

# Hands-on study on Cultural and attitudinal aspects of Rural Entrepreneurs of a Landlocked State

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## *Abstract:*

Regional imbalance always inspires a person to dependent more on government benefits and such tendency is dangerous as it does not encourage boosting up the quality of a rural entrepreneurs. Absence of infrastructure and unavailability of government facilities cannot help any endeavor to be sustained. But in this respect only assertiveness of an individual, like better utilization of mere government facilities to upgrade skill, helps an entrepreneur to take any risk for economic development. This study found that people of a land locked state have been trying to be more motivated to continue their enterprise. Tripura is North-eastern hilly and geographically land locked state of India. The aim of this study is to observe the entrepreneur's attitude towards their economic development, importance of rural institutions to the entrepreneurs, and **their indigenous dealing method** on teething troubles. Every day rural people are trying to tackle the augmented problems by their own way but it is inundated and remains unsettled owing to regional disparity, faulty and mismatched plan of the local government and ruinous work culture of the rural institutions. The participatory rural appraisal (PRA) tool has been applied in the six interior villages of Tripura to reckon the spirit and life-force of the rural entrepreneurs which have been sustaining without difficulty in the detrimental environment of the society, politics and government administration. Attitudinal variations do not just originate out of the azure. Study has come up that rural entrepreneurship has created employment opportunity for rural villagers, created assets, developed entrepreneurial infrastructure and also expanded rural business at local, regional, national and international level based on utilizing available meager government facilities, self-motivational attitude and high level of culture *i.e.* self-reliant.

**Key word: Rural Entrepreneurship, Perception, Attitude**

## **Introduction:**

The entrepreneurial society (Audretsch, 2007) in India suppressed for long time, but now it has become emerging sector with new innovation by developing its skill (Srinivasan, 2007). Traditionally entrepreneurship was occupied by particular communities like Gujrati, Marwari and especially business communities (Goswami, A. *et.al.* 2008). With the change of time and rise of knowledge, a new group of entrepreneurs are emerging with wealth and resources (Rosenberg and Birdzell, 1986) which generating ample of employment opportunities (Smallbone and Walter, 2001) for youth. These rural entrepreneurships are mostly based on agriculture and agro-allied activity like food processing, dehydrated fruits and vegetables, fishery, *chikki*

industry, poultry industry, cottage and handicrafts, pottery, oil industry, instance stick, rubber based product, candle making, handloom and several other products. In addition the service sector enterprises like mobile, electrical goods repairing and rural tourism industries offer a great opportunity to the rural educated youth (National Knowledge Commission, 2008). The Khadi & Village Industry Commission under Ministry of Micro, Small and Medium Enterprises, Government of India defined – “any industry located in a rural area which produces any goods any service with or without the use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed rupees one lakh or such other sum as may” consider as village industry (KVIC, 2006). Any rural entrepreneur has three options to choose her / his entrepreneurial set up. It may be manufacturing, trading or service enterprises (OECD, 1998).

In manufacturing unit entrepreneur directly produce his products, which may medium or small or even be a tiny industry or cottage industry depending upon his/her financial capability. Trading enterprise could be a retail, wholesale, distributorship or departmental store where buying and selling of products are main function and in the Service enterprise is to provide services based on need of common man at rural place, it covers both commercial and professional services (Goswami, A. *et.al.* 2008).

To understand rural entrepreneurs and their ventures, researchers have conducted multiple studies explored various dimensions of rural entrepreneurship. Among these few significant researches are being brought up here to understand the social and cultural milieu of rural entrepreneurship in India.

The Indian society is colored with diverse social and cultural background. It has strong influence on the entrepreneurship also. Instances found in Madras state where entrepreneurships were run by male persons and most of them were from engineering graduate educational background and from diverse socio-cultural surroundings like Brahmans, *Naidus*, *Chettiars*, *Naick*, *Gujerati*, Ansari and Muslim community of the upper middle class family. Mostly, they were engaged in entrepreneurships like rice-hullers, rough casting machine, textile and agricultural machinery, electric motors, and motor driven pumps (Berna, 1959). In Howrah district of West Bengal most of the entrepreneurs belong from ‘*Mahisya*’ caste (Bengali caste group). This caste group was traditionally belonged from low social status, uneducated and agriculturist. They have improved their socio-economic status by successful entrepreneurship. Besides, the upper caste like Brahmans, Khatriyas and Baishyas owned only 10 percent of industrial unit (out of 1000 universe industrial units). The upper caste entrepreneurs are more educated, who also belongs from a modern standard of living and dominates the cultural life of Howrah (Nandy, 1973). On the other hand the Indian scheduled caste (SC), scheduled tribe (ST) and other backward (OBC) class community has made a significant progress in political representation. But SC and ST enterprise owners are disadvantage lag behind from OBC business owners due to less networks and social ties especially in urban area (Iyer, Khanna and Varshney (2011).

