

## ATTITUDE OF RURAL WOMEN TOWARDS ENTREPRENEURSHIP IN KERALA

**Mrs. Anisha Thomas**

*Research Scholar, University of Kerala.*

**Dr. Ajit Prabhu V.**

*Joint Director & Head (SPMD), Kerala State Council for Science, Technology and Environment.*

### **ABSTRACT**

*The study evaluates the attitude of rural women towards entrepreneurship in Kerala. A Sample of 50 rural women is taken for evaluation from Kollam district. Vast majority of women in Kerala are intending to become entrepreneurs especially women's in rural areas but according to the statistics available, in 2010-11 out of the 84878 enterprises started in micro, small and medium enterprises only 2629 units are owned and operated by women. Majority of graduated / non-graduated rural women are not starting their income generation activity due to problems which are primarily in lack of right attitude for starting an enterprise, The recent trend shows that if proper awareness and support is provided for rural women that will encourage them to establish new endeavours. The purpose of the study is to bring out a solution to these problems. This happens to be the area that necessitates the study.*

**Key words: Entrepreneurship, Entrepreneurial Attitude, Rural Women and Rural Women Entrepreneurs.**

### **INTRODUCTION**

The Government of India has defined women entrepreneurs as “an enterprise owned and controlled by women having a minimum financial interest of 51 per cent of the capital and giving at least 51 per cent of the employment generated in the enterprise to women”. In order to encourage more and more women enterprises in the MSE sector, several schemes have been implemented by government targeted for the development of women enterprises in India. Education is one important factor which influences the lifestyle and living conditions of any human being. The education level of rural women is a factor in moulding them as aspiring entrepreneurs. The attitude and perceptions of rural women towards entrepreneurship and the availability of certain favourable factors such as support system, availability of financing, entrepreneurship training, adoption of new technologies, technology transfer avenues, marketing avenues etc., are other probable factors that can influence rural women in becoming an entrepreneur.

Rural entrepreneurship means establishing industrial units in the rural areas. It is an effective means of accelerating the process of rural development. In future, the inbuilt strength of the Self-Help Groups will pave the way to undertake mega projects, like projects performed by joint stock companies, public sector enterprise and the like the SHGs have power to create a socio-economic revolution in the rural areas India. To achieve this in practical field the conversion of consumption based self-help groups into entrepreneurship-oriented self-help groups led to employment generation and empowerment of women (*Chiranjeevulu, 2003*).

After analysing the major areas of the study, it is realized that active participation of a community is necessary for its empowerment similarly in the case of rural women entrepreneurs. In Kerala the position of women has improved dramatically according to the conventional indicators and is even comparable to that of other states in India. But the major problem arising in the present scenario is that whether the women in Kerala are socially and economically empowered. According to census 2001 it is clear that the work participation rate of women in Kerala is only 15.3% compared to the national work participation rate of 25.7%. The women who work in the private and unorganized sector which does not offer regular income, labour rights or job security. Many women in Kerala work in beedi making, coir, cashew, fish selling and processing section, which are low paying. Even women working in Special economic zones face wage discrimination and they live in extremely poor conditions. Lack of raw materials, marketing possibilities etc also weakens the precarious situation of those in traditional sectors like reed mat making, basket weaving etc. Therefore the core area of study is to assess the economic and

social development of women especially in rural sector as they form 56.81% compared to the urban females i.e., 52.18% in the total population of Kerala (*Economic Review, 2011*). The rural women will have to face many challenges in becoming an aspiring entrepreneur so that the utilization of rural women in self help groups or other employment modes must be converted to enterprises thus giving emphasis to rural women entrepreneurship.

