

**RURAL ENTREPRENEURSHIP DEVELOPMENT
AND CHALLENGES: TOWARDS WOMEN
ENTREPRENEURSHIP**

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ABSTRACT

Women Entrepreneur is a women accepting challenging roles to do something innovative in her surrounding and presenting a role model of self sufficiency and competency for others. A strong desire to do something innovative, creative, enhancing her skills is an inbuilt quality of Entrepreneurial Women, who is capable of contributing values in both family and social life. “Innovation” and “home based activities”, “creating the rural market” are the familiar terms associated with rural entrepreneurship. Women entrepreneurs are the women or a group of women who initiate, organize and operate a business enterprise. According to the Government of India Women entrepreneurs as an enterprise owned and controlled by women saving a minimum financial interest of 51% of the capital and giving atleast 51% of the employment generated in the enterprise to women. Published: Science Tech/women entrepreneurship 2001 In perspective of India, growths depend upon the success of Industrial as well as Agricultural sectors. The beginnings of Industrial entrepreneurship in India is age old from the times of (Rig Veda). For instance, entrepreneurship was observable among the artisans in cities like Benaras, Puri and Mirzapur etc in Corals of Bengal, Chintzes of Lucknow, Silk branded clothes of Nagpur, Kashmiri Shawls etc. Entrepreneurial activity gained importance during the economic crisis in 1990’s when government initiated the policies to make the

people self-empowered. So empowering women, who are the backbone of our Agrarian economy, is a beneficial medium to achieve economic growth in the country. The total Indian Entrepreneurship activity average about 11.4% Source: GEM INDIA REPORT, 2004.

INTRODUCTION

The position of women and their status in any society is an index of its civilization. Women are to be considered as equal partners in the process of development. But, because of centuries of exploitation and suppression, Indian women have been neglected a lot. They have not been actively involved in the main stream of development even though they represent equal proportion of the population and labour force. Primary women are the means of survival of their families, but are generally unrecognized and under valued, being placed at the bottom of the pile. The Liberalization that started in 1991 and the information technology boom in the 1990's have been significant factors leading to the wave of entrepreneurship spreading through out the country. Over the years, India has identified the entrepreneurial capacities of the women and has laid more emphasis on the development of small scale entrepreneurship in laghu udyog ie cottage industry.

The push factors which induced the rural women to work in search for livelihood and sustenance now it has become more of an occupation to support her self and family They show a great perfection in their home based activities of entrepreneurship like khadi making, weaving, operating a small store, pottery making, aggarbati, food products etc. The women entrepreneurs have diversified their skills into more of a new commercial activities of working such as cloth stitching, hair cutting parlours, dying of clothes, dhabbas, lac products, candle making, milk dairies, toys, educational entrepreneurs etc. all was possible due to the recognition of their activities into International and local markets. Thus, government recognized them as an effective tool for eradicating poverty and

generation of self employment to fight against immediate crisis and dilemma prevalent in the Country.

Present Initiative The Women Entrepreneurship activities gathered momentum after 1990 and their importance was duly recognized by the Government to make people independent as other Asian Countries of the World have empowered their people to recover from the present depleted situation. The Fifth Five Year Plan which aimed at poverty reduction and generating employment to make the people of India self sufficient whether rural and urban entrepreneurship was a better alternative for inclusive growth in the country through SME's. There arose a need for cost effective and technological implementation to innovate the products according to the international standards. Firstly, the government laid emphasis on Special Economic Zone's so that trading of activities with outside foreign buyers becomes direct and barrier free. Secondly, the financial institutions role has increased over a period of time providing loans, necessary infrastructure, machineries, and training to the rural units to explore new market opportunities locally and internationally at 35% of total exports Source: Laghu Udyog 2002. The government programme for women development began around 1954 in India but the actual participation began only in 1974. At present, the government of India has over 27 schemes for women operated by different departments and ministries. Government has initiated these policies under their 5 Year Plans in PMRY, TRYSEM, SEWA etc. to provide financial aid and training to Women residing in villages to run their small units independently. Some of the States like Rajasthan, Orissa, and Tamil Nadu has been identified working as market facilitator and flourishing Tourism Industry in India. With the advent of the computers, e-commerce has given impetus to these markets, on line, representing the Indian Heritage and Wisdom on global basis. Example Mahabaleshpuram, in south India famous for sea products like shank, oysters, beads etc. Rajasthan famous for handicrafts, embroidery, food products etc. all activities recognizing women skills.