The role of women in entrepreneurship is not denial. Today women are not lag behind than their male counter parts. Study reveals even though high illiteracy, non-exposure and less community mobility; micro-entrepreneurship has empowered women entrepreneurs in social, economic and political aspects (Air, 2012). Women entrepreneurs face problem for dual role in family and in entrepreneurship, which hinders their

entrepreneurship growth, in addition women are dependent on their male counterparts in decision making and marketing of their product (Sinha, 2003). But this scenario is not same in all demographic location. For instance, in eastern part of Uttar Pradesh, women entrepreneurs are still struggling for traditional cultural ethos, low economic opportunity, and low accessibility of resources. The personal charter and social factors such as shyness, lack of motivation for achievement, low risk taking attitude, poor educational background, unsupportive family environment for being a woman, lack of information and less experience are creating additional challenges for women entrepreneurs in Uttar Pradesh. Strategies are taken to check this challenges faced by women entrepreneurs such as forming SHGs, involving Government and Nongovernmental organization, supporting them by providing training and financial assistance (Singh & Saxena, 2000).

The entrepreneur's economic profile, motivation for shifting of agricultural activity to non-firm or non-agricultural entrepreneurship is identified as the factors for involvement in entrepreneurship (Kanitkar, 1994). In India majority of handicraft, handloom and agriculture based entrepreneurs have no option to choose other profession as their educational qualification and economic status is very poor (Sinha, 2003). And the hereditary occupation also dominates rural industry, resulting poor growth of rural industries (Dak, 1989). Therefore, a large numbers of entrepreneurs are running their business without proper training, education and skill (Kanitkar, 1994). In this direction for the development of entrepreneurship the Integrated Entrepreneurship Development Program (EDP) established in state Gujrat in 1970s (Oza, 1988). Success of entrepreneurs be determined by the combined process of behavioral psychology, information of technology, provide financial support, government support, motivation of entrepreneurs, train entrepreneurs for marketing and assist to select business location (Oza, 1988).

Few remarkable initiatives for the development and growth of rural entrepreneurship as well as rural women status are really appreciable like Kudumbashree program in Kerala (Kumari, 2012), Bangladesh Grameen Bank initiative in Bangladesh (Saad, 2009). A significant positive development has been observed after joining under micro-entrepreneurship program, in respect of socio-economic background of entrepreneurs (Srivastava, 2005).

Reviewing the earlier studies it is evident that entrepreneurship is the engine of economic growth and social development irrespective of gender and castes. Earlier most of the entrepreneurship market was captured by business community people, besides religion and cultural ethos also had large influence. Today, in the seventeenth year of twenty first century this scenario has been changed with introduction of education, economic policy and government initiatives. This study is an attempt to assess entrepreneur's attitude on rural entrepreneurship, find rural institutions mostly involved and visited by the entrepreneurs for entrepreneurial work and also to search the problems faced by the entrepreneurs while entrepreneurial work and its' solution by themselves. This study is unique in nature as no such study had conducted ever before in the selected study area by any researcher with following objectives.

**The objectives of study:-**

- i. To understand the tactical mind-set of entrepreneurs for combating against the hitches,
- ii. To know the significance of rural institutions and its impact on the entrepreneurs, and
- iii. To find out the predicament tackled by the entrepreneurs and its feasible way out.

**Methodology:-**

This study has conducted in six selected villages of Tripura, which is one of the geographically landlocked backward North-Eastern hilly State of India.

These villages were selected because most of villagers are rural entrepreneurs belong from different cultural and religious background (Census, 2011) and dependent on rural entrepreneurships for livelihood generation and engaged in handloom, handicrafts and rubber based entrepreneurship since long as congenial occupation. Participatory Rural Appraisal (PRA) is applied to extract the actual information from the rural entrepreneurs since this method “enable local people to share, enhance and analyze their knowledge of life and conditions, to plan and act” (Chambers, 1994) accordingly. During PRA exercise perception analysis, institutional analysis and problem solution analysis tools were used to appease the study objectives.