Entrepreneurship has been 'embedded in the Indian genius and is a part of its tradition'. To quote the renowned economist, T.N. Srinivasan, 'India has been an entrepreneurial society...we had the entrepreneurial skill but suppressed it for too long a time... and now it is thriving' (Tripathi, 1984). The entrepreneurial spirit is an ongoing characteristic of India's history, particularly visible in a number of communities engaged primarily in trading. Traditionally, the Entrepreneurship of such communities is facilitated principally by the successful use of informal 'entrepreneurial ecosystems' and interdependent business networks. Further, there is also a rich tradition within the Indian Diasporas, spanning the past several hundred years, whose spirit of enterprise is legion. India needs opportunity-driven competent entrepreneurs, who set up sustainable enterprises, create employment, and generate wealth. This can be achieved by encouraging the youth who have professional knowledge to come forth and develop a new business for sustainable development.

Even though the position of women in Kerala has improved dramatically according to "conventional" indicators such as health status, literacy, education, and life expectancy, and is even comparable to that of advanced countries, there has been no corresponding improvement in their social and economic status. This is most evident in their abysmally low and declining work participation rate (15.3 percent in 2001). The declining work participation rate of women, it is often argued, is reflexive of an improvement in the economic position of the family as a whole, because of which women drop out of the work force. But this is precisely what constitutes proof of the fact that their economic status has not improved. A contributory factor towards this has been the absence of job opportunities of the sort that educated women would prefer. The Eleventh Plan has focused on to bring about a considerable increase in the number of skill-imparting institutions in the State. The Kudumbashree experiment involving poor women organized in self-help groups has not only been a remarkable success, but has also brought to the fore the enormous managerial and entrepreneurial talent that remained untapped. A similar experiment in bringing together educated women, currently engaged in the household chores, into neighbourhood groups for producing a number of services, offers a potential source of gainful employment for them (*Economic Review, 2011*).

Entrepreneurship is the only solution to the growing unemployment among rural youth. It helps to generate employment for number of people within their own social system. This is more beneficial for women in rural areas as it enable them to add to the family income while taking care of their farm, home and other allied tasks. Rural women possess abundant resources to take up an enterprise. She has the benefit of easy availability of farm and countryside raw materials. Hence she can effectively undertake both production and processing oriented enterprises. But to be a successful entrepreneur, women should possess certain fundamental qualities beside the support of the family and government organizations. Entrepreneurial development among rural women helps to enhance their person capabilities but also decision making status in the family and society as a whole.

The rural woman as unorganized workers is 95.7% in total workforce compared to the male share of 90.7%. Amongst those who are left out of any social protection in India, and those who are poor, women form a major part. Women dominate those forms of work that are found mostly in formal and informal sector. Many of these women workers are primary earners of their families. Their earnings are necessary for sheer survival. (*Report of Ministry of Women and Child development, 2007*)

Every policy and programs affects men and women differently. In comparison to men, the problems of women entrepreneurs are numerous from the attitude/perception of rural women graduated or non-graduated towards entrepreneurship, to their socio-economic conditions, factors influencing entrepreneurship, support system

provided and their efficiency, extent of training and entrepreneurship development, other factors like financing and marketing opportunities, etc.

## REVIEW OF LITERATURE

A Saeed: "Rural Women Agri-vendors in the contemporary Indian Society", The Management Review Academy, 25-256-289. The study discusses about the relationship techniques and means being used by the various agri-vendors to grow and sustain their customer base.

Khan Md.Z.K. (2005) – "Changes in the Agri product market with special reference to consumption pattern of the consumer" - Mekal Market. He discusses about the change in the consumption pattern of agri products due to the generated awareness about the benefits associated with its consumption and also the increase in per individual intake and the frequency of consumption.

Nema V.K and Dubey P.K. (2002) – "Growth of Indian agricultural produce market in the changing retailing system" - ICA 2002. With the fast change in the retail sector the vending system of the agriculture produce have also been affected. The study states the changes in the basic retailing system and its impact on the overall market of the agriculture produce.

