

Entrepreneurial Constraints Faced by Rural Women in Muzaffarpur District of Bihar

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ABSTRACT

Women entrepreneurship serves as the cornerstone of economic growth, particularly in developing nations, where it plays a pivotal role in fostering rural community development. In India, economic liberalization and globalization have significantly influenced the landscape of women entrepreneurship, providing rural women with opportunities to overcome poverty and engage in economic activities. This study aims to identify the entrepreneurial constraints faced by rural women in the Muzaffarpur district of Bihar. The research was conducted purposively in this district due to the diverse range of entrepreneurial activities undertaken by rural women. Two blocks, Saraiya and Marwan, were randomly selected, from which five villages per block were further chosen. A total of 120 rural women entrepreneurs were randomly selected, comprising 12 respondents from each village. The constraints encountered by these women were categorized into four groups: financial constraints, marketing constraints, production and labour constraints, and personal constraints. The findings indicate that marketing constraints emerged as the most significant challenge faced by rural women entrepreneurs. Addressing these challenges can empower rural women entrepreneurs, enabling them to contribute more effectively to economic development and social progress.

Keywords: Entrepreneur, Marketing constraints, Personal constraints, Rural women

INTRODUCTION

The perception of entrepreneurship as a predominantly male-dominated field is undergoing a transformation. In contemporary society, women are emerging as successful and influential entrepreneurs, serving as sources of inspiration for others (Chunera, 2020). Rural women's entrepreneurship is a powerful driver for economic development and self-reliance in rural areas (Switch ON foundation, 2024). Rural entrepreneurship can be defined as the entrepreneurship emerging in rural areas or establishing industries in rural areas (Lavanya et al., 2014). According to J.A. Schumpeter, "Any woman who builds, adopts, or reproduces a business industry is a woman entrepreneur". This definition underscores the significant role women play in shaping rural economies. It reduces the migration rate to metropolitan areas and promotes the development of rural regions by generating employment and other economic opportunities (Lalrokhawma and Lalromawia, 2021). Women entrepreneurs are those who have initiated a business, actively involved in managing it, and owns at least 50% of the firm which have been in operation at least one year or longer (Ahmad et al., 2011). The Government of India has defined women entrepreneurs as individuals who owns and control an

enterprise with women having a minimum financial stake of 51% of the capital and giving at least 51% of the employment to women (Imam, 2012).

According to World Bank (2024) more than 85% of women-owned, rural, non-farm enterprises are concentrated in five key subsectors: retail trade, apparel manufacturing, food product manufacturing, food and beverage services, and the handloom sector. The Sixth Economic Census, published by the Ministry of Statistics and Programme Implementation (2016) presents a concerning overview of women's participation in entrepreneurship in India. According to the Sixth Economic Census report (2016) women constitute only 13.76% of the total entrepreneurial population, representing 8.05 million out of 58.5 million entrepreneurs. Women-led enterprises collectively employ approximately 13.45 million individuals, with 34.3% (2.76 million) engaged in agricultural activities and 65.7% (5.29 million) working in non-agricultural sectors. Among the states, Tamil Nadu has the highest share of women-owned businesses at 13.51%, followed by Kerala (11.35%), Andhra Pradesh (10.56%), West Bengal (10.33%), and Maharashtra (8.25%) (Switch ON foundation, 2024). Therefore, it is necessary to identify and understand the

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challenges faced by Rural Women entrepreneurs. In this context, an attempt was made in the present study to identify the entrepreneurial constraints faced by rural women of Muzaffarpur district of Bihar

MATERIALS AND METHODS

The study was conducted in Muzaffarpur district of Bihar during the year 2020-2021. Primary data was collected through structured interview schedule. A descriptive research design was used for the present study. For the study Muzaffarpur district of Bihar was selected purposively. The variety of entrepreneurial activities carried out in the Muzaffarpur district was a factor while choosing the district for study. Out of the sixteen blocks in Muzaffarpur district, two blocks namely Saraiya and Marwan were selected purposively. Five villages were selected by using the simple random sampling method with the total number of respondents 120. An effort was made to know the constraints faced by rural women and Suggestions obtained by the women entrepreneurs. At the time of the interview, they were asked to enumerate the constraints faced by them for better entrepreneurship. Constraints faced by rural women were classified into four categories financial constraints, marketing constraints, production and labor constraints, and personal constraints. The mean score for each constraint was calculated and ranks were assigned based on the mean score value.

RESULTS AND DISCUSSION

Rural women engage in diverse economic activities. The selection of these activities is based on availability of local resources, traditional habit, market availability etc. Table 1 presents an overview of the various economic activities undertaken by women entrepreneurs in rural areas.

Table 1: Distribution of the respondents based on economic activities (n=120)

Sl. No.	Economic activities	Frequency	Percentage (%)
1	Agriculture	38	32.5
2	Goatery	18	15
3	Poultry	10	8.3
4	Fishery	5	4.1
5	Tailoring	22	18.3
6	Handicraft	27	22.5

The data presented in Table 1 indicates that among the total respondents, the highest proportion of rural women entrepreneurs (38) individuals, accounting for 32.5% are engaged in agricultural activities. This dominance of

agriculture as an economic activity can be attributed to the fact that most rural women reside in agricultural areas where farming remains the primary occupation. Additionally, a significant proportion of respondents (22.5%) are involved in handicraft-related activities, including lac bangle making, Madhubani painting, and Sikki grass craft. These findings align with the study conducted by Dutta (2016), which reported that 42.5% of rural women were engaged in handloom and handicrafts as their primary economic activity. Tailoring is another prevalent occupation among rural women, with 18.3% of the respondents involved in this activity. Other economic activities undertaken by rural women include goat rearing (15%), poultry farming (8.3%), and fisheries, with only 4.1 % of respondents engaged in this sector. These findings emphasize the diverse range of income-generating activities adopted by rural women, reflecting both resource availability and market demand.