**Analytical Procedure:**

To satisfy the first objective, **Perception Analysis (Table – 1)** was used to understand, interpret and construe the sensation of the rural entrepreneurs such as asset creation, employment generation, expansion of business, motivation for engagement in business, social and cultural factors, government support and skill of entrepreneurs. Participants were asked to enumerate the value (maximum up to 7 points) based on the achievement for each indicator. Participants responded to the questionnaire and also gave score against the points asked in the perception analysis method.

**Institutional analysis** was conducted to justify the second objective (Table – 2). This method was applied to find out the significance of institutional services and its impact on the entrepreneurs. Participants were asked to provide the actual evidence by using corns (locally available resource) to state the consequences of institutional services and its real outcome in the practice of their entrepreneurial growth.

It was a challenge to the researchers to establish the third objective and for this purpose help was taken from **Problem solution analysis (Table – 3) method**. This method is very helpful to extract the feasible planning from rural entrepreneurs and they were asked to speak out the predicaments faced by them for their entrepreneurial work. The participants generously and heartily participated and replied in the process. They were also asked to explore the nitty-gritty of their problems and to come up with the proposed solution in the matter by themselves. The problems identified by the entrepreneurs were, scarcity of raw material, high labor wage, no government support, no proper training, poor quality of entrepreneurial product, no access to market, non-availability of market shed, financial constraints, poor infrastructure as well as transportation problem.

**Findings of the study:-****i. Findings of the Perception analysis:**

Perception analysis demonstrates a clear picture about the entrepreneurial culture that without motivation and skill (ranked 1<sup>st</sup>) the effort in enterprise cannot be sustained. Here they concentrate more on asset creation (ranked 2<sup>nd</sup>) which is very vibrant need. Rural entrepreneur of the interior area does not bother for government (ranked 3<sup>rd</sup>) help rather they recognize that such government benefit and services create detriment more compare to commercial progress. They admit that entrepreneurship just like a henchman of employment generation (ranked 1<sup>st</sup>) in the landlocked interior rural area. Asset is the guard in any adverse economic situation and can save her/his entrepreneurship. Asset is created and assembled by deployment of quality, skill, talent and ability of an individual and it turns into future benefit, helps in economic disaster or uncertainty. Pecuniary disaster cannot be predicted by a rural entrepreneur of an interior area where government always changing business rule and imposing various tax norms creating tough competition among the tiny producers. Such producers always invest their surplus amount in purchasing ornaments, land, machineries for business, room construction and four wheelers which will be supportive as dividends in their emergency period.

People are engaged in rubber plantation, rubber tapping, hawking rubber sheet, artisanship of bamboo based entrepreneurship. Most of the villagers and family members including women and children are actively engaged in making bamboo based work. The respondents' discernment behind employment generation was people's self-positive motivation to do something and to some extent government have supported to generate employment through MGNREGA.

It is one of the important characteristic of entrepreneurship is to do some new thing in new form applying new method to expand existing business. No business sustains and/or run smoothly without innovation or expansion. While participants were asked the attitude towards 'expansion of businesses', they described with confidence that some new ideas were added to explore existing business. Earlier, most of the villagers were engaged in bamboo based activity and used to produce handicrafts; but with change of time they felt the need to have diversification in their activity. Now most of the rural artisans started rubber plantation and shifted their handicrafts business into rubber based industry; where they would produce rubber sheet, scrap which were being sold to government and intra-state as well as inter-state industries through rubber producing society (RPS). And those entrepreneurs who could not able to swing due to financial crunch and inadequate skill in rubber plantation; they became united through cluster development society which was formed with the help of government (Tripura Bamboo Mission and SGSY programme). Rural artisans added new designs in their entrepreneurship for better sale. Earlier those artisans used to produce only basket which they could sell in local market, now they have been making designable handicrafts like coloring basket, bucket, chair, instance stick, podium, table, night lamp, designable ordinary bag, laptop bag, ladies bag and essential household utensils. These designable fancy products are being collected by

dealers in large quantity for selling in national and international markets. Every week one full truck handicrafts products are supplied from these interior areas like south Charilam and Koroimura village for vending in inter-state market in Banglore, Chennai, Pune, Delhi, Uttar Pradesh, and Himachal Pradesh. They also added that the coloring baskets were being utilized mostly the famous religious places like, Kamakhya temple in Guahati, Dakhineswar kalibari in Kolkata, Gangaghat at Lucknow etc.

