



SZENT ISTVÁN UNIVERSITY

Doctoral School of Management and Business Administration
Sciences

Ph.D. Dissertation

**BARRIERS AND OPPORTUNITIES OF RURAL
ENTREPRENEURSHIP: INDIAN AND HUNGARIAN
SCENARIO**

PhD thesis

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1. INTRODUCTION

1.1 Background

About more than three fourth of the world's population i.e. 1.3 billion people are living in extremely poor squalors in different parts of the world. It is documented that one in every 5 people is poverty stricken (United Nations Report, 1997). The economies of the world are closely linked and dependent, hence to find solution for a big problem like poverty required co-operation and planning amongst different countries of the world i.e. an association at an international level. As, per the International Fund for Agricultural Development (IFAD), the Millennium Development Goals put forward by the United Nations act as a guiding direction for this international association for development; with the main motive to reduce the population of hungry and poverty thriven people to half by 2015.

Entrepreneurship is the topmost priority of the European Union. With the outline of the development strategy drafted by the European Union in Europe 2020 document it was indicated that the main aim of the EU is the attainment of the smart growth, which is rooted on three platforms i.e. increase in employment ship, increase in the productivity of good and social cohesion. With the main goal of increasing employment as the most important priority in the Europe 2020, the main strategy behind is establishment of entrepreneurship and the self-employment as the key factors playing role in the small growth achievement. To be popularized internationally and the generation of new industries is mainly dependent on the efficient working businessmen.

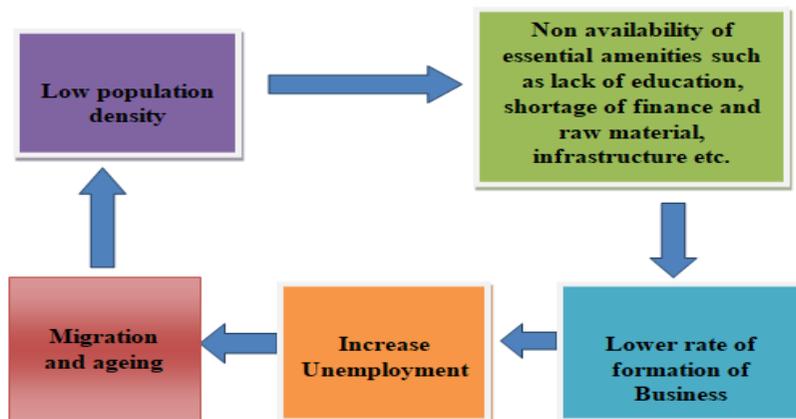


Figure 1. Cycle of declining rural regions

Source: authors own work based on OECD (2006)

1.2 Problem of statement

Entrepreneurship is the pioneer field of research in the last 20 years. The rural entrepreneurs play a challenging role in shaping up the economic development of the country. The up-liftment of rural areas by entrepreneurship helps in proper mobilization and utilization of locally available resources and labor; prevents the migration of skilled labor and increases self-employment rate. However, these entrepreneurs face a huge setback in rural areas due to lack of basic resources like financial stability, marketing, illiteracy rate, poor infrastructure and management problems. The economy of rural areas is more organized and structured, and hence has potential for further developing and fine tuning. Entrepreneur is someone who introduces new goods and services in the market. Entrepreneur is a person who has the skill to undertake and tolerate risks associated with opening of new business (Gough, J.W. M. et al., 1969). The main responsibilities of entrepreneurs are to organize activities, set up new ventures, provide opportunities and take up the responsibility of funding the business as well as channelizing the efforts of individualizes.

However, the current gravity of situation is the entrepreneurs face multitude of problems because of lack of availability of basic resources in developing rural parts of the country. There is an uprising trend in the industrial sector as rural entrepreneurs tend to provide huge employment opportunities. People and companies who promote rural development see rural entrepreneurship as the perfect background and idea for speeding up the process of development in rural areas (Saxena, S. et al., 2012). However, the lack of confidence and the ability to take up a proper decision also affects the entrepreneurship setting up in rural areas (Hookoomsing, D and Essco, P. 2003).

India is an agricultural born country. (Saxena, S. 2012) Nearly 73% of the total Indian population live in rural areas where agriculture and agriculture associated activities are the main sources of their living. The economic growth of the country mainly depends on the progress of rural areas and the standard of peoples living in this area. However, the limited availability of the land is a major obstacle in this process. Rural entrepreneurship is the ultimate solution for all these problems. Entrepreneurship is the best available answer for curbing problems like poverty, unemployment rate. The rural industrialization is seen as an upcoming future plan for reducing poverty in rural areas. The India

Government is putting its best efforts to alleviate poverty and promote entrepreneurship.

