

PROBLEMS AND PROSPECTS OF RURAL ENTREPRENEURS IN DHARMAPURI DISTRICT TAMILNADU

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ABSTRACT

Entrepreneurship plays a key part in this economic growth of any country. The success of economies is such that they are swiftly becoming vital economic powers in the globe. Entrepreneurship has been considered the backbone of Socio economic development of country. it has been well established that the level of economic growth of a region to a large extent ,depends on the level of entrepreneurial activities in the region. On the contrary it is also a fact that the majority of rural entrepreneurs are facing many problems due to not availability of primary amenities in rural areas of Developing country like India. Lack of Education, financial problems, insufficient technical and conceptual ability, it is too difficult for the Rural entrepreneurs to establish industries in the rural areas. An entrepreneur is a business person who not only conceives and organizes ventures but also frequently takes risks in doing so. The problem is that most of the rural youth do not think of entrepreneurship as the career option. Therefore, the youth need to be motivated to take up entrepreneurship as a career, with training and sustaining support systems providing all necessary assistance. The study comprises of 48(50) Rural entrepreneurs in economically backward Dharmapuri district of Tamilnadu. Moreover, units of the sample of this research were selecting on the basis of Stratified Sampling. Questionnaire-cum-Interview Schedule method is well structured in order to ease the process of analyzing the data from respondents. The proposed research is intended to survey the concept of entrepreneurship in the context of economically backward districts of India emphasizing more on Rural Entrepreneurs.

Keynotes: Rural entrepreneur, Economic power, Small-scale units, Problems, Assistance, Stratified sample , Economic development.

1. INTRODUCTION OF THE STUDY:

The time period “entrepreneurship” comes from the French verb “entreprendre” and the German phrase “unternehmen”, both approach to “undertake”. Bygrave and Hofer in 1891 described the

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entrepreneurial procedure as regarding all the features, sports, and movements associated with perceiving of possibilities and advent of corporations to pursue them". In easy, entrepreneurship is the act of being an entrepreneur, which may be described as "person who undertakes improvements, finance and business acumen which will rework improvements into financial items". Peter Drucker proposed that „entrepreneurship“ is a practice. What this indicates is that entrepreneurship is not a state of being nor is it characterized by planning that aren't acted upon. Entrepreneurship begins with motion, advent of recent agency. This corporation may additionally or may not become self-maintaining and in reality, might also in no way earn vast revenues. But, while individuals create a brand new employer, they have got entered the entrepreneurship paradigm.

Let's tackle the number one question. What is Entrepreneurship? According to Google, entrepreneurship is the hobby of setting up a business or businesses, taking over economic dangers in the wish of creating a profit. This summarizes the whole idea very efficiently. Using this definition, an entrepreneur is someone of very excessive aptitude who pioneers exchange, possessing characteristics observed in simplest a minuscule fraction of the population.

2. Review of Literature:

⁴**S.Moghana Lavanya (2014)**,To conclude Rural entrepreneurship plays an important role for economic development in developing countries such as India where it is still underdeveloped .To bring a change the institutions needs to focus on synergies between Education (including modern vocational education training/skill development), Innovation (converting ideas into wealth and employment) and Entrepreneurship should be encouraged.

⁵**Ani Kekua(2013)**The purpose of this paper was to find out what are the challenges and opportunities that entrepreneurs face in rural areas. This thesis reviewed articles on topic of entrepreneur-ship, small firms and Small and region published in leading journals of regional development and entrepreneurship studies. The thesis writers attempted to increase knowledge in the field of rural entrepreneurship from entrepreneur's perspective.

⁶**D. Joel Jebadurai(2013)** An entrepreneur is a person who either creates new combinations of production factors such as new methods of production, newproducts, new markets, finds new sources of supply and new organizational forms or as a person who is willing to take risks ora person who by exploiting market

⁴ **S.Moghana Lavanya(2014)**, Perspectives of Rural Entrepreneurship in India “ Journal of Management Research” ISSN2347-4270 Vol13 Issue1, October 2014

⁵ **Ani Kekua(2013)** Rural Entrepreneurship:Challenges and opportunities, Johnkoping international business school, johnkoping university

⁶ **D. Joel Jebadurai(2013)*** An Overview of Problems of Rural Entrepreneurs In India. International Journal of Advanced Research in Management and Social Sciences_ ISSN: 2278-6236

opportunities, eliminates disequilibrium between aggregate supply and aggregate demand or as one who owns and operates a business.