**Motivation for engagement in Business:** Entrepreneurship is the process that is initiated by an entrepreneur, who starts his firm with the aim at financial gain. There are many reasons to start business activity by a person. The reason for initiating entrepreneurship or business activity is primarily emotional which is influenced by the social and cultural factors. In the present PRA exercise the first lot of participants were asked to tell about their motivation to engage in entrepreneurial activity, thereafter they were also appraised of the reasons like unemployment, government support, family business, innovation, living a better life, motivated by other successful entrepreneur, personal satisfaction which was most applicable for them. In response the participants pointed out that most of the rural entrepreneurs were engaged in entrepreneurial activity as there was no other option left with them for livelihood generation in their village. They further mentioned that unemployment was the major cause as they did not get government job. The entrepreneurs strongly denied that they were engaged in business for getting government financial support or loan. Few of them agreed that they had started business following other successful entrepreneurs in village. The entrepreneurs and artisans those engaged in handicrafts or bamboo based activity were belonging to joint family and all the family members including women and children extended their support to in-home cottage industry, through cutting, designing, coloring bamboo sticks. The bamboo based entrepreneurship could be considered as a cooperative or traditional business. The participants mentioned that they had engaged in entrepreneurship to live a better life with their family members. Misogynistic attitude is not found here.

While asking to rate the perception for engagement in rural entrepreneurship, the participants had rated 5 out of 7 points. Thus the participants mentioned 71% of their business growth was influenced by positive motivation for engagement in rural entrepreneurship.

**Socio-cultural Factors:** An entrepreneur is a person who is surrounded by social and cultural environment; and hence, entrepreneurship is also affected by social and cultural factors. Entrepreneurs introduce new thing in business and seek benefit for his growth and/or gain. He tries to fill the need and demand which are raised from social and cultural values. The perception on social and cultural factors was assessed in the PRA exercise. There the participants mentioned that after joining in entrepreneurship they had been living with dignity in society, they were respected in society. Their family members supported them in doing business activity. Before initiating entrepreneurship they, in fact, used to starve and hardly had two meals a day. Now their situation had been changed and the menace of starvation became the story of the past as well as they had regained their status in locality. Some of entrepreneurs expressed that if they had had more educational qualification they might not start business activity; and few of them, however,

mentioned that education has positive impact on entrepreneurship, albeit a good number of entrepreneurs submitted that they could not be educated because of non-available time for study after doing entrepreneurial activity. They further added that religious festivals, rituals had increased the opportunity of high production and more economic growth. During the time of religious festivals, the consumption of their product went on high demand; accordingly the sale and profit also got pick up. The environment in the rural villages is favorable and there all people were accepting products of entrepreneurship. In south Charilam and Koroimura village people used to exchange bamboo based handicrafts products with the articles of their daily requirements from the village grocery shop. Anyone could buy anything from local shops in exchange of bamboo based handicrafts like basket etc. instead of monetary transaction, which was a unique instance in Tripura. There also the participants were asked to give points on perception of social and cultural factors that had influence on entrepreneurship growth. The PRA participants rated 4 out of 7 and they believed that 57% of entrepreneurship growth was influenced by social and cultural factors.

**Perception on Government Agencies:** Since long multiple government agencies had been initiating various progressive programs for the benefit of entrepreneurship in rural and urban areas. Government agencies were rendering services through entrepreneurship development program (EDP) and providing financial support, conducting training, upgrading skill for income generation, establishing market shed and also by purchasing rural entrepreneurship products. In the PRA exercise participant entrepreneur's perception on government support for rural entrepreneurship promotion was assessed. Participant entrepreneurs' mentioned that they were not satisfied with the role of government agencies to support their entrepreneurship. The departmental staff never visited their ventures for awareness campaign of entrepreneurship. Nonetheless, the training imparted by rubber board was very helpful for them. But the handicrafts based training conducted by department of industry and commerce had no positive impact. The government banks were not coming forward to help /promote the rural entrepreneurs. Rather, banking officials had been creating additional problem by showing complicated documentation for loan processing. Consequently entrepreneurs became frustrated to get loan from government financial organizations *i.e.* banks. Most of the entrepreneurs told that 'MFI' (a private microfinance institution) was more helpful for getting loan when required. The reason was, 'MFI' provided loan to the entrepreneurs at the time of entrepreneur's need, 'MFI' never asked for collateral, cash, or legal documents of landed property as security. The said microfinance institution provided loan through self help group approach. And the borrower of loan could repay the loan amount in weekly installment basis, which was considered as good practice and all the participant entrepreneurs equivocally sounded that this process had built a good habit of repayment of loan. Entrepreneurs produce product as much as they could to repay a weekly loan installment. The Block office and village Panchayat extended no role for promotion of rural entrepreneurship in the PRA villages. Participant entrepreneurs rated 3 out of 7 points as their perception on role of government agencies for entrepreneurship promotion. They mentioned that 43%

entrepreneurship growth was influenced by government agencies and government agencies were not supporting them properly for entrepreneurship development.

