

**A STUDY ON THE ROLE OF OPPORTUNITIES,
EFFORTS AND RESOURCEFULNESS ON THE
ENTREPRENEURIAL SUCCESS OF RURAL
ENTREPRENEURS**

Abstract of

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ABSTRACT

Multiple factors contribute to India's societal problems. Despite developments over the past seven decades, this remains profoundly intertwined with caste and caste-related jobs in the rural sector. Capital is pooled in an entrepreneurial endeavour with the goal of creating something new, whether it be little and incremental or large and transformative. Starting a business is more challenging in rural India since there is less of a community to help you get started. People are restrained not just by their limited resources but also by their own self-limiting beliefs. Existing societal power structures do not tolerate disruption, even when it is for the better. For example, a family of manual scavengers or industrial effluent workers faces significant consequences if they push their offspring to pursue educational opportunities, jobs, or businesses outside of their traditional field. This makes it very difficult for them to break out of the cycle of poverty, and the resulting lack of education or capital often prevents them from starting their own businesses. Even if these individuals have the courage and ambition to break out of their traditional roles, their ability to do so is often hindered by the cultural norms that exist in their communities. To fulfil this void, the presented research suggested a conceptual model incorporating the role of entrepreneurial resourcefulness, entrepreneurial effort and entrepreneurial opportunity in shaping entrepreneurial behaviour and rural entrepreneurs and how does this behaviour leads to entrepreneurial success. To achieve the objective of the studies, the researcher in this study has gathered data from 408 rural entrepreneurs from the villages of Lucknow, Kanpur, Moradabad and Bareilly. Structural equation modelling was executed to test the proposed model and related hypothesis. Snippets of the thesis are given in the below sections.

Introduction

Entrepreneurial growth requires far more than building an entrepreneur's support structure that revitalize weak economy. It entails the establishment of business communities, a cultural transformation of rural areas and individuals to take on the possibilities of enterprise (Rădulescu, Marian, & Moica, 2014). Initiating and development of new business enterprise is fraught with full of perils that are compounded in rural India in the form of high density of population, access to capital market and lack of infrastructure (Patel & Chavda, 2013). In a common parlance, Jayadatta S, (2017) defined rural entrepreneurship as "Entrepreneurship issue at rural level that can be in the form of business, industry or agriculture and act as vital tool for overall country's economic development." In a developing country like India where three-fourth of its population live in rural areas and accounts for 75% of livelihood through agriculture and its allied activities, rural entrepreneurship plays a significant role (Patel & Chavda, 2013). Despite having so much importance in Indian context, rural entrepreneurship in India is not on a position to give tough competition on a global level. Problems like over-crowded labour force in limited land, and migration of population from rural to urban for seeking better employment makes it difficult for rural entrepreneurship to nurture in its full swing in Indian context.

In spite of all the deficiencies and lack of abilities in rural India, there is need to explore and assess the strength of rural India that build a place of opportunities. Entrepreneurs have the capability to see item or situations diversely than job seekers or employees that makes them worthwhile to pursue a field with possible opportunities that can seize with creativity level. However, due to complications in rural entrepreneurship, there are very limited number of individuals that manifest their interest in rural entrepreneurship. So, there is a need to aware and motivate

individuals about this unexplored yet enough competent field to solve the problems like unemployment and rural-urban migration etc. Therefore, keeping in mind the present scenario, field of rural entrepreneurship demands researchers to analyse the factors that makes an individual to choose rural entrepreneurship as career and the possible inter-connected constructs.

Here the requirement of the study is to measure all the above mentioned constructs which lead to the success of rural entrepreneurs at four districts of Uttar Pradesh state .This analysis is anticipated to present to our apprehension of entrepreneurship, particularly in rural regions, where the bulk of people in developing nations reside. The understanding of entrepreneurship is quite limited in underdeveloped nations like India. Therefore, a research is required to determine how the rural entrepreneurship characteristics in four districts of Uttar Pradesh contribute to the development of successful entrepreneurs and ultimately their empowerment.