In the past decades, the European countries witness a shift in industrialization and other business associated activities from urban to rural areas (EUROSTAT, 2016). New industries are set up outside the cities as well as the already existing industries are opening up new branches. The European governments have identified that about more than 30% of the population is living in rural areas, hence, there is a need for rural development as part of their policy (EC, 2012). However, many Hungarian regions have natural resources and skilled human force. But, due to problems of poor infrastructure and inaccessibility to the modern resources like internet etc. Houses problems like unemployment, brain drains (Small bone, 2009). Attraction of the entrepreneurs is one of the key strategies of improving the rural development of the rural areas. Many studies have documented the status of economic situation in rural Hungary and proposed possible recommendations for the same (Smallbone, 2009). However, few works have been done in this field i.e. to understand the opportunities and problems of Hungarian rural areas from the eyes of a rural entrepreneur.

1.3 Significance of the study

Entrepreneurship focuses on economic growth, economic competitiveness, job creation, as well as improvement of social welfare in any country. Unemployment is key global challenge. Entrepreneurship is the key owing high level of unemployment in rural area. Entrepreneurship has gain more importance in recent year in many developing countries as a way of fostering employment opportunities, boosting economic competitiveness and providing regional and local development and entrepreneurship create job opportunities and also help in development of economic growth. Despite advantages of entrepreneurship in India and Hungary, peoples. Reluctant in perusing carrier in entrepreneurship. The objective of this study to investigate the obstacles that rural entrepreneurs encounter when setting of their ventures, current problems that prevent the expansion of their entrepreneurship as well as lack of motivation prospect for rural entrepreneurship in the rural community.

1.4 Objectives of the study

The objectives of this study are divided into primary and secondary objectives.

Primary objective

The primary objective of this study is to investigate the challenges of rural entrepreneurship in selected rural areas of India and Hungary.

Secondary objectives

In order to achieve the primary objective, the following secondary objectives are formulated:

1. To find out specific factors which creates a challenge in rural entrepreneurship ventures in India and Hungary
2. To determine the rural entrepreneurship perspectives, from their occupational performance and the motivations, values behind business startup.
3. To evaluate and describe the possibilities of rural entrepreneurship development in India and Hungary.

1.5 Research hypotheses

Based on the study objectives and the literature review the following hypotheses were formulated:

H1: There is a significant relationship between challenges of Indian and Hungarian rural entrepreneurship ventures and performance rural Entrepreneurship.

H2: There is a significant relationship between entrepreneurship motivation and entrepreneurial opportunities in the rural areas of India and Hungary to encourage development of enterprises initiatives.

H3: There is a significant relationship between negative perception of rural peoples about entrepreneurship and entrepreneurship development.

H4: There is significant effect of the entrepreneurial values and attitude in support to the success of rural entrepreneurs.

1.6 Conceptual or theoretical framework

The theoretical framework explains the correlation between the independent variables and dependent variables. Below mention framework shows that independent variables influence the proper use of the rural entrepreneurship development. The theoretical framework of this research was developed on research problem and relevant literature.