**Perception of Skill Factors:** The entrepreneur is an innovator, coordinator, organizer, supplier of capital, facilitator and a manager of his firm (Shumpeter, 1932). He is a change agent in the market as to explore new opportunity in present market (Mill, 1994; Knight, 1921; Drucker, 2004; Smith, 2006). These are the important characteristics of an entrepreneur by which he brings change and achieve success in his entrepreneurship. All the above-mentioned factors could be considered as indicators of skill. Skill is the capacity or ability to perform any task with perfection. Skill is the cardinal tool for entrepreneurs while maintaining relationship with customer, organizing resource, labor, and finance for business activity; lead business team or well management of labors working in entrepreneurship. In the PRA exercise participants were asked about their perception on skill. They gave 5 out of 7 points for skill factors and mentioned that 71% of their entrepreneurship growth was influenced by the skill. They said that they had enough skill to run their business activity. Besides, they also mentioned that with rubber plantation and handicraft product they were trying to diversify their business activity. In fact they were confident enough that they could survive in future, open new business venture even after closing of rubber plantation or handicrafts product business.

**Ranking of Perception:** The perception analysis of PRA exercise was concluded with ranking of all factors of perception. The participants mentioned that Employment generation, motivation for engagement in business activity and skill were considered as first rank. Asset creation, social and cultural factors were considered for second ranking, and expansion of business and role of government agencies were considered for third ranking. Thus, it could be said chronologically that skill, motivation, Socio-cultural factors and role of government agencies had influence on the rural entrepreneurship growth especially in employment generation, asset creation and expansion of business activity.

**Table - 1: Perception Analysis**

Sl.	Items	Total Score	Responded Score	Percentage	Rank
1	Asset Creation	7	4	57%	2 <sup>nd</sup>
2	Employment generation	7	5	71%	1 <sup>st</sup>
3	Expansion of business	7	3	43%	3 <sup>rd</sup>
4	Motivation of engagement in business activity	7	5	71%	1 <sup>st</sup>
5	Socio-cultural factors	7	4	57%	2 <sup>nd</sup>
6	Role of government agencies	7	3	43%	3 <sup>rd</sup>
7	Skill factors	7	5	71%	1 <sup>st</sup>

*Source: PRA, 2018*



**ii. Findings of Institution Analysis:** The institutional analysis was conducted with the participant entrepreneurs who attended during PRA exercise in South Charilam village. In this analysis the institutions mostly visited for business or entrepreneurial activity were found out (Table – 2). There entrepreneurs of handicrafts and rubber sectors had given their chronological views on the institutions mostly visited and less visited for business purpose. From the PRA exercise it was calibrated that rubber based entrepreneurs visited rubber producing society (RPS), public and private sector banks, Panchayat, block office, agriculture department, rubber board and market shed. And the entrepreneurs pertaining to handloom and handicrafts sector visited all above-mentioned institutions excepting RPS. Those entrepreneurs visited handloom and handicrafts clusters related to their activity. The participant entrepreneurs ranked the institutions based on frequency of their visit. They mentioned that RPS was mostly visited by rubber based entrepreneurs while the handloom and handicraft sector entrepreneurs frequently visited clusters. And the second rank was the market shed where entrepreneurs sell their products to the consumers. In case of third rank, they visited the privatized micro-finance institutions (MFI) or places where weekly meeting was conducted by MFI which provided easy way to get loan other than government banking system. They had ranked government banks in fourth position as entrepreneurs would visit government banks only when any government facilities like, agricultural loan was sanctioned for them. Participants ranked agriculture department in fifth position. Entrepreneurs those involved in agriculture or agro-allied activity visited agriculture department for seed, pesticide/fertilizers and insecticides at low cost. The participants mentioned that village Panchayat and block office had hardly any contribution to their entrepreneurial activity; naturally entrepreneurs visited these institutions very less and they ranked these institutions in sixth and seventh position respectively.

