



## **A MICROLEVEL STUDY ON THE OBSTACLES TO THE EMPOWERMENT OF RURAL WOMEN ENTREPRENEURS: AN OVERVIEW**

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### **Abstracts**

The number of women who work for themselves has grown three times as quickly as the number of self-employed men. Additionally, they have had a considerable impact on the economies of those nations. Economic development and entrepreneurship are found to be mutually supportive. Women's entrepreneurship has recently grown in importance as a national problem. Women must contribute positively and constructively to the socioeconomic growth of the nation because they make up about 50% of the entire population of our nation. Lack of a supportive and acceptable entrepreneurial environment as well as an industrial base may be the cause of the inadequate rate of entrepreneurship among women. Initiating programmes for women's business development, the Indian government views human capital as the most important factor. Due to the fact that they involve women in income-generating activities either full- or part-time, these programmes do contribute to societal transformation. Therefore, the growth of women's grassroots entrepreneurship is essential for an economy that envisions women's active participation and contribution. It is well known that there are no physical or psychological differences between rural and urban business owners. As a result of the aforementioned discussions of the problem statement, the current study looks at the socioeconomic and motivational components of rural entrepreneurs.

**Keywords:** employment, entrepreneur, Rural, programme, family, environment.

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## **1. Introduction**

A country's economic development primarily refers to a process by which the per capita income of that country increases over time. Through the construction of utilities and the quick production of jobs, entrepreneurship is essential to economic progress. It is widely acknowledged that entrepreneurship is a form of economic activity through which many people can experience positive life changes quickly, particularly in terms of creating jobs. India, like other emerging nations, has a wealth of natural, biological, and human resources. A country's technological advancements on their own cannot result in economic development unless the technology is put to use by the entrepreneurs. An entrepreneur organises and employs labour, capital, and technological resources. It is true that business owners contribute to a nation's economic growth. Consequently, there may be a pressing demand for more public entrepreneurial awareness. In India, entrepreneurship will enhance income generation, lessen the severe problem of unemployment, reduce the prevalence of poverty, lessen regional imbalance, increase export commerce, and, to a certain extent, reduce the balance of payments. In our nation, women make up 48.5% of the entire population. It is impossible for India's economy to develop if women, who make up a sizable portion of the population, are ignored. The removal of sex discrimination, economic injustice, and social stratification will be made easier if development programmes can effectively use the female labour force. Because of this, the difficulties lie in ensuring women's growth through economic empowerment and female independence.

A variety of actions have been done by the government in this aim to improve the social and economic status of women. The government has taken certain steps to improve the lives of women, such as providing them with job and income-generating opportunities, including self-employment with training for skill upgrades backed by assistance. We need to consider women as equal partners who contribute to progress rather than merely as recipients. It is necessary to motivate them to actively participate in decision-making. In our country, certain women have distinguished themselves as physicians, artists' teachers, scientists, mathematicians, administrators, legislators, and business owners. However, the majority of women are compelled to stay within the four walls of the house to take care of the household, the kids, and the traditions and rituals of the family. If given the chance, women can make a financial contribution to their families' or households' well-being as well as the national gross

domestic product. According to an ILO study, males often spend 60% of their income on their homes and 40% on themselves, whereas women typically spend 90% of their money on their families and just 10% on themselves. There is only so much room in government or semi-government organisations to accommodate the expanding populations, according to our experience over the previous few decades. On the other hand, across all three sectors of the Indian economy—rural, semi-urban, and urban towns—there is a large opportunity for self-employment or entrepreneurship. All kinds of people—literate, semiliterate, and illiterate—but skilled—can be absorbed in this field. However, India's enabling environments—economic, social, cultural, and psychological—have not been conducive to the growth of entrepreneurship in general or to rural entrepreneurship in particular. As a result, women own 20% of all firms in France, 25% of businesses in the USA, and 33% of businesses in Canada, compared to rural entrepreneurs who own only 5.2% of enterprises in India. Again, the majority of rural business owners focused solely on a few products, such as pickles, sauce, jam, jelly, papad, and powder.