⁷**N. Santhi and S. Rajesh Kumar** (2011) Most of the entrepreneurs simply got tired of working for others, had a great idea they wanted to commercialize, or woke up one day with an urgent desire to build wealth before they retired. So they took the big leap.”

⁸**Neelam Choudhary**(2011) entrepreneurs will be better understood and encouraged by studying and focussing (i) their social and cultural background including family system (ii) religion and caste and (iii) location where they are staying, e.g., whether it is urban area or rural area or district or block.

⁹**S.Palanivel**(2011) The highly indebted entrepreneurs highly perceive the problems. The present article concludes that there are many problems among the micro entrepreneurs. The important problems are financial, marketing, social and psychological problems. The degree of problems varied among the male and female entrepreneurs. The female entrepreneurs’ perception of the problems is higher among than the male entrepreneurs. But at the same time, the female respondents are also viewing that there are more opportunities to micro enterprises. The level of perception on problems is significantly associated with the profile of entrepreneurs especially personality trait.

4. STATEMENT OF THE PROBLEM:

Rural entrepreneur uses the scarce resources in the most efficient manner thereby increasing profits and decreasing costs. Due to lack of education, majority of rural people are unaware of technological development, marketing etc. Shortage of finance and raw materials are main problems face by rural enterprises. Most of the rural enterprises face peculiar problems like illiteracy, fear of risk, lack of training and experience, limited purchasing power and competition from urban entrepreneurs. Promotion of rural entrepreneurship is a key to develop rural areas and backward towns. The phenomenon of entrepreneurship is comparatively new. Problems and prospects of rural enterprises for the present study is an entrepreneur who has managed to procure capital to set up a small enterprise and is actively involved in running and managing the enterprise in all function all areas of management and earns a livelihood for him/herself and him/her family from the enterprise and belongs to low income group. Keeping in this view the researcher have specially touched upon the problems and prospects of rural enterprises with an empirical analysis.

N. Santhi and S. Rajesh Kumar(2011) Bonfring International Journal of Industrial Engineering and Management Science, Vol. 1, Special Issue, December 2011

⁸ **Neelam Choudhary**(An Account of Women Entrepreneurship Development In India:Challenges, Opportunities And Future Prospects

⁹**S.Palanivel**(2011) Problems And Challenges Faced By The Entrepreneurs’ towards Rural Micro Enterprises In Tamilnadu Asia Pacific Journal of Research Vol: I. Issue XXXVII, March 2016 ISSN: 2320-5504, E-ISSN-2347-4793

5.OBJECTIVE OF THE STUDY:

- To understand the Socio-Economical Background of rural entrepreneurs in Dharmapuri, District. .
- To examine the factors motivating to the rural Rural entrepreneurs to establish and develop an enterprise.
- To offer suggestion for fostering rural entrepreneurs in Dharmapuri distric.

6. SCOPE AND LIMITATIONS OF THE STUDY:

The study focuses on the Rural entrepreneurs in selected districts in Dharmapuri district, Tamil Nadu selected depends on industrial growth has been phenomenal. The selected districts with its good infrastructural facility, offers sound prospects for industrial developments. The scope of the study encompasses Rural entrepreneurs in Dharmapuri District and the problems faced by Rural entrepreneurs who are engaged in starting a new enterprise. The study is limited only to the Rural entrepreneurs of selected groups in Dharmapuri District.

7. IMPORTANCE OF THE STUDY:

Rural Entrepreneurs are taking great advantage of the plethora of resources and opportunities available and glass ceilings are being shattered by entrepreneurs today. But it is not a uniform process. It is confined to a particular class or section of the society who had some kind of financial resources or the fortitude to pave their own way. Optimum development of a family and the society as a whole is possible when the people of the rural areas are allowed to achieve their dreams. There are many who have excellent ideas for business, or are keen in displaying their creativity and ability When an entrepreneur starts up their venture, he or she not only ensures self employment, but also generates employment for the people of that society or say locality. This further helps in raising the income level of the families. When the income level of the family increases, the standard of living of the families develops. Finally, entrepreneurship increases the confidence among the people who make a small start and gradually succeed in touching the heights of success. It ensures empowerment which is the key to a nation's full development. One entrepreneur is an example to hundreds of people of the society who too have the desire to achieve their dreams. What is required now is just a little motivation and support so that they can display their entrepreneurial skills.

