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Study on rural women entrepreneurship in India: Issues and Challenges

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Abstract

Now days, women are becoming socially and economically empowered through generating their own business. A woman entrepreneur plays an important role in India to the wake of globalization and economic liberalization. Women entrepreneurship is very important concepts for development of rural areas. Rural Entrepreneurship can create new economic opportunities for rural women and contribute to overall growth and leaving from poverty. It also provides a great opportunity in current time for the development of rural or semi-rural people who migrate to urban areas. In this field rural woman entrepreneurs cannot be ignored. There is a substantial contribution of women rural entrepreneurs in the growth of developed rural areas but the development of women entrepreneurship in rural areas is very low because the rural women's are face more challenges and problems.

The purpose of this paper is to discuss the issues and to know about the supporting element in detailed regarding women entrepreneurship in rural areas of India and also to highlight on the position of women rural entrepreneurs in India. The outcomes of this paper expose that lack of balance between family and career obligations of women, lack of direct ownership of the property, poor degree of financial freedom for rural women, the absenteeism of entrepreneurial skills and finance in economically rich and poor women, negligence by financial institutions, lack of self-confidence, lack of confident schedule of life, lack of education, no awareness about capacities, low risk bearing ability, lack of self-confidence, problems of work with male workers, flexibility limitations and lack of contact with successful women rural entrepreneurs are major problems of Rural Women Entrepreneurship development in India.

Keywords: Women Entrepreneurship, Rural Development, Employment, Social factors, etc.

Introduction

Entrepreneurship plays an important role in generating employment opportunity for rural societies, providing self-employment for those who started-up their own business and improving the economic status of the rural area as well. Now women's are also interested to start their own business in both the rural and urban areas due to overcome poverty, generate family income and developing Standard of living. Women's are participating in the agriculture, business and trade without any social and other boundaries. But in India, there are many social and cultural limitations for rural women. Hence, the women contribution in entrepreneurial activities is less in the social and economic growth of rural India. Now the United Nations has been celebrating 15th October as International Rural Women's Day since 2008 for appraising them. Who carry out entrepreneurial activity establishing industries, business units in rural areas by using agriculture sources are called rural entrepreneurship. In other word, establishment of industry and business units in the rural areas refer to rural entrepreneurship.

According to Khadi and Village Industry Commission (KVIC), "*The meaning of rural industry or village industries which is any business or industry located in rural areas, population of which does not exceeding 10,000 or such other figure which produces and provide any goods or services with or without use of power and in which the fixed capital investment per head of a worker or an craftsman does not up to Rs. 1,000*".

The altered description has been given by Government of India in order to increase its scope. Government of India is define, "*Any business or industry started in rural area, village or town with a peoples of 20,000 and below and an investment of Rs.3 crore in any plant and machinery is classified as a village industry*".

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Any Women who agrees to take the challenge and play the vital role to meet her individual needs and become financially independent is called women entrepreneur. The Government of India is defined as “An enterprise owned and governed by women having a minimum economic interest of 51% of the investment and giving at least 51% employment created for women in their enterprise” called women entrepreneurs.

According to J.A. Schumpeter, “Any Woman who builds, adopts or reproduces a business industry is called as woman entrepreneur”. Simply we can say that women entrepreneurs are those who organize and lead the business enterprise or industry and provide the employment to other. Rural Women Entrepreneurship is the activity done by women those who establish their own business or industry in rural areas and use of the agriculture sources to create employment for rural people. The basic concepts of rural entrepreneurship which applied in the rural development:

- Best use of local resources in an entrepreneurial project by rural people to better distributions of the farm produce results in the rural society.
- Entrepreneurial occupations reduce discrimination and providing alternative employments against the rural migration in rural areas.
- To activate the basic system of ‘6M’- Money, Material, Manpower, Machinery, Management and Market to the rural zones.

Objective of the Study

- To find the issues and challenges faced by rural women entrepreneurs in India.
- To find the factors responsible for influence rural women to become entrepreneurs.
- To study the effective support of the government on women entrepreneurship.