The perception of rural entrepreneurship has altered currently. This is because more and more women are receiving education and awards, which has changed the general public's perception of women's standing. Additionally, our nation's industrialization encourages women from the kitchen to participate in commercial pursuits. Rural businesspeople expanded their ventures into a variety of industries, including high-tech fields like engineering, electronics, and energy. The following connected industries are where rural entrepreneurs are working: leather manufacturing, poultry, paper products, and all handcrafted goods.

The prevailing economic, social, religious, cultural, and psychological variables in a culture have a significant impact on the emergence of entrepreneurs in that community. After World War II, the number of women who work for themselves increased dramatically in the developed world. The number of women who work for themselves has grown three times as quickly as the number of self-employed men. Additionally, they have had a considerable impact on the economies of those nations. Economic development and entrepreneurship are found to be mutually supportive. The robust economic growth of the industrialized nations is evidence of the important role that entrepreneurship plays in a country's economy. The development of large-scale, highly technological, and sophisticated industries in industrialized countries served as the catalyst for the growth of entrepreneurial endeavors. The

massive capital-intensive industry model among Asian nations not only failed to address their economic issues, but also set off a wave of social and human issues. When Asian nations tried to introduce the Euro-American model of entrepreneurship in their nations, they were met with economic stagnation, growing inequality, staggering unemployment and underemployment, as well as a slew of socio-cultural issues related to urbanization. Due to the lessons they learnt from the process, many nations now have a policy of supporting individual small-scale businesses. Women's entrepreneurship has recently grown in importance as a national problem. Women must contribute positively and constructively to the socioeconomic growth of the nation because they make up about 50% of the entire population of our nation. The role of women has significantly changed in the city of Erode District. The ladies have blatantly abandoned their conventional roles. Lack of a supportive and acceptable entrepreneurial environment as well as an industrial base may be the cause of the inadequate rate of entrepreneurship among women. Initiating programmes for women's business development, the Indian government views human capital as the most important factor. Due to the fact that they involve women in income-generating activities either full- or part-time, these programmes do contribute to societal transformation. Therefore, the growth of women's grassroots entrepreneurship is essential for an economy that envisions women's active participation and contribution. It is well known that there are no physical or psychological differences between rural and urban business owners. The question then becomes, where do Indian women suffer from the development of entrepreneurship in comparison to men? As a result of the aforementioned discussions of the problem statement, the current study looks at the socioeconomic and motivational components of rural entrepreneurs.

## **2. Methods**

This research was carried out in the Erode District villages of Odathurai, Therpatti, Potthipalayam, and Kavilipalayam. The study is mostly based on primary information gathered through scheduled interviews with rural business owners in the chosen village Panchayats in the Erode District. An empirical investigation using the survey approach was conducted. Rural businesspeople are emerging in a variety of industries. This study chose the following industries: dairy farming, handloom weaving, food processing, sericulture, and silk

weaving. The figures on the number of rural entrepreneurs are not available in government offices because the majority of them operate tiny businesses. Therefore, 125 rural entrepreneurs are chosen as a sample using a simple random sampling technique, and data are gathered in 2011. Primary data about socioeconomic limitations and rural entrepreneurs' motivations were gathered through in-person interviews as well as a structured questionnaire. A pretest has been completed, and a list of socioeconomic limitations and motivational factors have been established. The list is finished in light of the knowledge gathered from the pre test, and the sample responders are asked to rank their constraints. The data will be analysed using percentages, and Garrett's rating will be used to confirm all of the study's precise goals.

