

Problems of Woman Entrepreneurship Development in Bangladesh: A Case Study of RAKUB

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ABSTRACT

This study is an attempt to analyze the constraints and problems which hinder woman entrepreneurship development in Bangladesh. The study focused on the entrepreneurs who are financed by Rajshahi Krishi Unnayan bank (RAKUB). It is notable that excellent economic and social changes have occurred in the lives of poor women with the credit of RAKUB. However, there are still major problems in the overall development of those female entrepreneurs. The study was based on analyses of both primary and secondary data. It was found that most of these entrepreneurs are illiterate and have no concept of the market. Besides, the study also described major problems like complex and critical problems in taking loans, the lack of knowledge and experience in marketing of products, poor managerial and technical skills, as well as low amounts of capital, huge interest burden, and social and cultural obstacles.

Keywords: Entrepreneurs, women entrepreneurship, Rajshahi Krishi Unnayan Bank, development

INTRODUCTION

Bangladesh is a developing country in South Asia that exists at the bottom of the development status. Approximately half of the total population of our country are women. In fact, all developments cannot be achieved without women's participations in the development sectors of the country

(Sultana, 2006). A country may have resources but the problem of development is to put those resources into the process of production (Hossain & Rahman, 1999). Despite possessing natural and physical resources, machinery and capital may go underutilized or misused if rural human resources are not properly utilized (Hossain & Rahman, 1999). Thus, it is apparent that entrepreneurship development is a prerequisite of all sorts of a nation's development.

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Entrepreneurship is a term which has acquired special significance in the context of economic growth in the rapidly changing socio-economic and socio-cultural climates both in developed and developing countries (Begum, 1993). It is a unique resource which is indispensable for any country's economic development. Woman entrepreneurship development is the key variable which connects socio-cultural environment with the rate of economic development. Towards this end, various governments and NGOs have been working to assist the potential of female entrepreneurs.

Rajshahi Krishi Unnayan Bank (RAKUB) provides credit to the women for alleviation of poverty, creation of self-employment opportunities and development of socio-economic condition. The bank extends collateral-free credit up to Tk 50,000 for poultry, duckery, goatery, dairy, beef fattening, sewing machine, computer and small trading. (RAKUB Annual Report, 2004-05) RAKUB encourages investment in such areas as poverty alleviation, women's empowerment through income-generating activities, environment development, and nursery development. But there are lots of barriers and obstacles in the development of woman entrepreneurship in our country. The paper critically discusses RAKUB's credit operation for woman entrepreneurship development. Again there are some other bottlenecks in our national culture and society that hinder woman entrepreneurship development as well. The paper analyzes different problems of woman entrepreneurship development

in Bangladesh based on empirical data analysis.

PURPOSE OF THE STUDY

The purpose of this study was to explore the problems in relation to woman entrepreneurship development as narrated by female entrepreneurs financed by RAKUB. Some recommendations will also be addressed in purview of the findings.

METHODOLOGY OF THE STUDY

Research Design

With a view to conducting a research study what is necessary is to design the research framework and to select the appropriate research methodology. A research design is simply a framework or a plan for a study that may be used as a guide in collecting and analyzing data. On the other hand, methodology means the underlying principles and rules of organization of a philosophical system or inquiry procedure. This study is based on ethnographic research design.

Methods of Data Collection

There are various methods of conducting socio-economic research such as interview, observation, desk-study method, case study, historical method, and statistical method. In this study, the author followed case-oriented qualitative research strategy. A descriptive and exploratory case study approach was used for the study because why, how and what questions were posed (Yin, 1994, cited in Panday, 2004). Rajshahi Krishi

Unnan Bank was chosen for the study. Case study is a comprehensive study of a social unit. RAKUB was selected due to its establishment, experience, area of operation and diversified functional coverage.

Qualitative researchers are mainly concerned with six assumptions, as follows:

1. Process; 2. Interested in meaning or how people make sense of their life experiences; 3. Researcher the is instrument for data collection and analysis; 4. It involves field work; 5. It is descriptive in that the researcher is interested in process, meaning and understanding gained through words or pictures; 5. Qualitative research is inductive in nature (Cresswell, 1994, p. 145, as cited in Ahmed, 2002, 10 as cited in Panday, 2004). The author has taken this strategy as it would suitable for meeting research objectives.

