



## WOMEN ENTREPRENEURS IN RURAL SOCIETY: PROSPECTS AND CHALLENGES

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**ABSTRACT** Entrepreneurship is neither a science nor an art. It is a practice. But, as in all practice, medicine or engineering for instance, knowledge in entrepreneurship is a means to an end. It is not a flash of genius but purposeful tasks that can be organized into systematic work. Promoting Entrepreneurship has been a challenge in India since independence, for the reasons that entrepreneurship involves risk and uncertainty. It has been all the more difficult and challenging to promote women entrepreneurship due to dual responsibility, lack of family support, social taboos and beliefs about the gender role defined, lack of risk taking ability, managerial skills coupled with lack of self confidence to run a business or an enterprise. Women empowerment is possible with more and more women joining decision making position as heads of institutions, managing large corporations and also running industries, small, tiny or micro enterprises. India is a country of contradictions. On the one hand, women are worshipped as deities, without whose blessings, work cannot be initiated. On the other hand, they faced several challenges on day to day basis. Rural women are a vital parts of the Indian economy, constituting one-third of the national labour force and a major contributor to the survival of the family the poorer the family, the greater its dependence on women's income. Despite progress in several key indicators, a gender analysis of most social and economic data demonstrates that women in India continue to be relatively disadvantaged in matters of survival, health, nutrition, literacy, productivity, employment, entrepreneurship, local administration.

**KEYWORDS :** Women Entrepreneur, Rural Women, Rural Entrepreneurs

### Statement of the Problems

Entrepreneurship is one of the most important dynamic forces that can help to shape the economics of nation today. Entrepreneurship is an engine that provides employment to people, while generating wealth. The problems of entrepreneurial development in India are individual, group and institutional in nature. The individual factors consist of lack of self-motivation, lack of technical knowledge, lack of strong economic base, shyness, inhibitions to venture, resistance to change, lack of managerial talent, environment, type of ownership of the business, family system and the like. The group factors identified are group norms, caste, religion, beliefs, jealousy, discouragement from the fellow people, inter-state variation in the industrial climate, lack of sympathy and the like.

The identified institutional variables are unrealistic policies, programmes and procedures of implementing agencies, lack of integration among different agencies, political system, despotism and favoritism. There is a need to know about the people's skills, qualities, talents, willingness to learn new skills, improve the existing skills, readiness to become entrepreneurs and the factors influencing entrepreneurship.

**Research design:** The study follows as Descriptive research design. The study describes the factors that motivate women to become entrepreneurs and the various challenges they faced during their entrepreneurial venture.

**Sampling method:** The sampling methods adopted for the study were Simple Random sampling methods. The registered women entrepreneurs in DIC were taken as samples under survey method, and under random sampling method, the researchers have identified the samples one after the other through references given by the earlier from unorganised sectors.

**Sample unit:** The sample unit is the registered women entrepreneurs from DIC and women who have taken entrepreneurship in unorganized sectors in Madurai district.

**Sample size:** The study was conducted with 100 samples from rural areas of Madurai district.

**Data collection tool:** A structured interview Schedule was used to survey the respondents.

### Opportunities for Rural Entrepreneurs

- Integrated Rural Development Programme: The main objectives of integrated rural development Programme is to increase the income generating power of family who are below the poverty line

to alleviate the poverty.

- They impart technical & entrepreneurial skills & raise the income level of the poor. Some of the major employment & anti poverty programme are:
  - a) IRDP (Integrated Rural Development Programme) and its Allied Programme TRYSEM (Training Rural Youth for Self Employment) DWCRA (Development of women and Children in Rural Areas)
  - b) JRY (Jawahar Rozgar Yojna): It is wage Employment programme. Implemented by Panchayats at Village, Block & District level in the ratio. 70:15:15 etc.
- Regional Rural Development Centres.
- Technology for Bank.
- Fund for Rural Innovation.
- Social Rural entrepreneurship.
- Entrepreneurship Development Institute of India.

