

# THE OPPORTUNITIES AND CHALLENGES FACED BY RURAL WOMEN ENTREPRENEURS IN ERODE DISTRICT, TAMILNADU

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**Abstract :** Rural women entrepreneurship is gaining importance in recent days in the wake of globalization and economic liberalization. Rural women accept challenging roles to meet their personal needs and become economically self-sufficient. The main objectives of the study were to ascertain the supporting services rendered by the government and financial institutions and to analyze the challenges faced by Rural Women Entrepreneurs. The study was conducted among seventy rural women entrepreneurs in Erode District using stratified random sampling method. Both primary and secondary data was used to meet the need of the study. The primary data collected through the questionnaire was analyzed using simple percentage analysis, two-way table, chi-square test and weighted average ranking method. It was found from the analysis that there is a close significant relationship between age and government scheme and policies. The respondents were also ranked personal and social aspects as their core issues in their career. It was also concluded that the mutual support from the government and the family will uplift their economic status of rural women.

**Index Terms:** Rural women entrepreneurship, globalization, economic liberalization and supporting services.

## I. INTRODUCTION

In this dynamic world, women entrepreneurs are important for sustained economic development and social progress. In India, though women have played a key role in the society, their entrepreneurial ability has not been properly tapped due to the lower status of women in the society. It is only from the Fifth Five Year Plan (1974-78) their role has been widely recognized. The development of women entrepreneurship has become an important aspect. Numerous policies and programs are being implemented for the upliftment of women entrepreneurship in India. The same way women entrepreneurship emerging in rural areas create new economic opportunities for rural women and contribute to overall growth and leaving from poverty. In this regard rural woman entrepreneurs cannot be ignored. They contribute towards the development rural areas and there by rural industrialization. But the development of women entrepreneurship in rural areas is very low because the rural women's are face more challenges and problems. The challenges they mainly face includes family ties, male dominated society, low risk bearing ability, lack of education, problem of finance, social barriers, limited mobility, limited managerial ability and so on.

## II. IMPORTANCE OF THE STUDY

Rural women's economic and social development is necessary for overall economic development of society and nation. They increasingly run their own business yet their entrepreneurial potential, managerial skill and socio-economic contribution remain largely neglected. But their development is the instrument of women empowerment. Empowerment through entrepreneurship leads to self-fulfilment and makes women aware about their status, existence, right and their position is in the society. In modern era, rural women are becoming socially and economically empowered through business ownership. Economic empowerment of rural women will lead to the development of our country and it is very essential to give keen attention over the empowerment of women in the rural areas for the real development of our country in all spheres.

## III. STATEMENT OF THE PROBLEM

In the present globalized era, there has been a radical progress in the field of economy. In this progress women's participation is also gaining importance. Rural Women Entrepreneur in a larger sense, have accepted the challenging role to meet their personal needs and become economically self-sufficient. A rural woman also faces numerous problems to reach their family needs and to become independent. The problems generally faced by rural women entrepreneur includes lack of education and financial assistance, limited managerial skills, lack of technological awareness, socio-cultural barriers, social attitude, absence of motivation and lengthy legal formalities. In order to assess the rural women entrepreneur's opportunities and challenges in their career the following questions have been raised in the present study which are as follows:

- In the dynamic era, what were the factors that motivate to become Rural Women Entrepreneurs?
- Whether Government and financial institution render supporting services to Rural Women Entrepreneurs?
- What are the challenges faced by Rural Women Entrepreneurs in their day to day life?

#### IV. OBJECTIVES OF THE STUDY

From the statement of the problem, the following objectives have been framed for the present study.

1. To study the factors that motivates Rural Women Entrepreneurs in Erode District.
2. To assess the supporting services rendered by the institutions to encourage Rural Women Entrepreneurs.
3. To analyze the challenges faced by Rural Women Entrepreneurs.

#### V. HYPOTHESIS OF THE STUDY

**H<sub>01</sub>:** There is no significant relationship between age, experience and financial support services rendered by Government.

**H<sub>02</sub>:** There is no significant relationship between age, experience and training support services rendered by Government.

#### VI. RESEARCH METHODOLOGY

This study is systematically and scientifically organized. It has made an extensive use of both primary and secondary data. It describes the opportunities and challenges faced by Rural Women Entrepreneurs in Erode District and hence the study is descriptive in nature.

