

Problems Faced by Rural Women Entrepreneurs of Rajasthan

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ABSTRACT The study was undertaken with an objective to study the problems of rural women entrepreneurs. It was conducted in the rural areas of Rajasthan with 60 rural women of whom half were engaged in entrepreneurial activity and half were not. Interview method was used to collect data from women. Information on the entrepreneurial problems was gathered and analysed. The results of the study indicate lack of supportive network, financial and marketing problems were the major problem areas for rural women entrepreneurs and major demotivator for other women to initiate entrepreneurial activity.

INTRODUCTION

A country, which is rich in entrepreneurship, can attain economic augmentation. The entrepreneurs organize the economic ventures for producing goods and services at lower cost with objects of maximization of new employment and setting up new business (Nazar 2005). It is matter of firm belief that the economic development and social progress of women is the key to emancipation of women in its real sense. Women as entrepreneurs have become an important part of national development planning and strategies (Tuladhar 1996). The entrepreneurship shows the path to women independence and in turn satisfies the needs and aspirations for better living standard. In recent years, women have shown an inclination toward taking self oriented jobs and professions with their family support, financial assistance and industrial guidance.

Unequal access to education restricts women from acquiring even functional levels of literacy required to learn skills. In terms of skill development, women are impeded by their lack of mobility, low literacy levels and prejudiced attitudes towards women. When women negotiate with banks and government officials, others often ostracize them in their community for being 'too forward'. Government and bank officials have preconceived ideas and stereotypes of what is considered women's work and what women are capable of.

The government has an important catalytic role in helping rural population mobilize their own entrepreneurship. An appropriate role of govern-

ment agencies is therefore to create an enabling environment allowing rural SHGs to grow and perform their functions more effectively to the extent that they become independent, some such groups are unable to function effectively because of lack of professionalism, technical competence and entrepreneurial skills. The government thus also has an important capacity building role so that the SHGs develop into self-reliant organizations over time. (www. Decentralization, 2004 Govt. role / training / strength / SHG.htm.)

A different orientation is required in rural sector and an altogether different outlook is required for developing women entrepreneur that should be based on understanding of the dynamics of rural behaviour. The present effort was made to study problems faced by rural women entrepreneurs in Rajasthan. So that a clear picture of entrepreneurial activities in rural areas is drawn, which may work as road map of entrepreneurial development in rural India and can help estimate how far have we come and how much is to be done in order to make rural women self-reliant.

METHODOLOGY

Locale of the Study: The present study was undertaken in Jhunjhunu district. The district has eight panchayat samities. Out of which, one panchayat samiti i.e. Jhunjhunu panchayat samiti was selected purposively in which four villages in four directions were selected for the sample.

Research Design: The objectives of the study were achieved through survey method. For

survey work 60 rural women with equal number of entrepreneurs and non-entrepreneurs were selected randomly through a sample selection proforma.

Sample Selection: The total sample comprised of 60 rural women of whom 30 were women entrepreneurs (EW, those who were running their enterprise) and rest 30 women were non-entrepreneurs (NEW those who could, but were not running their entrepreneurs) for achieving the objectives of present investigation.

Development of Tool: The interview schedule was developed by the investigator that was based on the review of literature related to the study.

Data Collection: The tool was developed in Hindi for easy understanding. After finalizing the tool the investigator personally contacted all the respondents and collected the information.

Analysis of Data: The information gathered from rural women entrepreneur and non-entrepreneur women was tabulated and analyzed by using, frequency and percentage.

RESULTS AND DISCUSSION

General Information of the Rural Women:

The general information of the rural women has been discussed indicating the variations between entrepreneur and non-entrepreneur rural women on the different aspects of economic factors like-land holding, house, livestock ownership.

With regard to possession of agricultural land holding of table I reveal that the NEW respondents had more land than the EW respondents. Data regarding house shows that the 80 percent EW respondents had pucca houses where as in the NEW respondents 90 percent had Kachcha-pucca house. The house indicates the economical status of the family. Thus, it is concluded that the economical status of entrepreneur respondents was better than the non-entrepreneur respondents, may be due to the reason that the enterprise brings in income.

The findings are supported by Ganguly (2001) also, that in rural areas the economic condition of entrepreneurs is better than the others that are not involved in any entrepreneurial activity.