Sampling Procedure

As the study is a socio-economic research, selection of the respondents is the most significant part. For the purpose of the present study, the respondents were selected in such a way that unbiased results could be obtained as to the effect of RAKUB's expanding programme on the poor borrowers in question. Given the nature of the present study, it was required to collect data both from the primary and secondary sources. Hence, the current study was based on both the primary and secondary data. The primary data were collected through personal interview with female entrepreneurs selected purposively from RAKUB, Rajshahi branch, Rajshahi. All

the respondents took credit for almost five years. Purposive sample sizes are often on the basis of theoretical saturation (i.e. the point in data collection when new data no longer bring additional insights to the research questions).

Data Collection Techniques

The author conducted semi-structured in-depth interview with both bank personnel and female borrowers. Interview guides were carefully prepared so that comprehensive and in-depth results could be achieved for the purpose of the study. The respondents were interviewed cordially at their own houses and offices, respectively. These entrepreneurs were also invited to participate in focus group discussion (FGD), which is also very useful for qualitative research. Each group consisted of about 6-10 participants, depending on their availability. The participants were invited to suggest convenient times and places for the focus group discussion. It was important and useful for the participants to think about, discuss/ debate an issue or a set of issues related to the current research work. It was facilitated by the researcher. FGD assisted the researcher to cross check the data in order to ensure validity. The participants were also allowed to interpret each other's responses.

The data that could not be collected from the primary sources were obtained from secondary sources. Secondary data were retrieved from relevant publications, annual reports and also accounts of Rajshahi Krishi Unnayan Bank. Moreover, various

books, journals, and articles related to the research problem were used for collecting secondary data.

THEORETICAL KEY CONCEPTS

Entrepreneurship may be regarded as what entrepreneurs do. In other words, entrepreneurship is the act of being an entrepreneur. Entrepreneurship is a process of involving various actions to be undertaken to establish an enterprise, while some call entrepreneurship as risk bearing, and others view it innovating and also consider it thrill seeking (Khanka, 2002).

Entrepreneurship is the key to small business development. A country may have resources but the problem of development is to put those resources into the process of production. This can only be made possible through the initiative taken by some persons or organizations (Hossain & Rahman, 1999). Thus, entrepreneurship plays a vital role in the growth and development of any country, especially of a poverty-ridden country like Bangladesh. The development of a country depends not only on its human resources but also on the proper utilization of all the resources. Entrepreneurship development is a powerful instrument to activate the forces of the socio-economic development of a country. The development of entrepreneurship can solve acute problems like unemployment, underemployment, and disguised employment, etc. (Saha, 1995).

The Concepts of Entrepreneurs and Entrepreneurship

An entrepreneur can be defined as one who initiates and establishes an economic activity or an enterprise. Thus, entrepreneurship refers to the general trend of setting up new enterprise in a society (Begum, 1993). ILO (1984) defines an entrepreneur as supposed to have several typical characteristics as self-confidence, result oriented, risk taking, leadership, originality and future oriented.

Meanwhile, women entrepreneurs refer to those who innovate, imitate or adopt a business activity (Khanka, 2002). Entrepreneurship is a set of activities that are performed by an entrepreneur. Thus, entrepreneur precedes entrepreneurship. The definitions described above highlights risk-taking, innovating and the resource organizing aspects of entrepreneurship.

Woman Entrepreneurship Development in Bangladesh

It is important to note that nearly half of the total population in Bangladesh are females. In more specific, the female entrepreneurs deserve special attention to foster, promote, and persuade economic growth. In developing countries, the role of various NGOs like BRAC, Proshika, ASA, Swanirvar etc. on woman entrepreneurship are well-known. They provide support services mainly to the rural women in income generating activities. These organizations successfully make

arrangements for finance, training for income generating projects, assisting in marketing their products, providing educational facilities, raising consciousness and building up self-confidence among the rural womenfolk. In developing the rural woman entrepreneurship, the role of various NGOs is strongly felt in every nook and corner of the country (Pervin & Akther, 2001).

Today, we have several NGOs contributing to entrepreneurship development in the country. The major ones are the National Alliance of Young Entrepreneurs (NAYE), the World Assembly of Small and Medium Entrepreneurs (WASME) Rural Development and Self Employment Training Institute (RUDSETIs). In Bangladesh, the impact of micro credit on poverty alleviation is limited, despite its fame. Hashemi (1998) argues that although micro credit in Bangladesh through Grameen Bank, BRAC, PROSHIKA, ASA and other Governmental and Nongovernmental agencies has succeeded in reaching a quarter of all poor rural households, poverty still persists. One major reason for this may be the limits to micro credit in effectively targeting all of the poor, specifically in leaving out large sections of the hardcore poor, the distressed (Khandker, 1998; Hashemi, 1998; Kabeer, 1998; Johnson & Rogaly, 1997).