### Challenges faced by Rural Women Entrepreneurs

Rural women entrepreneur's performance is not as much progressive as desired due to various challenges faced by them such as:

- **Personal Challenges:** In developing countries like India women work long hours daily, carrying out family chores such as cleaning, cooking, bringing up children along with concentrating on their income generating activities. Such family responsibilities prevent them from becoming successful entrepreneurs. ex: choice between family and career.
- **Social Challenges:** The biggest problem of a woman entrepreneur is the social attitude and the constraints in which she has to live and work. Despite constitutional equality, there is discrimination against women. In a tradition-bound society, women suffer from male reservations about a woman's role and capacity. In rural areas, women face resistance not only from males but also from elderly females who have accepted inequality.
- **Financial Challenges:** As regards finance, women in developing nations have little access to finance because they are concentrated in poor rural communities with few opportunities to borrow money. The Times of India, March 18, 2004 reports that compared to states like Maharashtra and Tamil Nadu, the states of Haryana, Punjab and Chandigarh have not done well in distributing loans to female entrepreneurs. Such lack of access to credit is still worsened by a lack of information on where credit can be sought and requirements for loans. According to a 1995 report by the United Nations Industrial Development Organization (UNIDO), despite evidence that women's loan repayment rates are higher than men's, women still face more difficulties in obtaining credit often due to the discriminatory attitudes of banks and informal

lending groups. Women and small entrepreneurs always suffer from inadequate financial resources and working capital. They lack access to external funds due to absence of tangible security and credit in the market. Women do not generally have property in their names.

- **Marketing Challenges:** Inefficient Arrangements for Marketing and Sale for marketing their products, women entrepreneurs are often at the mercy of the intermediaries who pocket large chunks of profit.
- **Managerial Challenges:** High Cost of Production: Another problem, which undermines the efficiency and restricts the development of women enterprises, is the high cost of production. Competition Challenges: Many of the women enterprises have imperfect organizational setup. They have to face severe competition from organized industries and male entrepreneurs.
- **Lack of Mobility Challenges:** One of the biggest handicaps for women entrepreneurs is mobility or travelling from place to place. Women on their own find it difficult to get accommodation in smaller towns. Educational Challenges: In India, literacy among women is very low. As regards illiteracy among women, available statistics reveal that two-third of the world's 876 million illiterates are women. In India of the 59.5 per cent of total population that is illiterate, women comprise 48.3 per cent (Estimated in 2003). Due to lack of education, majority of women are unaware of technological developments, marketing knowledge, etc. Lack of information and experience creates further problems in the setting up and running of business enterprises.
- **Shortage of Raw Materials:** Women entrepreneurs find it difficult to procure raw materials and other necessary inputs. The failure of many women cooperatives in 1971 such as those engaged in basket making was mainly due to the inadequate availability of forest-raw materials. The prices of many raw materials are quite high. Low Ability to Bear Risk: Women have comparatively a low ability to bear economic and other risks because they have led a protected life.
- **Low Need for achievement:** Need for achievement, independence and autonomy are the prerequisites for success in entrepreneurship. However, women are proud to bask in the glory of their parents, husbands, sons, etc. Other Challenges: In addition to the above problems, inadequate infrastructure, shortage of power and technical expertise and other economic and social constraints have retarded the growth of women entrepreneurship challenges and Lack of Law knowledge challenges.

**Access to information:** Women want better access to education, training and counselling.

**Access to capital:** Access to capital is a very important issue for many women business owners, who often lack formal education in financial matters and who may face gender based barriers to accessing financing.

**Access to market:** Women want better access to existing ways of sharing information about programs and services that are available to all business, such as government procurement and corporate purchasing opportunities as well as opportunities for international trade.

**Access to network:** Women want full access to business networks such as industry-specific and general business associations.

**Validation:** Women want to be treated seriously as business owners. If these five areas are addressed by those involved in business development issues (government agencies, NGOs, large corporations, or business associations), then women's business ownership will not only continue to grow, but will thrive even more strongly. Unleashed and unfettered, women's entrepreneurship can provide the fuel for economic growth and opportunity for communities around the world.

### Findings and Conclusion

**Age** - There are 20 per cent of the respondents belong to the age group of 25 – 35, Nearly 50 per cent of the respondents belong to the age group of 36 – 50.