**Table - 2: Institutional Analysis:**

Sl.	Name of Institutions	Rank
1	Rubber Producing Society (RPS) / Handloom or Handicraft cluster	1
2	Market shed	2
3	Microfinance Institution (MFI Bank) / Meeting	3
4	Government bank	4
5	Agriculture department	5
6	Panchayat	6
7	Block office	7

*Source: PRA, 2018*

iii. **Problem-solution analysis:** In the exercise PRA participant entrepreneurs were asked to identify the problems faced by them during entrepreneurial activity. Participants short-listed their problems and had scored each of the problems where 10 was the highest point for scoring against each problem. Besides indentifying and rating of each problem, entrepreneurs were also requested to propose tentative solution of the problems. The problems score and solutions (Table - 3) were discussed below:-

- 1. Raw material:** Entrepreneurs faced problem due to non availability of raw material in existing market. The bamboo handicraft producers were in trouble as they were not getting suitable bamboo at reasonable price because of non-production of bamboo trees in villages. Similarly, the handloom weavers were facing scarcity of raw materials like thread etc. at local level. They were to collect threads from city area which was almost 15-20 km from their villages. Both group of entrepreneurs ibid scored 6 out of 10 for those problems, which indicated 60% rural entrepreneurs face problem for raw materials. Tentative solutions proposed by them were as, raw materials for handloom products should directly be purchased from factories; secondly, concerted efforts might be taken for more bamboo plantation.
- 2. Financial constraints:** Time-bound financial support to start and/or run a venture is crucial. Most of the rural entrepreneurs were not able afford the cost of initial investment in his business firm. If the start-ups were set up, they could make those functional with the sale proceeds of their products – be it daily or monthly. But owing to competition with the products of foreign market they were unable to earn profit as per their appropriate demand. The handicrafts and handloom sector entrepreneurs were facing much problem due to fewer sales and less profit of their product causing them to work as daily labor under rubber plantation owner, MGNREGA, or other daily labor activity oriented jobs wherever available. Rubber based entrepreneurs, of course, earned to some extent in spite of poor market rate of rubber latex. However, all the Participant entrepreneurs jointly had scored 5 out of 10 points which seemed 50% of them faced financial constraints. They put forth the suggestion to increase the sale rate of their produce to have a marginal profit to live with. They had also proposed that government should augment support to the entrepreneurs by way of providing loan without any security and filtration through complicated documentation system.
- 3. Financial organizations:** Financial organizations attached with rural entrepreneurship least visited government banks like, SBI, Tripura Gramin Bank, Tripura State Cooperative Bank; and preferred to visit MFI Bank most –a private sector bank. The rules and regulations of government sector banks were so complicated that rural entrepreneurs were not interested to apply for loan from those banks. Government banks sought for security deposit / cash deposit / land deed against loan amount; and even at times bank officials also asked bribe for loan sanction. And hence, the rural entrepreneurs were being disenchanted in getting financial help in the form of loan from Government financial institutions. Necessarily therefore the entrepreneurs were to lean towards MFI Bank - a microfinance institution. MFI Bank machinery itself rushed to the entrepreneurs with its almost tailor-made financial aid whereas the government financial institutions sat tight with the complex nitty-gritty for sanctioning loan. MFI

provided loan through SHGs without any collateral cash or security deposit whenever entrepreneurs required. The participant entrepreneurs rated 4 out of 10 points (40% entrepreneurs supported this problem) for the financial organizations. The participants further observed, complicated documentation should be substituted with conducive documentation for sanctioning loans to the rural entrepreneurs by government banks.

4. **Corruption:** In the present PRA participants reported that they were facing problem due to corruption in all sphere especially in banks and government departments. The bamboo based handicraft and handloom entrepreneurs were facing problem due to non-payment or belated payment of bills by 'Purbasha'. The participant entrepreneurs scored 6 out of 10 or 60% of entrepreneurs facing corruption in their entrepreneurial activity. The tentative solution mentioned by them was, there was no solution to stop corruption until and unless people would not stand firmly united against any sort of corruption.
5. **Less market demand for product:** The demand of rural entrepreneurship products were shrinking because of open market competition with world class products. The market of handicraft products were being captured by plastic products; and the consumption of handloom products were also decreasing due to influx of readymade garments of multinational companies. Accordingly the local entrepreneurs were, in other words, forced to curb their price to sustain in the market. Thus entrepreneurs were unable to make that much of profit what they used to earn earlier. The PRA participant entrepreneurs rated 10 out of 10 points for problem they faced for less market demand of their products. This score indicated that 100% or all entrepreneurs faced this problem. To cope up with the problems entrepreneurs proposed for need based skill development training of rural entrepreneurs.
6. **Competition:** Rural entrepreneurs had been facing problems due to tough competition in the market. Participants rated 10 out of 10 points for competition issue. That high score indicated that most of entrepreneurship (100% or all entrepreneurship) was suffering from the competition element. It was also indicative of the fact that the era of monopoly business was over with the advent of competition. Entrepreneurs had proposed solution to tackle competition. Proposed solution to the difficulty as placed by the entrepreneurs was, to produce cost effective and best quality articles, keeping an eye on the taste of the market, to combat the situation for sustenance. Entrepreneurship products should have adequate room for sale in local and national market with effective marketing and defensive as well as constructive planning.
7. **Unable to access market:** In the villages a good number of entrepreneurships were found to be dormant due to incapability to access market. Those entrepreneurs had money, machineries, raw materials, labor force etc. and all other essential resources to run a business. Despite having all sorts of essential materials they were unable to have due penetration in the market for their poor skill and knowledge in business, resulting less sale and few profit. The PRA participant entrepreneurs had put down 10 out of 10 points which seemed to have 100% rural entrepreneurs were not able to market their products as per their expectation till date. Entrepreneurs came up with the solution as; they should have access to market