Dey. S.K. and Duggal P. (2006) - "Rural Women and their Entrepreneurial Skills" – Journal of Rural Development. It highlights the various skills and operational manners of the rural entrepreneurs for the growth and sustenance of their entrepreneurial projects.

Jyothi and Prasad (2009) find a striking difference in the educational background of women entrepreneurs in general and those belonging to rural India. Social factors like caste, community and religion were found to strongly influence the growth of entrepreneurship. The findings reveal that the system of joint family was on decline and that there was no significant relation between occupational background and entrepreneurial character of the women. A majority of them misperceived training as a pre-requisite for getting finance. The main reason, which urged them to take up business activities, were unemployment and inadequate educational qualification.

The literature review clearly shows that the researcher's undergone study on rural women entrepreneurs and entrepreneurial skills but the attitude and perceptions of rural women towards entrepreneurship had not been an area of study for most of the research studies.

## OBJECTIVES

The objective of this study is to ,

- Determine the intentions of rural women for becoming a potential entrepreneur,
- Determine whether the intention of rural women on becoming an entrepreneur among every age group of women in Kerala is significantly the same
- To study the factors influencing the attitude of rural women in Kerala towards Entrepreneurship.

## RESEARCH METHODOLOGY

A sample of 50 rural women was randomly selected from Kollam District of the State Kerala, India. The respondents were served with a questionnaire. An extensive literature review of secondary data sources was undertaken as relevant to the stated objectives of the study. The entrepreneurial attitude was measured with the help of statements adopted from the Entrepreneurial Attitude Orientation scale of Robinson *et al.* (1991) and customized for the study.

For the analysis of data Kruskal- Wallis H test and Factor analysis had been conducted to evaluate the attitude of rural women towards entrepreneurship in Kerala. The **sampling method** used in this study is **simple random sampling**. A simple random sample is a sample selected from a population in such a way that every member of

the population has an equal chance of being selected and the selection of any individual does not influence the selection of any other. The selection purely depends on chance. So the personal bias of the investigator will not be present in the sample selected.

### ANALYSIS AND INTERPRETATION OF DATA

The emergence of women entrepreneurs and their contribution to the national economy is quite visible in India. Women entrepreneurs need to be lauded for their increased utilization of modern technology, increased investments, creating a sizable employment for others and setting the trend for other women entrepreneurs in the organized sector. While women entrepreneurs have demonstrated their potential, the fact remains that they are capable of contributing much more than what they already are. In order to harness their potential and for their continued growth and development, it is necessary to formulate appropriate strategies for stimulating, supporting and sustaining their efforts in this direction. Such a strategy needs to be in congruence with field realities, and should especially take cognizance of the problems women entrepreneurs face within the current system.

For the analysis of data Kruskal- Wallis H test and Factor analysis had been conducted to evaluate the attitude of rural women towards entrepreneurship in Kerala.

#### Kruskal-Wallis H test

This test is the non-parametric version of the one factor independent measures ANOVA. In this study the hypothesis is set for the analysis as follows

H0: The intention of rural women on becoming an entrepreneur among every age group of women is significantly the same

H1: The intention of rural women on becoming an entrepreneur among every age group of women is significantly not the same.

Table 1

Ranks	Age	N	Mean Rank
Interested in Becoming an entrepreneur	below 20 years	13	21.04
	21-30 years	23	29.22
	31-40 years	8	24.69
	above 40 years	6	22.00
	Total	50	

Table 2 Test Statistics<sup>a,b</sup>

	Interested in becoming an entrepreneur
Chi-Square	3.518
Df	3
Asymp. Sig.	.318
a. Kruskal Wallis Test	
b. Grouping Variable: Age	