**Religion** - Study reveals there are 80 per cent of the respondents belongs to the Hindu religion and 20 per cent of the respondents are Christians. It is interesting to note that no one can belong to the religion of Muslim, because their religion too controlled against

women. Majority of respondents belong to Hindu

**Caste** - There 50 per cent of the respondents belong to the caste of backward class, 30 per cent of the respondents belong to the caste of most backward class.

**Education** - Almost 20 per cent of the respondents are obtaining their under graduation. 50 per cent of the respondents finished their post graduation

**Marital Status** - Majority (90 per cent) of the respondents are married and only 10 per cent of the respondents are divorced.

**Family Structure** - Sixty per cent of the respondents live in joint families and rest of them (40 per cent) from nuclear family system.

**Annual Income** - There are 50 per cent of the respondent's income is up to 3 lakhs, 10 per cent of the respondent's income is from ₹ 3 to ₹ 5 lakhs, 30 per cent of the respondent's income from ₹ 5 to ₹ 10 lakhs per annum. The majority of the respondents are in middle class category. It shows that all the respondents are in the lower ranges their income is also poor.

**Factors Influencing Entrepreneurship** – Achieve something new, financial problem, relax from household work, become economically sound person and social cause are the factors influencing women entrepreneurs.

**Sources of Investment** - Out of 400 respondents majority of them are getting their initial investment through their family, 40 of them are through banks (private/public) and 20 of them are through getting their investment through government agencies.

**Mode of Financial Assistance** - Out of 400 respondents only 10 per cent (40 respondents) of them getting their financial assistance for the purchase of land and building at cheap rate and 90 per cent of them getting Prime Minister's Employment Generation Programme (PMEGP).

### Challenges Faced by Women Entrepreneurs

- Out of 400 respondents 280 of them feel marketing of their products is a hardest one, 20 per cent of them sense finance is a major part of their current venture and only 10 per cent of them suffer gender difference.
- Out of 400 respondents majority of 200 (50 per cent) earn an optimum profit in their current venture and attain their heart fulfilment, followed by 100 (25 per cent) attain self confidence in their venture. 60 (15 per cent) women entrepreneurs attain other traits.
- Encouragement by friends ranks first on the basis of the calculated intensity value. Relatives, support from parents and spouse have acquired second, third and fourth ranks respectively. Kendall's coefficient of concordance is less than the value at 5 per cent of significance level, the hypothesis H<sub>0</sub> is accepted and it can be concluded that there is no significant difference in ranking on the basis of educational status.
- Regarding the gender difference in their current job, 80 per cent of them are not feeling gender difference in their current venture.
- Out of 400 respondents 280 (70 per cent) of them faced depression and the remaining factors are placed each 10 per cent

### Conclusion

It can be said that today we are in a better position wherein women participation in the field of entrepreneurship is increasing at a considerable rate. Efforts are being taken at the economy as brought promise of equality of opportunity in all spheres to the Indian women and laws guaranteed equal rights of participation in political process and equal opportunities and rights in education and employment were enacted. But unfortunately, the government sponsored development activities have benefited only a small section of women i.e. the urban middle class women. Women sector occupies nearly 45 per cent of the Indian population. At this juncture, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women.

The role of women entrepreneur in economic development is also being recognized and steps are being taken to promote women entrepreneurship. Resurgence of entrepreneurship is the need of the

hour emphasizing on educating women strata of population, spreading awareness and consciousness amongst women to outshine in the enterprise field, making them realize their strengths, and important position in the society and the great contribution they can make for their industry as well as the entire economy.

Women entrepreneurship must be molded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. If every citizen works with such an attitude towards respecting the important position occupied by women in society and understanding their vital role in the modern business field too, then very soon we can pre-estimate our chances of out beating our own conservative and rigid thought process which is the biggest barrier in our country's development process.

We always viewed that a smart woman can pick up a job any day, but if she becomes an entrepreneur she can provide a livelihood to 10 more women at least..!! Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business, rather than dependent on wage employment outlets. The unexplored talents of young women can be identified, trained and used for various types of industries to increase the productivity in the industrial sector.

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