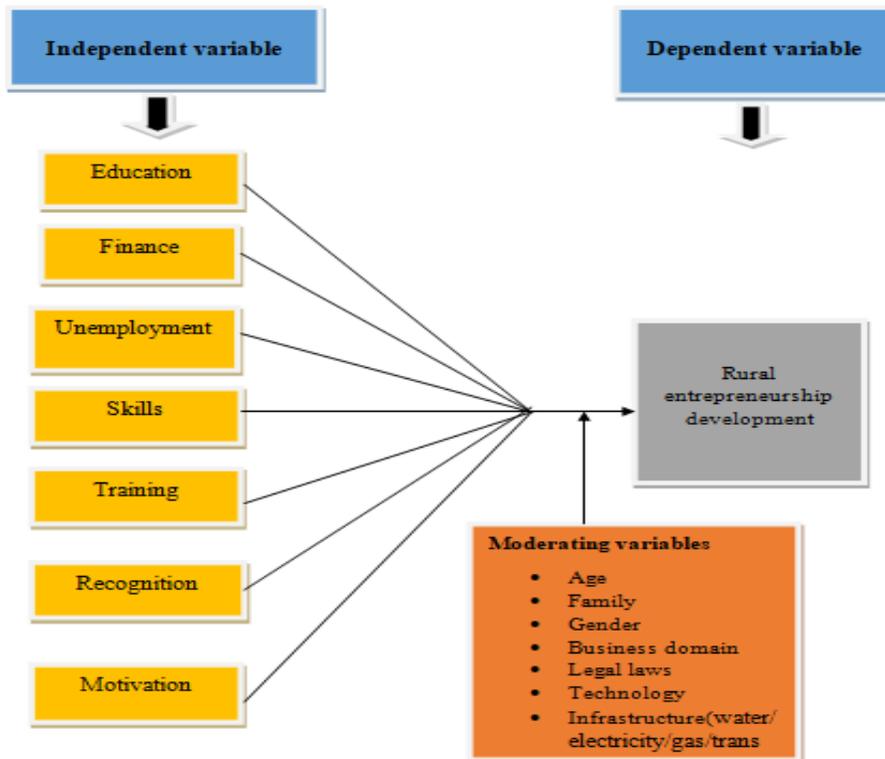


Figure 2. Conceptual framework of research
Source: authors own presentation based on literature

2. MATERIALS AND METHODS

2.1 Background

This chapter will describe the importance of research methodology for this research. There are various types of methodology available to overcome issues by solving the problems and find out the suitable solution for the study. In this research researcher used quantitative methods as a research process and is explained why it is suitable. We can say, a research methodology is the scientific and systematic technique of gathering and evaluating data in order to reach a satisfactory result (Henning E, 2004 and Flick, 2011).

In this chapter an overview is provided about the research methodology that was used to analyze the above stated objective. Also, it helps to investigate data of the research gathered, the research method employed in the study, the data collection techniques used and the target population, the sample size and sampling techniques as well as the data analysis method employed and instrument validity process. It finally looks at the procedures and the limitations faced in gathering these evidences.

2.2 Research Methodology

Research methodology is one of the most important tasks during writing a dissertation. It helps to describe the scientific and systematic search for information. According to the concise Oxford definition of research as “systematic investigation into the study of materials and sources in order to establish facts and reach new conclusions.” Similarly, (Reynolds,2004) defined research as a “systematized effort to gain new knowledge”. In conclusion research methodology refers to the process of obtaining logical and systematic information of any studies.

2.3 Quantitative research methodology

This study quantifies challenges of rural entrepreneurship development in India and Hungary. Quantitative research is an adopted research strategy for this dissertation. Quantitative research method is used because it allows the researcher to get the facts and not abstract about the aim of dissertation (Bell, 1986). Quantitative research methods are basically applied to the collection of

data that is structured and which could be represented numerically. Generally quantitative data is collected when researcher has adopted the positivist epistemological approach and data is collected that can be scientifically analyzed.

2.4 Sample size

Webster Dictionary describe that sampling is a finite part of a statistical population, whose properties are studied to expand data about the whole. At the level of individuals, it can be described as a set of respondents (people) selected from a huge population for the purpose of a survey. The research is basically comparative study which was conducted in India and Hungary. data collection was divided into two phases i.e. phase one was India and phase two was in Hungary,

In this research, owing to the time constrain, the whole population could not be studied in India. A random sample of 340 participants from small and medium size enterprises registered with this district /industries center where selected (Vidarbha region) India. on simple random sampling basis; but out of that 297 entrepreneur's response was evaluated. In the context of this research, first part of study was conducted in India; therefore, the researcher has some advantage regarding data collection since it is her home country. As already stated, population denotes to the entire group of individuals, events or things of interest that a researcher wants to study. It is practically not possible to comprise the whole population in the research. Out of the entire population a sample of 297 subjects of rural entrepreneurs are taken into consideration. In context of the population studied the sample included different SME's, income groups and both sexes. According to the Report of MSME, Government of India (2012), there were 11866 small and medium size units registered with the DICs namely: Chanadrapur, Gondia, Akola, Wardha, Amarvati and Bhandara. These entrepreneurs running their business at Wrora, Tiroda, Khamgaon, Warud, Hinghanghat and Lakhani blocks. The reason behind for choosing these entrepreneurs from taluka/block-wise for survey because these blocks are the centres of various business activities.

