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Challenges and Opportunities for Rural Women Entrepreneurs

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ABSTRACT

In today's world, rural women entrepreneurs are playing very vital role and they have become important part of the global business environment and it's really important for the sustained economic development and social progress. In India, though rural women are playing key role in the society, but still their entrepreneurial ability has not been properly tapped due to the lower status of rural women in the society. The main purpose of this paper is to find out the status of rural women entrepreneurs in India. This paper includes rationale grounds behind the rural women entrepreneurship. Another main purpose of this paper is to analyze policies of Indian government for women and also to analyze that are those policies adequate for the growth of rural women entrepreneurship. Main reasons for rural women to become an entrepreneur, the institutions that are serving the rural women to put their views into action are also included in this study. On the basis of this study some suggestions are given to encourage spirit of rural women entrepreneurship to become a successful entrepreneur.

Keywords: - entrepreneurs, rural, women, environment, institutions

Introduction-

An entrepreneur is a person who operates a new venture and also inherits some risks and is able to look at the environment, The great ones are ready to be laughed at and criticized in the beginning because they can see their path

ahead and are too busy working towards their dream, True entrepreneurs are resourceful, highly motivated and driven to succeed and Improve their entrepreneurial skill. The term "entrepreneurship" comes from the French

verb “entreprendre” and the German word “unternehmen”, both means to “undertake”.

Grave and Hofer in 1891 defined the entrepreneurial process as involving all the functions, activities, and actions associated with perceiving of opportunities and creation of organizations to pursue them. Women Entrepreneur, in a larger sense, therefore is a woman who accepts challenging role to meet her personal needs and become economically self-sufficient. A woman faces numerous problems to reach her familial needs. At last, a women entrepreneur becomes economically self-sufficient after facing challenges. By identifying herself a successful entrepreneur, she shines in the two faces of her life i.e. society and family. Entrepreneurship of Women development is an essential part of human resource.

Development of women entrepreneurship compared to other countries is very low in India, especially in the rural areas. The progress is more visible among upper class families in urban cities. Rural woman constitutes the family, which leads to society and Nation. Social and economic development of women is necessary for overall economic development of any society or a country.

Concept of Rural Entrepreneurship Rural entrepreneurship implies entrepreneurship emerging in rural areas. Rural entrepreneurship means rural industrialization. Industrialization can't originate or sustain



without entrepreneurship whether rural or urban. Industries coming under the purview of KVIC are treated as rural industries. Rural industrialization means encouraging location of large and small scale units away from urban areas or planned shifting of units from urban areas to rural areas. Rural entrepreneurship can stop the increasing migration towards cities as it provides wide range of employment opportunities to the village people. Migration from rural areas should not only get checked but overpopulated towns and cities should also get decongested. If it is so, ways can always be found out. One is by forcibly stopping villagers from settling in the slums of towns and cities, making use of all powers to clear the slums so the villagers are forced to go back.

The basic principles of entrepreneur which applied the rural development are: Optimum utilization of local resources in an

- Entrepreneurial venture by rural population - Better distributions of the farm produce results in the rural prosperity. Entrepreneurial occupation rural population to reduce
- Discriminating and providing alternative occupations as against the rural migration. To activate such system to provide basic '6 m'-manpower,
- money , material, machinery, management and market to the rural population. (Patel & Chavda, 2013)

Rural woman constitutes the family that leads to society and Nation. Overall development of women is necessary for the development of society and nation. The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. Women entrepreneurship has been recognized during the last decade as an important untapped source of economic growth. According to of statistics women in India 2010, proportion of female main workers to total population in percentage is 16.65 in rural areas and 9.42 in urban areas this shows overall less contribution of women in work but more percentage of women workers in rural areas. Women in entrepreneurship has been largely neglected both in society in general and in the social sciences. Not only have women lower participation rates in entrepreneurship than men but they also generally choose to start and manage firms in different industries than men tend to do. Entrepreneurship development among rural women helps to enhance their personal capabilities and increase decision making status in the family and society as a whole. (Sharma, et.al. 2012)

Types of Rural Entrepreneurship-

- I. Individual Entrepreneurship- It is basically called proprietary i.e. single ownership of the enterprise.
- II. Group Entrepreneurship - It mainly covers partnership, private limited company and public limited company.