Mr. Federick Harbison has talked about five functions of women entrepreneurs:

1. Exploration of the prospects of starting a new business enterprise.
2. Undertaking of risks and the handling of economic uncertainties involved in business.
3. Introduction of innovations.
4. Supervision and Leadership.

Women in India enter into business mainly for two types of factors ie push and pull factors. Pull factors refers to the process in which women entrepreneurship are encouraged to start an occupation with an urge of doing something independent. Whereas push factor refers to the process in which women are compelled to take up their own business in order to tackle up their own business in economic difficulties as well as responsibilities. Women are using the traditional and non traditional modes and are performing well.

OBJECTIVES OF THE STUDY

To find the degree of effect of social and economical factors on women entrepreneurs.

1. To find out the future prospect of the women entrepreneur.
2. To understand the issues of the women entrepreneurs
3. The role played by government of India, SHG's, MFI's and social entrepreneurs to promote women entrepreneurship in India.

The main issues faced by the Rural Women Entrepreneurs are primarily socio economic barriers, legal and institutional context. India is a hub of entrepreneurs most of the tiny enterprises start at an average of 95 per year but die sooner due to heavy competition in the market from the large scale units or become a labour force of these units after the failure. Source: GEM INDIA

REPORT 2007. No country can achieve its potential without adequately promoting and developing the capabilities of women. In the interest of long term development it is necessary to facilitate their empowerment. Even after five and half decades of planned development Indian women have much less access to minimum education, work, income and power than men. Even after five and half decades of planned development Indian women have not achieved expected success in the main stream of life. Women are almost one half of the World's population having enormous potential but being under utilized for the economic development of the nation. There is a need to strengthen and stream line the role of women in the development of various sectors by harnessing their power towards nation building and to attain economic growth.

The contribution of Rural Women Entrepreneurs is found significant in the area of 3P's –pickle, papad and powder. They are illiterate but have a significant amount of skill and perfection in fetching exports for the country. They are awarded for their work more in the form of cash. They sometimes involve their family in the entrepreneurial activity, to leverage their efficiency for future. In the advanced countries like USA, women won 1/4th of all business, in Canada 1/3rd of small business are owned by women and in France, it is 1/5. In UK the number of self-employed women has increased three fold as fast as the number of self-employed men. In India the self-employed women account for only 5.2% of the self-employment persons in the countries. Source: [url adv.usa.com](http://url.adv.usa.com)2004. Majority of women do not under take entrepreneurial activities. Entrepreneurship is a key to economic development of a country. History is full of instances of individual entrepreneurs whose creativity had led to the industrialization of many nations thus small scale industries play a key role in the industrialization of the country. It is considered as an important means for checking concentration of economic power in the few hands and bringing about economic dispersal and more equitable distribution of national income. In this

article attempt has been made to view the participation of women entrepreneurs in small scale industries.

It is difficult to state the age group of women entrepreneurs participating in entrepreneurial activities but according to the data published in book Entrepreneurship in small scale sector in India, author D. Narendra Kumar Publication 2004, age group varies between 16-25 and 26-40 women are involved in the self due to financial reason or some mishappening in their life. Example Ms. Kalpana saroj a dalit woman from a very poor and low background broke the social shackles now heads 3000 crore business enterprise Kamani Tubes at Vada at the age of 48 years. Source: Economic Times Paper dated 08.03.2010. Our economy is agricultural economy ie rural economy according to this 70% of the Indian population resides in villages. The ratio of women population is estimated about 40% as their male counterparts go to cities in search of livelihood. The women staying in villages taking care of the family members and remain busy in household chores. In their free time they engage themselves in the occupational activities of large units working as a labour force to earn their livelihood or take caring of the family business owned by her husband and even starting a joint activity which is found to be at a very slow pace. There are many examples where entrepreneurial activity starts with one product or process and aggravates into a number of other allied activities to provide products according to the demand The term business and enterprise are mis interpreted but the difference lies in the innovation of a product or service and providing a large scale of employment to the local residents and manifested the innovative ideas to run the enterprise successfully. It starts with the deciding of the location, supply of raw materials, finance and legal issues which has to be taken into consideration whether in rural or urban area. The number of unregistered units in India are 9.26 in lakhs, May 2007. Source: www.smallindustryindia.com are a vital source of employment to women. In agricultural sector entrepreneurial activities lie in the fresh and

innovation adopted in farming methods, to produce better crops and creating the market for their crops.