Table 1. Distribution of Sample Entrepreneurs (India)

Sr.no	Districts/DICs	Block	No. of SME(Registered)	Sample entrepreneurs
1	Chandrapur	Warora	2098	33
2	Gondia	Tiroda	2370	69
3	Akola	Khamgaon	1520	35
4	Wardha	Hinghanghat	1774	43
5	Amravati	Warud	1830	38
6	Bhandara	Lakhani	2274	79
	Total		11866	297

Source: Annual Reports of the District Industries Centers, 2012

Second phase of research was conducted in Hungary, researcher choose Hungary for research because she is doing study in this country as well as Hungary is one of the developing country amongst central Europe and Small and medium-sized enterprises (SMEs) are the backbone of Hungary's economy. As a result, the economic growth depends on the sector's development ability. Since entrepreneurship is the most important source of employment in the country. Geographically Hungary is divided in 7 regions namely northern Hungary, northern great plain, southern great plain, central Hungary, central transdanubia, western transdanubia, and southern transdanubia. researcher collected 182 respondents sample size from rural areas of above mention 7 Hungarian regions. According to the Eurostat (2017), there were 519648 small and medium size units registered in Hungary. A random sample of 233 participants from small and medium size enterprises registered in seven regions of Hungary on simple random sampling basis, but out of that 182 entrepreneur's response was evaluated, distribution of sample of respondents briefly mention in table. The researcher believes that 479 respondents sample size from India and Hungary was large enough to represent entire population of this study, the larger the sample, the more the population of the study is represented. It means the larger sample is likely to lower the error of generalizing to the population of the study.

Table 2. Distribution of small medium size enterprises (Hungary)

Enterprise size	Number of enterprise		
	Hungary		EU 28
	Number	share	share
Micro	489767	94.10%	92.80%
Small	25750	4.90%	6.00%
Medium	4131	0.80%	1.00%
SME's	519648	99.80%	99.80%
Large	877	0.20%	0.20%
Total	520525	100 %	100 %

Source: These are estimates for 2017 produced by DIW Econ, based on figures from the structural business statistics database (Eurostat 2016)

Table 3. Distribution of Sample Entrepreneurs (Hungary)

Sr. No.	Region	Sample entrepreneurs
1	Northern Hungary	38
2	Northern Great Plain	57
3	Southern Great Plain	27
4	Central Hungary	8
5	Central Transdanubia	23
6	Western Transdanubia	11
7	Southern Transdanubia	18
	Total	182

2.5 Construction the questionnaire

The study from literature review gave valuable insight in to those things essential to measure the problems and challenges facing small medium business owners (entrepreneurs) as well as the apparent achievement of small businesses. A comprehensive questionnaire was designed to evaluate the survey. The questionnaire was based on the related literature on the topic and designed to meet the research objectives. The questionnaire comprised of 8 sections and these sections includes open and close-ended questions and statements with regard to assessing the challenges by and perceived success of the enterprises

(Sections A to E), a 5-point Likert-type scale was used for collection of data and statements was recorded with different levels of responses such as strongly disagree, disagree, neutral view, agree and strongly agree statements.

In this study researcher choose same questionnaire for both countries because with the help of same variables and questions I wants to analyze the results based on challenges, motivation, values, government policies of rural entrepreneurship and analyze situation of rural India and Hungary.

The questionnaire was structured as follows:

- Section1: General statement of people perception for Entrepreneurship
- Section 2: Challenges of entrepreneurs
- Section 3: Motivation factor/ reasons to be an entrepreneur
- Section 4: Entrepreneurial values
- Section 5: Government policies for rural entrepreneurship
- Section 6: Rural entrepreneurship
- Section 7: Rural development
- Section 8: Business and operational information and demographic profile of respondent

2.6 Field of the study

The field of this study falls within the subject discipline of entrepreneurship with specific reference to the challenges and the perceived success of rural entrepreneurs. Data are very important evidential proof. “Formal data collection is necessary to ensure that data gathered is both defined and accurate and that subsequent decisions based on arguments embodied in the findings are valid” (Sapsford and Jupp 2006). Data collection included both primary and secondary data sources.

2.7 Primary data

The questionnaire was a well-established instrument for social science research, for obtaining information on applicant social characteristics, current and previous behavior, standards of behavior or attitudes and their views and motives for action with respect to the matter under investigation (Bird 2009). Therefore, questionnaires were used to collect data as a primary source, which are vital and precise to the success of a business.

In this research, a standardized and identical questionnaire was used for all respondents. The main aim of the questionnaire was to find out the challenges

and problems faced by rural entrepreneurs. The questionnaire clearly states to every respondent that their contribution to this research was invaluable in terms of information, their contribution is completely voluntarily. The instructions provided in the questionnaire were very simple, clear and briefly written. This researcher has employed both Five-point Likert Scale, open and closed-ended questions.

The structured questionnaire was use in this study since its simplicity and probability to obtain relevant information within a short span of time. In India a total of 340 questionnaires that were distributed to the participants of the study, 297 questionnaires were evaluated and use for this study while sample of 233 participants from small and medium size enterprises registered in seven regions of Hungary on simple random sampling basis; but out of that 182 entrepreneur's response was evaluated.

