



## PROBLEM FACED BY RURAL WOMEN ENTREPRENEURS IN SELP HELP GROUP

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### Abstract

Entrepreneurship is The act of being an entrepreneur, which can be defined as "one who takes over the world, innovations, finance and business acumen in an effort to transform innovations into economic goods". This may result in problems and prospects of production and marketing of goods and services by the entrepreneurs. An entrepreneur is a person who has possession of a new enterprise, venture or idea and is accountable for the inherent risks and the outcome. When women enter into a business venture a women entrepreneur is born. Lack of specific skills and restriction on availability of any meaningful employment in social entrepreneurs in SHG woman to start her own business.

**Key words:** Women Entrepreneurship, Problems, Production, Marketing, Innovation, Skills.

### Introduction

#### Concept of Rural Entrepreneurship

Defining entrepreneurship is not an easy task. To some, entrepreneurship means primarily innovation, to others it means risk-taking? To others a market stabilizing force and to others still it means starting, owning and managing a small business. An entrepreneur is a person who either creates new combinations of production factors such as new methods of production, new products, new markets, finds new sources of supply and new organizational forms or as a person who is willing to take risks or a person who by exploiting market opportunities, eliminates disequilibrium between aggregate supply and aggregate demand or as one who owns and operates a business (2013)<sup>1</sup>.

Empowerment of women is widely discussed in every sector. Empowerment of women has five components: women's sense of self-worth; their right to have and to determine choices; their right to have access to opportunities and resource; their right to have the power to control their own lives, both within and outside the home; and their ability to influence the direction of social change to create a more just social and economic order, nationally and internationally (single et.al.,1998)<sup>2</sup>.

Ramesh Bhandari 2010<sup>3</sup> At the same time, it is also recognized that their challenges are immense and complex. For women entrepreneurs, starting and operating a business involves considerable risks and difficulties, because in the Indian social environment women has always lived as subordinate to men. There have been noticeable changes in the socio-psychological and economic norms of our society due to liberalized policy of the government of India, increase in the education levels of women and increased social awareness in respect of the role women plays in the society. It has now been recognized that to promote self-employment and to reduce the incidence of poverty, some drastic efforts have to be made to accelerate self employment of women in various sectors.

Pharm, and Sritharan, 2013<sup>4</sup> . Problems Being Faced by Women Entrepreneurs in Rural Areas" was being studied and found that majority of the women entrepreneurs were ranked as lack of strong leadership. Their leadership quality was not as good as required for being a successful entrepreneur. There were many women entrepreneurs who faces problem related to finance. Second rank was financial deficit. The third rank was lack of systematic planning and working and followed by health problem, Non-awareness of Government scheme, Non- repayment of loan by the members, Leaders misusing the group's money, other problems, Lack of Education.

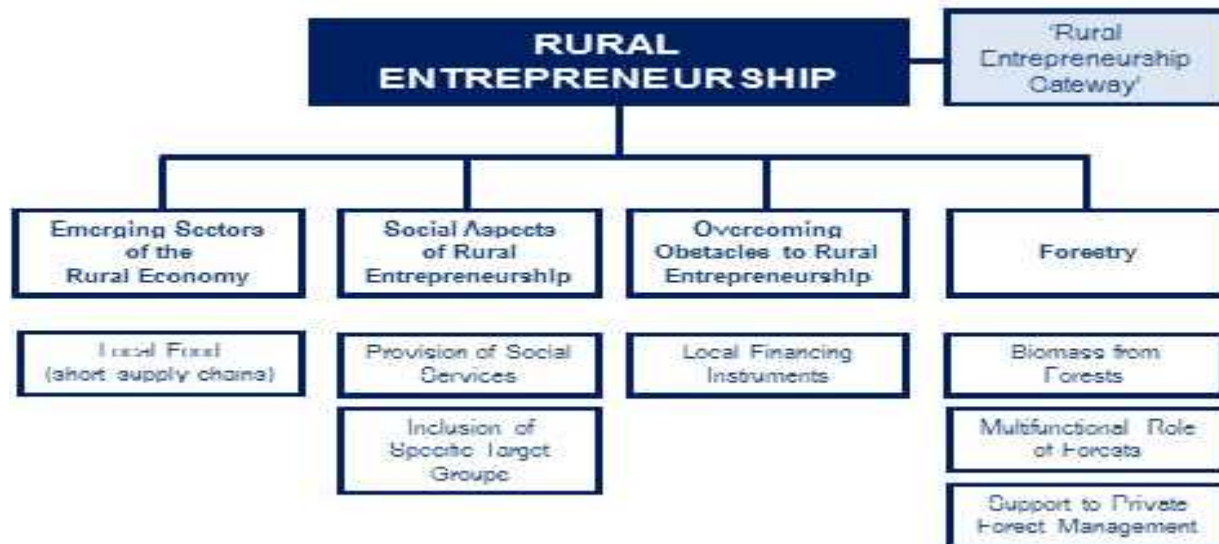
### Types of Rural Entrepreneurship

- 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 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/Rural-Entrepreneurship-in-India>)<sup>5</sup>