and to find out the reasons for poor market access. They also suggested for effective marketing with skill development.

- 8. Technological disadvantages:** Technology plays crucial role in entrepreneurship sector. Introduction of new and advanced technology indeed helped much for the growth and development of entrepreneurship. But in the rural villages of Tripura entrepreneurs could not utilize such advancement of technology in their business activity. And hence, they were not able to complete supply order on stipulated time; and necessarily they were to compromise with their profit. The rural entrepreneurs had pointed 10 out of 10 points against problems faced for technological disadvantages. Here, 100% or all entrepreneurs lag behind for technological dis-advancement. The tentative solution that was suggested was to introduce modern machineries in business for production of articles in large quantity with best quality to garner the competitive market. They also proposed for online marketing to sale entrepreneurial products.
- 9. Skilled labor force:** Labor is another important factor for growth of entrepreneurship. Skilled labors are always on high demand both in urban and rural entrepreneurships. Most of the skilled labors used to engage themselves in urban area for better opportunity and high wages. Therefore maximum rural entrepreneurships were facing problem of skilled labor force for quality production. The unskilled labors or apprentices were engaged in rural enterprises. Few of these unskilled labors were also involved in the MGNREGA for more income. In the exercise participants marked 3 out of 10 for unskilled labor (only 03% entrepreneurs) problem in their venture. And the tentative solution placed by them was, to arrange for adequate and proper training of the unskilled labor force in rural sectors.
- 10. High labor wage:** Rural entrepreneurs were not capable of paying high wages to the skilled labours owing to their less profit; as such, skilled labors were migrating to urban areas to get more wages leaving least craze for rural ventures. The participants scored 3 out 10 points for the high labor wages which was indicative of entrepreneurs (03%) had scarcity of skilled labor. In response to solution the participants mentioned that labours giving quantity and quality production should be paid more wages.
- 11. Political interference:** Rural entrepreneurs were facing problem due to political interference. PRA participants mentioned that politics did not have direct influence on rural entrepreneurship. But the political leaders insisted entrepreneurs to join rallies, meetings etc. causing time overrun. The participants had scored 10 out of 10 points against such problems. The participants (100%) recommended that attunement with political activity was no bad but it should not be detrimental to the production.

Table – 3: Problem and Solution Analysis:

Sl.	Problem	Total Score	Responded Score	Percentage	Solution
1.	Raw materials	10	6	60%	Raw materials for handloom products should purchase from direct factories. More bamboo plantation is required for handicrafts sector.
2.	Financial constraints	10	5	50%	Increase rate of product with marginable profit. More savings, and attract more customer for more sale. Government bank should provide loan without any security.
3.	Financial Organisation	10	4	40%	There should not be complicated documentation for loan from government banks.
4.	Corruption	10	6	60%	There is no solution if people are not aware corruption will remain
5.	Less market demand	10	10	100%	Entrepreneurs Skill development is required through proper training.
6.	Competition	10	10	100%	Best quality product has to produce and have to sale at minimum profit in mass quantity.
7.	Unable to access market	10	10	100%	Entrepreneurs have to asses and find the reason of unable to access market. Marketing required
8.	Technological disadvantages	10	10	100%	New modern machineries have to introduce in business.