2.8 Secondary data

For helping with the secondary data, the information and other useful information related to the rural entrepreneurship area were collected. Different sources and databases were used for collecting information.

Secondary data comprised an inclusive variety of national and international academic sources and employed both qualitative and quantitative data. While gathering and using secondary data, I had also searched research materials like published national international journal articles, books, internet website and materials received from the respondents as they are the reliable source of understanding the concept and gathering required information about the topic.

2.9 Data Analysis

After collecting data from respondents, Statistical Package for Social Science (SPSS) Version 20 software by IBM was used to present, analyze and to infer the relationship between the variables. Researcher used some descriptive statistics and one-sample t-test to testing research hypotheses and to check the reliability of collected research data from Indian and Hungarian rural area cronbach's alpha test has been applied. This result was based on 297 responses of rural entrepreneurs from India and 182 rural entrepreneurs responses from Hungary, who took part in this study. The result was presented in the form of tables, bar charts in chapter 4 which is result and discussion.

3. RESULTS AND DISCUSSION

3.1 Introduction

The main purpose of this research is to examine problems and challenges face by rural entrepreneurs which prevent their entrepreneurial development, as well as to find out particular factors which demotivates the rural peoples to pursue their career as entrepreneur in rural areas of India and Hungary

The objective of this chapter is to discuss and present the research's findings. Moreover, result and discussion would help the researcher to draw conclusion about rural entrepreneurship in India and Hungary.

3.2 Reliability statistical analysis for Indian and Hungarian data

According to table 3.1 to check the reliability of collected research data from Indian and Hungarian rural area cronbach's alpha test has been applied, the results of the study emphasized that the alpha coefficient for the seven items is 0.731 and 0.753 for Indian and Hungarian data respectively, suggesting that the items have relatively high internal consistency. (Note that a reliability coefficient of .70 or higher is considered "acceptable" in most social and business and management science research situations.)

Table 4. Reliability statistics of research

Sr. No	Question No.	Cronbach's alpha for India	Cronbach's alpha for Hungary
1	04 to 13	0.721	0.716
2	14 to 29	0.718	0.756
3	30 to 40	0.731	0.717
4	41 to 46	0.721	0.78
5	47 to 56	0.728	0.713
6	57 to 66	0.74	0.771
7	67 to 76	0.76	0.823
Mean	4 to 76	0.731	0.753

Source: field survey conducted in India and Hungary

3.3 Indian analysis

In this research first part of study was conducted in India, owing to the time constrain, A random sample of 297 participants from small and medium size enterprises registered with this district industries center where selected (Vidarbha region) India were analyzed.

3.4 Hypotheses Test analysis for Indian Data

For the purpose of verifying the hypotheses of the research in determining the effect our proposed factors, the one-sample t-test has used, which is based on the comparison of the calculated average with the modified average. The null hypothesis is accepted if the significant level is greater than the value of 5%, the results are presented in below table as following

H1: There is a significant relationship between challenges of Indian rural entrepreneurship ventures and performance rural Entrepreneurship

Table 5 . Description about one-sample test for hypothesis one

Test Value = 0					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
121.209	181	.000	38.32967	37.7057	38.9536

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 5. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 108.62. Therefore, it can claim There is a significant relationship between challenges of Indian rural entrepreneurship ventures and performance rural Entrepreneurship.

H2: There is a significant relationship between entrepreneurship motivation and entrepreneurial opportunities in the rural areas of India to encourage development of enterprises initiatives.

Table 6. Description about one-sample test for hypothesis two

Test Value = 0					
T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
166.448	296	.000	55.43434	54.7789	56.0898

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 6. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 166.44 Therefore, it can claim that there is a significant relationship between entrepreneurship motivation and entrepreneurial opportunities in the rural areas of India to encourage development of enterprises initiatives.

H3: There is significant relationship between negative perception of rural peoples about entrepreneurship and entrepreneurship development.

Table 7. Description about one-sample test for hypothesis three

Test Value = 0					
t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
143.481	181	0.8	43.22527	42.6308	43.8197

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 7. there is no evidence to support the hypothesis is a non-significant relationship between negative perception of rural peoples about entrepreneurship and entrepreneurship development and this hypothesis is rejected. Because the corresponding T Value is 143.48 and $P=0.8$.

H4: There is significant effect of the entrepreneurial values and attitude in support to the success of rural entrepreneurs.