- III. Cluster Formation - It covers NGOs, VOs, CBOs, SHGs and even networking of these groups. These also Paper ID: SEP1441 93 International Journal of Science and Research (IJSR) ISSN (Online): 2319-7064 Impact Factor (2012): 3.358 Volume 3 Issue 9, September 2014 www.ijsr.net Licensed Under Creative Commons Attribution CC BY cover formal and non-formal association of a group of individuals on the basis of caste, occupation, income, etc.
- IV. Cooperatives - It is an autonomous association of persons united voluntarily for a common objective. An entrepreneur has to decide on a particular type of entrepreneurship based on the various options available. (Source: <http://www.scribd.com/doc/26661470/RuralEntrepreneurship-in-India>)

Objective of the study---

1. To explore the challenges for rural women entrepreneurs.
2. To explore the opportunities for rural women entrepreneurs.

CHALLENGES AND OPPORTUNITIES FOR RURAL ENTREPRENEURS-

Challenges Faced by Rural Women Entrepreneurs. The main challenges faced by rural women in business are educational &

work background. They have to balance their time between work & family.

Some of the challenges faced by rural entrepreneurs are as follows:-

- 1) **Growth of Mall culture:** - The greatest deterrent to rural women entrepreneurs is that they are women. India is a kind of patriarchal male dominant society. Male members think it is a big risk financing the ventures run by women.
- 2) **Illiteracy:** - The literacy rate of women in India is found at low level compared to male population. The rural women are ignorant of new technology or unskilled. They are often unable to do research & gain the necessary training (UNIDO, 1995, p1). According to the economist, women are treated as second-class citizens who keep them in a “pervasive cycle of poverty”. The uneducated rural women do not have the knowledge of measurement and basic accounting.
- 3) **Low Ability to Bear Risk:** - Women in India lives protected life. She is taught to Rural Women Entrepreneurship in India. Opportunities and challenges Dr. Anita Mehta and Dr. Mukund Chandra Mehta T International Conference on Humanities, Geography and Economics (ICHGE'2011) Pattaya



Dec. 2011 313 depend on male members from birth. She is not allowed to take any type of risk even if she is willing to take and has ability to bear. Economically they are not self dependent.

- 4) **Lack of Infrastructure and Rampant Corruption:** - These are also the other problems for the rural women entrepreneurs. They have to depend on office staffs and intermediaries to get the things done, especially the marketing and sales side of business. Here is the more probability for business fallacies like the intermediaries take major part of the surplus or profit.
- 5) **Lack of Finance:** - The financial institutions discourage women entrepreneurs on the belief that they can at any time leave their business. Therefore, they are forced to rely on their own savings, loan from their relatives and family friends.

Opportunities for Rural Entrepreneurs:

- Crashed Scheme for Rural Development Food for Work Programme
- National Rural Employment Programme
- Regional Rural Development Centres

