
**RURAL ENTREPRENEURS IN MICRO AND SMALL ENTERPRISES OPERATING ISSUES
AND REMEDIES IN SELECTED VILLAGES OF CENTRAL TAMILNADU**

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ABSTRACT

This study was planned to appraise the factors that affect the performance of rural entrepreneurs in micro small enterprises located in central districts of Tamilnadu .It also gives the characteristics of rural entrepreneurs in micro small enterprises and the supports they acquire from Government, Financial institutions and NGO's, we have taken a sample of two hundred rural entrepreneurs as respondent for this study to engaged in five Industrial areas was taken for this pilot study using systematic sampling technique. In the process of respond the basic questions, a constructed questionnaire that include personal profiles, qualities of rural entrepreneurs and their enterprises, factors that affect the performance of rural entrepreneurs in micro small enterprises and supports received from central and state Government of India was framed well constructed questionnaire and measuring scales. Moreover, data collection were held with the rural entrepreneurs who are living and running the business in the rural side, After the data has been collected, it was analyzed using suitable statistical tools The results of the study indicates the personal qualities of rural entrepreneurs in MSEs and their enterprise affect their performance .It also shows that lack of own premises(land),financial utilization, management of competition, inadequate usage of training, awareness of latest technology and consumption and availability of raw materials were the key economic factors that affect the performance of rural entrepreneurs in Micro small enterprises. The study also found that bias of gender roles; social acceptability and network with outsiders were the major social factor that causes the performances of the rural entrepreneurs.

Keywords: Rural development, Micro small Enterprises, Role of Rural Entrepreneurs etc.,

Introduction

Entrepreneurs are increasingly most recommended as an important source of economic growth, new product development and productivity, innovation and employment opportunities, and it is commonly known as a success key of economic revolution. Transforming the thoughts and ideas of individuals are converted into economic opportunities is the exact meaning of entrepreneurship. Annals reveals that economic development progress has been significantly advanced by practical consequences of people who are entrepreneurial and innovative thought holders, having interest and ability to exploit the favorable time to attain the goal and willing to take risks in his business. Entrepreneurship role and an entrepreneurial culture in overall economic and social development have many times been underestimated. Over the few years, however, it has become increasingly visible that entrepreneurs actually perform to contribute for economic development. However, the suggestive numbers of enterprises were owned by Urban Entrepreneurs (ILO, 2006). In other meaning, it

was not common to see Rural People-owned businesses worldwide specifically in developing countries like India. The idea and generation of output of rural entrepreneurship is a recent phenomenon

Objectives of the Research

Generally, the study is designed to assess the major factors affecting the performance of Rural entrepreneurs in micro small enterprises and the challenges they face in starting and running their own business in central districts of Tamilnadu. Specifically, it is intended to assess:

- ❖ Analyze the factors that influences the business of rural entrepreneurs in central districts of Tamilnadu
- ❖ Identify the starting and current running common problems faced by entrepreneur and also find the constraints faced by of the rural entrepreneurs in selected villages of central Tamilnadu

Limitations of the study

While conducting the survey for this research paper I have faced some challenges for this study. To begin with, the fact that the most of the entrepreneurs Education level is comparatively low it has creates some negligence in filling the questionnaire in the survey. Some do not give the importance to the questionnaire and some entrepreneurs do not return the questionnaire completely. Besides this, some others see the questionnaire relating to politics even though aspiration has been made. Furthermore, since majority of the respondents have been in a tight work schedule, some were not interested as such willing to fill the questionnaires for these kinds of surveys. Finally, since the respondents were suffusing in different sites, some problems were viewed in giving orientations, monitoring the respondents and collecting the information from the entrepreneurs. Therefore, these problems might affect the quality of the research to some extents.

Significance of the study

Rural People should create their own jobs and become entrepreneurs since opportunities of getting employment in government or a private organization is currently almost going down (Gemechis,2007). This is happen only if the barriers of rural entrepreneurs are solved, generally the following significances are discussed in this study.

1. It can be one input to existing Rural Entrepreneurs, potential entrepreneurs, Micro small enterprises heads of the District and Government support to overcome the problems that Rural entrepreneurs face.
2. It shows what areas of support should Entrepreneurial Development institutes and Micro small enterprises have to work together.