Although women are increasingly interested in entrepreneurial activities such as mushroom farming, goat farming, poultry farming, dairy farming, and handicrafts, the growth rate of women entrepreneurship remains unsatisfactory (Dutta, 2016). This is primarily due to various constraints faced by entrepreneurs in entrepreneurial development, including financial constraints, marketing difficulties, and production-related issues. Moreover, women entrepreneurs face greater obstacles than their male counterparts due to societal restrictions and taboos, further hindering their business ventures.

Table 2: Financial Constraints identified by rural women entrepreneurs (n=120)

Sl. No.	Particulars	Mean score	Ranks
1	Difficulties in sanction of loan	2.57	I
2	Securing working capital	2.45	II
3	Insufficient financial assistance by financial institution	2.13	IV
4	Entire loan is not given at a time	2.34	III

Financial Constraints identified by rural women entrepreneurs in presented in table 2. The rural women getting difficulties in sanction of loan which ranked first under (mean score = 2.57) financial constraints. The other financial problem ranked second was securing working capital (score 2.45). The other financial problem ranked III, IV respectively where entire loan is not given at a time (2.34), Insufficient financial assistance by financial institution (2.13) and similar finding also reported by (Mupparapu et al., 2024) and (Mahanta, 2016). Financial constraints also reported as major constraints by (Dutta, 2016).

Table 3: Marketing Constraints identified by rural women entrepreneurs (n=120)

Sl. No.	Particulars	Mean score	Ranks
1	Lack of transport facilities	2.48	II
2	Long distance of market.	2.26	IV
3	Lack of market information	2.42	III
4	Low price for produce	3	I

Marketing Constraints faced by rural women entrepreneurs in depicted in table 3. Among the marketing constraints, rural women entrepreneurs getting low price for produce was ranked first (mean score=3) whereas, lack of transport facilities (2.48), lack of market information (2.42) and long distance of market (2.26) ranked II, III, IV respectively. The results of the study supported by the results of Dewangan et al. (2019). According to Switch ON foundation (2024) rural women entrepreneurs face challenges in accessing larger markets due to limited demand and lower prices in local markets. Poor infrastructure, including inadequate transportation and lack of digital access, further restricts their ability to reach more competitive and profitable urban or national markets.

Table 4: Production and Labour constraints identified by rural women entrepreneurs (n=120)

Sl. No.	Particulars	Mean score	Ranks
1	High labour cost	2.55	III
2	Non-availability of quality input materials	2.60	I
3	High cost of inputs	2.59	II
4	Non-availability of skilled workers	2.20	IV

Production and labour constraints data is summarised in Table 4. In production and labour, most serious constraints faced by women entrepreneurs were non-availability of quality input materials (mean score=2.60) followed by high cost of inputs (2.59), high labour cost (2.55), non-availability of skilled workers (2.20). The finding is in line with the findings of (Suganthi and Asokhan, 2020; Dewangan, 2019). The reason may be due to less exposure and unawareness and lack of entrepreneurial skills about the management techniques as women are new to the field.

Table 5: Personal and Social constraints identified by rural women entrepreneurs (n=120)

Sl. No.	Particulars	Mean score	Ranks
1	Social customs and beliefs	2.29	IV
2	Dual duties	2.61	II
3	Health problem	1.41	VI
4	Low level of education	3.20	I
5	Non- cooperation of family members	2.50	III

The data presented in Table 5 highlights the personal and social constraints faced by women entrepreneurs. Among these constraints, low level of education was ranked as the most significant challenge, followed by dual responsibilities in the second position. Lack of cooperation from family members was identified as the third major constraint, while social customs and beliefs and health issues were ranked fourth and fifth, respectively. The finding of the study is line with finding of Rao et al. (2022), Lad (2017), Kumar et al. (2018) and Sathyadevi (2016) their finding also highlighted constraints such as dual role responsibility of home as well as job, low level of education and social barrier.

Low level of education may be due to societal beliefs always prioritize male education over female education, limiting educational opportunities for women. Notably, dual responsibilities emerged as a particularly serious challenge for women entrepreneurs. This can be attributed to their need to balance domestic duties and agricultural activities alongside their entrepreneurial ventures, often resulting in excessive stress. Additionally, the pressure to excel in their chosen economic activities further exacerbates these challenges, making it difficult for them to sustain and expand their businesses. (Dewangan et al., 2019).

CONCLUSION

The study reveals that rural women entrepreneurs engage mainly in agriculture, handicrafts, and tailoring but face significant challenges hindering their growth. Financial barriers, such as limited access to loans, marketing issues like low prices and poor transport, and production problems including costly or poor-quality inputs, constrain progress. Personal and social factors—low education, dual responsibilities, and limited family support—further restrict them. Addressing these barriers through improved education, financial access, market linkages, and skill development can empower rural women, enhancing their entrepreneurial participation and economic contribution.

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CONFLICT OF INTEREST

The authors declare no conflict of interest.

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