					Awareness generation is essential to sale products through online.
9.	Skilled labour	10	3	03%	More training is necessary
10.	High labour wage	10	3	03%	More wage is payable in case of more quality production by the labour.
11.	Political interference	10	10	100%	Public awareness is necessary. Government has to change in every 5 years.
<i>Source: PRA, 2018</i>					

### Discussions:-

More than seventy percent of Indian population lives in villages. Villages are the backbone of Indian economy as most of the agricultural and agro-allied products are coming out from the villages of India. These products are fulfilling our day to day need and generating livelihood of rural village people. The economy of village people is largely influenced by these products and these products are produced by enterprises or in entrepreneurships. The concept of entrepreneurship is not new, but entrepreneurship in rural areas is new. Earlier most of the entrepreneurships are established in urban areas but with change of time entrepreneurships are gradually shifting and looking forward to the villages. Besides earlier rural people are interested and engaged only with farming, but today the scenario has been changed village people irrespective of age and gender are taking interest to produce agro-based or other products in their villages. The *Khadi* and Village Industries Commission (KVIC) termed the rural entrepreneurship are the ventures those established in rural areas. These entrepreneurship or ventures may be micro, small, medium enterprises or it can be macro as well. It depends on the capability of the entrepreneur, how he/she (entrepreneur) dealing to develop his/her venture's growth and development. In fact, there are multiple influencing factors for growth of rural entrepreneurships. In broad spectrum these factors can be categorized into motivation of entrepreneurs, social and cultural environment where entrepreneurship is established and entrepreneur's socio-cultural background; support from government; entrepreneur's management and personal skill. In the initial and functional stage of venture start-up entrepreneurs also face numerous problems like financial constraints etc. but also come up with these barrier with support of strong positive motivation, family members support, government support and after all entrepreneur's skill plays crucial role here, that how he / she cope up with the problematic situation.

This empirical study has been conducted with entrepreneurs of rural villages in Tripura, a North-eastern hilly state of India. An effort has made to assess rural entrepreneur's attitude on rural entrepreneurship, besides study objective also searched about the institutions visited by the rural entrepreneurs and problems faced by the entrepreneurs while performing their entrepreneurial activity. Study has come up with entrepreneur's

perception on rural entrepreneurships. They have marked few factors like asset creation, employment generation, expansion of business, motivation for engagement in business, social and cultural factors, government support factors, skill factors and problems of entrepreneurship are responsible for entrepreneurship growth. Secondly, institutions like private and government banks, panchayat office, rubber board office, rubber producing society (RPS), cooperative unions, market shed and customers' home are visited by the entrepreneurs while performing their entrepreneurial activity. Rural entrepreneurs identified - scarcity of raw material, high labor wage, non-governmental support, improper training, poor quality of entrepreneurial product, unable to access market, non-availability of market shed, financial scarcity, poor infrastructure facility, and poor transportation as their major problems.

### ***Conclusion and suggestion:-***

In Tripura most of the rural entrepreneurs are involved in handloom and handicraft sectors enterprises. Entrepreneurs consider this traditional handloom and handicrafts based activities as their heritage which has been continuing from one to next generation. These entrepreneurs are quite skilled to understand and run their business by themselves. And, it is possible only because, they have observed entrepreneurial activities in their family members. Entrepreneurships in Tripura have generated ample of scope for employment especially for the youth but all categories of rural people irrespective of age and gender are also benefitted. The socio-cultural milieu, believe and supportive rural environment enhanced the growth and development of rural entrepreneurship. Rural entrepreneurship has created employment opportunity for rural people, generated assets, developed entrepreneurial infrastructure and also expanded rural business to national and international level. Entrepreneurs visit institutions like handloom / handicraft clusters, rubber producing societies (RPS), market shed, microfinance institutions, government banks, agriculture department, Panchayat and block offices for daily entrepreneurial activity. Among these private microfinance institutions are more supportive and easy to provide finance / loan to entrepreneurs, and favored by entrepreneurs. On other hand government departments / banks are not quick and easy in nature on providing financial support or impart training for skill development. Above and beyond entrepreneurs face problems like scarcity of finance, corruption, unable to access market, technological disadvantage for unable to purchasing modern machineries, reducing market demand.

To check and balance these unpredictable problems policy should be initiated in such way that, (i) government organizations enhance unconditional financial support for easy and quick financing to the rural entrepreneurs. Secondly; (ii) the uninterrupted connectivity (road, electricity, and internet) of rural ventures with market places and other state should have to be well constructed for better transportation and communication. In third, (iii) regular training of new designed product, online marketing is essential to sustain in this globalised open market. Fourth, (iv) proper implementation of available government schemes for entrepreneurship development and government also to focus to maintain and ensure quality and quantity of

entrepreneurships. But all these initiatives will not be fruitful if people are not utilizing these benefits honestly for the growth and development of their entrepreneurship.

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