

# A Study on Social and Rural Women in Entrepreneurship

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## Abstract

The research “Rural Women and Social Entrepreneurship” presented here talks clearly about women and social entrepreneurship. The term social entrepreneurship refers to the fastest growing organizations which was build-up to cater basic human needs, where the existing markets and institutions failed to achieve their goals. This research also deals with women entrepreneurship. Women entrepreneurship may be defined as the women or group of women who initiate, organize and operate business enterprise. Entrepreneurship has gained importance across the world mainly among the women. Rural women entrepreneurs face many constraints and negotiate with large markets. Illiteracy keeps them confined to the local markets. Rural women, as active participants have the potential of running smaller business enterprises. They can improve their livelihoods and contribute to the economy. Findings of this study reveals that the problems faced by rural women entrepreneurship is that poor degree of freedom, no awareness about the capacities, low ability to bear risk, problems of work with male workers, negligence by financial institutions, lack of self-confidence and lack of professional education.

The research studies Rural Women and Social Entrepreneurship in Randukai region. This research is based on data collected from primary and secondary sources. The primary data was collected through semi-structured interview with open ended questions. This research is a quantitative study.

**Key Words: Social Entrepreneurship, Women Entrepreneurship in rural area, Randukai, Problems related with rural women entrepreneurship.**

## **Introduction**

**Entrepreneur** is an individual who, rather than working as an employee, runs a small business and assumes all the risk and reward of a given business venture, idea, or good or service offered for sale. The entrepreneur is commonly seen as a business leader and innovator of new ideas and business processes. To some economists, the entrepreneur is one who is willing to bear the risk of a new venture if there is a significant chance for profit. Others emphasize the entrepreneur's role as an innovator who markets his innovation. Still other economists say that entrepreneurs develop new goods or processes that the market demands and are not currently being supplied. The concept of **entrepreneurship** has a wide range of meanings. On the one extreme an entrepreneur is a person of very high aptitude who pioneers change, possessing characteristics found in only a very small fraction of the population. On the other extreme of definitions, anyone who wants to work for himself or herself is considered to be an entrepreneur. The word entrepreneur originates from the French word, *entreprendre*, which means "to undertake."

**Social entrepreneurs** drive social innovation and transformation in various fields including education, health, environment and enterprise development. They pursue poverty alleviation goals with entrepreneurial zeal, business methods and the courage to innovate and overcome traditional practices. A social entrepreneur, similar to a business entrepreneur, builds strong and sustainable organizations, which are either setup as not-for-profits or companies. The entrepreneurial culture globally encourages and supports people, particularly young women and men. The social entrepreneurship brings into action a new and creative solutions and long-term, sustainable change. It is a social entrepreneur's belief that many of the world's problems can be changed through sustainable practices resulting in positive returns for society.

**Women entrepreneur** is a person who accepts challenging role to meet her personal needs and become economically independent. The women need to have an independent occupation and stand on their legs. A sense towards independent decision making in their life and career is the motivational factor behind this urge. The problems and constraints experienced by women entrepreneurs have resulted in restricting the expansion of women entrepreneurship. The male dominated society is the block to them in their way towards business success. In a male dominated society women are not treated equal to men and that acts as a barrier to woman's

entry into business. Absence of proper support, cooperation and back-up for women by their own family members, force them to drop the idea of excelling in the field. Women controlled business are often small and it is not always easy for women to access the information they need regarding technology training innovative schemes etc. Right efforts are required in the development of women entrepreneurs. Women entrepreneurs need to be given confidence, independence and mobility to come out of their paradoxes.

## **Review of Literature**

In terms of *Schumpeterian* concept of innovative entrepreneurs, women who innovate, imitate or adopt a business activity are called “women entrepreneurs”.

*Kamal Singh* who is a woman entrepreneur from Rajasthan, has defined woman entrepreneur as “a confident, innovative and creative woman capable of achieving self-economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace with her personal, family and social life.”

*The Government of India* has defined women entrepreneurs based on women participation in equity and employment of a business enterprise.

*Richard Cantillon (circa 1730)*; Entrepreneurship is defined as self-employment of any sort. Entrepreneurs buy at certain prices in the present and sell at uncertain prices in the future. The entrepreneur is a bearer of uncertainty.

*Jean Baptiste Say (1816)*; The entrepreneur is the agent "who unites all means of production and who finds in the value of the products...the reestablishment of the entire capital he employs, and the value of the wages, the interest, and rent which he pays, as well as profits belonging to himself."

*Frank Knight (1921)*; Entrepreneurs attempt to predict and act upon change within markets. Knight emphasize the entrepreneur's role in bearing the uncertainty of market dynamics. Entrepreneurs are required to perform such fundamental managerial functions as direction and control.