### **1.3 Constraints for Rural Entrepreneurs in Socio-Economic Area**

Since gaining independence, the government has implemented a number of programmes for their overall development, however the outcomes have fallen short of expectations. Women participate in all stages of economic development and play a significant role in it. They have been the production process's unseen workers. There hasn't been enough effective organization. Women were naturally gifted with entrepreneurial qualities, especially in the commercial world. In general, women's status in society was inadequate. Women were not eligible for the credit facilities. They were reliant on their spouses and parents because they lacked education. These are the explanations for why fewer women are starting businesses. The challenges that a rural entrepreneur faces are numerous. For the purposes of this study, only the socioeconomic restrictions are tabulated. Following a pre-test, a list of all entrepreneurial restrictions has been created with the aid of an interview. On the basis of the overall mean score, which was ranked according to mean score, studies on the seriousness of limitations have been conducted.

Mean is calculated as Total Score / Respondents.

The replies were split into two yes/no categories, with weights of one and zero, respectively. Table 1.1 makes it evident that there are tensions between rural entrepreneurs because of their dual responsibilities. The difficulty of public relations is ranked first, a lack of recognition is ranked second, and social standing is ranked fourth among other socioeconomic restraints, according to a further table. Therefore, the most pressing issue facing rural entrepreneurs in the study areas is the socioeconomic constraints of the public relations problem.

Table 1.1 Socio economic Constraints of Rural entrepreneurs

Total sample 125

| S.No | Socio economic Constraints             | Mean score | Rank |
|------|--|------------|------|
| 1.   | Lack of appreciation                   | 0.78       | II   |
| 2.   | Labour problem                         | 0.48       | XIV  |
| 3.   | Inadequate infrastructure              | 0.58       | VIII |
| 4.   | Marketing problem                      | 0.50       | XII  |
| 5.   | Transport problem                      | 0.52       | X    |
| 6.   | Lack of self confidence                | 0.60       | VII  |
| 7.   | Lack of encouragement                  | 0.49       | XIII |
| 8.   | Problem of mobility                    | 0.53       | IX   |
| 9.   | Social status                          | 0.74       | III  |
| 10.  | Lack of sufficient time                | 0.65       | V    |
| 11.  | Problem of public relation             | 0.51       | I    |
| 12.  | In discipline                          | 0.42       | XV   |
| 13.  | Conflicts due to dual responsibilities | 0.80       | I    |
| 14.  | Family size                            | 0.71       | IV   |
| 15.  | Localisation of business               | 0.64       | VI   |

Source: Computed

The discussion above suggests that entrepreneurs are reinventing the economy, but the field study also shows that entrepreneurs experience some of the same social and economic issues as the rest of us. The government and NGOs now have a responsibility to take the required actions to ease the suffering of rural entrepreneurs. The growth rate of businesses would be quite high once the barriers that rural entrepreneurs experience are eliminated. Furthermore, semi-urban and urban centers should be included in the expansion of the development of rural enterprises. In these locations, the women are still not organized. Since they each run their own businesses, they were unable to use any of the loan facilities. Therefore, the emergence of rural entrepreneurs in metropolitan centers gives women greater social and economic power.

#### 1.4 Rural Businessmen's Motivational Aspects

The majority of working women, especially entrepreneurs, struggle with a number of significant issues, including long hours and time away from their families. However, the majority of the rural business owners in our sample report receiving helpful assistance from their family members, which has led to their contented living arrangements with their husbands and kids. The majority of the entrepreneur's father or husband is employed or running a business, according to the survey answers. Table 1.2 showed that the primary sources of inspiration are family (86.4%) and one's own self (13.6 per cent). According to the business owners, family relationships with officials or the business world are advantageous.

Table 1.2 Sources of Entrepreneurial Inspiration

| S.No | Sources of Inspiration | No of the entrepreneurs      |
|------|------------------------|------------------------------|
| 1.   | Family members         | 108<br>(86.4)                |
| 2.   | Self                   | 23<br>(13.6)                 |
|      | <b>Total</b>           | <b>125</b><br><b>(100.0)</b> |

