

RURAL WOMEN ENTREPRENEURSHIP AND RURAL DEVELOPMENT

Abstract

Rural entrepreneurship is a dynamic concept and is defined as entrepreneurship that originates in rural areas and acts as an effective element of economic development. Rural entrepreneurship has its roots in non-urban areas and has great potential for a variety of businesses, industries, agriculture, etc. Rural entrepreneurs are those who work in the villages using local resources. Rural entrepreneurs increase people's purchasing power and standard of living by providing job opportunities to rural residents. Women entrepreneurs play an important role in globalization and economic liberalization. Women's entrepreneurship is an important concept in the development of rural life. Need for Rural Women Entrepreneurship is that it contributes to Economic Development creates employment generation, improves living Conditions, reduces migration of villagers and leads to rural Women's Self-Sufficiency. Rural women entrepreneurs face a variety of obstacles and issues in running their businesses. A few problems include a lack of education, difficulty juggling a family and career, a male-dominated society, a lack of funding, a low risk tolerance level. Dairy Farming, Poultry Farming, Seeds and Fertiliser shop, Organic Vegetables and Fruits Business, Rental Agriculture Machinery, Agarbatti/candle making, handmade Items, Roti/chutney powder making are the few enterprises which can be taken up by the rural women. By providing employment opportunities to villagers, rural entrepreneurs may raise the standard of living and purchasing power of rural residents and those at the bottom of the food chain. The government can support female entrepreneurs by setting up programs for training, growth, and capacity building. This will motivate the women farmers to take up enterprises.

Keywords: Rural Women, Entrepreneurship, Rural Development, Need, Enterprise

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I. INTRODUCTION

India is a nation of villages, with the bulk of its citizens residing in rural areas. The problems faced by the rural population include poverty, inadequate infrastructure, unemployment, and reduced job opportunities in the primary industries due to the migration of the young population to the cities in search of jobs. This can be overcome by supporting the rural entrepreneurs

II. RURAL ENTREPRENEURSHIP

The term 'Entrepreneur' comes from the French word 'Entreprendre' which means 'to undertake'. According to P. P. Drucker an entrepreneur is someone who is always looking for change, reacts to it and takes advantage of it. According to E. E. Hagen an entrepreneur is a person who makes money by innovating. An entrepreneur is someone who takes risks and starts a new business, creates a useful asset and provides value to the customer.

An entrepreneur can be described as a person who starts a business called entrepreneurship to realize his idea and who combines capital and labor to produce goods or services for profit.

Rural entrepreneurship is a dynamic concept and is generally defined as entrepreneurship that originates in rural areas and acts as an effective element of economic development. Rural entrepreneurship has its roots in non-urban areas and has great potential for a variety of businesses, industries, agriculture, etc. Companies are generally engaged in agricultural and related activities. These activities ensure the livelihood of the majority of people living in rural areas. Rural entrepreneurship can be seen as an attempt to establish appropriate risk management and mobilize human, material and financial resources to realize projects in rural areas (Saxena, 2012). Rural entrepreneurs discover new business opportunities not because they have extraordinary perceptual abilities, but because they consciously invest in current and specific information that reduces risk (D. Joel Edwin Large).

According to the Khadi and Village Industries Commission (KVIC), "the importance of rural life industry or village industry which is an enterprise or industry located in any rural area, having a population not exceeding 10,000 or another number producing and supply of goods or services with or without the use of force and where the fixed capital investment per worker or artisan does not exceed Rs. 1000 andquot;. The Government of India has issued a revised specification to broaden its scope. The Government of India defines and quot; Any business or industry started in a rural area, village or town with a population of at least 20,000 people and investing 3 billion rupees in some plant and machinery is classified as a village industry.

Rural entrepreneurs are those who operate in the countryside using local resources. Rural entrepreneurs increase people's purchasing power and standard of living by providing job opportunities to rural residents. Women entrepreneurs play an important role in globalization and economic liberalization. Women's entrepreneurship is an important concept in the development of rural life.

Rural Entrepreneurship creates opportunities for economic development and empowerment of women. It provides an opportunity for the development of rural or semi-rural people who migrate to urban areas in search of job.

Women entrepreneurs are all women who accept the challenge and play an important role in fulfilling their individual needs and becoming financially independent. The Government of India defines "a male-owned business as a business owned and controlled by women, with a financial contribution of at least 51 percent of the investment and providing at least 51 percent of the jobs created by their business to women."