STATEMENT OF THE PROBLEM

For the past 20 years, entrepreneurship has led the way in the field of research. The economic progress of a nation is significantly influenced by the rural entrepreneurs. By establishing opportunities for self-employment, the growth of entrepreneurship in rural regions aids in the efficient mobilisation and exploitation of the local resources and also helps to stop the migration of skilled labour from the village to the city. However, owing to a lack of fundamental resources like stable finances, marketing, a high prevalence of illiteracy, inadequate infrastructure, a lack of government backing, and management issues, entrepreneurs are experiencing a significant setback in rural regions. Rural areas are waiting for possible future development and fine tuning since their economies are not well planned and structured. Entrepreneurs are those who

bring innovative products and services to market. An entrepreneur is someone who has the ability to accept the risks involved in starting a new firm.

The absence of fundamental resources in developing rural areas of a country is one of the issues that rural entrepreneurs must deal with. Due to the rural entrepreneurs' propensity to use local resources to create a large number of job possibilities, the industrial sector is now on the rise. Entrepreneurship, according to economic experts, is the best strategy for rural development. Rural entrepreneurship is sought after by the government as the ideal model and strategy for accelerating rural development (Saxena 2012). However, the development of entrepreneurship in rural regions is also hampered by a lack of self-assurance and the capacity to make wise decisions (Hookoomsing & Essco 2003).

India was founded on agriculture (Saxena 2012). Nearly 73% of the whole Indian citizens lives in rural regions, where agribusiness and related occupation are the major sources of income for those who live there. The growth of rural areas and the standard of livelihood of a population have a significant impact on a nation's economic growth. The rural areas must be improved and developed in order for the country as a whole to advance. The disparity in poverty between rural and urban regions has to be reduced. Additionally, the living conditions of those who reside in rural regions must be destroyed. The most effective answer to all of these issues is the growth of rural entrepreneurship. The best solution for reducing issues like poverty and the unemployment rate is entrepreneurship. Rural industrialisation is viewed as a potential strategy to combat poverty in rural regions. By enabling rural entrepreneurs, the Indian government is making every effort to reduce poverty and foster entrepreneurship.

Business-minded individuals are drawn to rural locations for a variety of reasons, but mostly because they can save money, find inexpensive labour, and have access to raw resources. The surroundings are very soothing, cool, and less stressful, which is fostering an atmosphere of renewal, peace, and serenity. Additionally, the majority of these areas have unique business requirements in order to draw in entrepreneurs. Last but not least, (Tyson et al. 1994) said that rural residents—i.e., the rural labour force—are more diligent and serious about their careers. By 2050, there should be 6.4 billion people on the planet. Three million people are reportedly relocating to cities every week all around the world. However, there are natural resources and skilled labour in many Indian places. However, the lack of contemporary resources like internet connectivity and bad infrastructure in remote places has a negative impact on entrepreneurship.

One of the key tactics for enhancing the rural development of rural areas is to attract entrepreneurs. Numerous Research has looked at the state of the economy in rural areas and offered potential solutions (Smallbone 2009). However, there aren't many works in this area.

The research study will attempt to address the following problems:

1. Whether the availability of opportunity in rural India shapes entrepreneurial behavior of rural entrepreneur?
2. Does the intensity of the effort given by the rural entrepreneurs play significant role in building entrepreneurial behavior?
3. Does the resources availability play a significant role in entrepreneurial behavior among rural entrepreneur?
4. Does entrepreneurial success is a matter of rural entrepreneurial behavior?

OBJECTIVES OF THE STUDY

The present study attempts to accomplish the following objectives through the present research:

1. To examine the role of opportunity available for rural entrepreneurship on the entrepreneurial behavior of respondents.
2. To find out the influence of entrepreneurial effort on the entrepreneurial behavior of the respondents.
3. To examine the influence of the accessibility of the entrepreneurial resources on the entrepreneurial behavior of the respondents.
4. To examine the effect of entrepreneurial behavior on the entrepreneurial success of rural enterprises.

