

# A REVIEW ON NGOS AND RURAL ENTREPRENEURSHIP DEVELOPMENT

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### Abstract

As entrepreneurship development has become modest tool in providing solutions to these two problems Government is involving the NGOs in strengthening its policy matters. With this motto the spirit of entrepreneurship should be spread among youth, women & specially marginalized rural women. To strengthen entrepreneurship from grass root level entrepreneurship development approach has to be reviewed. This paper looks at the entrepreneurship development strategies taken up by the NGOs providing entrepreneurship training to rural people; the problems faced the strengths & weaknesses of the issue of entrepreneurship development.

**Keywords:** Entrepreneurship, development, growth, NGOs, rural market, strategies

### Introduction

Development of entrepreneurship has become a national movement these days. If made an effective tool it can address two great problems of unemployment & poverty. Entrepreneurship development becomesa modest tool in providing solutions to these 2 problems. The spirit of entrepreneurship should be broadened to includerural youth, women specially marginalized rural women. To strengthen entrepreneurship skills from grass root level entrepreneurship strategy has to be reviewed.

Government introduced Prime minister RojgarYojana( PMRY )&TRYSEM these tools were not as effective as Government expected because of several ad ministerial lacunas& implementation hazards. The Government failed to

corroborate support for its programs. This accommodated NGOS to plunge into operation. So far the NGOs were working in traditional areas such as sanitation, health, family planning, eco conservation, primary education etc. Post Liberalization period had immense effects on economy & bloom in economic arena came as a blessing in disguise for these they felt the colossal NGOs as enterpreurship potential in rural areas which could support thriving economy.

The awareness for entrepreneurshipdevelopment in rural areas was a new commencement as these NGOs are targeting the marginal groups. The collaborative attitude of the government with NGOs was helpful in redesigning some of these projects & adoption of new strategies. This helped them to reach rural poor. (Report of

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SupporttoTraining &Employment ProgrammeforWomen)

These days several NGOs are working inentrepreneurship development

- 1. NationalAllianceOf Young Entrepreneurs NAYE
- World Assembly Of Small & Medium Entrepreneurs WASME
- Xavier Institute Of Social Sciences XISS
- 4. SEWA Ahmadabad
- 5. Self-Employment Y Calcutta
- 6. AWAKE Karnataka
- 7. RUDSET Karnataka

**Classification of NGOs:**TheNGOs working towards entrepreneurship development an be classified into 3 categories

- 1. Primary level
- 2. Medium level
- 3. Grass root level

**Objectives**: These entrepreneurship development NGOs provide training which are based on 3 objectives (SCA)

 Stimulation -this stimulates the target groups through outreach programs as orientation seminars, trainings camps, workshops etc. This will instill a inspiration towards entrepreneurship development

- Counseling- This targets at giving extra consultancy services &assistance in preparing a project, purchasing machinery, technical knowhow & other process of setting up a small unit.
- Assistance this stage helps in securing financial assistance through banks government & later marketing the products.

## Strengthsof NGOs

- Entrepreneurshipdevelopment NGOs are easy maintained small offices where their operating costs are very low. Hence they can be set up in any area.
- 2. They have flexibility in operation
- Responsiveness to invent appropriate solutions entrepreneurship development is very handy.
- 4. They are community oriented this helps them to get proximity with rural community &be sensitive to their issues &needs
- 5. Their orientation is always or customer satisfaction
- 6. They act as a sound board for government policies

**Weakness:** but NGOS are not without weaknesses

1. The strategy of the NGOS some time clash with governmental strategy at entrepreneurship development

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- 2. Their lack of proper understanding of entrepreneurship approach sometimes fail miserably
- Lack of entrepreneurshiptrained staff
  personnel with NGOs are a major problem.
- 4. Complete absence of self-assessment of previous entrepreneurship efforts
- 5. lack of permanence of the organization

# Strategies to ensure Rural Entrepreneurship

- 1. Strengthening the raw material base in rural areas.
- As finance is needed to set up any project or plant funds should be made available at low rates of interest
- 3. Providing for modern infrastructural facilities
- Setting up of common production marketing centers & promoting export business&providing close interaction between consumer & manufacturer by avoiding middlemen
- 5. Legislative measures to make government purchase rural products
- 6. Entrepreneurship aptitude & competency building is the need of the hour As entrepreneurship promotion to act with greater skill & new invention in rural needs. Imparting entrepreneurship training

- in schools& colleges. Making it apart of the university syllabus
- 7. Making rural people aware of their potential by disseminating information about precise facility available for new entrepreneurship.
- Institutional 8. training to orient entrepreneurshipin specific productsMr.Chetan L. Hanchateof **AWAKE** considers information dissemination and percolation of technical knowledge in grass root level entrepreneurs in remote & rural areas is also very important as he believes that they are the one who needs to be trained
- Understanding the dynamics of rural markets
- 10. Identifying the needs of the potential customers & traditional customers
- 11. Developing efficient delivery systems for products
- 12. As the purchasing power of the rural poor in on rise these new entrepreneurship plants can focus on entrepreneurship building
- 13. Designing separate set of products for rural consumer apart from urban consumers
- 14. Suiting the rural demands such as ware housing go downs store rooms cloak rooms etc need to be addressed
- 15. Rural people are suffering from inconsistent electric power scarce



- infrastructure unreliable telephone communication system local political pressures which hinder development process
- 16. The villages are scattered over a distant areas sometime sit become is impossible to connect all of them Thus providing an inter connectivity
- 17. Rural fairs &periodic religious gatherings which allow greater visibility are to be channeled properly.( Ramkrishna . H .The emerging role of NGOs in Rural Development of India)
- 18. Trainingdemonstrating, implementin g, empowering, imparting transferring should start from grassroots level AWAKE has a unique approach of through voluntary efforts of successful women by counseling, training, business incubation, mentoring & peer group support.

Conclusion –Thus NGOs should comprehend underlying rural issues to become e successful entrepreneurship development mentors. They should focus on starting a rural enterprise with opportunity challenges support structure regulatory framework.

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