In order to build up woman entrepreneurship on a small scale in the rural areas of Bangladesh, the role of Grameen Bank (GB) is unique. It is true that GB is engaged in bringing dramatic changes

and improvements in the socio-economic condition of the rural Bangladesh by providing credit through its non-traditional credit delivery system. In fact, GB has been successful in developing entrepreneurship among the women in villages. Probably, GB is the only coveted financial institution which can claim continued rate of recovery of their loan at 98%. In a free market economy, the role of commercial banks or commercial bank in developing entrepreneurship is always very important. In the case of development of woman entrepreneurship, the role of such banks is equally important. Therefore, the role played by banks and financial institutions for the development of entrepreneurship among women is still not seen in a large scale (Pervin & Akther, 2001).

Most of the literature and studies on the development of entrepreneurship among women provided credit by NGOs. There are limited studies on banks, especially for the Rajshahi region, and this has encouraged the researcher to work on RAKUB.

RAKUB Activities in Entrepreneurship Development among Women

Rajshahi Krishi Unnayan Bank (RAKUB) is a government owned specialized financial institution for financing the development of entrepreneurship among women and its backward and forward linkage industries in the Rajshahi division of the country. The bank was established on 15 March 1987 by taking over of all offices, branches, and other establishments of the Rajshahi Krishi Unnayan Bank (RAKUB) in Rajshahi division, including their assets

and liabilities. In addition to development financing, RAKUB also conducts traditional commercial banking activities. RAKUB started its operations with authorized and paid up capital of Tk 500 million and Tk 60 million, respectively. The paid up capital was enhanced to Tk 980 million in 1999-2000 (Daud, 2008). Its activities, however, increase day by day. The bank took many core programmes for entrepreneurship development among women.

RSCP is RAKUB's own group-based credit programme introduced in 1994 in all the districts of Rajshahi division, except Kurigram. The bank provides collateral-free small loans to poor women and unemployed persons for income generating activities under the programme through 129 branches. Outstanding loans under the project amounted to Tk 153.00 million on 30th May 2005.

Loan Disbursement

Against the lending target of Tk 8500.00 million for the financial years 2004-2005, the bank disbursed Tk 8,697.00 million (102 percent of the yearly target) among 340,633 borrowers.

Under the BSCIC (Bangladesh Small & Cottage Industries Corporation) assisted programme which was implemented by RAKUB since 1987, the credit facilities have been extended to the entrepreneurs of cottage industries for creating self-employment opportunities. The programme aims at economic development and uplifting the craftsmen. Outstanding loans as on 30-06-2005 amounted to Tk 97 million. RAKUB provides credit to the disabled persons for alleviation of poverty, creation of self-employment opportunities and development of socio-economic condition. The bank

TABLE 1
Sub-sector wise loan disbursement

Sub-sector	(Tk million)					
	2004-05			2003-04		
	Target	Achievement	Borrowers	Target	Achievement	Borrowers
Crops	4800.00	4357.00	214951	4200.00	3742.80	196129
Fishery	50.00	89.00	734	40.00	40.10	632
Livestock	350.00	497.00	23119	300.00	417.00	17634
Farm machinery	60.00	71.00	785	80.00	44.60	748
Agro-based industries	250.00	341.00	641	450.00	160.40	691
Cash Credit	1400.00	1933.00	8329	850.00	1368.40	4809
Poverty Alleviation	250.00	226.00	25718	180.00	160.50	13909
Others	840.00	1183.00	66356	900.00	833.50	58116
Total	8000.00	8697.00	340633	7000.00	6767.30	292668

Source: RAKUB Annual Report, 2004-05.

extended collateral-free credit up to Tk 50,000 for poultry, duckery, goatery, dairy, beef fattening, sewing machine, computer and small trading. Meanwhile, Tk 4.00 million was disbursed among 395 disabled persons up to 30 June 2005 (Daud, 2008). Hence, RUKAB has provided credit to female entrepreneurs through different programmes under different conditions. However, there are some basic problems in relation to entrepreneurship development among women, as addressed by both the respondents and bank personnel. The paper mainly focuses on these crucial problems. The following findings reveal the different problems faced in relation to entrepreneurship development among women in Bangladesh.