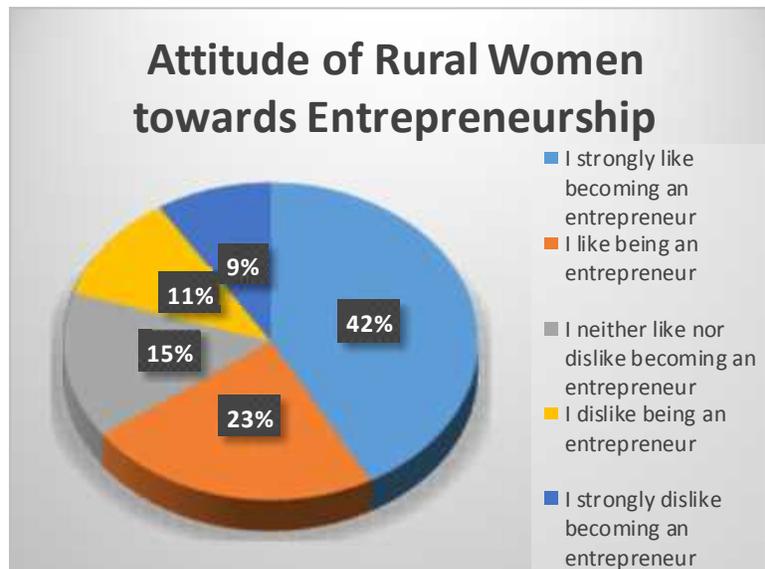
The output indicates that the interest of rural women in becoming entrepreneur do not significantly differ according to the age of the rural women. Hence we can accept the null hypothesis that the intention of rural women on becoming an entrepreneur is significantly same for all age group of rural women.

As indicated that  $X^2(3, N=50)=3.518, p>.05$

**Attitude Test ( Likert scale)**

Here respondents are asked the degree of agreement or disagreement with each statement. Then it is given a numerical score and the total score is computed to understand the attitude of rural women towards entrepreneurship.

CHART 1



The output reveals that rural women have a positive attitude towards entrepreneurship. As the majority of the sample about 42% likes to be an entrepreneur.

**Factor Analysis**

The data collected was subjected to factor analysis. Barlett’s and KMO measures indicated support in terms of sample adequacy ( Table 2). From the table it is evident that 5 factors have Eigen values greater than one. However only the first five factors which account for a variance of 71.786 are considered for further analysis.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.506
Bartlett's Test of Sphericity	Approx. Chi-Square	74.722
	Df	45
	Sig.	.004

**Extraction Method: Principal Component Analysis**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.182	21.821	21.821	2.182	21.821	21.821	1.853	18.532	18.532
2	1.586	15.859	37.680	1.586	15.859	37.680	1.592	15.925	34.457

3	1.373	13.729	51.410	1.373	13.729	51.410	1.297	12.971	47.428
4	1.034	10.345	61.755	1.034	10.345	61.755	1.221	12.205	59.633
5	1.003	10.032	<b>71.786</b>	1.003	10.032	<b>71.786</b>	1.215	12.154	<b>71.786</b>
6	.810	8.097	79.883						
7	.777	7.771	87.654						
8	.588	5.883	93.537						
9	.354	3.538	97.075						
10	.292	2.925	100.000						