8. RESEARCH METHODOLOGY

Research Design	Descriptive Research
Sample Design	
Sampling Frame	Entrepreneurs who have coming from rural areas and what he/she face problems and how will overcome that problems
Sampling Unit	Entrepreneurs from different age groups, gender, locations, income

	levels and educational backgrounds in the Rural areas (Dharmapuri)
Sampling Size	50 Rural entrepreneurs 48 despondence only Answered
Sampling Methods	Stratified
Data Collection Methods	
Primary Data	Survey Method (The entire schedule is standardized and formalized)
Secondary data	Data's were collected from District Industries center(DIC) And previous study related with help of Journals and Websites
Type of Schedule	Structured Questionnaire-cum-Interview Schedule with suitable scaling.
Type of Questions	Likert scale, Close ended and multiple choice questions.

9. RESEARCH DESIGN

The present study is based on primary and as well as the secondary data, conversely primary data collection was conducted directly in the field and the data collected from the respondents. The secondary data are collected from District Industries Center (DIC) ,Dharmapuri and journals and etc. Quantitative approach has been used to constitute the objectives and hypotheses that consist of all the variables to empirically cross-examine the above statement through the statistical technique. One of the most vital utilizes of research methodology is that it facilitates in identifying the problem, collecting and analyzing the appreciative information data affording an alternative solution to the problem. Questionnaire-cum-Interview Schedule was prepared and used for gathering the data as regards Investment Of the Business, Investment Pattern ,what are the problems they are facing, How to overcome that problems ,govt policies, Financial assistants getting from Govt and also private agencies, E.D.P programmes, .of the Rural Entrepreneurs in Dharmapuri Districts of Tamilnadu.

9.1. Sampling Design and Selection of Sample Size

Probability Sampling Technique had executed to bring about the survey in the research. Furthermore, units of the sample of this research were chose on the basis of **Stratified Sampling**. There are around 50 Rural Entrepreneurs at Dharmapuri district and the information is gathered from the District Industries Center (DIC)Dharmapuri. The population of this study consisted of all the Rural Entrepreneurs in the Dharmapuri district. Stratified Sampling was used and Questionnaire-cum-Interview Schedule was spread along with a sample of **50** respondents of Rural Entrepreneurs. The comprehensive responses rate of 100% was obtained as **50** are appropriately filled by the respondents and most of the responses were usable for analysis. So, the sample size in this research is confined to be **48**. In this research, the respondents are the who are Starting their Business in Rural areas at **Dharmapuri District**. A well-structured and pre-

tested Questionnaire-cum-Interview Schedule was administered amongst them to gathered data and information mandatory to execute the objectives of the study.

9.2. STARTIFIED SAMPLING:

The method employed for this research is Stratified sampling. In this implement samples were Taken in Seven Blocks as per the researcher, for the reason that there are around 50 Registered Entrepreneurs identified through DIC and various web sources by the researcher in Dharmapuri district...

10.DATA ANALYSIS AND DISCUSSION:

Data collected about age, caste, marital status, education & training, family type, financial support, initial investment and return on investment.

