



Capacity building through leadershipway of entrepreneurship development in rural India

Dr. Sashikumar, Asst. Professor & Head, Dept. of Sociology Govt. 1st Grade College for Women, Hassan

Abstract

Rural entrepreneurship has emerged as a huge strategy in development, growth and prosperity of countless rural societies. It has replaced all other factors, resources and facilities of a community applied in promoting rural development. Entrepreneurship as a socio-economic phenomenon is affected by different factors. It is the major force of economic development in village and which also brings about change, innovation and greater options of production services in a rural community. An attempt to identify and investigate the mechanism of rural entrepreneurship and its development for sustainability through providing appropriate solutions for development of sustainable rural entrepreneurship in India.

Key Words- Rural Entrepreneurship, Schedule, Strategy , Community Involvement

Introduction

One of the most important solutions for sustainable rural advancement is the promotion of rural entrepreneurship. Today, entrepreneurship has emerged as a strategy in development, growth and prosperity of rural societies. It has replaced all other factors, resources and facilities of a community applied in promoting rural development. Entrepreneurship as a socio-

economic phenomenon is affected by different factors. Entrepreneurship is the major force of economic development in village and which also brings about change, innovation and production services in a rural community.

By creating the conditions for training rural entrepreneurs, through encouraging villagers to active participation in rural entrepreneurship plans, & by



encouraging governmental and nongovernmental organization to support entrepreneurial activities in village, a new generation of rural entrepreneurs can be developed in India. In a country like India, where Agriculture is the backbone of the economy employing 70% of its working population, rural entrepreneurship is particularly crucial to development. There are attempts to Identify and investigate the mechanism of rural entrepreneurship and its development for sustainability through providing appropriate solutions for development of sustainable rural entrepreneurship in India. (Kishore Choudhary. (2011), Effect of Globalization on Rural Entrepreneurship in India).

Rural Entrepreneurship: Definition

Rural entrepreneurship (RE) can be defined more broadly as the enthusiastic willingness of a villager to organize his or her economic activity, whatever it may be (a business, a job, an

investment etc) with the help of an appropriate technology and practice conceived for a sustainable living. It is intimately linked with sustainability and self dependence. The fact that it has vastly contributed towards creating employment opportunity for the local populace is well known. (Kishore Choudhary. (2011), Effect of Globalization on Rural Entrepreneurship in India).

Along with employment, sales, economic and income growth are also consequences of entrepreneurial development. Employment generation programmes are often linked with entrepreneurship development. The basis for employment generation and entrepreneurship development in rural areas is to enhance the improvement of the living condition of the people, and also, in the process stem rural-urban migration. (Santhi N. and Rajesh Kumar S. (2011), Entrepreneurship Challenges and Opportunities in India). It is a natural phenomenon that the poor look to the labor market, common



property resources and non-farm enterprises, and in a situation where rural non-farm economy becomes stagnant, the result is unemployment, out-migration, urbanization of poverty and the break-up of families. (Santhi N. and Rajesh Kumar S. (2011), Entrepreneurship Challenges and Opportunities in India) .

In a country like India, where Agriculture is the backbone of the economy employing 70% of its working population, rural entrepreneurship is particularly crucial to development. As per indiastat.com, out of the entire force employed in the agricultural sector, 68% are cultivators, while 32% are farm workers. In this very proportion of 32%, there exists Disguised Employment, severely hampering the productivity of the rural locality. (Santhi N. and Rajesh Kumar S. (2011), Entrepreneurship Challenges and Opportunities in India). Disguised Employment refers to groups of people working on the farmland which when taken off the farm do not affect

the farm output. Here, rural entrepreneurship comes to the rescue. It can take off the excess labor from the farms that causes disguised employment. It has been seen in the recent past that despite enough food stocks with government warehouses, people are dying of starvation. This indicates problem with the public distribution system.

Objectives Rural Entrepreneurship

1. All round economic growth of villages
2. Employment generation
3. Encouraging rural educated / semi educated persons to create new / small scale business
4. Encouraging to diversify existing jobs
5. Enhancement of villagers' access to the new goods and services
6. Promoting programs of social security and community welfare in villages



7. Reassuring up gradation of local skills

8. Reducing immigration to cities through creation of local jobs

Problems Affecting Rural Entrepreneurship

There are various problems affecting the rural entrepreneurship in India

1. Deprivation in Capacity Utilization of human resources
2. Irregular Power cuts & indefinite power supply
3. Lack of local availability of Technical know how
4. Lack of information on official procedures
5. Lack of information on innovative enterprise building
6. Pathetic infrastructure conditions & basic amenities
7. Poor governmental Assistance to rural enterprises
8. The effects of globalization & economic liberalization policies
9. The impact of city culture