### Concept of Rural Women Entrepreneurs

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 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)



Source: [http://enrd.ec.europa.eu/enrd-static/networks-and-networking/national-rural-networks/joint-num-activities/nm-rural-entrepreneurship-thematic-initiative/en/nm-rural-entrepreneursip-thematic-initiative\\_en.html](http://enrd.ec.europa.eu/enrd-static/networks-and-networking/national-rural-networks/joint-num-activities/nm-rural-entrepreneurship-thematic-initiative/en/nm-rural-entrepreneursip-thematic-initiative_en.html). august, 2014

### Problems of Women Entrepreneurship in India

**Problem of Finance:** Finance is regarded as “life blood” for any enterprise, be it big or small. However, women entrepreneurs suffer from shortage of finance on two counts. Firstly, women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Thus, their access to the external sources of funds is limited. Secondly, the banks also consider women less credit-worthy and discourage women borrowers on the belief that they can at any time leave their business. Given such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relatives who are expectedly meager and negligible. Thus, women enterprises fail due to the shortage of finance.

**Scarcity of Raw Material:** Most of the women enterprises are plagued by the scarcity of raw material and necessary inputs. Added to this are the high prices of raw material, on the other.

**Stiff Competition:** Women entrepreneurs do not have organization set-up to pump in a lot of money for canvassing and advertisement. Thus, they have to face a stiff competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women enterprises.

**Family Ties:** In India, it is mainly a woman’s duty to look after the children and other members of the family. Man plays a secondary role only. In case of married woman, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business. Support and approval of husbands seem necessary condition or women’s entry in to business. Accordingly, the educational level and family background of husbands positively influence women’s entry into business activities.



**Lack of Education:** In India, majority of women are still illiterate. Illiteracy is the root cause of socio- economic problems. Due to the lack of education, women are not aware of business, technology and market knowledge. Also, lack of education cases low achievement motivation among women. Thus, lack of education creates problems for women in the setting up and running of business enterprises.

**Male Dominated Society:** Male chauvinism is till the order of the day in India. The constitution of India speaks of equality between gender. But, in practice women are looked upon as able i.e. weak in all respects. Women suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In nutshell, in the male dominated Indian society, women are not treated equal to men. This in turn, serves as a barrier to women entry into business.

**Low Risk- Bearing Ability:** Women in India lead a protected life. They are less educated and economically not self-dependent. All these reduce their ability to bear risk involved in running an enterprise. Risk bearing is an essential requisite of a successful entrepreneur. In addition to above problems, inadequate infra structural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio- economic constraints also hold the women back from entering into business.

**Financial Problems:** Finance is a most important aspect of any business. Non-availability of long-term finance, regular and frequent need of working capital and long procedure to avail financial help are found to be the financial problems faced by women.

**Marketing Problems:** During the process of marketing of products women entrepreneurs faced certain problems viz. poor location of shop, lack of transport facility and tough competition from larger and established units.

**Production Problems:** Production problems faced by maximum women are nonavailability of raw material. Non-availability of raw material is one of the reasons to the slow growth of women entrepreneurs. Other production problems are non-availability of machine or equipment, lack of training facility and nonavailability of labour, high cost of required machine or equipment.

**Health Problems:** Major health problems faced by women entrepreneurs were tension, backache, eyestrain fatigue and headache. It is found that women feeling the problem of feeling fatigued after returning home, lack of rest and sleep and heavy schedule. as able i.e. weak in all respects. Women suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In nutshell, in the male dominated Indian society, women are not treated equal to men. This in turn, serves as a barrier to women entry into business.

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### Review of Literature

**Thileepan and Soundararajan, (2013)** The first Prime Minister of India Pandit Jawahar Lal Nehru has rightly pointed out that "to awake the people it is the women who should be awakened first. Once she is on the move the family moves... the nation moves". There is a need for changing the mindset towards women so as to give equal rights as enshrined in the constitution.

Women SHG Entrepreneurs are inspiring. An SHG entrepreneur is someone that organizes, manages, and assumes the risk of a business enterprise. Today, more women are breaking free from the traditional, gender-specific roles and venturing into the business world. Not only are they holding high corporate positions but they are also successful women entrepreneurs. The steady rise in female entrepreneurs can be due to many different reasons, most of which share the same rational as their male counterparts – passion for their ideas, the desire to become their own boss, and the need to address philanthropic causes. Keeping the above background, it is very clear that the SHG entrepreneurship for women group is essential and it is to be developed. So some measures should be introduced to reduce their household burden. This requires a drastically change in the mind set of the men towards women in general and working women in particular. Hence, it becomes necessary for the society and Government to find remedies for the problems of women SHG entrepreneurship.