The data in table 1 reveals that the EW had more milch animals than the NEW, where as the NEW had more (30 percent) draft animals than the EW had (10 percent). In India, livestock plays various roles in providing drought power for farm,

Table 1: Frequency and percentage distributions of respondents according to land holding, house and live stock ownership n = 60

S. No.	Particulates	EW n = 30	NEW n = 30
1	Land Holding		
	• Landless	4 (13.33)	-
	• 2.5 Acer	16 (53.33)	10 (33.33)
	• 2.5-5 Acer	5 (16.67)	13 (43.33)
	• 5 Acer	5 (16.67)	7 (23.33)
2	House		
	• Kachcha house	-	-
	• Kachcha-Pacca house	6 (20.00)	27 (90.00)
	• Pacca house	24 (80.00)	3 (10.00)
3	Livestock Ownership		
	➤ Milch animal		
	• 0 – 10	28 (93.33)	30 (100.00)
	• 11-20	1 (3.33)	-
	• 21-30	1 (3.33)	-
	➤ Draft animals	3 (10.00)	9 (30.00)
4	Source of Income		
	Wages	16 (53.33)	-
	Caste occupation	4 (13.33)	-
	Agriculture	6 (20.00)	29 (96.67)
	Business	6 (20.00)	2 (6.67)
	Service	10 (33.33)	8 (26.67)
	Enterprise	30 (100.00)	-

manure for crops, and energy for cooking food for household consumption as well as marketing. In term of entrepreneurship they were used for milk, meat hairs production and marketing.

The occupation, possession of land, house and live stock possession indicate stability of the families. It is due to this that the women of these rural areas were in a position to think about raising standard of living through entrepreneurship. The possession also creates a positive atmosphere for entrepreneurship and gives courage to bear risks.

The data on source of income shows that the women of both the categories were involved in some or the other income generating activity and thus entrepreneurial activity was their need, but still the NEW preferred other income generating activities in comparison to entrepreneurship.

Problems of Rural Women Entrepreneurs:

An entrepreneur may face variety of problems in the environment, which can be classified into social problems, entrepreneurial problems, financial problems and problems related to environmental support. An entrepreneur may be attacked by any single problem or there may be an interactive and cumulative effect of number of problems.

The Social Problems: Table 2 gives the details of various social problems in entrepreneurial

Table 2: Frequency and percentage distribution of respondents according to the social problems related to entrepreneurial functions

S. No.	Particulates	EW	NEW
1	<i>Feeling of Discrimination</i>		
	• Due to caste	24 (80.00)	23 (76.67)
	• Due to gender	16 (53.33)	11 (36.67)
	• Due to education	13 (43.33)	21 (70.00)
2	<i>Type of Biasness</i>		
	• Sales are affected	24 (80.00)	22 (73.33)
	• Acceptance of product by other caste	19 (63.33)	21 (70.00)
	• Labour problem	29 (96.67)	26 (86.67)
	• Raw material availability	21 (70.00)	18 (60.00)
	• Government schemes	26 (86.67)	24 (80.00)
3	Family interference	16 (53.33)	26 (86.67)
4	Do not have supportive network	12 (40.00)	21 (70.00)
5	No help from informal groups	12 (40.00)	21 (70.00)
6	<i>Informal Groups do not Share Responsibility</i>		
	• Relatives	11 (36.67)	8 (26.67)
	• Friends	24 (80.00)	20 (66.67)
	• Others	17 (56.67)	18 (60.00)

Note: Figures in parenthesis indicate percentage

functioning. More than three-fourth of the total women of both the categories had reported a feeling of discrimination due to caste, gender and education level. Due to these discrimination problems like, biasness in sales, availability of raw material were faced by as high as 80 percent of the sample in entrepreneurial women category whereas the discrimination was a basis of discouragement to three-fourth of non-entrepreneurial women and they were thus not initiating income generating activity.

The social problem that was partially overcome by entrepreneurial women but was working, as demotivator to non-entrepreneurial women was family interference. The women also reported lack of supportive network and ill help from friends/relatives. The social problem, works as demotivator in case of women of both the category. While the social problem may trigger the idea of not initiating entrepreneurship in any non-entrepreneurial women's mind, it functions as a strong set back for entrepreneurial women.

Entrepreneurial Problems: Entrepreneurial problems may lead to inability in earning sufficient incomes. The reasons as reported by the sample were lack of experience and inconvenience in procuring raw material. 60 percent of the entrepreneurial women and 86.67 percent non-entrepreneurial women were fighting with the problem

of lack of experience, whereas 80 percent of non-entrepreneurial women were not starting their income generation activity due to inconvenience in procuring raw material (Table 3). Running the entrepreneur non-profitably and not being able to achieve the breakeven point leads to closure of number of entrepreneurs as found out by Paul (1996) and Bhandari (1996). The similar entrepreneurial problems are identified in the present study, which indicates that much has not changed in last 10 years.