FINDINGS OF THE STUDY

Bangladesh is a developing country that exits at the bottom of the development status. Women constitute nearly half of the total population. Nevertheless, they are not incorporated in the country's development sector on a large scale. Without their participation and contribution, all out development of a nation cannot be made possible. Thus, like many other developing countries, Bangladesh has also realized the importance of entrepreneurship development among women through public and private sectors. RAKUB is a prominent bank of the country which has been working to develop rural entrepreneurs by providing credit facilities. However, there are still some major problems which hinder

entrepreneurship development among the women in this country.

Firstly, the findings will be illustrated through the following (two) case studies. Each focuses on the problems faced in relation to entrepreneurship development among women.

Case study: 1

Rokeya was twenty-five years old. She was a rural entrepreneur of village Shampur. At first, she purchased two cows by taking up a loan from RAKUB. She started her business in a small scale. She then decided to make her farm larger, so she needed about five lakh taka at a time. For this purpose, she went to the bank but had to face a lot of complexities in reimbursing the loan. She could not fulfil her dream because of the difficulties she had faced. In particular, she lacked the knowledge about banking procedures and formalities, and also works as impediments for female entrepreneurs.

Case Study: 2

Rohima, a 28 year old woman, wanted to start a small-scale fishery firm. She wanted to get a loan from RAKUB in order to initiate her business. When she finally approached the bank, she experienced the complicated procedure of bank loan disbursement which was really difficult for an uneducated village woman like her to understand. The bank asked for many papers as well as her experience regarding this

business, while processing her request. Rohima showed all the legal papers of her business but she did not have the experience in fish farming. As a result of this, the bank refused to approve Rohima’s application for the loan.

The following description will focus on other problems related to women entrepreneurship development that the researcher found from the research.

Complex Procedure in Taking Loans

The female entrepreneurs are facing great difficulty in getting bank loans. They often suffer from getting personal security. Moreover, the complex procedure imposed by banks in taking loans also creates problems for these entrepreneurs.

TABLE 2
Complex procedure in taking up loans

Complex procedure in taking up loans	No. of Entrepreneurs	Percentage
Difficulty in getting loan	35	87.5%
No difficulty in getting loan	05	12.5%
Total	40	100%

Source: Field Survey by the author

Table 2 shows that 87.5% (35 female entrepreneurs) faced difficulties in getting loans from RAKUB, while 12.5% (5 female entrepreneurs) did not face any problems in getting the loans from the bank. From the above table, it is clear that most entrepreneurs faced great difficulties

in taking up loans due to the complex procedure involved.

Marketing of the Products

Marketing of the products is also a major problem for these female entrepreneurs. They sell their products mostly to the village buyers and middlemen in village-based markets and they have no chance to check the actual price of their good.

TABLE 3
Marketing problems of entrepreneurs

Marketing Problems	No. of entrepreneurs	Percentage
No Difficulty in Marketing	10	25%
Difficulty in marketing products	30	75%
Total	40	100%

Source: Field Survey by the author

The table 3 above depicts that out of total 40 rural female entrepreneurs, 75% (30 female entrepreneurs) have faced marketing problems. Among the 30 female entrepreneurs, 10 had credit sales, 12 faced pricing problems due to high production cost and 8 entrepreneurs had low demands for their products.

Supply of Raw Materials

Supply of raw materials is also another problem for these entrepreneurs. In the rural areas, it is difficult to get raw materials and storing it.

TABLE 4
Problems in supplying raw materials

Problem involved in supplying of raw materials	No. of Entrepreneurs	Percentage
Financial problem in acquiring raw materials	21	52.5%
Increased price of raw materials	05	12.5%
Scarcity of raw materials	10	25%
Unsuitable quality of raw materials	04	10%
Total	40	100%

Source: Field Survey by the author

Out of 40 female entrepreneurs 52.5% (21 female entrepreneurs) have had financial problems in acquiring raw materials, 12.5% (5 female entrepreneurs) have faced increasing raw material prices, 25% (10 female entrepreneurs) have had scarcity of raw materials, and 10% (4 entrepreneurs) have encountered unsuitable quality of raw material and legal problem.

