

Constraints faced by rural and urban women entrepreneurs

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ABSTRACT

The study was undertaken in Karnataka state in Bangalore rural and urban with the objective of ascertaining the production, financial, marketing and personal constraints faced by the women entrepreneurs. The results revealed that lack of electricity, non-availability of raw material and non-availability of equipments were the three most important production constraints faced by rural women. The urban women faced labour shortage and labour cost as the major constraints. The financial constraints faced by rural women included securing working capital, lesser subsidy amount and tight loan repayment schedule. The urban women experienced insufficient financial assistance as a major constraint. The marketing constraints experienced by rural as well as urban women entrepreneurs were competition from established and large units, lack of adequate marketing facilities and delay in payments. Dual responsibility was major constraint for rural and urban women under personal constraints. The other constraints were resistance from spouse/family members and non-cooperation of the family members.

Keywords: Women entrepreneurs; rural; urban; constraints

INTRODUCTION

Women constitute nearly half of the world's population. Women's real status in any society/country may be reflected in terms of infant mortality, life expectancy, literacy, extent of participation in developmental programmes etc. In India of the total of 30.00 per cent people who are below poverty line 70.00 per cent are women. Women's poverty in India is directly related to the absence of economic opportunities and autonomy, lack of access to economic resources including credit, poor educational facilities and health services. In rural India

nearly 50.00 per cent of females are labourers and 70.00 per cent of them are engaged in agriculture alone. They perform two-third of the farm work but earn only one-tenth of the income. Women are lagging behind men mainly because of relative absence of economic opportunities and minimal participation in decision making process. Their access to land ownership is extremely limited. Educational backwardness is another major reason why women are lagging behind men. The latest census reports revealed that the female literacy rate in India was 54.00 per cent as compared to the male literacy rate of 76.00

per cent. However the life expectancy of female was 65 years in contrast to 64 years of that male (Census of India 2001).

Women's achievements are viewed almost exclusively in terms of supportive or dependent role such as a home-maker and mother. Women contribute significantly to family business mostly in the form of unpaid labour and skills. The value of this effort is under-estimated by the families that take it for granted. Women entrepreneurship in economic development of any nation has been recognized for its significant contribution. A women as entrepreneur is economically more powerful than as a mere worker because ownership not only confers control over assets but also gives her the freedom to take decision. Along with this achievement they have to perform multiple roles. They are subjected to greater stress due to the demands of home and entrepreneurial activities at times cause conflict and they have to face various constraints. With this background an effort was made to find the constraints faced by rural and urban women entrepreneurs.

METHODOLOGY

The study was undertaken in Karnataka state in Bangalore rural and urban. One Taluka was selected in both the areas. Three groups of entrepreneurs representing products/manufacturing, process/service and trading sectors were considered and 20 women entrepreneurs

from each sector were selected from Bangalore (rural) district. Similarly 20 respondents from three sectors totaling 60 were selected from Bangalore (urban) district. Thus 120 respondents constituted the sample for the study. Ex-post facto research design was used for the study and data were collected with the help of pre-tested schedule, scored, tabulated and analyzed using mean, standard deviation, correlation coefficient and multiple regression analysis.

RESULTS and DISCUSSION

Data pertaining to constraints faced by women entrepreneurs were obtained separately for rural and urban entrepreneurs and have been reported under four headings viz production, financial, marketing and personal constraints.

The production and management constraints are depicted in Table1. The data reveal that the three most important production and management constraints faced by rural women were lack of electricity (76.67%), non-availability of raw materials (75.55%) and non-availability of equipments (66.67%). The urban women faced high labour cost (75.00%) as the major constraint.

The financial constraints faced by the respondents are depicted in Table 2. The major constraints faced by rural women were securing working capital (93.33%),

Constraints of women entrepreneurs

Table 1. Production and management constraints faced by rural and urban women entrepreneurs (n= 120)

Constraint	Rural		Urban	
	%	Rank	%	Rank
Non-availability of raw materials	75.00	2	70.00	2
Non-availability of equipments	66.67	3	63.33	3
Lack of electricity	76.67	1	58.33	4
High labour cost	63.33	4	75.00	1
Non-availability of skilled workers	58.33	5	46.67	5
Lack of technical guidance from concerned people	53.30	6	43.33	6
Complex procedural formalities in getting to start an enterprise	50.00	7	58.33	7

Table 2. Financial constraints faced by rural and urban women entrepreneurs (n= 120)

Constraint	Rural		Urban	
	%	Rank	%	Rank
Securing working capital	93.33	1	86.67	1
Insufficient financial assistance by financial institutions	70.00	5	83.33	2
Problems of security and safety	75.00	4	70.00	4
Tight loan repayment schedule	76.67	3	75.00	3
Delay in sanction of loan	58.33	6	53.33	6
Loan release in installments	50.00	7	46.67	7
Lower subsidy amount	80.00	2	58.33	5

Table 3. Marketing constraints faced by rural and urban entrepreneurs (n= 120)

Constraint	Rural		Urban	
	%	Rank	%	Rank
Lack of established marketing network	76.67	2	83.33	1
Competition from established and large units	83.33	1	75.00	2
Long distance of the market	63.33	5	46.67	6
Lack of transportation facilities	53.33	6	41.67	7
Lack of market information	63.33	5	46.67	6
Low price for the produce	75.00	3	70.00	4
Delay in payments	75.00	3	71.67	3
Lack of infrastructure	71.67	4	66.67	5

Table 4. Personal/general constraints faced by rural and urban women entrepreneurs (n= 120)

Constraint	Rural		Urban	
	%	Rank	%	Rank
Health problems	46.67	5	40.00	7
Lack of leisure time	41.67	6	58.33	3
Excessive tension and challenges	63.33	3	50.00	6
Resistance from spouse/family at the time of start	76.67	2	66.67	2
Dual responsibilities	80.00	1	75.00	1
Non-cooperation of family members	63.33	3	53.33	5
Back biting by others	56.67	4	55.00	4

lesser subsidy amount (80.00%) and tight loan repayment schedule. The urban women experienced insufficient financial assistance as the major constraint.

The marketing constraints faced by rural and urban women entrepreneurs are depicted in Table 3. The three important constraints equally faced by both rural and urban entrepreneurs were competition from established and large units, lack of established marketing network and delay in payments.

The personal and general constraints experienced by women entrepreneurs are shown in Table 4. The entrepreneurs from both rural and urban areas considered dual responsibilities of being housewives and business women as major constraints followed by resistance from spouse/family members while starting any entrepreneur venture. The entrepreneurs from rural areas also indicated

non-cooperation of the family members as the third important constraint while the urban entrepreneurs found lack of leisure time as an important constraint.

The findings of the present study are in conformity with the results reported by Govindappa (1999), Neelima and Swaroop (2000), Narmatha et al (2002) and Anitha (2004).

CONCLUSION

A woman plays an important role in the nation building as she takes responsibility of house as a housewife. With the demanding nature and scope in the present scenario she is also interested in some venture to make earning. Apart from general constraints in the field of business as an entrepreneur woman faces several other problems too. These various constraints need to be tackled by the concerned organizations and institutions

both governmental and non-governmental at the appropriate level.

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