

## **A Study on Problems in Promotion of Women Rural Entrepreneurs in Kanniyakumari District**

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### **Abstract**

Rural entrepreneurship plays a vital role in driving economic growth, fostering innovation, and promoting inclusive development in rural areas. However, its promotion faces numerous challenges that hinder its full potential. This abstract provides an overview of the key problems in the promotion of rural entrepreneurship and outlines the need for further research and policy interventions to address these challenges effectively. The abstract begins by highlighting the significance of rural entrepreneurship in fostering economic development and reducing rural-urban disparities. It then identifies and discusses several critical challenges that impede the promotion of rural entrepreneurship, including limited access to finance, inadequate infrastructure, lack of market linkages, limited technical and managerial skills, and socio-cultural barriers. These challenges are often exacerbated by the remote and resource-constrained nature of rural areas, making it difficult for aspiring entrepreneurs to establish and sustain successful businesses.

### **Introduction:**

The promotion of women rural entrepreneurship is crucial for economic development, particularly in countries like India where a significant portion of the population resides in rural areas. Rural entrepreneurship not only contributes to economic growth but also helps in poverty alleviation, reducing migration to urban areas, and overall rural development. However, despite its importance, there are several challenges and problems that hinder the promotion of rural entrepreneurship. Problems in the promotion of rural entrepreneurship could highlight these challenges and set the stage for further exploration and analysis. It could mention the significance of rural entrepreneurship, the potential benefits it offers, and the necessity of addressing the obstacles that impede its growth. Additionally, it could provide a brief overview

of the scope and objectives of the study, outlining the specific aspects of rural entrepreneurship that will be examined.

### **Review of Literature:**

- **Ashokan, (2004)**, stated that reality defines a territorially specific entrepreneurial milieu with distinct physical, social and economic characteristics. Location, natural resources and the landscape, social capital, rural governance, business and social networks, as well as information and communication technologies, exert dynamic and complex influences on entrepreneurial activity in rural areas.
- **Jayadatta S (2017)**: He highlighted in recent days rural entrepreneurs have suffered lot of problems in own business and recently with the effect from the pandemic problems also which majorly effects from the business.

### **Objectives of the Study:**

The present study confined its objectives as:

1. To reveal the problems encountered by the women entrepreneurs in their enterprises.
2. To Significant difference of problem perception among entrepreneurs.

### **Problems throttling the growth of Women Rural Entrepreneurship:**

#### **Poor Infrastructure Network:**

Basic infrastructural facilities like road, power, water, transport, communication facilities, post and telegraph, banking, health care and education facilities indispensable for any kind of enterprise are still lacking in rural areas and thereby hindering the growth of rural entrepreneurship.

#### **Shortage of Finance and working Capital:**

One of the serious problems experienced is insufficiency of working capital for their daily operation of the enterprise. The complicated procedure of getting bank-credit and inability to offer tangible security keep the entrepreneurs from availing credit facilities.

#### **Defective Marketing Arrangement:**

Rural entrepreneurs are at the mercy of intermediaries for product marketing who late away a major cable of profit. Due to weak financial backup, rural entrepreneurs find it difficult to make the product popular with the public and market it directly to ultimate consumers. Besides they suffer so much in the matter of collection of proceeds of credit sales as they do not have marketing channel of their own.

**Shortage of Raw Materials:**

This problem is acute in the case of non-farm enterprises. Some units are forced to close down their operations owing to paucity of raw materials or even due to irregularity of the supply.

**Acute competition:**

Rural entrepreneurs face severe competition from organised and well-established units. They are struggling to compete in terms of quality as well as quantity with urban industrialists.

**High cost of Production and Obsolete Technology:**

The use of outmoded technology directly affects the scale of production and productivity and the quality of the goods produced. Through the Government's assistance in form of subsidy, grants and marketing assistance helps them in mitigating their suffering to a certain extent, they need to improve their efficiency and expand the productive capacity using their intellectual capacity.

**Poor information Inflow and Dearth of Skilled Man Power:**

Rural entrepreneurs are in darkness about the latest technologies, facilities, incentives and assistance available for increasing productive efficiency. Since there is no systematic approach to main rural youth in the latest technologies and techniques of production, sufficient number of skilled work force are not available in rural areas.

**Limited Demand in Rural Areas:**

Local demand and regional demand for the product produced by rural industries is fast-deckling. Hence entrepreneurs have now been forced to find national and global market. Sometimes alternative model for promoting, rural entrepreneurship is the need of the hour to protect our rural industries and also find worldwide market for our rural products.

**Lack of Infrastructure:**

Rural areas often lack basic infrastructure like roads, electricity, and internet connectivity, which are crucial for business operations.

**Limited Access to Finance:**

Rural entrepreneurs often struggle to access capital due to the absence of formal financial institutions in rural areas. This limits their ability to invest in their businesses and expand operations.

### **Market Access:**

Limited market access and poor market linkages make it difficult for rural entrepreneurs to sell their products or services beyond local markets. This hampers their growth potential.

### **Skill Gaps:**

Many rural entrepreneurs lack the necessary skills and training to run successful businesses. This includes skills related to marketing, financial management, and business planning.

### **Limited Technology Adoption:**

Rural entrepreneurs often lag behind in adopting new technologies, which can improve productivity and competitiveness.

### **Policy and Regulatory Challenges:**

Inadequate policy support and regulatory hurdles can hinder the growth of rural entrepreneurship. This includes issues related to land acquisition, licensing, and taxation.

### **Social and Cultural Factors:**

Social norms and cultural beliefs in rural areas may discourage entrepreneurship, particularly among women. This can limit the pool of potential entrepreneurs.