Capital Size of Female Entrepreneurs

The rural entrepreneurs have faced initial or venture capital problem to establish or start their enterprises. The following table shows that the majority of the female entrepreneurs' businesses are too small in scale and they tend to borrow small amounts of loan to run their small enterprises. It is important to note that finance is the core problem for expansion of activities in all the categories of entrepreneurs.

TABLE 5
Capital size of female entrepreneurs

Capital Size (Tk)	No. of Entrepreneurs	Percentage
Less than 4000	10	25%
4000-6000	19	47.5%
7000-90000	07	17.5%
More than 9000	04	10%
Total	40	100%

Source: Field Survey by the author

The above figure clearly shows that the female entrepreneurs could not expand their business and this is mainly due to shortage of capital. Finance is the core problem for expansion of activities in all the entrepreneur categories. Accordingly, female entrepreneurs have to pay interest and as such, they almost have no money to reinvest in their businesses.

Female Entrepreneurs' Experience

These entrepreneurs' experience is also an acute problem in taking loan. Most of the female entrepreneurs do not have much experience in the concerned business which also acts as bottleneck to their businesses. The following table shows a clear picture of this scenario.

The authors' survey data show that nearly 87.5% of the female (35 female entrepreneurs) have entrepreneurship experience of less than four years, and only 5 female entrepreneurs have more than eight years of relevant experience. Thus, this lack of experience seriously affects the efficiency of the rural female entrepreneurs.

In addition, the lack of experience is also a problem in taking loan from RAKUB.

TABLE 6
Female entrepreneurs' experience

Female entrepreneurs' experience	No. Of Entrepreneurs	Percentage
Less than four years	35	87.5%
More than eight years	05	12.5%
Total	40	100%

Source: Field Survey by the author

Educational Status of Female Entrepreneurs

It is known that education has an important role to play in the development of entrepreneurs. Educated entrepreneurs can shoulder the entrepreneurial responsibilities effectively. The survey data depict that 62.5% (25 female entrepreneurs) were illiterate, i.e. they have acquired the ability to sign their names only, and 25% have primary education, while 12.5% have secondary education and above.

TABLE 7
Educational status of the female entrepreneurs

Level of education	No. of Entrepreneurs	Percentage
Illiterate	25	62.5%
Primary education	10	25%
Secondary education and above	05	12.5%
Total	40	100%

Source: Field Survey by the author

It is obvious that the percentage of illiteracy in rural areas of the country was generally high and therefore RAKUB was under compulsion to offer financial assistance to rural illiterates who have no formal education but have the guts to take risk and hard labour. But illiterate entrepreneurs cannot make precise use of bank facilities and often fail to make optimum use of their limited resources. There are some other constraints which hinder entrepreneurship development among women as well. These are described below:

Religious Customs and Social Norms

In rural areas, women are very much abided by cultural barriers, norms and customs (Rahman, Hossain & Miah, 2000). Female entrepreneurs constitute a vital segment of loaners of Rajshahi Krishi Unnayan Bank. From the present study, the authors found that female entrepreneurs operating in rural areas are bound to follow the cultural codes, religious customs and social norms. All these barriers are not helpful in the development of female entrepreneurs. They often don't like to discuss their problems with male bank personnel due to the restricted culture in villages. In view of this problem, it is somewhat difficult for bank personnel to perform their responsibilities smoothly specially in dealing with female entrepreneurs working under severe social constraints. Moreover, restricted societal norms do not always allow women to go outside their homes and to be involved in different entrepreneurial activities.

Lack of Infrastructural Facilities

Infrastructural facilities such as transportation, communication and supply of electricity are not at optimum level. These pose a great barrier for entrepreneurship development in the rural area. The authors found that about 75% female entrepreneurs viewed that underdeveloped infrastructure facilities affect the expansion of their businesses.

Lack of Technological Knowledge

Modern development is the development of technologies. Production cannot meet the demand unless its quality is up to the market requirement (Rahman, Hossain & Miah, 2000). The field survey revealed that 95% (38 female entrepreneurs) are practising traditional technology, which ultimately results into increasing inefficiency. The opportunities for training and also the scope of introducing new technology are increasing. Nonetheless, such opportunities are most extended in the urban areas. It is observed that technical assistances are not easily available to the rural entrepreneurs. The respondents also reported that the lack of education and training, inadequate capital and underdeveloped infrastructural facilities are the major problems for technological changes.