Delimitations of the study

Data's taken from selected villages of central districts in Tamilnadu shows that more than 6500 rural entrepreneurs are found in the selected research area. Had the study has been conducted in most favorable result oriented selected respondents through by systematic sampling technique, it would have been complete. Additionally, there are different issues related to entrepreneurship that can be researched in relation to rural entrepreneurs. But, the present study is delimited to the key economic, socio-cultural factors, administrative and legal factors affecting the performance of rural entrepreneurs in micro small enterprises in the selected districts of central tamilnadu. In addition, the study focuses only on appraise the major demographic and organizational qualities of rural entrepreneurs in Micro small enterprises to check whether these qualities and characteristics affect their performance. This study also determined the training needs, raw material availability, machine, financial needs, technology and facility supports that DIC provide to these

entrepreneurs, so as to reduce the problems the rural entrepreneurs in Micro small enterprises face. Moreover, rural entrepreneurs in five key areas which are considered as growth corridors now a-days and only the case of selected central districts of tamilnadu rural entrepreneurs are considered have given all other constraints.

STATEMENT OF THE PROBLEM

Entrepreneurs are a person who perform an essential role in the economic development of a country and are linked to the overall industrial development of a nation. The actual problem of this research is the entrepreneurs from rural areas of central tamilnadu did not get the awareness of opportunities, resources, supports etc., In this regard i am going to find the factors which are affect the rural entrepreneurs.

RESEARCH METHODOLOGY

A quality research work needs a clear scientific methodology because only through the application of correct methodology in determine of sampling techniques, suitable tools of data collection etc; In this regard we founded the result can be drawn on the phenomenon under consideration. The validity of the research depends upon the method of collecting the information in the form data and analyzing the same. Present study, covering lengthy use of both primary and secondary data is planned to collect systematically.

Research Design:

Research design constitutes the clear cut plan of collection, measures and analysis of sampled data. In specific terms, a research design in the collective set of conditions and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. Here in this study, the researcher planned to use descriptive Research design and studies concerned with specific assumptions, with narrations of facts and characteristics concerning individual person, group of people or situation are all examples of descriptive type research studies.

Sample size:

The Samples are planned to collect from new and existing rural entrepreneurs of central Districts of Tamilnadu. The sample sizes are 200.

Sampling Design and Area of Sampling:

Sample design is determined before data is collected. There are many sampling designs from which I have planned to select to select systematic sampling method. The totals of 200 samples are planned to collect from new and existing rural entrepreneurs in central tamilnadu.

DATA COLLECTION

The study is based on survey method .taking the objective in account to this study. The information and data is totally gathered from both primary and secondary sources.

Primary Data:

In order to fulfill the objectives set out, a sample study is undertake using well framed questionnaire and got it duly filled in by the new and existing entrepreneurs. Respondents of varying nature were selected based on the important aspects of their age, Education, income, occupation, and so forth. A structured questionnaire and schedule were pre -tested and suitable modifications were carried out later.

Secondary Data:

The Primary data is supplemented by enough secondary sources of data. The secondary data pertaining to the study were gathered from company profile, News papers, Magazines, Journals, Periodicals, Reports, books,

web Portals, and well equipped university libraries at Coimbatore, Chennai, Pondicherry, and Tiruchirapalli. They are utilizing to get the necessary past and latest information required for the study.

TOOLS OF DATA COLLECTION AND ANALYSIS

By virtue of a mass data plan to obtain from the research survey through questionnaire, as well as data from secondary sources like review of literature , industry profile, the basic supporting information related rural entrepreneurship Development. The researcher Problem, questionnaire, and interview schedule plan to set by covering the above mentioned objectives

ANALYSIS AND INTERPRETATION

PERCENTAGE ANALYSIS

Personal Demographic Factors of Rural Entrepreneurs

S. No	Respondents Profile	Level	No. of Respondents	% of Respondents
1	Age	Below 20 years	50	25%
		21 – 30 years	45	22%
		31 – 40 years	40	20%
		41 – 50 years	26	13%
		50 years and above	39	19%
2	Gender	Male	128	64%
		Female	72	36%
3	Educational qualification	Below School Education	12	6%
		+2	48	24%
		Under Graduation	55	27%
		Post Graduation	45	22%
		Job / Industry Oriented Training / Course	40	20%
4	Income	Below 15000	30	15%
		15001 – 30000	60	30%
		30001 – 50000	20	10%
		50000 – 100000	70	35%
		Above 100000	10	5%
5	Family Size	Below 3	62	31%
		3 to 5	72	36%
		6 to 8	48	24%
		Above 8	18	9%
Total For each segment			200	100%