REVIEW OF LITERATURE

Ranganatha, Santosh & Venugopal, Koppala. (2011). Entrepreneurship is the process of creating and developing new enterprises and reviving existing ones, often in response to existing market needs or possibilities. In the entrepreneurial view of rural development, entrepreneurs are seen as the driving force behind economic growth and development; without them, all other efforts to improve the area would be in vain. However, rural development and the growth of rural businesses won't automatically follow from the recognition of entrepreneurship as a fundamental development engine. Accelerating economic development in rural areas requires the development of a critical mass of first-generation entrepreneurs who are prepared to take chances, engage in the uncertainties of new venture creation, create something from practically nothing, and create values by putting together a special combination of resources to

take advantage of an opportunity. This essay addresses the benefits and drawbacks that company owners may encounter in the context of the new rural Indian paradigm.

Narayan, Dr&Vadera, Manish &Vadera, M. (2018). An entrepreneur is someone who takes calculated risks in addition to planning and organizing a business enterprise. Entrepreneurs want to succeed in their enterprise and bring all of their skills as leaders, allocators of resources, managers, innovators, risk-takers, decision-makers, etc., to bear on making the business a success. In India, the names of a few businesspeople have become almost inseparable with the word "success." They see large vision, yet their company was once relatively modest. Entrepreneurs show us how to make our dreams a reality. The tale of those who turn their ambitions into reality is one of setting lofty objectives and being fully committed to their achievement through thick and thin. After hearing the success tales of entrepreneurs, the road ahead may seem enticing, appealing, and inspiring, but it is far from simple. Village life is widespread in India. A large percentage of India's population still lives in rural areas. Growth of rural businesses may help alleviate issues including unemployment, poverty, a lack of basic services, and inadequate infrastructure. Entrepreneurs in rural places are people that operate their businesses from remote locations, making use of available resources. People who move from rural or semi-urban regions to cities now have a great chance to start their own businesses in the countryside. One way to combat rural poverty, migration, and unemployment while also fostering economic growth is via the promotion of entrepreneurship in the region. By creating jobs in rural areas, businesses may improve the quality of life and economic standing at the bottom of the pyramid. In this study, we explore the potential of rural entrepreneurship and seek to identify the numerous obstacles and

constraints that threaten its success. In particular, it addresses the most pressing issues that rural business owners must deal with.

Dr. Samridhi Tanwar (Author) (2022) The value of entrepreneurship has grown in recent years. Seventy-five percent of India's rural population is still engaged in agriculture and associated occupations, making entrepreneurship a crucial part of the country's 2020 plan for sustainable, smart, and equitable development. Creating jobs for the villages is not something the government can do on its own. This means that people in rural regions are encouraged to pursue entrepreneurial endeavors. Entrepreneurship in rural regions has dual benefits: it creates jobs and slows the flow of young people to the cities. Business owners in rural areas may spur growth and influence society by making better use of available resources. If you have an entrepreneurial spirit and want to make a difference, rural industrialization offers a wealth of possibilities. Although obstacles such as family, finances, inadequate infrastructure, and mall culture stand in the way of rural business, self-motivation and the satisfaction of accomplishing a goal may make everything possible.

M.Selladurai (2015) Small business ownership in rural areas is crucial to the growth of India's economy. Considering that over 70% of India's population lives in rural areas, providing them with sufficient resources may foster a thriving environment for entrepreneurs. As far as can be ascertained, rural India is suffering depopulation, economic stagnation, and a younger, poorer, more geographically and economically isolated population than the rest of the country. Notably, most entrepreneur development initiatives are tailored to the requirements of urban India. The only way to alter such policies is to set up specialized hubs that serve as resource hubs and research institutions for rural areas .