Issues in promotion of rural entrepreneurship

1. Promotion of rural entrepreneurship creating the conditions for training rural entrepreneurs
2. Promotion of rural entrepreneurship depends on encouraging villagers to active participation in rural entrepreneurship plans
3. Promotion of rural entrepreneurship encouraging governmental and nongovernmental organizations to support entrepreneurial activities in village
4. Promotion of rural entrepreneurship development of infrastructure & development of transport facilities
5. Promotion of rural entrepreneurship providing access to capital particularly capital at risk, granting loan to entrepreneurs,



6. Promotion of rural entrepreneurship depends on expansion of information and
7. Resources and public knowledge,
8. Promotion of rural entrepreneurship relies on

communication systems, connection to information r

expansion of life facilities in village and cases like these provide the conditions to develop entrepreneurship in villages.

Governmental Support

Indian government has comprehended the importance of promotion of rural entrepreneurship hence it is designing new policies to create rural entrepreneurship infrastructures through

Government of India is granting tax exemptions to rural enterprises

1. Government of India is supporting small and medium industries for modernization to rural enterprises
2. Government of India is encouraging small and medium industries to develop cooperation

3. Government of India is assisting with network formation to rural enterprises

4. Government of India is providing subsidies to rural enterprises

5. Government of India is monitoring & supervising thorough appointment of ombudsman in all rural enterprises

6. Government of India is supporting through finance to rural enterprises by setting up rural banks ,cooperative societies , self help groups etc to help funding rural enterprises

7. Government of India is channelizing into farm produce up gradation by



investing on product technology by establishing agricultural colleges

8. Government of India is supporting rural enterprises by establishing a cooperative management area in villages

Creating a Cooperative Management

As Indian agriculture is characterized by

1. Low productivity,
2. Exposure for vagaries of nature like drought & other natural disasters
3. Disparity between agricultural and cash crops,
4. Inadequate infrastructure to provide for value addition,
5. Wide disparity in public-private partnership in agricultural sector development.

Land being limited is unable to absorb the entire labour force throughout the year leading to large scale unemployment and

underemployment. Rural people, in search of jobs, often migrate to urban centre's creating unwanted slums and live in unhygienic conditions of living. A turnaround is possible in the above trend if employment opportunities are made available in rural areas along with basis amenities of life. The real solution to India's economic problem is not mass production but production by masses as was suggested by Mahatma Gandhi. Rural industrialization through the development of rural entrepreneur seems to be the answer to poverty, unemployment and back-wardness of Indian economy. Government of India in its successive five year plans has been assigning increasing importance and support for the promotion and development of rural entrepreneurship.

Conclusion

Sustainable rural entrepreneurship is a strategy for empowering and creating capacity in rural areas in order to change the rural life to an optimal human



model, reducing the gap between the urban city & rural village, creating economic, social, environmental and institutional equalities. In India integrating traditional technologies existing in rural areas with new global technologies can be very handy. Considering a cluster attitude toward development is required. The stratagem to expand petite rural business into a updated modern industry has to be geared up. The combination of approaches integrated rural development and sustainable development are to be made to move hand in hand to be the best strategies for rural development. More value can be created and the production can be also stimulated in these areas by establishing processing industries in villages or their surrounding areas. These changes in economic structure of villages can gradually a move towards reducing gap of underdevelopment & can create sustainability in country like India with profuse options for rural development.

References

- Kishore Choudhary. (2011), Effect of Globalization on Rural Entrepreneurship in India, Half Yearly Global Economic Research Journal, ISSN 2249- 4081, Vol. I, Issue, pp. 88-92.
- Nandanwar Kalpana P. (2011), Role of Rural Entrepreneurship in Rural Development, International Referred Research Journal, ISSN-0974-2832, Vol. II, issue-26, March pp 20-43
- Sandeep Saxena- Problems Faced By Rural Entrepreneurs and Remedies to Solve it- IOSR Journal of Business and Management (IOSRJBM) ISSN: 2278-487X Volume 3, Issue 1 (July-Aug. 2012), PP 23-29
- Santhi N. and Rajesh Kumar S. (2011), Entrepreneurship Challenges and Opportunities in India, Bonfring International Journal of Industrial Engineering and Management Science, Vol. 1, Special Issue, December.
- Shanmukha, Rao Padala. 2007. "Entrepreneurship Development among Women: A case study of



self help Groups in Srikakulam District, Andhra Pradesh." The Icfai Journal of Entrepreneurship Development 1(1).

Shruti, Lathwal. 2011. "Women Entrepreneurs in India." International Journal of Research in IT & Management 1(3)

