or Bandra (West) Branch.”

The women whose accounts are mentioned earlier have been associated with Lijjat for more than four decades and both women were more than 60 years of age. Given their profiles, we can construe that the Lijjat sisters exhibit a strong commitment to lifelong careers in entrepreneurial ventures. However, this finding contrasts with Mayoux’s (1995) findings from the government-supported women’s groups, which suggested that women working in the government-supported cooperatives in India lacked entrepreneurial skills.

**Increased Contributions to the Family.** Empirical research conducted by Hashemi and Schuler (1993) identifies “status and decision-making power within the household” as a key dimension of women’s empowerment. Researchers have pointed out that entrepreneurial income can enable women to “increase their bargaining power in the household, enable sharing of household chores and childcare responsibilities” (Hashemi, Schuler, & Riley, 1996, p. 648). Several Lijjat sisters reported that their income enabled them to pay for the education of their children, which reflects their increased contributions to the family needs. Priti mentions this in her interview: “My income was important for my family, and it enabled me to send my children to university.” The enhanced contribution of Lijjat women toward family matters is well elaborated in Shashi’s account:

My family has benefited from my income as I was able to educate my children and send them to university. In fact, my son is doing his MS in the US, for which I have paid the entire fees in dollars. My second son is studying in a private school in the tenth standard. I have been able to provide good education to my children by working here.

The statements shown earlier reflect how women’s entrepreneurial income enhances their contributions to their families. In the case of Lijjat, women members have actively used the organization as a medium to promote their and their families’ welfare. This includes measures such as increasing the availability of healthcare and scholarships (Ramanathan, 2004).

**Conclusion**

Our study seeks to broaden understandings of women’s entrepreneurship by exploring issues of social entrepreneurship and women’s empowerment in the context of India, a country associated with high levels of social entrepreneurial activity (Bornstein, 2004). Further, we wish to highlight the significance of India as a site for exploration given its large population base and its growing economic and political importance at a global level.

Although a single case with few interviews hinders generalization, we believe that our study contributes to the scholarship on women’s engagement in social entrepreneurship. First, our findings support claims made by researchers such as Mair and Schoen (2007) and Santos (2009) that empowerment elements are embedded in the business models of for-profit social entrepreneurial ventures. Future research could investigate how empowerment elements are embedded in other business models and then compare and contrast these models in different contexts. Second, our case study illustrates successful social entrepreneurship practiced by women within the resource-constrained environment of a developing country (Mair & Marti, 2006). In particular, our investigation revealed the
absence of government support in the growth of the venture over five decades. In contrast, extant studies of women’s cooperatives in India have primarily focused on the failures of government-supported cooperatives (Brahme, 1984; Mayoux, 1995). Further comparative research on successful and failed cooperatives could help identify enablers and constraints of more collective forms of entrepreneurship. Finally, our analysis was based on the accounts of individual women members’ self-perception of empowerment as recommended by Pollard (2006). In particular, our findings illustrate how women in a strongly patriarchal society like India (Calás et al., 2009) can successfully engage in collective entrepreneurship as a means to achieve economic and social empowerment. This also highlights the significance of social and cultural contexts in women’s entrepreneurship.

Results of this study and others (Mayoux, 1995) should discourage governments from trying to prop up cooperatives via direct ownership or political meddling. Instead, policy makers should work toward creating an enabling legal and political environment that encourages women’s access to resources to launch and grow new businesses while protecting the organizations they launch from family or political manipulations (Kabeer, 1999).

For practitioners, this study illuminates another group of female social entrepreneurs who are making positive changes to their society by helping to “shift behavior patterns and perceptions” (Bornstein, 2004, p. 2). Social entrepreneurship ventures combine financial success with social value creation, offering a new way of thinking for all sectors of society (Nicholls, 2006, p. 30). The example of Lijjat, therefore, is instructive to entrepreneurs in both the nonprofit and for-profit sectors as described later.

This study offers nonprofit practitioners an opportunity to garner valuable insights into how Lijjat has mobilized mostly poor, often illiterate women, into a sustainable business venture that also empowers its female members. The work of nonprofit organizations around the world, particularly in India, should emphasize and support women’s leadership at all levels. The economic and social clout women can wield when given the opportunity to work together as leaders and owners of their own production is significant and should be leveraged by nonprofits for positive social and political change.

Of equal importance, this study provides the for-profit world a deeper look into how Lijjat’s consensus-style management, flexible work requirements, and profit-sharing disbursements represent an alternative, yet still successful, business model. Increasingly, customers (and politicians) the world over are challenging companies to measure their success beyond mere financial profit to include measurements of how people and the planet benefit from their operations. Companies and entrepreneurs can learn from the Lijjat model innovative ways to support local production and increase employee loyalty. As India’s global economic clout grows, and as women in India and elsewhere seek greater input into household purchasing decisions, the Lijjat model and the women-owners’ insights offered in this study provide new tools for businesses to use to enhance women’s agency, especially in resource-constrained contexts.

While challenges remain with defining concepts and measuring results in social entrepreneurship, female entrepreneurs and the businesses they form, individually or collectively, must remain a key focus of practitioners and researchers. Indeed, if we reframe the research as “entrepreneurship is social change” (Calás et al., 2009) then the ultimate measure of women’s empowerment rests in their achievements gained from their own agency to choose what businesses to run and social causes to invest in (Kabeer, 1999).

What is clear is that women around the world are creative and hardworking, and they will find ways to gain access to the resources they need to care for their families. Rather than ignore these entrepreneurial ventures, we should pay greater attention to them, particularly to women involved in successful organizations like Lijjat. It is our hope that
this study in some way helps to introduce the successes of these women entrepreneurs to a wider audience.

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