Source: Computed Note: Figures in parentheses represents percentage

Another important finding from the poll was that rural entrepreneurs had the necessary skills and drive to operate their businesses. Table 1.3 lists the primary drivers of motivation and the reactions of

rural entrepreneurs. As can be seen from Table 1.3 above, the main motivation for 28.8% of the respondents was to achieve independence. This motive suggests that they wanted to keep their

separate identities and be in charge of their own lives. The next most prominent reason, cited by 25.6% of the respondents, was a strong desire to succeed and prove oneself. Status fulfilment, or the satisfaction of a social demand, emerged as the second most significant motivation (20.00%) among the sample of entrepreneurs. Numerous studies have suggested that the desire to pursue meaningful employment is driven mostly by

economic considerations, however our study refutes this idea because only 16.00% of respondents responded that this was their motivation. The rural business owners in the surrounding areas of the Erode District are not frequently found to be dissatisfied with their prior employment or underutilizing their skills and knowledge.

Table 1.3 Sources of Entrepreneurial Motivation

| S.No. | Motivational Aspects                     | No. Entrepreneurs      |
|-------|--|------------------------|
| 1.    | Desire to be independent                 | 36<br>(28.8)           |
| 2.    | To prove one self                        | 32<br>(25.6)           |
| 3.    | Status                                   | 25<br>(20.00)          |
| 4.    | Earning more money                       | 20<br>(16.00)          |
| 5.    | Previous job dissatisfaction             | 5<br>(4.00)            |
| 6.    | Utilization of one's skill and Knowledge | 7<br>(5.6)             |
|       | <b>Total</b>                             | <b>125<br/>(100.0)</b> |

*Source: Computed Note: Figures in parentheses represents percentage*

It is a relatively recent phenomena for women to enter the sphere of venture creation. Only a small percentage of the sample entrepreneurs are knowledgeable about entrepreneurship or have received training in it. The investigation has now revealed that motives do not develop independently. Other characteristics including age, education, and prior experience also have an impact on a person's decision to become an entrepreneur. According to this study, younger women's primary motivation is their desire to be

independent, while older women are mostly motivated by financial gains. The primary cause of this trend is the family's financial strain.

### 1.5 Rural Entrepreneurs Are Affected By both Pull and Push Factors

How women become entrepreneurs is a crucial issue that the study has addressed. The study discovered several situational characteristics that encourage them to become entrepreneurs in order to understand this process.

Table 1.4 Pull and Push Factors influence rural entrepreneurs

| S.No. | Pull and Push Factors              | No. Entrepreneurs       |
|-------|------------------------------------|-------------------------|
| 1.    | Attractive sources of income       | 36<br>(28.8)            |
| 2.    | Education                          | 32<br>(25.6)            |
| 3.    | Family support                     | 25<br>(20.00)           |
| 4.    | Government policies and incentives | 20<br>(16.00)           |
| 5.    | Competencies and experience        | 5<br>(4.00)             |
| 6.    | Unable to find suitable employment | 7<br>(5.6)              |
|       | Unsuitable working environment     |                         |
|       | <b>Total</b>                       | <b>125<br/>(100.00)</b> |

**Source: Computed Note: Figures in parentheses represents percentage**

As can be seen from table 1.4, the first two factors are those that drive someone to become an entrepreneur while the first two are those that promote the establishment of new ventures and are therefore considered to be positive push and pull factors. The respondents' top priority for business is finding lucrative sources of income (68%) followed by getting inspiration and encouragement from family members (59 per cent). According to the answers, the lack of employment opportunities and unfavourable working circumstances are what motivate people to choose this line of work. Some of them are motivated to become entrepreneurs by the internal desire to perform something better (15%) and the abilities brought on by prior experience.