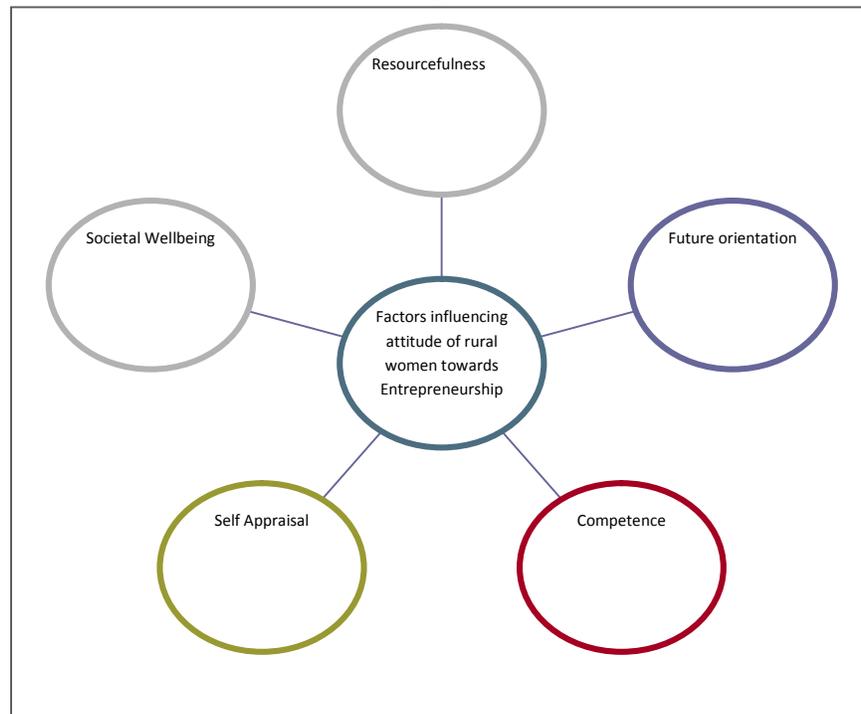
( Table 5 )Rotated Component Matrix

STATEMENTS	Component				
	1	2	3	4	5
I always try to be innovative and creative.	.885				
I have specific goals in my life.	.826				
I am ready to face any risk related to future tasks		.853			
I can anticipate the potential problems		.851			
I prefer to make my own decisions			.825		
I depend on my instinct and intuition while making decisions			-.726		
I t is important to analyze own weakness in business dealings				-.831	
I prefer to learn from mistakes to do it right next time.				.589	
I work hard to make my organization function better.					-.910
I want to contribute to the wellbeing of the society.					.559
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					

The principal component analysis of the responses on the tested 10 statements provides a good insight into the attitude of rural women towards entrepreneurship. The 10 statements are segregated into five factors named as:

- Resourcefulness
- Future Orientation
- Competence
- Self-Appraisal
- Societal Well being

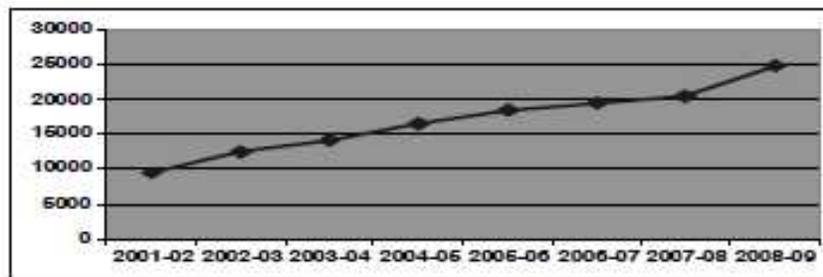
CHART 2



### Discussions

There is a regular and consistent growth in the number of rural working women and rural entrepreneurs over the years.

Chart 4



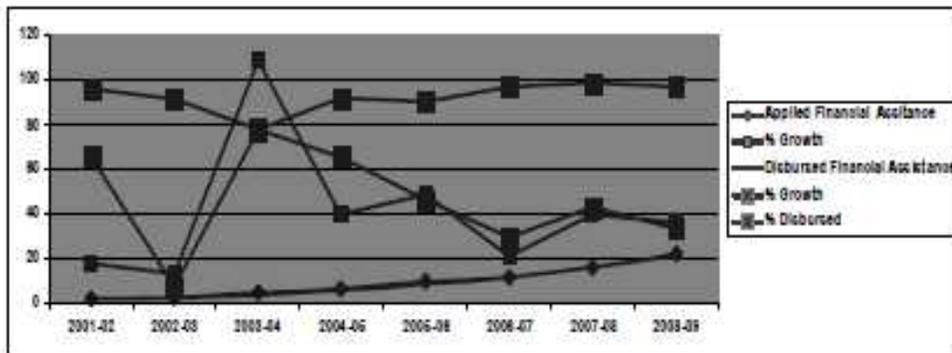
**Indicative growth in the number of working rural women and entrepreneurs**

Source: Rajya Grameen Vikas Nigam

Further to understand it would not be an exaggeration to mention that financial institutions and other societies have been supporting these rural women in their growth and development. Nationalized banks, NABARD and other co-operatives have come forward and extended helping hand by organizing regular training and development programmes for these women. They have also assisted in managing funds whether it was for starting a new business or upgrading an existing one.