**Jawaharlal And Shubhra (2013)** Entrepreneurship is the core of economic development. It is a multi- dimensional task and essentially creative activity. Entrepreneur is key factor of entrepreneurship. Entrepreneurship has been a male-dominated phenomenon from the very early age but time has changed the situation and brought women as today's most memorable and inspirational entrepreneurs. The position and status of women in any society is an index of its civilization and progress.

Women are equally competent in running business but still lacks behind in spite of women empowerment movement in our country, there are social, cultural and economic hurdles in the way of women entrepreneurship and the major problem is lack of entrepreneurial environment. In spite of having the potential and talent, women are deprived of opportunities, information and education. The paper talks about the status of women entrepreneurs & also analyze the factors which motivates women to start their own venture and the problems faced by them when they ventured out to carve their own niche in the competitive world of business environment. An attempt is made to understand the role of government to accelerate the growth of women entrepreneurship.

**Brijesh patel and kirit chavda, (2013)** Rural entrepreneurship is now a days a major opportunity for the people who migrate from rural areas or semi - urban areas to Urban areas. On the contrary it is also a fact that the majority of rural entrepreneurs is facing many problems due to not availability of primary amenities in rural areas of developing country like India. Lack of education, financial problems, insufficient technical and conceptual ability it is too difficult for the rural entrepreneurs to establish industries in the rural areas. This paper makes an attempt to find out the Problems and Challenges for the potentiality of Rural Entrepreneurship. It also focuses on the major problems faced by rural entrepreneurs especially in the fields of Marketing of products, financial amenities and other primary amenities, i.e. availability of electricity, water supply, transport facilities and required energy etc.

#### **Research Methodology**

The present study is based on both primary and secondary data. The primary data were collected through two interview schedule, for SHG's members. The secondary data were collected from books, journals, websites and records of Mahalir Thittam Office, Kancheepuram district. The data were collected from 68 Self Help Groups through interview schedule. Average and percentage analysis was carried out to draw meaningful interpretation of the results.

#### **Analysis and Interpretation**

Analysis and interpretation are central steps in the research process. The aim of the analysis is to organize, classify and summarize the collected data so that they can be better comprehended and interpreted to give answers to the questions that triggered the research. Interpretation is the search for the broader meaning of findings. Analysis is not fulfilled without interpretation; and interpretation cannot proceed without analysis. So, both are inter dependent.

In this chapter a detailed analysis of the collected data has been attempted as per the objectives stated earlier. Hypotheses were also tested based on the findings of the study, interpretations and conclusions were drawn. In this chapter the following statistical techniques for the analysis of the data gathered for the present study viz., Descriptive analysis and Inferential statistics etc.

**Table: Frequency Distribution of Age in rural Women Entrepreneurs with self help group**

Age	Frequency	Percentage
Up to 35	3	3.0
36-45	24	24.0
46-55	47	47.0
Above 55	26	26.0
<b>Total</b>	100	100

From the above table up to 3.0% of the women entrepreneurs are below 35 years old, 43.8% of the women entrepreneurs are 36-45 years, 19.7% of the women entrepreneurs are the age group between 46-55 and above 55 years old women entrepreneurs are only 8.3%.

Maximum numbers of women entrepreneurs are in age group 36-45 and less no of women entrepreneurs are in above 55 years age group.

**Table.4.6 Frequency Distribution of Educational Qualification in rural Women Entrepreneurs with self help group**

Educational Qualification	Frequency	Percentage
Primary	25	25.0
Secondary	38	38.0
Higher secondary	34	34.0
Degree	3	3.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

From the above table , 26.5% of women entrepreneurs have primary level education , 36.8 % of women entrepreneurs have secondary level education 32.8 % of women entrepreneurs have higher secondary education and 3.8% of women entrepreneurs having degree level education . Maximum numbers of women entrepreneurs have secondary level education and minimum numbers of women entrepreneurs have degree level education.

**Table.4.9 Frequency Distribution of Family Member in rural Women Entrepreneurs with self help group**

Family Member	Frequency	Percentage
Up to 2	33	33.0
3 to 5	46	46.0
Above 5	21	21.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

**Inference:**From the above table, 31 % of women entrepreneurs have family members up to 2, 49.2 % of women entrepreneurs have family members 3 to 5 and 19.8% of women entrepreneurs have family member above 5. Maximum number of women entrepreneurs have family member 3 to 5 and minimum of women entrepreneurs have family member above 5.

**Table.4.13 Frequency Distribution of Savings Money in Bank for rural Women Entrepreneurs with self help group**

Savings Money in Bank	Frequency	Percentage
Yes	562	93.7
No	38	6.3
<b>Total</b>	<b>600</b>	<b>100.0</b>

**Inference:**From the above tables,93.7 % of women entrepreneurs are saving money in bank and 6.3 % of women entrepreneurs are not saving money in bank. Maximum numbers of women entrepreneurs are saving money in bank and minimum number of women entrepreneurs are not saving money in bank.

**Objective:**To study the problems and prospects of production and marketing of goods and services by the entrepreneurs

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