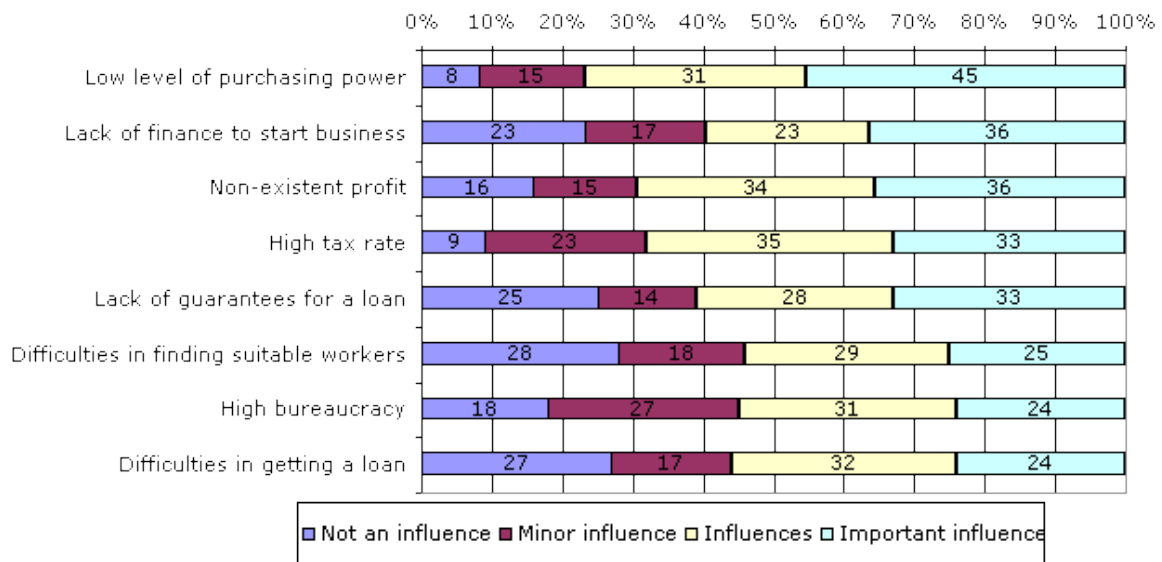
- Entrepreneurship Development institute of India Bank of Technology
- Rural Innovation Funding S
- Social Rural Entrepreneurship.]

Figure 2 gives an overview of the obstacles and problems of entrepreneurship. The scarcity of financial resources sets limitations on business development and is usually a serious problem for entrepreneurs. Scarcity of financial resources also relates to low purchasing power of clients in rural areas, high taxes and few support schemes

Obstacles of entrepreneurship

Figure 2: Main obstacles for entrepreneurship

Source: Talves and Laas, 2004, pp. 54-55



These problems characterise business start-ups in general in Estonia and not only for female entrepreneurs. The main obstacles for a business start-up, according to the study, were:

- Lack of financial resources.
- Lack of knowledge (marketing, sales, accounting, etc).
- Unstable legislation regulating business activities (accounting rules, compulsory statistics, etc).

The study did not find a negative attitude towards female entrepreneurship. In the list of possible obstacles, one question suggested the underestimation of women as entrepreneurs. However, 64% of respondents stated that this was not a barrier, and only 15% stated that it was.

The survey also casts light on the problems that arise in reconciling entrepreneurship and family life. Women mentioned that they do not have enough time for their family, home, children, or for themselves and their hobbies.

Nevertheless, only 18% have used the help of a housekeeper and 14% have hired baby-sitters. Respondents also pointed out that there are limited possibilities for taking a vacation, as they face difficulties in finding a replacement and it can be complicated to coordinate holiday time with the other family members' free time.

Opportunities for Rural Entrepreneurs:
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Conclusion

Current situation is very fast moving with technology development, transformation, industrialization, rural development, education and development. In such situations, employment opportunity enlarged drastically for rural women. Entrepreneurship into rural women, no hesitancy develops the wealth of the nation in general and of the family in individual. India being a socially male dominated country, women are assumed to be economically and socially dependent on male members. Women need to backing and support from the family members, government, society, male colleagues etc., with the right assistance from various groups stated above, they can connected to the main stream of



national rural economy and thereby contribute to the rural economic development. The Government should make a plan so that the Indian women entrepreneurs can work more on empowerment by training, development and capacity building programs.

It is identical truth that rural women entrepreneurs cannot be developed without suitable training. Therefore, it is necessary to provide training to rural women to enhance their entrepreneurial skill and giving a route of success to rural women. The Government should offer well education services to rural women. The education and awareness programs should be arranged to change the negative social attitudes towards women. The Training programs should be made more structural taking into consideration the socio economic background of the women entrepreneurs.

To overcome of psychological problems is that lack of confidence, low risk taking capacity, counselling should be provided to the existing and emerging rural women entrepreneurs with the help of NGOs, psychiatrists, technical persons and management experts. The problems of women entrepreneurs cannot be solved only by government intervention. There should be women entrepreneurs who can give great ideas and be able to translate them into reality, persuade fellow entrepreneurs and policy makers. Self-help mutually aided groups must be formulated for overcoming the common entrepreneurial problems.

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