These financial institutions have consistently been disbursing a substantial amount of the applied amount.

Chart 5



### Cumulative financial data statistics

Source: Journal of Rural Development, (MGRGVS - Vol 52, 37)

### CONSTRAINTS OF INDIAN WOMEN ENTREPRENEURS

1. In general, the family members and the society are reluctant to stand beside their entrepreneurial growth thus women leading to lack confidence in their strength and competence.
2. Only few women are able to manage both home and business efficiently, devoting enough time to perform all their responsibilities in priority.
3. Women are not fully aware of the changing market conditions and thus find it difficult to capture the market and make their products popular.
4. Motivational factors – Self motivation can be realized through a mind set for a successful business, other factors are family support, Government policies, financial-assistance from public and private institutions and also the environment suitable for women to establish business units.
5. Women must be educated and trained constantly to acquire the skills and knowledge in all the functional areas of business management.
6. Sincere efforts taken by various institutions in the financial sector towards women entrepreneurs may not reach the entrepreneurs in rural and backward areas.
7. Exposure to the training programs which are really useful to new, rural and young entrepreneurs who want to set up a small and medium scale unit on their own.
8. Identifying the available resources – Women are hesitant to find out the access to cater their needs in the financial and marketing areas.

### CONCLUSION

The major finding of the study enumerates that the rural women of Kerala have a positive attitude towards entrepreneurship. The age of the rural women does not influence the interest of rural women towards starting a new business enterprise. The principal component analysis of the responses on the tested 10 statements provides a good insight into the entrepreneurial factors which influences the entrepreneurial attitude of the rural women. The 10 statements were segregated into five factors named as:

1. Resourcefulness,
2. Future Orientation,
3. Competence,
4. Self-Appraisal,
5. Societal Well Being.

These factors clearly influence the entrepreneurial attitude of the rural women in Kerala. From the study it can be inferred that in the sample, majority of the rural women have a positive attitude towards entrepreneurship.

Empowering women entrepreneurs is essential for achieving the goals of sustainable development and the bottlenecks hindering their growth must be eradicated to entitle full participation in the business. Apart from training programs, Newsletters, mentoring, trade fairs and exhibitions also can be a source for entrepreneurial development. The scope of the study is limited to the rural women in Kerala (according to the recent census 56.81% of the total population constitute rural woman). The empowerment of rural women will lead to the empowerment of the society and economy. Women entrepreneurs create new jobs for themselves and others. With economic reforms in full sway in India, the women entrepreneurship will intensify in the coming years.

## REFERENCES

1. Chiranjeevulu, T. (2003). Empowering Women through Self-help Groups. *Kurukshetra*, 51(5), 16-19.
2. Nazar Mohideen (2005). *Women Entrepreneurship and Small Scale Industries*. New Delh: Himalaya Publishing House.
3. Tuladhar G 1996. Factors affecting women entrepreneurship in small and cottage industries in India opportunities and constraints. Internet [http://www.globalhemp.com/news/80/05.142000/ Small scale 48948.htm](http://www.globalhemp.com/news/80/05.142000/Small%20scale%2048948.htm).
4. Economic review 2011, and 2012 volume I, State Planning Board, Kerala, India.
5. Report of Ministry of Women and Child Development 2007.
6. Report of UNIDO 'on a path out of poverty', 2003.
7. Report on National policy for the empowerment of women, 2001.