Table 3: Frequency and percentage distribution of respondents according to the entrepreneurial problems

S. No.	Particulars	EW n=60	NEW n = 60
1.	Earn less money	16(53.33)	9 30.00)
2.	Money problem	2 (6.67)	2 (6.67)
3.	Lack of experience	18(60.00)	26(86.67)
4.	Inconvenience in procuring raw material	22 73.33)	24(80.00)

Note: Figures in parenthesis indicate percentage

Lack of Awareness about Governmental Programmes: Government gives great support for entrepreneurial development especially in rural areas. It also runs special programmes and schemes for women. The support from government comes by way of financial, technical support, and assistance in procuring raw material, establishment of entrepreneurial unit and in other ways like subsidies, concessions and tax rebates.

Cent percent respondents of both the category, as shown in table 4 did not have any idea about any of such schemes except that the banks and financial institutes provide loans. 36.67 percent entrepreneurial women and 80 percent non-entrepreneurial women reported that they do not get information timely.

Stimpson (1996) and Sharma (1997) also concluded their findings similarly. This indicates that there still exists a communication gap between the implementers and users after lapse of ten years.

Financial Problems: The financial problems in the rural entrepreneurship were yet another major problem area. The table 5 gives the details of various financial problems, which are faced by entrepreneurial women and feared about by non-entrepreneurial women.

The major problem reported by cent percent subjects of both the categories was lack of awareness about the procedure of receiving finance.

Table 4: Frequency and percentage distribution according to the problems related to government support

S. No.	Particulars	EW	NEW
		n = 60	n = 60
<i>A) Lack of Knowledge</i>			
1	Lack of knowledge about advantage / concessions of being women entrepreneur in rural area	30(100.00)	30(100.00)
2	The tax concession in backward areas for a period of 10 years	30(100.00)	30(100.00)
3	The policy of the government has been to encourage the amalgamation of sick unit with profit making larger units	30(100.00)	30(100.00)
4	Governmental policies and planning		
	• Sampoorna Gramin Rozgar Yojana	-	-
	• Swarn Jayanti Gram Swarozgar Yojana	26(86.67)	14(46.67)
	• CAPART, Jila garibi unmulan Pariyojana, Industries Development Bank of India (IDBI), Small Industries Development Bank of India (SIDBI)	-	-
	• Regional Rural Bank (RRB)	21(70.00)	9(30.00)
	• National banks for agriculture and rural development (NABARD), Swayam Sidha, Swa-shakti, Rastriya Mahila kosh, Saving and loans facilities	-	-
<i>B) Lack of Support</i>			
5	Do not get information timely	11(36.67)	24(80.00)
6	No rehabilitation allowance for re-establishing, re-constructing or reviewing for entrepreneurship	30(100.00)	30(100.00)
7	Do not get investment allowance	30(100.00)	30(100.00)

Note: Figures in parenthesis indicate percentage

Table 5: Frequency and percentage distribution of respondents according to the financial problems

S. No.	Particulates	EW	NEW
1	Problem in arranging finance at various stages of entrepreneurship	16(53.33)	20(66.67)
2	<i>Procedure of Finance</i>		
	• Lack of knowledge	30(100.00)	30(100.00)
	• Time consuming	12(40.00)	5(16.67)
	• Complicated	8(26.67)	5(16.67)
3	High rate of interest	28(93.33)	30(100.00)
4	Fear of middle man	3(10.00)	6(20.00)

Note: Figures in parenthesis indicate percentage

Cent percent non-entrepreneurial women were being discouraged by the high rate of interest, whereas the rate of interest was pinching to 93.33 percent entrepreneurial women. The finances are the key stone of any enterprise, without finance, best machines, human resource, sound technology, positive environment, market etc. all are insignificant.

While discussing about the problems of women and rural entrepreneurs, Mohamed (2001) reported that rapid growth of rural and small scale sector were being marked by some problems i.e. technological stagnation, under utilization of capacity, lack of vertical mobility, sickness and high mortality rates, followed by shortage of finance, inadequate facilities of storage, inadequate marketing, stiff competition, low mobility, family responsibilities and, social attributes.

CONCLUSION

By probing into the problems it can be concluded that probably availability of finance is not as difficult as repayment of it is. The repayments are problematic due to low paying capacity which is affected by lack of education, poor skills, and certain problems related to marketing viz. lack of mobility, prejudiced attitude towards women and caste to which they belong and poor infrastructural support. Thus, if the women are to be successful entrepreneurs, they are to be educated, skilled and trained sufficiently and to be supported rigorously by external environment to handle their entrepreneurial problems.

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