Henry Garrett Ranking Techniques

This technique was used to evaluate the problem faced by the rural entrepreneurs in selected districts of central tamilnadu. In this method, the researcher was asked to rank the given problem according to the magnitude of the problem. The orders of merit given by the respondents were converted into ranks by using the following formula.

$$\text{Percentage position} = \frac{100(R_{ij} - 0.5)}{N_{ij}}$$

Where,

R_{ij} = Rank given for i^{th} item j^{th} individual

N_{ij} = Number of items ranked by j^{th} individual

S. NO	Factors	Total Score	Mean Score	Rank
1	Highly Satisfied	62	20.66	1.5
2	Satisfied	62	20.66	1.5
3	Moderately Satisfied	30	10	3.5
4	Dissatisfied	30	10	3.5
5	Highly Dissatisfied	16	5.33	5

Calculation:

$$\text{Mean Score} = \frac{62}{(1+2+3+4+5)/5} = 20.66$$

$$= \frac{62}{(1+2+3+4+5)/5} = 20.66$$

$$= \frac{30}{(1+2+3+4+5)/5} = 10$$

$$= \frac{30}{(1+2+3+4+5)/5} = 10$$

$$= \frac{16}{(1+2+3+4+5)/5} = 5.33$$

Weighted Average**Overall performance of the rural entrepreneurs in selected villages of central tamilnadu.**

S.No	Particulars	Index	Weight	Total Score	Rank
1	Highly Satisfied	62	1.5	93	3.5
2	Satisfied	62	1.5	93	3.5
3	Moderately Satisfied	30	3.5	105	1.5
4	Dissatisfied	30	3.5	105	1.5
5	Highly Dissatisfied	16	5	80	5

Interpretation:

Weighted average technique was used to find out the total for each category of respondents over Satisfied with the business performance. From the above table it can be seen that an organization moderately have a relationship with business performance to the respondents and it rank 1 and rank II category are Partially satisfied and Highly satisfied for the relationship level and the total score are 105 and 105. The other are Satisfied Partially dissatisfied Highly dissatisfied and the total score are 93,93 and 80.

FINDINGS

1. As per the research 26% are below 20 yrs old, 64% male, 28% are diploma qualified, 35% business men on the basis of occupation, 36% have income of 50000 to 100000, 36% 3-5 members on the basis of family size.
2. Regarding the performance of their Business 35% are moderately satisfied.
3. On the basis of supports for entrepreneurial activities 40% of respondents are highly satisfied.
4. 40% are highly satisfied regarding the opportunities avail in the society.
5. 40% respondents are highly satisfied on the basis of raw material availability.
6. 40% respondents are highly satisfied with human resource availability.
7. On the basis of training provided by entrepreneurial training institutions 38% respondents are highly satisfied.
8. 48% respondents are started their business for getting social recognition

9. 39% of the respondents starts their business because of not getting any job after completing their graduations.

SUGGESTIONS

1. The educational institutions could do some initiations for developing young entrepreneurs in rural area.
2. District investment corporations, entrepreneurial development institutions are may take necessary steps to increase awareness regarding the entrepreneurship.
3. I suggest to the financial institutions should decrease the interest rate especially for rural entrepreneurs.
4. Some modification could be done in the entrepreneurship policies framed by the government.
5. While making the policies against entrepreneurial development government should take a special attention and support for rural entrepreneurs.
6. Government already provide some entrepreneurial development programmes in different institutions additionally it should give some trainings related to business skills.

CONCLUSION

The purpose of the study should focused on controlling the un employability and add value to the youngest generation People. The study especially to concentrate the Rural Entrepreneurship in and around central Tamilnadu, it will help to reshape their skills and ability for their successful life. Every year lakhs of students completing their graduations from different kinds of institutions, particularly in villages of central tamilnadu around 55% of students not settled in their life, still they are waiting for relevant opportunities, they are not aware about entrepreneurship, most of the graduates looks a job in urban nearby towns, that is the reason for selected reason for this study.

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