10.1 Gender:

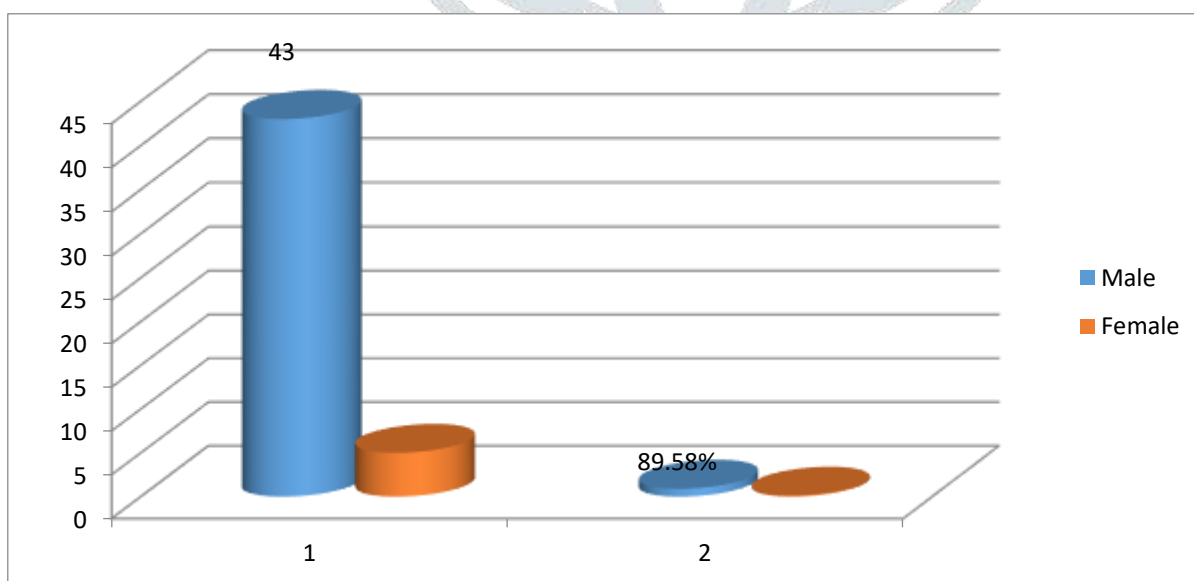
Table:1.1 Gender wise Distribution

S.N	Gender	Frequency	Percentage
1	Male	43	89.58%
2	Female	05	10.42%
	Total	48	100%

Source: Survey Field 2017

From the analysis it is inferred that 89.58 % of the rural Entrepreneurs are male and remaining 10.42% of them are female. Thus the majority of the rural Entrepreneurs are male in the study area.

Chart10-1 Gender Distribution



i) Age

Age refers to the chronological age of the respondents in the years at time of interview

Table No 1.1: Age (N=48)

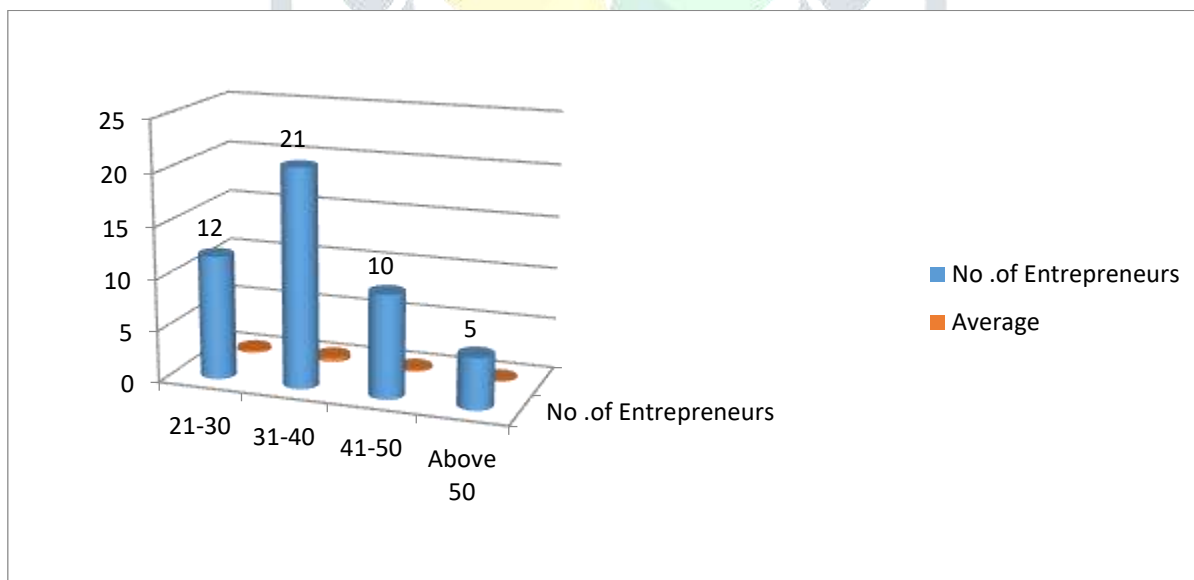
S.N	Age	No .of Entrepreneurs	Average
1	21-30	12	25.13%
2	31-40	21	43.75%
3	41-50	10	20.83%
4	Above 50	05	10.41%
	Total	48	100
Chi-square value : 21.836 . d.f =3 1% level of significance			