### **Statement of the Problem**

Rural unemployment and under employment have been major contributory factors towards the high incidence of poverty in rural areas. With a view to alleviating rural poverty caused by unemployment and underemployment, the Government has implementing various Rural Development Programmes by promoting entrepreneurship among the rural. The part played by entrepreneurs, is of vital importance for sustainable development in agricultural and non-farm rural sector in India. Problems of entrepreneurial development in rural India are of individual group and institutional in nature. The individuals consist of lack of self-motivation, shyness, inhibitions to venture, resistance to change, lack of managerial talents, etc.

### **Methodology**

The present study has been under taken in kanniyakumari district. This study is based on both primary and secondary data. The primary data is collected by using interview schedule and secondary data is obtained from books and journals. Three hundred sample respondents were selected from the villages. Proportionate stratified random sampling technique is used whole selecting the sample.

**Tools of analysis:**

Personal interview is the major tool of data collection. Interview technique is to be made at rural women entrepreneurs. The secondary data are also proposed to collect from various departments.

**T' test**

The t test has been used to find out the significant difference among the two means it is calculated by

$$t = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{\frac{(n_1-1)\sigma_1^2 + (n_2-1)\sigma_2^2}{n_1+n_2-2}} \times \sqrt{\frac{1}{n_1} + \frac{1}{n_2}}}$$

With the degree of freedom of (n<sub>1</sub>+n<sub>2</sub>-2)

T - 't' statistics

X<sub>1</sub> - Mean of the first sample

X<sub>2</sub> - Mean of the second sample

Variance in the first sample

Variance in the second sample

Number of observations in the first sample

Number of observations in the second sample

**Significant difference of problem perception among entrepreneurs:**

In the present study significant difference of problems perception among entrepreneurs were confined to thirteen problems namely poor infrastructure, shortage of finance, acute competition, lack-of-collateral security, lack of time,. Lack of family support, lack of networking, limited demand, poor information flow, higher credit sales, lack of innovation and defective marketing arrangement and high cost of capital. The above said problems ere ant for

rating by the entrepreneurs at five point-scale namely highly serious, serious, moderate, not serious and not serious and not at all serious which showed a score value of 5,4,3,2 and 1 respectively. The average scores of each problems in enterprising. Was separately calculated among the problematic, non-problematic and total entrepreneurs and shown in **Table .**

**TABLE.1**  
**SIGNIFICANT DIFFERENCE OF PROBLEM PERCEPTION AMONG WOMEN  
ENTREPRENEURS**

Sl. No	Nature of Problems	Average Score		
		Non-Problematic	Problematic	t-Statistics
1	Poor Infrastructure	1.0824	2.8241	1.5308
2	Shortage of finance	2.3213	4.2636	1.9672*
3	Acute competition	2.7068	4.1718	0.8064
4	Lack of collateral security	1.2341	3.8081	2.0261*
5	Lack of time	1.4556	2.9661	1.8172*
6	Lack of family support	2.3017	3.0082	1.4421
7	Lack of net working	3.0622	2.0678	1.5182
8	Limited demand	1.9246	1.8244	0.4041
9	Poor information flow	2.7018	2.4045	0.6182
10	Higher credit sales	0.9331	2.7678	2.0624*
11	Lack of innovation	3.2116	2.9019	0.7072
12	Defective marketing arrangement	2.0972	2.4642	0.4213
13	Higher cost of Capital	1.2131	4.0661	2.3934*
	Overall average	2.0189	2.9645	1.7054

\*Significant at 5 percent level.

The significant difference among two group of entrepreneurs (non-problematic and problem-perceived) were noticed in few problems namely poor infrastructure, lack of collateral security, lack of time, higher credit- sales and higher cost of capital since its respective ‘t’ values were significant at 5 percent level. The mean of overall perception towards all problems together amongst the non-problematic and perceived entrepreneurs were 2.018 and 2.964 respectively. The ‘t’ statistics indicated that there was a significance difference among the above said group of entrepreneurs regarding their problem perception on an overall.

### Suggestions

To address the challenges faced by women rural entrepreneurs, several key strategies can be implemented. Firstly, there is a need to enhance access to finance by creating dedicated financial schemes tailored to the needs of women entrepreneurs. This could include simplified application processes, increased awareness of available funding options, and partnerships with financial institutions to provide loans and grants. Secondly, skill development is crucial, and efforts should be made to offer specialized training programs in areas such as business management, marketing, and technology. Additionally, networking opportunities should be

facilitated through the organization of events and workshops, as well as the establishment of business networks and industry associations. Access to markets can be improved by developing platforms for showcasing products and services, providing guidance on market trends, and facilitating connections with potential buyers and suppliers. Government support is also essential, and policymakers should advocate for policies that promote gender equality and provide incentives for women-led businesses. Finally, infrastructure development is crucial, and efforts should be made to improve basic infrastructure such as roads, electricity, and internet connectivity to enable women entrepreneurs to conduct business more efficiently. By implementing these strategies, the promotion of women rural entrepreneurs can be significantly enhanced, leading to economic growth and empowerment in rural communities.

### **Conclusion:**

The study concluded that the most important problems identified in enterprising were lack of innovation, higher credit-sales, shortage of time and finance. The problems identified by entrepreneurs were different according to their profile and performance in enterprising.

- Rural entrepreneurial promotion centre should be centrally located, covering a cluster of villages in a number of zones. The state has to find out the availability of the natural endowments and resources in such areas through elaborate and comprehensive techno-economic survey.
- The skill-oriented training, increasing level of education, improving general awareness, economic independence, personality development and increasing the financial help among the rural are properly provided according to the local needs through proper organizational set ups.

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