*Harvey Leibenstein (1968, 1979)*; the entrepreneur fills market deficiencies through input-completing activities. Entrepreneurship involves "activities necessary to create or carry on an enterprise where not all markets are well established or clearly defined and/or in which relevant parts of the production function are not completely known.

*Israel Kirzner (1979)*; states the entrepreneur recognizes and acts upon market opportunities. The entrepreneur is essentially an arbitrageur. In contrast to Schumpeter's viewpoint, the entrepreneur moves the market toward equilibrium.

The Entrepreneurship Center at *Miami University of Ohio* has an interesting definition of entrepreneurship: "Entrepreneurship is the process of identifying, developing, and bringing a vision to life. The vision may be an innovative idea, an opportunity, or simply a better way to do something. The end result of this process is the creation of a new venture, formed under conditions of risk and considerable uncertainty."

*Bornstein (1998)*; A social entrepreneur is a path breaker with a powerful new idea who combines visionary and real-world problem-solving creativity, has a strong ethical fiber, and is totally possessed by his or her vision for change.

*Thompson et al. (2000)*; *Social entrepreneurs are people who realize where there is an opportunity to satisfy some unmet need that the state welfare system will not or cannot meet, and who gather together the necessary resources (generally people, often volunteers, money, and premises) and use these to "make a difference"*.

*Brinckerhoff (2009)*; A social entrepreneur is someone who takes reasonable risk on behalf of the people their organization serves.

*Leadbeater (1997)*; Social entrepreneurs are entrepreneurial, innovative, and “transformatory” individuals who are also: leaders, storytellers, people managers, visionary opportunists and alliance builders. They recognize a social problem and organize, create, and manage a venture to make social change.

*Zahra et al. (2008)*; Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner.

*Bomsterin (1996)*; A social entrepreneurship is a path breaker with a powerful new idea who combines visionary and real-world-problem-solving creativity, has a strong ethical fiber, and is totally possessed by his or her vision for change.

*Brinckerhoff (2009)*; A social entrepreneurship is someone who takes reasonable risk on behalf of the people their organization serves.

Green & Cohen (1995) stated, “An entrepreneur is an entrepreneur,” and it should not matter what size, shape, color, or sex the entrepreneur might be. If so, good research on entrepreneurs should generate theory applicable to all. While research shows similarities in the personal demographics of men and women entrepreneurs, there are differences in business and industry choices, financing strategies, growth patterns, and governance structures of female led ventures

Birley (1987) stressed on the differences even in their background and personal characteristics. He found the female entrepreneurs to be the first born; from a middle or upper class family; the daughter of a self-employed father; educated to degree level; married with children; forty to forty-five at start-up; and with relevant experience

Shane (1997) identified that men had more business experience prior to opening the business and higher expectations; women entrepreneurs had a larger average household size; the educational backgrounds of male and female entrepreneurs were similar; women were less likely than men to purchase their business; women were more likely to have positive revenues; men

were more likely to own an employer firm; female owners were more likely to prefer low risk/return businesses; men spent slightly more time on their new 16 ventures than women; male owners were more likely to start a business to make money, had higher expectations for their business, and did more research to identify business opportunities; male entrepreneurs were more likely to found technologically intensive businesses, businesses that lose their competitive advantage more quickly, and businesses that have a less geographically localized customer base; male owners spent more effort searching for business opportunities and this held up when other factors were controlled for.

Robertson (1998), OECD (2002), ILO (2008) added that the key factors that affect women entrepreneurs' performance especially in developing continents like Africa are: vulnerability of women to adverse effects of trade reform; restraints with regard to assets (land); lack of information to exploit opportunities; and poor mobilization of women entrepreneurs; lack of management skills; lack of awareness among young women of 20 entrepreneurship as a career option; conflicting gender roles; gender inequality inappropriate technology; and constraints at the legal, institutional and policy levels.

## **Methodology**

Research methodology is used to collect information and data for the purpose of making decisions. The methodology may include publication research, interviews, surveys and other research techniques.

## **Statement of the problem**

In order to examine the factors like women and social entrepreneurship, a study was undertaken with entrepreneurs in Randukai. The purpose of this study was to identify the problems faced by women entrepreneurs in economic and social ways, and how the organization helped them to improve. The study was done with 10 samples. The respondents were initially interviewed with a semi-structured interview schedule using open-ended questions which focused on women entrepreneurs and their situations. Following this, a series of open ended questions were asked which explored potential of women entrepreneurs.

## **Objectives**

- To understand the socio-economic condition of women entrepreneurs
- To identify the social challenges that they are facing

## **Concept clarification**

### **Entrepreneurship**

Entrepreneurship is the development of a business from the ground up - coming with an idea and turning it into a profitable business. “Entrepreneurship is the journey of opportunity exploration and risk management to create value for profit and or social good.”