Women Entrepreneurship in India: Out of total 940.98 million people in India, in the 1990 females comprise 437.10 million representing 46.5% of the total population. There are 126.48 million women workforce (28.9% of the female population). But as per 1991 census, only 1,85,900 women accounting for only 4.5% of the self-employed persons in the country were recorded. Majority of them are engaged in the unorganized sector like agriculture, agro-based industries, handicrafts, handlooms, and cottage-based industries. Participation of women as industrial entrepreneurs, however, is comparatively a recent phenomenon commencing from 70th century onwards, there were more than 2, 95,680 women entrepreneurs claiming 11.2% of the total 2.64 million entrepreneurs in India during 1995-96. This is almost double the percentage of women (5.2%) among the total population of self-employed. Source: IndianMba.com/womenentrepreneurship/paper. owe as per 2001 census Women as independent target group account for 495.74 million and represent 48.3% of the total population. Altogether, it shows that the number of entrepreneurship has increased but the activities are not recognized duly by the government in term of GDP growth as they operate at a small, home based activities and not being recognized at commercialized level for large profit motive. The small scale industrial units are functioning in all the states in India. According to Third All India Census Of Small Scale Industries are 10.52 million units functioning in India. The total employment contribution of the sector is 24.93 million with a per unit contribution of 2.37.

Empowerment: The rural women entrepreneurship gained strength with the government policies implemented in the Ninth Five year plan with the initiation of effective policies to empower the helpless women in making them self sufficient and independent. The Self help groups are playing a model role in providing micro finance through banks like Gramin banks, SIDBI, Cooperative

banks to enhance their efficiency and giving direction to their life. During recession in 1990 when these small money lenders and banks were not able to provide loan for the viable project of the entrepreneurs, there arose a need for social entrepreneurs, who formed group from these people to make them self independent for earning their living. The examples of social entrepreneurs included the Drishtee foundation, Rand De, Kiva and many more to empower basically the women entrepreneurs. These schemes are more focused on women entrepreneurs due to their special talent to manage home and office. They play a dual role in the sense, when men move to cities in search of jobs the women step out of their home to work for earning a better livelihood. These SHG's and MFI's are the prominent features found to provide loan to the women having specialized skill in 3K's and 3P's.

RESEARCH METHODOLOGY

1	Sample Size	15 Women entrepreneurs
2	Location	Allahabad
3	Area	Near the villages of Allahabad City
4	Mode	Questionnaire

RESULTS AND DISCUSSIONS

After analyzing the data it was found that 80% of the women entered into entrepreneurship around the age of 25 or more. The reasons found for starting the enterprise was pull factor as they are now aware and want to contribute in the family income. They want to spend their time in some productive work, which came into the form of starting an enterprise. The prime issue faced by women in urban area is of economic reason and social aspect which suppresses them from starting a new activity. The normal activities included both traditional to non traditional business including 3P's, grocery shop to beauty parlours, cyber café's, boutiques, parlours etc.

CONCLUSIONS

The overall scenario of women and its society has changed, the Indian economy witnessed a drastic change after 1991 with new economic policies, liberalization, globalisation of activities Source: Global Institute Of Management-2009. The position of rural women entrepreneur has shown a significant growth in India and more initiatives are required to nurture their talent and competitive advantage through diversifying their activities globally. There is need for more effective government programmes for promoting their skills in the right direction. The social activists, NGO's, government agencies and corporate sector should play an active role in the transformation of women and driving the women to explore entrepreneurial opportunities in small scale industries. It can be said that rural entrepreneurship can be the central pillars for the developing economy in the near future. The major issue can be considering are to make a definite improvement in the conditions of women entrepreneurs. They should be supported and given training by some organisations to facilitate entrepreneurship in rural area.

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