Review of the Literature

Raju and Bhuvanewari, (2014) [2]: A Study on Rural Entrepreneurship in Sivaganga District is being planned and it deals with problems, functions, needs and how to develop methods in rural entrepreneurship. In this situation researcher focuses on identifying the needs to the rural entrepreneurship, types of rural entrepreneurship, issues and problems faced by rural entrepreneurship and the elements encouraging the rural entrepreneurship. The author limitations those are very difficult to encourage and motivate to rural entrepreneurs and with reduced motivation level, rural entrepreneurs face a lot of problems. Thus it is mandatory for our government to provide entrepreneurial training to women belonging to rural and urban area. As far as rural development through rural women entrepreneurship is concerned it will stand as vehicle to change quality of life of rural people, sustainable development and growth of economy.

Pharm, and Sritharan, (2013) [3]: The problem faced by women entrepreneurs in rural areas was being measured and initiates that majority of the women entrepreneurs were rated as absence of strong leadership. Their leadership quality was not good as required for being a successful entrepreneur. There are many women entrepreneurs who face the problem related to finance. Second rank was financial insufficiency. The third rank was absence of systematic development. No awareness about Government scheme, No repayment of loan by the participants, Lack of education and other problems.

Parveen, 2013 [4]: Development of Rural Women Entrepreneurs by Workshop Training is being planned and it is found that workshops controlled by different NGO’s helped rural women to offer financial support, business education and mentorship. The study analyze that trained rural women entrepreneurs have good business skill and abilities. Hence, they can easily entree to the different markets and start business on sustainable root. As far as untrained rural women are troubled, they have to face a lot of problem in managing their business. Another outcome of this study is that the unmarried rural women entrepreneurs that they can face another problem to take bank loans because there is a possibility of change of their living destination after marriage. So that the unmarried women entrepreneurs when getting married that have more difficulty for the business because they have to bear double responsibilities, at their home and at work. In current scenario the percentage of unemployment among qualified and educated women is increasing in rural areas, it is necessary to support and promote rural entrepreneurship as it will create more opportunities for rural societies.

Senthilkumar, Vasantha and Varadharajan, 2012 [5]: Male dominated society and women are not treated as one and the same partners both inside and outside four walls of the house. A study on women entrepreneurship development is managed and it is found that the Indian women enjoy unfavourable status, literacy rate of the women is low in the society, low work participation rate and our old traditions and limitations arresting to women within four walls of their houses also make their situations for the unfavourable. These factors combine to serve as non-conductive condition for the development of women entrepreneurship in the country. The entrepreneurship development program of rural women is expectedly low in India. This shows that very limited percentages of women are involved in the total self-employed persons in India.

Research Methodology of the Study

Research design: The nature of the research is both exploratory and descriptive. It is investigative as the research goals to classifying the problems and motivation of rural women entrepreneurs.

Sources of data: This study is based on secondary source of data. The data collected from books, published reports of RBI, NABARD, DWCRA, Census Surveys, SSI Reports, newspapers, literature review is prepared by online available studies and journals.

Issues, Challenge and Problems of Rural Women Entrepreneurship in India

There are a number of challenges and problems that rural women entrepreneur’s faces in their business are family boundations, time balancing between family and work, education and working experience, Problems of raising start-up capital, suppliers, and clients are some issues. In order to there are some number of the challenges faced by rural entrepreneurs are as follows-

a) Lack of education

In India literacy among women is very low. Even in 21st century, rural women in India are lagging far late in the field of education. Mostly women of the rural areas are uneducated. Women in rural areas who are educated

provided whichever less or insufficient education than their male equivalent partly due to poverty, early marriage, low socioeconomic status, partially due to son's higher education. Lack of education is one of the biggest problems for rural women who want to start their business. Due to lack of good education, women entrepreneurs not adopt the new technology development, new trend of marketing, new methods of manufacturing and other government schemes which motivate them.

b) Balance between Family and Career

Women in India are emotionally attached with their family. They have very less practical. They are supposed to do all the household work, to look after the children and other family members. They have more family responsibilities for husband, care of children, others of family members and in regulations which take away a lot of their time and energy. In such situations, it will be very challenging task for women to focus and run the business successfully. A married women entrepreneur has to make a respectable balance between home and business activity.

c) Male Dominated Society

In our constitution regulation there are equivalent rights for men and women but in real equality does not be present in rural areas. Women are not treated equal to men. People in rural areas generally having a prejudice that woman are capable only for household work. Women entry to business needs to approve by the head of the family. Entrepreneurship usually has been seen as a male circle and male dominated. All phase of this type a barrier in the growth of women entrepreneurs. Thus the male entrepreneurs create problem in the success of women entrepreneurs.