### **Social Entrepreneurship**

Social entrepreneurs act as the change agents for society, seizing opportunities others miss to improve systems, invent new approaches, and create solutions to change society for better.

### **Women Entrepreneurship**

Women entrepreneur maybe defined as a woman or group of women who initiate, organize, and run a business enterprise. Women entrepreneur are those women who think of a business enterprise, initiate it, organize and combine the factors of production, operate the enterprise and undertake risks and handle economic uncertainty involved in running a business enterprise.

## **Identification of Variables**

The independent variables of the study are age, sex, marital status and income.

Dependent variables are economic problems, social problems and job satisfaction.

## **Tools of Data Collection**

The study used both primary and secondary methods of data collection. Primary data was collected through a semi-structured interview schedule with open ended questions. Secondary data was collected from books, articles and the internet.

## **Analysis and Interpretation**

The collected data was analyzed through the statistical method. At first, the data was codified, classified and tabulated. The appropriate statistical method used in this study was bar diagram.

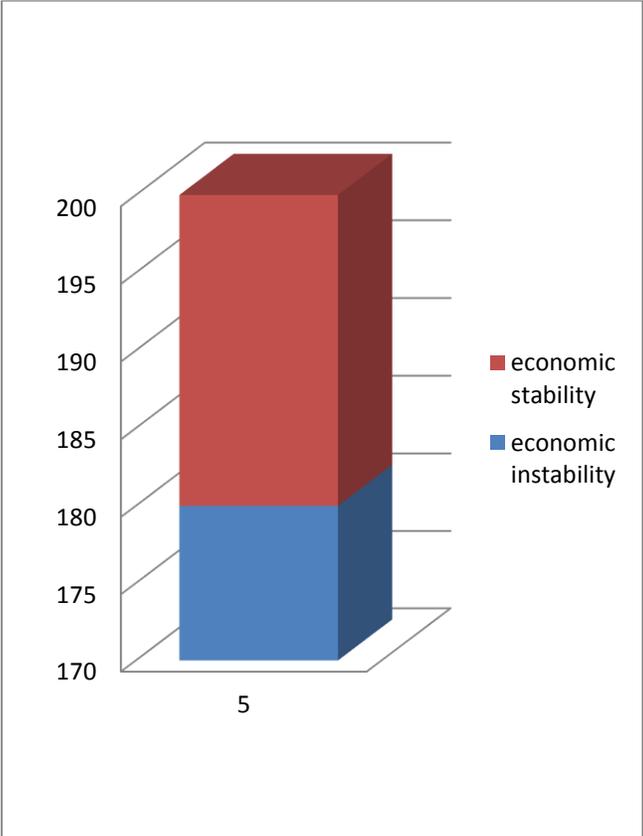
## **Limitation of the Study**

It was very difficult to get permission from VSS as well as from the Forest Department. Transportation facility was miserable and the conditions of the roads were so pathetic.

## **Result and Discussion**

This small scale entrepreneurs located in tribal area, Randukai, has an important role in creating job opportunities among the tribal women. Years back Randukai tribal exploited nature for their livelihood. This is because of their poverty, unemployment, lack of education. The establishment Kerala Vanolpanna Samskarana Kendhram Randukai associated with VSS, uplift the backward people in the area. Rather than other activities women empowerment has gained much importance. By establishment of the VSS, women employment opportunities increased. Now, there are eighty nine women employers working in this small scale enterprise. In starting time their wages were only thirty five rupees per day. Now it increased to one hundred and fifty per day. This helps them for the smooth running of their homes. Now they are planning to increase the wages and enlighten the society. Besides, government provides some amount of fund. Last year they earned a profit of sixty nine thousand rupees. The whole society provides support and encouragement for the betterment of the region. Women entrepreneurs are satisfied with this business innovations. This organization is a best example for the successful of women and social entrepreneurship.

*Economic stability of Women Entrepreneurs*



## **Conclusion**

Women participation in the field of entrepreneurship is increasing day by day. The role of women both in economic and political areas is also recognized. Women entrepreneurship moulded the properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena.

The role of women entrepreneur is being recognized and steps are being taken to promote women entrepreneurship. We may notice that a smart woman can pick up a job any day but if she becomes an entrepreneur she can provide a livelihood to many. Highly educated, technically sound and professionally qualified women should be encouraged for managing their own business. The talents of many young women can be trained and used for various types of industries to increase the productivity in the industrial sectors.

## **Reference**

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### Books

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## **Bio-Data**

**Name:** Neethy Roy

**Address:** Kochumangalathu (h)

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**Age :** 21

**DOB:** 21-05-1994

**Gender :** Female

### **Educational**

**Qualification:** BA. English

### **Present**

**Education:** 1<sup>st</sup> semester MSW student.

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