Table 8. Description about one-sample test for hypothesis four

Test Value = 0					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
115.030	181	.000	23.82967	23.4209	24.2384

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 8. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 115.03. Therefore, it can claim there is significant effect of the entrepreneurial values and attitude in support to the success of rural entrepreneurs.

3.5 Hungarian analysis

In this research second part of study was conducted in Hungary, owing to the time constrain, A random sample of 182 participants from Hungary were analyzed.

3.6 Hypotheses test analysis for Hungarian data

For the purpose of verifying the hypotheses of the research in determining the effect our proposed factors, the one-sample t-test has used, which is based on the comparison of the calculated average with the modified average. The null hypothesis is accepted if the Sig level is greater than the value of 5%, the results are presented in below table as following

H1: There is a significant relationship between challenges of Hungarian rural entrepreneurship ventures and performance rural entrepreneurship.

Table 9. Description about one-sample test for hypothesis one

Test Value = 0					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
121.209	181	.000	38.32967	37.7057	38.9536

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 9. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 121.20. Therefore, it can claim that there is a significant relationship between challenges of Hungarian rural entrepreneurship ventures and performance rural Entrepreneurship.

H2: There is a significant relationship between entrepreneurship motivation and entrepreneurial opportunities in the rural areas of Hungary to encourage development of enterprises initiatives.

Table 10. Description about one-sample test for hypothesis two

Test Value = 0					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
108.845	181	.000	57.88462	56.8353	58.9340

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 10. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 108.84. Therefore, it can claim there is a meaningful relationship between entrepreneurship motivation and entrepreneurial opportunities in the rural areas of Hungary to encourage development of enterprises initiatives.

H3: There is significant relationship between negative perception of rural peoples about entrepreneurship and entrepreneurship development.

Table 11. Description about one-sample test for hypothesis three

Test Value = 0					
t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
143.481	181	0.8	43.22527	42.6308	43.8197

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 11. there is no evidence to support the hypothesis is a non-significant relationship between

negative perception of rural peoples about entrepreneurship and entrepreneurship development and this hypothesis is rejected. Because the corresponding T Value is 143.48 and P=0.8.

H4: There is significant effect of the entrepreneurial values and attitude in support to the success of rural entrepreneurs.

Table 12. Description about one-sample test for hypothesis four

Test Value = 0					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
115.030	181	.000	23.82967	23.4209	24.2384

Source: SPSS analysis

The result of testing the hypothesis is summarized in table 12. As it can be seen, the hypothesis is supported. Because the $p < 0.05$ and T-value is 115.03. Therefore, it can claim there is significant effect of the entrepreneurial values and attitude in support to the success of rural entrepreneurs.

3.7 New and Novel Scientific Achievements

The contribution of this study investigates some findings which are mention below.

1. In my scientific study it has been prove that major challenges and problems of entrepreneurs face in Indian rural areas were categorized under various statements, from the analysis of results it has been found that scarcity of resources and procurement of raw materials rated higher challenge, while major competition from large sized businesses and urban entrepreneurs rated lower in challenges and problems faced by rural entrepreneurs, on the other side challenges of entrepreneurs face in Hungarian rural areas were discussed under different statements, From the analysis of results it has been found that risk taking and failure is inherent in entrepreneurship rated most important challenge while running a business, while family members were not supportive with

decision to be an entrepreneur in challenges and problems faced by rural entrepreneurs were rated lowest.

2. In my empirical research it has been found that the most key factor behind entrepreneurship is motivation factors or reasons behind to choose entrepreneurial carrier in India were discussed in this research, results shows that to achieve profit or money was rated higher motivational factor while having innovative idea rated lower in motivation factor or reasons behind to choose entrepreneurial carrier. Whereas Hungarian research results shows that to achieve profit and money was rated higher while want to utilize free time rated lower in motivation factor or reasons behind to choose entrepreneurial carrier.
3. Another most important finding of my work was concluded that in government Policies for rural entrepreneurship in India which was mention in that to make availability of fund for education; keep college affordable, whereas Hungarian results demonstrated that economic development directly related to job creation, entrepreneurship development, and wealth creation was rated higher while government polices not focused the need of today's rural entrepreneurship rated lower in government policies for rural entrepreneurship.
4. My results confirm that that the importance of entrepreneurship is slowly being recognized. Moreover, study illustrates that people living in rural area in India were becoming more and more enthusiastic and interested about entrepreneurship. This research stated that to activate entrepreneurship process system it is important to provide basic manpower, money, material, machinery, management and market to the rural population this response was rated higher while it can be one of the solutions to reduce poverty, migration, economic disparity, unemployment and develop rural this response rated lower in entrepreneurship. On the contrary in Hungary study illustrates that rural entrepreneurship brings an economic value to the rural sector by creating, new markets, new products and generate employment opportunities was rated higher while Entrepreneurial occupation rural population to reduce discrimination and providing alternative occupations as against the rural migration rated lower in rural entrepreneurship development.