### **3. Conclusion**

According to the study's findings, rural entrepreneurs face the following socioeconomic constraints: Entrepreneurs are transforming the economy, but field research shows that they also face some of the same social and financial issues as everyone else. The government and NGOs now have a responsibility to take the required actions to ease the suffering of rural entrepreneurs. The growth rate of businesses would be quite high once the barriers that rural entrepreneurs experience are eliminated. Furthermore, semi-urban and urban centres should be included in the expansion of the development of rural enterprises. In these locations, the women are still not organized. Since they each run their own businesses, they were unable to use any of the loan facilities. Therefore, the development of rural entrepreneurs in both rural and urban centres gives women greater social and economic influence. The debate above makes it very evident that women work in a variety of fields, both traditional and atypical. The study's key finding is that the rural entrepreneurs in the Erode District's surrounding areas are not significantly different from others in the nation. Only a small portion of the businesses they promote in typical line ads can be seen as an expansion of their culinary activity. The study refutes the idea that successful businesspeople are born, and like successful businessmen, the majority of the women in our sample were driven by a desire for independence, self-fulfillment, and autonomy. They constantly struggle with having little time and energy to maintain the unit due to their increased participation at home. The main bottlenecks are regarded as being a lack of knowledge and experience in managing the unit and challenges in obtaining funding. The debate above makes it very evident that women work in a variety of fields, both traditional and atypical. The study made the

significant finding that rural entrepreneurs in and around the Erode District are not significantly different from others in the nation. Only a small portion of the businesses they promote in typical line ads can be seen as an expansion of their culinary activity. The study refutes the idea that successful businesspeople are born, and like successful businessmen, the majority of the women in our sample were driven by a desire for independence, self-fulfillment, and autonomy. They constantly struggle with having little time and energy to maintain the unit due to their increased participation at home. The main bottlenecks are regarded as being a lack of knowledge and experience in managing the unit and challenges in obtaining funding. The researcher was able to recommend certain measures regarding rural entrepreneurs in the Erode District thanks to the findings of the current investigation.

- The Indian government has now come to the conclusion that women must actively participate in the country's economic development. As part of the decade for women, the Indian government has taken the initiative to support rural entrepreneurs more and more so that more women will be drawn to this line of work. In addition to credit facilities with concessionary conditions, the government has offered a comprehensive programme of help to rural entrepreneurs for identification, selection, training, consulting, and escort services.
- NGOs and the government should develop awareness campaigns targeted specifically at young women, and they should work to inform less educated women about the opportunities for entrepreneurship.
- They ought to be on the lookout for financially sound plans that are guaranteed on milder terms.
- These organizations ought to launch a broad and comprehensive campaign, especially to encourage women to start their own businesses in agriculture.
- Support systems could streamline and realign their policies and programmes in a way that encourages rural entrepreneurs to work harder, feel more motivated to succeed, and experience fewer role conflicts. Active governmental intervention for better infrastructure, enough financing, and better market facilities is necessary to make it practicable.
- Less risky and tiny businesses are suitable for a greater segment of Indian women, especially for India, and this should be taken into account while organising EDPs for women's classes.
- It is important to build many business incubators close to rural entrepreneurs. American business incubators are created to help entrepreneurs hone their business skills in a setting that also fosters innovation. The size of incubators varies, and a variety of amenities like affordable office space, secretarial assistance, computer facilities, and a



cheap work force in the form of undergraduate and graduate students should be available, as well as connections with bankers, government officials, venture capitalists, and technologists. Such incubators could be helpful in urban and major cities to support rural enterprises.

- They ought to be on the lookout for financially sound plans that are guaranteed on milder terms.
- The government should take the initiative to form numerous cooperative societies of rural entrepreneurs.
- Special training and orientation programmes are required for those personnel and officers who are intended to assist rural entrepreneurs. Finally, we may conclude that the country needs a lot more entrepreneurs and that the contribution of women in this field is minuscule. However, a lot of women have latent entrepreneurship traits that can be developed into successful entrepreneurs by the section's excellent EDPs for women. Government and NGOs should step up and make significant contributions in this regard.
- For those employees and officers who are meant to support rural businesses, special training and orientation programmes are required.
- The government should take the initiative to set up numerous rural entrepreneur cooperative associations. Finally, we may conclude that the country needs a lot more entrepreneurs and that the contribution of women in this field is minuscule. However, a lot of women have latent entrepreneurship traits that can be developed into successful entrepreneurs by the section's excellent EDPs for women. Government and NGOs should step up and make significant contributions in this regard.

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