According to J.A. Schumpeter: "Every woman who builds, adopts or reproduces a business is called a female entrepreneur". Simply put, women entrepreneurs are those who organize and manage a business or industry and employ others. Rural women's entrepreneurship is the activity of women who set up their own business or industry in rural areas and use agricultural resources to create jobs for rural people.

The fundamental principles of rural entrepreneurship that were used in rural development were:

- Making the best use of local resources in a business venture by rural residents will improve the distribution of farm products in the rural community.
- In rural areas, entrepreneurial occupations provide alternative employment opportunities and lessen discrimination.
- To make the "6M" system, which consists of money, material, labor, machinery, management, and marketing, operational in rural areas.

III. NEED FOR RURAL WOMEN ENTREPRENEURSHIP

The developing country's future depends upon rural economy. The rural economy in turn depends on doubling of farmers' income and rural Women Entrepreneurship.

- 1. Rural Women Entrepreneurs' Contribution to Economic Development:** Rural women serve as catalysts for economic development, social transformation and act as change agents by making efficient and effective local resources. They are critical to economic progress in the following ways:
- 2. Capital Formation:** In order to ensure private participation in the industrialization process, rural enterprises present attractive commercial concepts to attract investment. Idle savings are then channeled for investment in business ventures that produce a profit. Savings are consequently reinvested, which has a multiplier effect on capital development.
- 3. Regional Development:** Entrepreneurs take the benefit of government schemes, subsidies and infrastructure to establish their enterprise in rural/underdeveloped areas, thus contributing to regional development.
- 4. High potential of Employment generation:** Being an entrepreneur requires this as a fundamental trait. They create and offer jobs to others rather than looking for work themselves.

5. **Improved Living Conditions:** Through entrepreneurial endeavors, jobs are created, which increases income and the amount that can be spent on consumer goods. More goods and services are in demand, which boosts industrial output. A nation's income and wealth are increased by the entrepreneurs' growth in income per capita, which transforms resources like land, labor, and capital into goods and services. The increase in the nation's net GDP is reflected in the growth of the national income.
6. **Removes Income Disparities:** Rural Women Entrepreneurship improves people's economic situations in rural areas and by ensuring that they earn their livelihood in the village rather than migrating to metropolitan and suburban areas for survival. Rural women entrepreneurs make a significant contribution to the growth of rural areas and the reduction of poverty.
7. **Rural Women's Self-Sufficiency and Increased Literacy Rate:** The rural women entrepreneurs by establishing their own business, earn their livelihood and support by satisfying their other needs of family apart from basic needs. This will lead to increased literacy rate of rural families
8. **Reduces Migration of Villagers:** Employment is the main driver of rural migration. Rural migration can be somewhat reduced as the entrepreneurial professions offer alternative employment opportunities that lessen discrimination.
9. **Safe Guard's Indigenous art and Craft:** For rural areas, the handicraft industry is a significant source of income. It employs millions of artisans, many of whom are women and members of underprivileged social groups. Handicrafts currently make a significant contribution to exports and the creation of jobs. They protect indigenous art and craft as a result.
10. **Efficient and Effective use of Local Resources:** The rural enterprises are mainly based on supply of local resources. The resource efficiency is a key approach to economic growth as it stimulates innovation, creation of new industries and boosts economic competitiveness.

Rural Women Entrepreneurship: Issues, Challenges, and Problems in India Rural women entrepreneurs face a variety of obstacles and issues in running their businesses. A few problems include a lack of education, difficulty juggling a family and career, a male-dominated society, a lack of funding, a low risk tolerance level, etc. They are discussed in detail.

- **Lack of Education:** The literacy rate of women in India is very low. Even in the 21st century, women in rural India still lag far behind their urban counterparts in terms of education. Rural women tend to be less educated. Educated women in rural areas are usually less educated or less educated than men due to reasons such as poverty, early marriage, low socio-economic status, and sons' higher education. She says one of the biggest obstacles for rural women who want to start their own business is lack of education. Without quality education, women entrepreneurs do not adopt new developments in technology, marketing trends, manufacturing techniques, and other government initiatives that motivate women entrepreneurs.