Aggarwal, A. (2013), The research team in this study aimed to learn how entrepreneurially oriented (EO) university entrepreneurship professors in Uganda really are. The number of academics teaching about entrepreneurship at colleges and universities was counted. The results show that there are substantial differences in entrepreneurial orientation between those aged 32–38 and those aged 39 and older (Mean=3.9, SD=.31625, p.001) on a 5-point scale. The Ugandan academic community views entrepreneurship as a means to financial and social success, including the creation of new businesses and the taking of calculated risks in pursuit of opportunities to capitalize on one's unique set of skills and interests. While the researchers focused on college professors, entrepreneurship education in Uganda is a systemic issue from elementary school through graduate school. Facilitators at those lower levels, as well as students, should be included in future research to capture their perspectives on what makes a "good" entrepreneurship instructor. As a prerequisite for effective teaching, role modeling, inspiration, attitude change, and lifelong learning, universities should devise strategies to maintain high levels of entrepreneurial orientation among entrepreneurship lecturers, while also assisting entrepreneurship facilitators in becoming more familiar with the behavioral competencies of successful entrepreneurs. We suggest a continuum of EO.

RESEARCH GAP

All of the above studies have commonly explored challenges, problems and opportunities in rural entrepreneurship. There are very limited number of studies that focuses on the antecedent of entrepreneurial behavior in rural entrepreneurship context. Therefore, looking at the present scenario, researchers require to go beyond from just exploring challenges and problems faced by rural entrepreneurs. There is a need to explore the factors that influence rural entrepreneurial behavior among

individuals because challenges and problems in any field are not the outcome of only country's government level loopholes or demographic level problems. Sometimes problem lies in the attitude or way of dealing the situation. There are instances in past where two same rural firms in terms availability of resources, capital and opportunities trapped in the same problem deals situation differently through their efforts and consequently one results in success while other faces failure (Habersetzer, Rataj, Eriksson, & Mayer, 2021). So, it is the need of the time to explore the variables that may play a contributing factor in building rural entrepreneurial behavior and that in turn leads to entrepreneurial success in rural business. So, the proposed research study attempts to explore the role of variables like entrepreneurial effort, resourcefulness and opportunities in shaping entrepreneurial behavior that ultimately results in entrepreneurial success.

RESEARCH METHODOLOGY

The information that pertains to the research design that was used in the study, as well as the measuring scales, sampling method, and instrument that was employed for data collection, is provided in this section of thesis.

Research Design

Research design refers to the framework of a researcher's selected research methodologies and approaches. The design adopted by the researchers enables them to employ appropriate procedures for the study and to conduct future investigations with minimum obstacles. The presented research study focuses on the antecedents of entrepreneurial behavior of rural entrepreneurs and how this behavior impacts entrepreneurial success of rural entrepreneurs. This research has adopted explorative research design to explore the relationships among concerned variables and further

this research study is purely in quantitative nature. For data collection purpose, standardized questionnaires were administered using adopted measurement scales.

Measurement Scales

The questionnaire was divided into different sections that measured entrepreneurial opportunities, entrepreneurial efforts, entrepreneurial resourcefulness, entrepreneurial behavior and entrepreneurial success. This research study had employed established scales to measure the concerned variables as they provide the additional benefits of validity. However, due to the changes in location, time and respondents, researchers have tested the reliability and validity of the scales separately.

Independent Variables

Entrepreneurial Opportunities: -To measure entrepreneurial opportunities 3-items scale adopted from Ozgen and Baron's (2007) was employed on a five-point Likert scale ranging from 1 for strongly disagree to 5 for strongly agree. Items representing entrepreneurial opportunities are 'While going about routine day-to-day activities, I see potential new venture ideas all around me' 'I have a special "alertness" or sensitivity toward new venture opportunities' and 'Seeing potential new venture opportunities does not come very naturally to me' (Reverse coded).

Entrepreneurial Efforts: - Entrepreneurial effort was measured through 2-items scale adopted from Uyet. al. (2015) which they generated two items to measure entrepreneurial effort intensity following the work of Morris et al. (2009) and Stevenson (1999). Items capturing entrepreneurial efforts are "How much effort did you put into venture tasks that are administrative in nature?" and "how much effort did you put into venture tasks that require product or process creativity?".