##### a) Sampling Method and Size

Instead of obtaining information from each and every unit of the universe, only a small representative part is studied and the conclusions are drawn on the basic for the whole population. Hence, this research uses sampling method for collecting data. For this research stratified random sampling is used for collecting the data. As far as the present study is concerned the population was divided on the basis of nine taluks viz., Anthiyur, Bhavani, Erode, Gobichettipalayam, Kodumudi, Modakurichi, Perundurai, Sathyamangalam, Thalavadi. The population size of Rural Women Entrepreneur in each taluk details were obtained from DIC (District Industrial Centre) from which sample size were derived by random sampling techniques.

**TABLE - 1**  
**Distribution of Sample Size**

S.No.	Taluk	Population	Sample
1	Anthiyur	12	3
2	Bhavani	64	16
3	Erode	127	32
4	Gobichettipalayam	17	4
5	Kodumudi	12	3
6	Modakurichi	10	2
7	Perundurai	24	6
8	Sathyamangalam	12	3
9	Thalavadi	3	1
<b>Total</b>		<b>281</b>	<b>70</b>

##### Source: District Industrial Centre

The population of Rural Women Entrepreneur is 281(as per DIC) and the sample size of 70 was obtained by considering 25 percentage of population.

##### b) Nature of the Data

The present study uses both primary as well as secondary data.

##### c) Statistical Tools Used For Data Analysis

Data collected through questionnaire were analysed using simple percentage, two-way table, chi-square test, and weighted average score ranking method.

#### VII. DATA ANALYSIS AND INTERPRETATION

The data collected through the questionnaire has been classified according to various demographic characteristics and the same is analyzed and presented in a table format.

**Table-2**  
**Demographic profile of the Respondents**

S.No.	Demographic Variables	Categories	No. of Respondents	Percentage
1	Age (in years)	Below 25	30	43
		25-30	16	23
		30-35	11	16
		35-40	10	14
		Above 40	3	4
2	Educational Qualification	No formal education	3	4
		SSLC	6	9
		Higher Secondary	14	20
		Diploma/ITI	7	10
		Degree if any	40	57
3	Marital Status	Married	45	64
		Unmarried	25	36
4	Family Type	Nuclear family	32	46
		Joint family	38	54
5	Family Income (Per Month)	Below 10000	7	10
		10000-20000	13	19
		20000-30000	15	22
		30000-40000	23	33
		Above 40000	12	16
6	Entrepreneurial Experience (in years)	Less than 2	33	47
		2-4	19	27
		4-6	9	13
		Above 6	9	13

### Inference

It is observed that majority 43% of the respondents were belong to the age group of below 25 years. 57% were degree holders. 64% were married. 54% live in joint family structure. 33% were with the monthly family income between Rs.30000 - 40000. 47% were with entrepreneurial experience of less than 2 years.

**Table-3**  
**Factors motivated to become Entrepreneurs**

S.No.	FACTORS	SA	A	N	DA	SDA
1.	Generation of income	11 (7.7)	5 (3.5)	8 (11.4)	17 (11.9)	29 (20.3)
2.	Economic independence	17 (11.9)	8 (5.6)	7 (4.9)	28 (19.6)	10 (0.7)
3.	Interest	35 (24.5)	0 (0)	14 (9.8)	14 (9.8)	7 (4.9)
4.	Self dependence	12 (8.4)	16 (11.2)	18 (12.6)	22 (15.4)	2 (1.4)
5.	Family encouragement	19 (13.3)	16 (11.2)	16 (11.2)	10 (7)	9 (6.3)
6.	Social-status	4 (2.8)	25 (17.5)	16 (11.2)	14 (9.8)	4 (2.8)
7.	Self prestige	11 (7.7)	25 (17.5)	5 (3.5)	9 (6.3)	20 (14)
8.	Experience	12 (8.4)	16 (11.2)	13 (9.1)	23 (16.1)	6 (4.2)
9.	Market potential	12 (8.4)	8 (8.4)	24 (16.8)	11 (7.7)	15 (10.5)
10.	Education	12 (8.4)	13 (9.1)	16 (11.2)	18 (12.6)	11 (7.7)
11.	Financial Assistance	22 (15.4)	10 (0.7)	12 (8.4)	8 (11.4)	18 (12.6)
12.	Leisure time on band	20 (14)	4 (2.8)	10 (0.7)	25 (17.5)	11 (7.7)

Note: NI-Not Important, SI-Slightly Important, MI-Moderately Important, I-Important, VI-Very Important.

### Inference

It is observed that the majority of the respondents opined “strongly agree” to the factors such as interest; family encouragement and financial assistance. And opined “agree” to the factors such as social status; self prestige and experience motivated them to become entrepreneurs.