Source : Survey Field 2017

INFERENCE:

It is observed from the table 1.1 that majority of 43.75% of the rural Entrepreneurs belong to the age group of 31-40 years. 25.14% of rural Entrepreneurs belong to the age group of 21-30 years. 20.83% of the rural Entrepreneurs belong to age group of above 41-50 years. 10.41% of the rural Entrepreneurs are above 50 years.

Chart 1: Age (N=48)



Source: survey Field 2017

10.3 : Educational Qualifications:

Table:1.3 Educational Qualification (N=48)

S.N	Educational qualification	No.Of	Percentage
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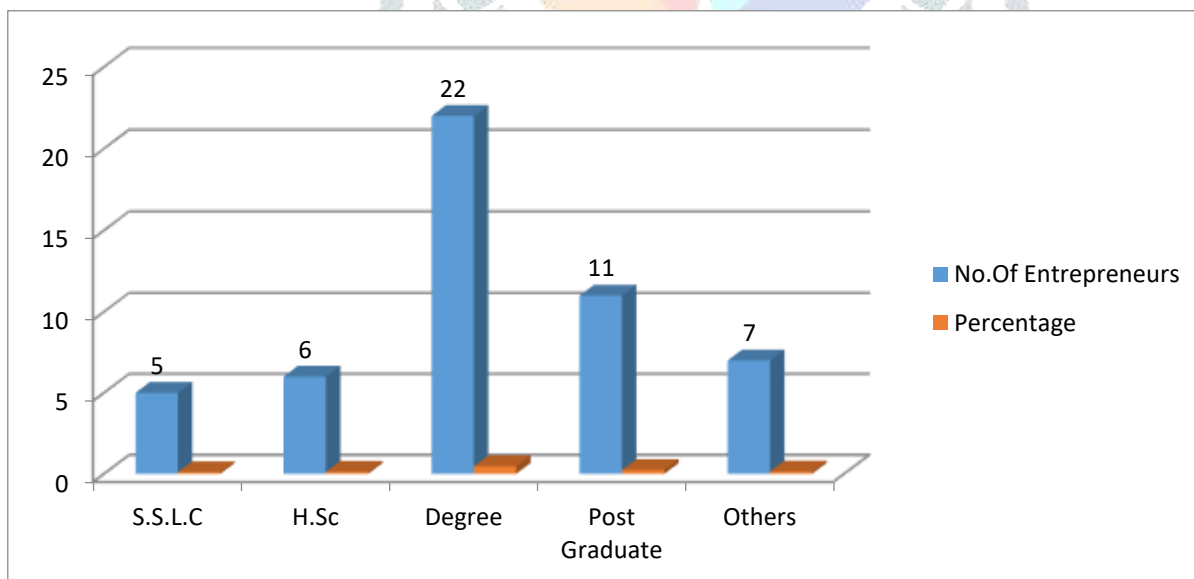
		Entrepreneurs	
1	S.S.L.C	05	10.41%
2	H.Sc	06	12.5%
3	Degree	22	45.83%
4	Post Graduate	11	22.91%
5	Others	07	14.58%
Chi-square value= 42.834, d.f= 3 , 1% level of Significance			

Source: Survey Field

INFERENCE:

It is observed from the table 1.3 that majority of 45.83% of the rural entrepreneurs belong to the educational qualifications is graduation, while 22.91% of rural entrepreneurs are done post graduate. 14.58% of the rural entrepreneurs were completed others like Diploma or ITI . while 12.55% of rural entrepreneurs are Belongs to HSc

Chart 10.3 Educational Qualifications



10.4 Income of Rural entrepreneurs:

Table:1.5 Income level of Rural entrepreneurs (Month) (N=48)