4. CONCLUSION

The main objective of this study is to investigate major challenges and problems faced by rural entrepreneurs in India and Hungary also find the impact of these problems on the working efficiency, as well as this research also emphasized on the rural entrepreneurship perspectives, from their occupational performance values and the motivations behind business startup.

This chapter addresses answers to the research questions and conclusions were drawn from the findings of this study, and recommendations are put forward accordingly.

This research indicated that rural entrepreneurship development initiatives were lacking in Indian and Hungarian rural area. Similarly, rural entrepreneurship development services were also deficient in the city. Rural entrepreneurs in India and Hungary are devoid of business development services such as entrepreneurship education and training, finance and infrastructure etc. According to results my opinion was major challenges and problems faced by rural entrepreneurs in India and Hungary make impact on the working efficiency of entrepreneurs. This study found that the important issues related to general statement of people perception for entrepreneurship, challenges of entrepreneurs, motivation factors or reasons to be an entrepreneur, entrepreneurial values, government policies for rural entrepreneurship, rural entrepreneurship, rural development, business and operational information and demographic profile of respondents were discussed in research questionnaire.

There are numerous of factors that can force an individual to become an entrepreneur .There are push factors (Insecurity in job, Unemployment, Disagreement, No other alternative option)and pull factors (Recognition ,Competence, Independence, Individual development, Personnel wealth)which affects entry of entrepreneurship .According to conceptual framework of rural entrepreneurship development which mention in framework explains the correlation between the independent variables and dependent variables influence the proper use of the rural entrepreneurship development.

Major challenges entrepreneurs face in rural areas such as lack of education, shortage of finance and raw material, insufficient technical knowledge, conceptual time consuming legal processes,infrastructural problems (water/electricity/gas/transportation etc.), scarcity of resources, limited market and low skilled workforce etc. All the respondents from different firms agreed on some main challenges their businesses face in rural areas.

4.1 Indian analysis

In this research, first phase of study conducted in India. As well as this research employed small medium entrepreneurship activities for development of rural areas of India, the researchers chose Vidarbha region as a research area.

These main issues were discussed according general opinion about rural entrepreneurship in India .Main findings were indicated that respondents who's participated in this study their perception was entrepreneurship development provides new job opportunities as the most significant opinion about rural entrepreneurship Furthermore, according to the respondents who participated in this study, as per their opinion that doing business in rural is good career option were rated lowest.

In this research researcher concluded that major challenges and problems of entrepreneur's face in Indian rural areas were discussed which is categorized under various statements, From the analysis of results it has been found that scarcity of resources and procurement of raw materials rated higher challenge, while major competition from large sized businesses and urban entrepreneurs rated lower in challenges and problems faced by rural entrepreneurs. The most important factor behind entrepreneurship is motivation factors or reasons behind to choose entrepreneurial carrier were discussed and which shows that to achieve profit or money was rated higher motivational factor while having innovative idea rated lower in motivation factor or reasons behind to choose entrepreneurial carrier. Some entrepreneurial values such as, determination, opportunity, capability, risk failurewas discussedin this study. Therespondent's perception of this research stated that i am an opportunist person was rated higher while failures are common phenomena in business recorded lower in entrepreneur value. Another finding of this research was concluded in government Policies for rural entrepreneurship in India which shows that to make availability of fund for education; keep college affordable, for encouraging youth to become future entrepreneurs was rated higher while take initiative for rural entrepreneurship development programmed(EDP) by government and NGO stated lower in rural government policies for entrepreneurship. The importance of entrepreneurship is slowly being recognizedThese entrepreneurs are going to be a vital force in bringing about the much-needed progress and change, especially in economic frontiers, in the country. This indicates a growing interest in rural entrepreneurship, the issue of sustaining and promoting their interest should be the attention of all prospects. This research stated that to activate entrepreneurship process system it is important to provide basic manpower, money, material, machinery, management and market to the rural population this responsewas rated higher while it can be

one of the solutions to reduce poverty, migration, economic disparity, unemployment and develop rural this response rated lower in entrepreneurship.