**Table No.: 4**  
**Age Vs Training Support Services (Two-Way Table)**

Training Support Age (in years)	Good	Fair	Need To Improve	Total
	Below 25	13 (7.6%)	5 (0.4%)	
25-30	7 (6.4%)	3 (2.5%)	6 (7.8%)	16
30-35	5 (4.8%)	0 (1.8%)	7 (5.3%)	12
35-40	2 (4%)	3 (1.5%)	5 (4.4%)	10
40-45	1 (1.2%)	0 (0.4%)	2 (1.3%)	13
Total	28	11	31	70

### Inference

It is clear that the highest value (7.6%) of the respondents belonging to the age group of below 25 years and least value (1.2%) of the respondents belonging to the age group 40- 45 years have opined good to training support services rendered by government. The highest value (2.5%) of the respondents belonging to the age group of 25-30 years and least value (0.4%) of the respondents belonging to the age group below 25years have opined fair to training support services. The highest value (8.4%) of the respondents belonging to the age group of below 25 years and least value (1.3%) of the respondents belonging to the age group 40- 45 years have opined need to improve to financial support.

Thus, the table shows that highest value (8.41) of the respondents belonging to the age group of below 25 years have opined training support services rendered by government agencies are need to improve.

In order to find out the relationship between age and training support services, chi-square test analysis at 5% level of significance is tabulated below.

**H<sub>0</sub>** : There is no significance relationship between the age and financial support services.

**Table No: 5**  
**Result of Chi-Square**

Variable	Calculated Value	Table Value	Degree Of Freedom	Result
Age	63.58	3.841	1	Rejected

The above table shows that the table value is less than the calculated value at 5% level significance. Therefore the hypothesis is rejected. Hence there is significant relationship between the age and training support services rendered by government agencies.

**Table No.: 6**  
**Problems faced by Rural Women Entrepreneurs**

S.No.	Problems	Total Score	Rank
1	Personal problem	381	I
2	Social problem	333	II
3	Financial problem	319	III
4	Raw material	318	IV
5	Marketing	254	VIII
6	Infrastructure	315	V
7	Technological	295	VII
8	Government support	302	VI

From the above table it is inferred that personal problem is ranked as first problem with the highest score of 381, Social problem is ranked as second problem with the total score of 333, Financial problem is ranked as third problem with the total score of 319, Raw material is ranked as fourth problem with the total score of 318, Infrastructure is ranked as fifth problem with the total score of 295 and Government support is ranked as sixth problem with the total score of 302.

### VIII. FINDINGS

1. Majority (80%) of the respondents are opined negatively towards scheme and policies offered by government and financial institutions.
2. Majority (64%) of the respondents are opined negatively towards the subsidies offered by government and financial institutions.
3. The highest value (8.41%) of the respondents belonging to the age group of below 25 years have opined training support services rendered by government agencies are need to improve. The result of chi-square analysis confirmed that there is significant relationship between age and training programs offered by the government.
4. The highest value (19.29%) of the respondents belonging to the age group of below 25 years has opined government to scheme and policies are need to improved. The result of chi-square analysis confirmed that there is significant relationship between age and government scheme and policies.

### IX. SUGGESTIONS

- From the study it is inferred that the majority of the respondents are below the age of 25 years. So that Government and NGOs can jointly organize awareness program training programs and render financial support to encourage the budding Rural Women Entrepreneurs.
- From the study it is examined that the majority of the respondents are with the education qualification of B.Com, B.Sc, B.A and BBA. Hence to motivate the learned people, documentation procedures can be minimized.
- From the study it shows that the majority of the respondents are with the entrepreneurial experience of less than 2 years. Hence they can be encouraged to take part in trade fairs and exhibitions, in order to obtain innovative ideas and exposure to modern techniques.
- From the study it is inferred that the majority of the respondents respond negatively towards policies and scheme offered by government and financial institutions. So as to attract more rural women entrepreneurs the subsidies can be increased and interest free loans can be offered.

## X. CONCLUSION

The study on the opportunities and challenges faced by rural women entrepreneurs in Erode District was a relatively new and interesting field. It is very essential to study about rural women entrepreneurs in the current scenario where technological development, transformation, industrialization, rural development, education and other developments are at great pace. The literacy level of rural women, external awareness and personal spirit encouraged them to fix up their foot print in the business world. So, as to encourage the budding rural women entrepreneurs, government can extend its support by offering rural entrepreneurship awareness programmes, training programmes, marketing assistance, legal assistance, financial assistance, educate the producers to obtain loans from banks and financial institutions and also encourage them to take part in trade fair and exhibition organized at state, national and international levels. Sure, with the support of the government and the family rural women entrepreneurs which in turn increase the economic status of rural women in specific and development of nation at larger.

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