S.N	Income Level	Rural Entrepreneurs	Percentage
1	Below 7000	06	12.05

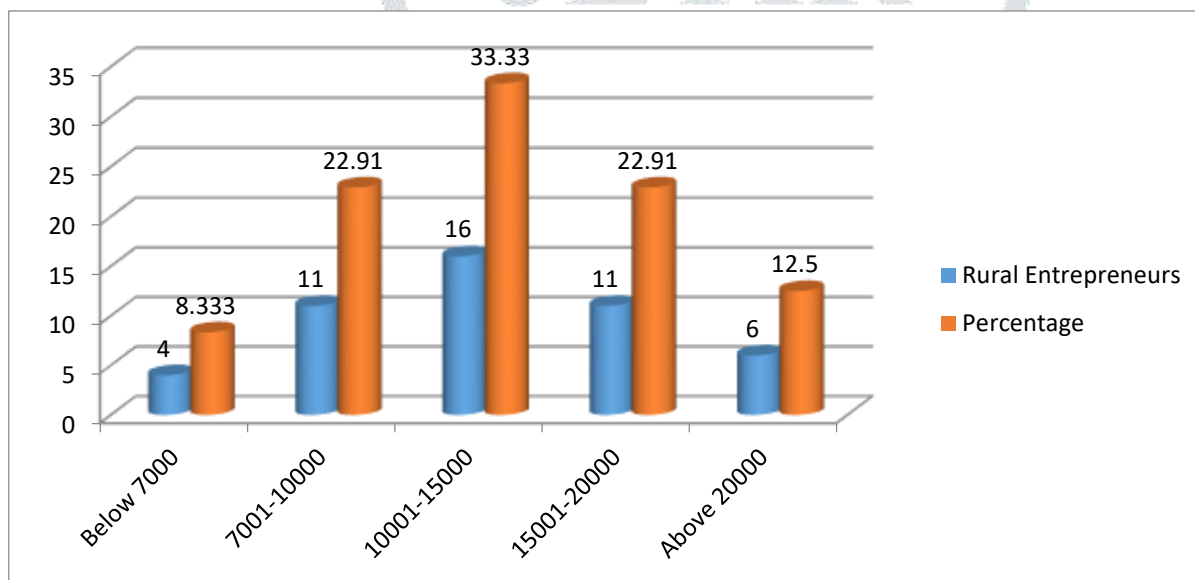
2	7001-10000	11	22.91
3	10001-15000	14	29.17
4	15001-20000	11	22.91
5	Above 20000	06	12.05
Chi-square =6.255, d.f =4, and 1% significant			

Source; Survey Field 2017

INFERENCE:

According to the table 34.55 % have monthly personal income of Rs. 10,001 – 15,000, while 29.17 % of the rural entrepreneurs have personal income Rs.7,001-15000, and also 22.91 % of rural entrepreneurs have personal income Rs.15001-20000,while 12.05 of rural entrepreneurs have getting more then 20000 It is interpreted that Majority of the rural Entrepreneurs have monthly personal income of Rs. 10,001 – 15,000.

Chart: 10.5 Income Levels Of Entrepreneurs (Monthly Income) (N=48)



11.Suggestions:

- Government Should Provide Separate financial Fund of Rural Entrepreneurs.
- We Should Provide Special Infrastructure Facilities What Ever they Did.
- Govt Should arrange special training programme of rural entrepreneurship
- Rural Entrepreneur should be more competitive and efficient in the local and international market.
- Essential infrastructure facilities like Land, power , raw materials and finance should be provided to the rural entrepreneurs at concessional rates

- Strength and Weakness of small businessman has to be identified and then they should be properly motivated to become a entrepreneurs.
- Awards should be given to those entrepreneurs who demonstrate extraordinary Success .

12.CONCLUSION:

Rural areas across most of the developing world face a formidable employment challenge. The agricultural sector is unable to provide employment opportunities to the ever-increasing rural population in India. It was rightly observed by Lal Bahadur Shastri that “agricultural progress, vital as it is, cannot by itself solve the problem.” The Problems Prospects of rural micro and small enterprises on planned basis can play an effective role in increasing production, productivity and economic wealth and giving a broader and stronger base to the rural economy in general. In rural areas larger amount of potential remain untapped due to lack of supportive means and management. Proper entrepreneurial skill and marketing talent are to be given to rural entrepreneurs through proper training programmes for Avoiding Their Maximum Problems.

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