- **Balancing between Family and Career:** Indian women have a strong emotional bond with their families. They are of little use. They are expected to take care of the whole family, children and other family members. They spend a lot of time and energy caring for and regulating their husbands, children, and other family members, in addition to their increased family responsibilities. In such a situation, it is very difficult for women to concentrate and run the company successfully. Married entrepreneurs need to find the right balance between their personal and professional commitments.
- **Male Dominated Society:** Our constitution guarantees equal rights for men and women, but in reality there is no equality in rural areas. Women do not receive the same rights as men. In rural areas, there is often a stereotype that women can only do housework. Women require approval from the head of the family to enter the labor market. Historically, entrepreneurship has typically been associated with and dominated by men. All of these types of stages pose obstacles to the growth of women entrepreneurs. Therefore, male entrepreneurs hinder the success of female entrepreneurs.
- **Shortage of Finance:** There are many demanding situations that rural girls enterprise proprietors have to triumph over that allows you to improve cash and meet their company's economic requirements. This sort of economic trouble impacts girls and small enterprise proprietors due to the fact they may be unnoticed with the aid of using lenders, creditors, and economic establishments because of their decrease credit score worthiness and improved threat of failing their businesses. Because there's a loss of dependable safety and credit score withinside the market, they may be not able to get right of entry to out of doors funding. Due to the dearth of belongings of their names, in addition they revel in economic difficulties.
- **Low Ability to Bear Risk:** Indian women are usually sensitive and emotional by nature. Because women lead secure lives, they have less ability to bear financial and other risks than men. For entrepreneurs to be successful, they must be able to take risks. However, women may not be able to take the risks necessary to run a business. The ability to accept the risks associated with a business are also affected by the lack of adequate education, training and external financial support.
- **Lack of Entrepreneurial Skills:** For rural women, a major problem is a lack of entrepreneurial skills. They lack an entrepreneurial mindset. Even after enrolling in various entrepreneurship training programs, female entrepreneurs occasionally struggle to overcome the dangers and challenges that could arise in an organizational setting.
- **Limited Managerial Skills:** Only capable managers can perform a specific job that management has developed. Women entrepreneurs struggle to succeed in managerial tasks like planning, managing, directing, staffing, controlling, coordinating, monitoring, motivating, etc. because they lack the necessary knowledge. Therefore, rural women's limited managerial skills have made it difficult for them to manage their businesses successfully.

- **Lack of Technological Awareness:** Rural business owners struggle greatly with a lack of technological knowledge. The development of rural women's entrepreneurship is hampered by a lack of training services and comprehensive services.
- **Shortage of Raw Materials:** The struggle to purchase raw materials and other necessary materials is greater for female business owners. Women struggle to find raw materials from a variety of sources. They use scarce or handy raw material sources. The lack of sufficient supply of forest-based raw materials in 1971 was a major factor in the demise of many women's cooperatives, including those engaged in basket manufacturing. Many raw materials are quite expensive.
- **Finding of Raw Materials:** For rural business owners, locating raw materials is a significant task. Poor raw material quality and storage and warehousing issues could force them out of business.
- **Socio Cultural Barriers:** Indian cultures' prevalent civilizations and customs toward women can occasionally make it difficult for them to advance and prosper. Religions and castes rule with one more addition, and they also impede female entrepreneurs. Since they are frequently observed with suspicion in rural areas, women entrepreneurs face more social and cultural restrictions.
- **Social Attitudes:** The biggest issues facing female entrepreneurs are social assertiveness and the limitations placed on their ability to live and work. Despite having legal equality with men, women still experience discrimination. According to the cultural norms of the society, men have stereotypes about the value and potential of women. In rural areas, women encounter opposition not only from men but also from senior women who have come to terms with gender inequality.
- **Absence of Motivation:** In order for an enterprise to succeed, motivation is crucial. Because of their inherent nature, female business owners occasionally lack the confidence that is essential for driving them to succeed. Striking a balance between managing a family and a business is difficult for rural women.
- **Legal Formalities:** Due to illiteracy and ignorance, rural entrepreneurs find it extremely difficult to complete the numerous legal requirements to obtain licenses.

IV. RURAL ENTERPRISES IN INDIA

There is immense scope for small enterprises in rural areas. The rural enterprises generates employment opportunities and bring an economic value to the rural sector and thereby ensuring continuous rural development. The following are the list of few enterprise which can be taken up by the rural women.

1. **Retail Store:** The retail stores are the best option as traders in villages get the material quickly at a low cost. These stores can be established with low investment and provide the essentials to villagers locally. Ex.: Kirana store, electronics shop, salons, sweet shops, mechanic and plumbing services, electronics repair shop etc.