Interestingly, despite having so many challenges found by this study in the course of establishing and running entrepreneurial ventures in the rural area, some good prospect also emerged about rural development prospect in India shows that education, physical infrastructure, and social infrastructure all play an important role in developing rural regions was received higher responses from respondents while rural development is also characterized by its emphasis on locally produced economic development strategies received lower responses .

4.2 Hungarian analysis

The second part of research was conducted in Hungary. As well as this research employed small medium entrepreneurship activities for development of rural areas of Hungary,

These main issues were discussed according general opinion about rural entrepreneurship in Hungary ,Main findings were indicated that respondents who's participated in this study their perception was rural entrepreneurship brings an economic value to the rural sector as the most significant opinion about rural entrepreneurship furthermore, according to the respondents study that participated in this study, Due to lack of education, majority of rural people are unaware of technological development, marketing were rated lowest.

Major challenges and problems of entrepreneur's face in Hungarian rural areas were discussed and categorized under various statements, From the analysis of results it has been found that risk taking, and failure is inherent in entrepreneurship rated most important challenge while running a business, while family members were not supportive with decision to be an entrepreneur in challenges and problems faced by rural entrepreneurs were rated lowest. The most important factor behind entrepreneurship is motivation factors or reasons behind to choose entrepreneurial carrier were discussed and which shows that to achieve profit and money was rated higher while want to utilize free time rated lower in motivation factor or reasons behind to choose entrepreneurial carrier. Some entrepreneurial values such as, determination, opportunity, capability, risk failure was discussed in thhis study therespondent's perception of this research stated that I believe on my capabilities was rated higher while i am an opportunist person rated lower in entrepreneur value.

Another finding of this research was concluded in government Policies for rural entrepreneurship in Hungary .Shows that economic development directly related to job creation, entrepreneurship development, and wealth creation was rated

higher while government policies not focused the need of today's rural entrepreneurship rated lower in government policies for rural entrepreneurship. The importance of entrepreneurship is slowly being recognized. Moreover, study illustrates that rural entrepreneurship brings an economic value to the rural sector by creating, new markets, new products and generate employment opportunities was rated higher while Entrepreneurial occupation rural population to reduce discrimination and providing alternative occupations as against the rural migration rated lower in rural entrepreneurship development.

The rural development process has various problems which found by this study which shows the process of improving the quality of life and economic well-being of people living in relatively isolated areas. was rated higher while in order to encourage increased production rural development may offer a package of inputs and welfare services for the rural masses rated lower in rural development. The above challenges, motivations and values will influence rural entrepreneurship in many ways. Indeed, businesses encounter a variety of opportunities and challenges every year, which rise for diverse solutions. For instance, what was successful last year might not be the best approach today. However, discover and recognize of all the problems and benefits for enterprises in rural areas common conclusions can be drawn which is necessary for organization growth and achievement. In fact, an entrepreneur would find it helpful to know which obstacles to confront and which profit to confiscate in a given rural area. Despite of the size and the location of the company, effective business idea is the most important which is responsible to creates sustainable future.

In conclusion, rural entrepreneurship field is highly relevant and expanding in today's business research. There is, however, a limited amount of studies focusing on rural entrepreneurship from entrepreneur's perspective. The contribution of this research is to find out the challenges and problems face by rural entrepreneurs in India and Hungary. furthermore, the study yielded a framework suitable for similar analysis of various rural areas. The current study discovered that most significant problem that rural entrepreneurs from India and Hungary come across during formation of new business venture, and consequently running their enterprise consist of; lack of support structures, ineffective programs of Indian and Hungarian government to sustain entrepreneurial development in the region, lack of business funding and start-up capital, high cost involvement and unclear business registration process, lack of business management skills, lack of business resources. Though, people's enthusiasm to involve in entrepreneurial activities was also encouraging. Overall on the basis of challenges and prospects discovered, recommendations to get

better the current situation was made. Thus, the findings and recommendations abide far attainment implication for all entrepreneurs who's concerned about developing rural entrepreneurship in this community.

4.3 Verification of the Hypotheses

The following hypotheses developed on the onset of the research were found in India and Hungary

Number	Hypothesis	Testing results India	Testing results Hungary
H1	Factors such as poor financing, inadequate social infrastructures, lack of managerial technical skills creates a major challenge in the performance of Indian rural enterprises.	Accepted	Accepted
H2	Motivation plays important role while starting a business in the rural areas of India.	Accepted	Accepted
H3	Rural peoples have negative perception towards the entrepreneurship	Accepted	Rejected
H4	Entrepreneurial values and attitude these factors which support the success of rural entrepreneurs.	Rejected	Accepted

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