d) Shortage of finance

There are rural women entrepreneurs have to face a lot of problems in raising funds and complete the financial needs of the business. Women and small entrepreneurs suffer this type of financial problem because the ignored by financiers, creditors and financial institutes for less credit worth and more chance of business failure. They lack access to outside funds due to absence of solid security and credit in the market. They also face financial problem due to no property on their own names.

e) Low Ability to Bear Risk

In India, generally women are delicate and emotional by nature. Women have comparatively to man a low ability to bear financial and other risks because they have led a secure life. An entrepreneur must have risk bearing capacity for being successful entrepreneur. But women, occasionally fail to bear the amount risk which is needed for running a business. Lack of proper education, training and financial support by outsiders also reduce their ability to bear the risk involved in an enterprises.

f) Lack of entrepreneurial Skills

Lack of entrepreneurial skill is a major issue for rural women. They have no entrepreneurial bent of mind. Sometimes even after joining various entrepreneurship training programs, women entrepreneurs fail to tide over the risks and difficulties that may come up in an organizational working.

g) Limited managerial Skills

Management has developed a specific job which performs only capable managers. Due to absence of proper knowledge women entrepreneurs not successes in managerial responsibility like planning, managing, directing, staffing, controlling, coordinating, monitoring, motivating etc. of a business enterprise. Hence, less and limited managerial skills of rural women has become a problem for them to run the business successfully.

h) Lack of Technological Awareness

Rural entrepreneurs face a severe problem of lack of awareness about technology. Lack of training services and wide services crate a difficulty for the development of rural women entrepreneurship.

i) Shortage of Raw Materials

The women entrepreneurs have face more struggles to buy raw materials and other required materials. Women's are facing the problem in searching raw materials from many sources. They use limited or convenient sources of raw materials. The failure of many women cooperatives in 1971 such as those involved in basket making was mainly due to the insufficient availability of forest- raw materials. The prices of many raw materials are quite high.

j) Finding of Raw Materials

Finding of raw materials is really a solid task for rural entrepreneurs. They may close up with poor quality of raw materials, may also face the problem of storage and warehousing.

k) Socio Cultural Barriers

The civilizations and customs prevalent in Indian cultures towards women sometimes stand as a problem before them to grow and flourish. Castes and religions rule with one extra and hinder women entrepreneurs too. The women entrepreneurs face more social and cultural barriers or restrictions as they are continuously seen with suspicious eyes in rural areas.

l) Social Attitudes

The largest problem of a woman entrepreneur is the social assertiveness and the restrictions in which she has to live and work. Despite beside legal equality, there is women face discrimination against man. In the cultural tradition of the society, women suffer from male reservations about a woman's role and capacity. In rural regions, women face conflict not only from males but also from elderly females who have accepted gender inequality.

m) Absence of Motivation

Motivation plays an important role in succession of an enterprise. Inherent nature of the women entrepreneurs, sometimes feel less confident which a motivation factor in running an enterprise successfully is basically. This is struggling hard for rural women to strike a balance between managing a family and an enterprise.

n) Legal Formalities

Rural entrepreneurs find it extremely difficult in fulfilling with many legal formalities in obtaining licenses due to illiteracy and unawareness.

Factors motivate to rural women as become Entrepreneurs

The motivation factors that who enforce to rural women for make themselves as an entrepreneurship. The scheme of Development of Women and Children in Rural Areas (DWCRA), the five year plans of Indian Government, NABARD, etc. are helping to rural women.

Development of Women and Children in Rural Areas

The DWCRA was started by Government of India in 1982-83 for development program for rural women and providing opportunity to self-employment. There are comes several thousands of rural women for attend entrepreneurship development program. The main objective of this scheme is to develop women and children in rural areas. This program also helps to rural women entrepreneurship development. DWCRA promote self-employment among the rural women who are below poverty line, generate the income for rural poor by production of goods and services and establish production improving programs in rural society.

Five Years Plans of the Indian Government

The Government of India started the Women Entrepreneurship Development (WED), training program for the women. This scheme has many development parts, WED training program content wise are no different from general Entrepreneurships Development training for men. The entire WED package consists of pre promotion activity, promotion & identification of entrepreneurs, selection and training, post training support and follow up. However, special emphasis has to be laid on development of Personal Entrepreneurial Characteristics (PECs) through training as a part of WED.

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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