2. **Dairy Farming:** The dairy farming is a lucrative business idea in rural areas especially for the farming community. It is high margin business and it is a daily used product which has no recession time. One can earn money by selling the milk products viz., pure butter, paneer, ghee apart providing nutrition to the family and farm yard manure to the farm.
3. **Poultry Farming:** This is another productive rural enterprise which requires less investment, land and labour. Many government schemes are also helping people to set up livestock and poultry businesses by giving them loans
4. **Seeds and Fertiliser shop:** Agriculture is the primary occupation in Indian villages. Therefore, agriculture-related products like fertilizers and pesticides are always in need and demand. It is more beneficial for farmers as the seeds are available locally. This can reduce the expense of going to the town to buy seeds and fertilizers.
5. **Organic Vegetables and Fruits Business:** This the most uncomplicated and ordinary business for anyone, primarily for native villagers. Every farmer does not grow fruit and vegetables and villagers also need to buy fruits and vegetables. Organic farming can make a massive profit if organically grown fruits and vegetables are sold in supermarkets through tractors.
6. **Rental Agriculture Machinery:** Recently, renting farm machinery is the most economical way of using Agriculture Machinery for marginal farmers. So, this rural business idea is affordable and beneficial for villagers. This can make enormous profits to the entrepreneur.
7. **Oil/flourmills:** The Oil/flour mills are a demanding shop because everyone wants refined oil, organic oil, and their grains to be milled. Hence it has great scope in rural areas.
8. **Agarbatti/Candle Making:** Agarbatti and candle are the need of every home and shop and temple. This rural business idea can be profitable because of its demand. These enterprises need minimum investment and other resources as well as human resources also. So, it can be an excellent option for a startup.
9. **Handmade Items:** Villagers are very creative in making bags, cotton chunnis, decorating items for home and many more. By selling in the market these items at an affordable range can attract customers and also you can start an online business of selling handmade items to make a good reach.
10. **Roti/Chutney Powder Making:** The rural women are born with skill of cooking. They can utilize the skill and start such enterprise with zero investment. They can earn money by working at home.

V. BENEFITS OF RURAL ENTERPRISES

Due to illiteracy and ignorance, rural entrepreneurs find it extremely difficult to complete the numerous legal requirements to obtain licenses. One way to combat poverty, migration, unemployment, and to develop rural areas is through rural entrepreneurship. By

providing employment opportunities to villagers, rural entrepreneurs may raise the standard of living and purchasing power of rural residents and those at the bottom of the food chain. In addition to these, the additional advantages are covered below.

- 1. Lack of Competition:** The benefit for rural areas is that there are fewer competitors there. This makes it easier for the business owners to establish themselves and carve out a niche. Additionally, access to underserved markets or customer segments that are disregarded by larger competitors may be provided by rural areas.
- 2. Low Budget Start-Up:** Another benefit of starting a business in villages is that it is much cheaper than in cities. The land is more economical, be it on rent or on lease. And other things like materials, products, labour etc., are economical in almost every way.
- 3. Loyalty of Community:** Villagers are more trustworthy, and their friendly attitude continues to be your buyer if you keep the same quality and service they want.
- 4. Minimum Investment Required for Rural Business:** For starting a rural business, there is no fixed amount. But we can take an approximate amount that will be around 50,000. And here you get to know about how to operate businesses, their investment provisions, other involvements, necessities and more. Also, Rural Marketing Strategies are helpful, making it easier for you to decide on your business.
- 5. Tax Advantage:** The burden of Tax burden in rural areas is low, which increase the competitive strength of rural industry.
- 6. Low Investment:** As the rural industries are small scale industries, they can be started with low investment. Further the production can be carried out at a lesser cost due to easy availability of resources.

VI. CONCLUSION

Rural Women Entrepreneurship is not a novel notion in India. The concept of village self-rule (gram-swaraj) is indigenous to India. The rural Women Entrepreneurship will accelerate India's economic development because most of the population still lives in villages. They contribute to rural economy there by contributing to national economy. The government supports female entrepreneurs by setting up programs for training, growth, and capacity building. It is crucial to develop rural women's entrepreneurial skills and provide them with a path to success. To alter the unfavorable social attitudes toward women, education and awareness programs should be set up. The structure of the training programs should be improved while taking into account the socioeconomic status of female entrepreneurs. Emerging rural women entrepreneurs should receive counseling to help them deal with psychological issues like lack of confidence and a limited capacity for risk-taking.