Poor Managerial and Technical Skills

It is obvious that production and marketing efficiency are important determinants of entrepreneurial success. Unfortunately,

many entrepreneurs especially women cannot ensure their production and marketing efficiency due to their poor managerial and technical skills. Moreover, they also suffer from operational efficiency because of outdated technology, low quality raw materials and traditional production system. It was found that almost 50% (20 female entrepreneurs) could not ensure their production and marketing efficiency due to the lack of managerial and technical skills.

Problem in Identifying the Right Entrepreneurs

Sometimes identification of the right women with entrepreneurial skill is a difficult job. The responding bank personnel also stated that the problem involved in identifying the purpose of loans was more serious in the case of small female entrepreneurs engaged in agricultural activities and small business activities.

The Burden of Interest

The burden of interest in borrowing loan is very high. It affects not only on their profitability but also causes harm to their economic solvency. The study reveals that after repayment of interest, female entrepreneurs again face deficit of money. Consequently, they have to sell their family's property. Most of the rural women have almost no possibility to expand their operations unless the burden of loan interest is reduced.

Lack of Infrastructural Facilities

Infrastructures such as transport and communication also pose major barriers for entrepreneurship development in the rural areas (Hossain & Rahman, 1999). Some of the respondents opined that they could not generate employment due to infrastructural barriers. In rural areas, electricity, gas supply and other utility services are not widely provided. As a result, they cannot utilize the credit due to these infrastructural barriers.

RECOMMENDATIONS

Entrepreneurship development in the country should receive top priority and integrated effort is necessary from all quarters. The study gives the following suggestions in the light of its findings:

1. RAKUB should follow integrated and specific procedure for the identification of potential rural entrepreneurs. After the identification, the support and sustaining services must be extended to them for desired growth of rural entrepreneurship.
2. The rate of interest in loans to working capital should be reduced and in genuine cases, loans should be invited on concession rates.
3. The procedures of sanctioning loan should be simplified and loan application should be appraised as early as possible. The delay in processing loan should be reduced and specific time limit may also be fixed to dispose of the different aspects of loan processing.
4. Training programme is needed for entrepreneurs' development among women. Most of the female entrepreneurs use traditional technology based and manual skills in their businesses. Technology can play a vital role in saving money and increasing productivity and quality of output. Training should be given to female entrepreneurs so that they can use technology effectively.
5. It is very much essential to establish 'Training Institution' in each Thana to provide well-designed training programme for rural entrepreneurs. It may be pointed out that mere offering of facilities to the rural female entrepreneurs for enjoying certain amount of credit is not enough unless those entrepreneurs can be offered adequate training facilities in order to properly utilize credit.
6. Rural entrepreneurs have severe problems of the availability of raw materials in the right time and at the right price. For this purpose, both communication and transportation systems should be improved.
7. Existing credit sanctioning procedure should be changed. The field workers can help in filling up forms and other formalities.
8. The volume of work in each bank branch has been gradually increasing. In this regard, the number of bank officials should be increased to cope with the increasing volume of work.

9. It is necessary to alter social attitude towards the operation of female entrepreneurs. If the bank works closely with the social and religious leaders, the problem arising out of rigid social norms regarding female entrepreneurs may be solved.
10. The Government should take necessary actions to improve infrastructural facilities, such as communication, electricity, utility services (fuel, gas and water) etc. that will certainly help in improving the socio-economic condition of rural women entrepreneurs.
11. Entrepreneurship courses may be introduced in the informal educational institution in Bangladesh to empower men and women with entrepreneurship skills.

CONCLUSION

It is obvious that the RAKUB has been making contributions to the development of female entrepreneurship in the rural areas of Bangladesh. As the largest development partner in the northwest region, the Rajshahi Krishi Unnayan Bank aims at overall development of the women, as well as all the sectors and sub-sectors of agriculture in this particular region. Besides catering to agricultural credit, financing agro-business and agro-based industries, activities related to socio-economic development and poverty alleviation programmes, the bank performs most commercial banking functions.

Finance from RAKUB has created positive impacts on the income and standard of living of its female participants. The role of RAKUB in entrepreneurship development can be regarded as supportive despite the various operational obstacles faced in the rural areas of Bangladesh. The paper focuses on the problems and obstacles addressed by female entrepreneurs as well as service providers. Nevertheless, the author proposed some specific recommendations to solve the prevailing problems of woman entrepreneurship development. As entrepreneurship development is very important to ensure economic development of Bangladesh, it would be of utmost importance to improve the effectiveness of RAKUB's activities.

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