Entrepreneurial Resourcefulness: - Entrepreneurial resourcefulness was measured through eight-items scale adopted from Zauszniewski and Bekhet, (2011). Although there were different scales available to measure resourcefulness but the rationale for selecting Zauszniewski and Bekhet's scale is the popularity and authenticity of the scale manifested in the previous literature. All the items of the scale were measured through 5-point Likert scale ranging from 1 for strongly disagree to 5 for strongly agree. Some of the items of the scale are "I rely on my family and friends", I can organize daily activities" and, "I seek professionals/experts".

Mediating Variable

Entrepreneurial Behavior: - Entrepreneurial behavior was measured through 14-items scale adopted from Amorim Neto et al. (2020) ranging from 1 for strongly disagree to 5 for strongly agree. Although the items adopted to measure entrepreneurial behavior was originally framed to measure entrepreneurial behavior in educational industry, so to make the items compatible in rural entrepreneurial nature some of the items had been amended. For example, item no.1 "I kept a close eye on new developments in the educational field" had been amended to "I kept a close eye on new developments in rural business field". Further the validity and reliability of the items was also tested to make sure the consistency and authenticity of the items in the scale.

Dependent Variable

Entrepreneurial Success: - To capture the comprehensive view of entrepreneurial success the items in the scale divided into sub-sections measuring the entrepreneurial success in terms of firm performance, workplace relationship, personal fulfillment, community impact and personal financial reward. Items pertaining to entrepreneurial success were adopted from Wach et al. (2016). All the items were measured on 5-point

Likert scale from strongly disagree to strongly agree. Some of the items in the scale are “How successful have you been in the past year in achieving the turnover sales, profit growth etc.?” for firm performance, “How successful have you been in the past year in achieving employee satisfaction and supportive firm culture?” for workplace relationship, “How successful have you been in the past year in achieving for personal work flexibility etc.?” for personal fulfillment, “How successful have you been in the past year in achieving firm social contribution and environmentally friendly firm?” for community impact and “How successful have you been in the past year in achieving personal income growth etc.? for personal financial rewards.

DATA ANALYSIS

The primary purpose of this investigation is to investigate and evaluate the nature of the connections that exist between various variables by testing various hypotheses about those connections. The main data collection is analyzed with the goal of gaining a precise understanding from the results of the study. A number of tables, graphs, and charts have been included to make the information presented more straightforward and useful. AMOS version 22.0 and SPSS version 26.0 were utilized throughout the course of the research project on Windows operating systems respectively. AMOS is a software programme for structural equation modelling, and it is utilized in the process of carrying out confirmatory factor analysis. A structural equation model that relates loyalty to its antecedents is also put through its paces with the help of this.

In order to conduct a variety of statistical methods for the purpose of analyzing the data that was gathered throughout the phase of the study, the packages have been employed. Before using each approach, the same packages are used to do the necessary screening checks on the data to ensure that they are accurate.

Findings of the Study:-

- The level of resourcefulness displayed by rural business owners is proven to be a significant predictor of their ventures' ultimate success. When the effects of resourcefulness in entrepreneurs are measured by their entrepreneurial behaviour, the connection between the two (entrepreneurial resourcefulness and entrepreneurial success) becomes even more apparent.
- Entrepreneurial opportunity is revealed to be a significant determinant of rural business success during the analysis. This relationship between entrepreneurial opportunity and entrepreneurial success is deepened by the behaviour of rural business owners.
- Generally making an attempt is crucial for every endeavour, but that if such efforts are misplaced, they will be wasted. The data reveals no statistically significant relationship between entrepreneurial effort and success. Thus, it is not necessary that efforts in entrepreneurial endeavour always turned into success of the business.
- Since men make up the majority (70%) of participants in this research study, any conclusions drawn from the data is skewed toward males.
- In this research study, the maximum respondent's (78%) age of the participants is over 31. Therefore, it is concluded that most rural business entrepreneurs didn't get their start until after the age of 30.