

A STUDY OF RURAL ENTREPRENEURSHIP IN THE KHUNTI DISTRICT OF JHARKHAND THROUGH THE MUKHYA MANTRI ANUSUCHIT JAN JATI GRAM VIKAS YOJNA

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Introduction

Background: There are primarily rural areas in the Khunti District. In rural areas, the high incidence of migration has been largely attributed to rural unemployment, in addition to the absence of other options for livelihoods aside from agriculture. The government of Jharkhand launched the MMAJJGVY program in 2015 to promote rural entrepreneurship and reduce migration by offering employment options to educated youth and local women. Traditional, small-scale businesses in rural areas face challenges in adapting to an increasingly globalized environment. 'Obstacles in rural entrepreneurship contribute to the unbalanced development of the region. This study examined the nature of entrepreneurship practices, as well as the challenges they face, and provided recommendations for overcoming these challenges.

Purpose of the study: Efforts are being made to reduce migration and improve employment opportunities for rural communities and educated youths in rural areas. Since the implementation of the MMJJGVY Program in Jharkhand, no study has been conducted to study rural entrepreneurship to identify the challenges being faced by rural entrepreneurs and entrepreneurship practices. Using the MUKHIYA MANTRI ANUSUCHIT JAN JATI GRAM VIKAS YOJNA, we examine rural entrepreneurship in order to identify the nature of entrepreneurship practices and the socio-economic background of the entrepreneurs and their challenges. Examine the future development of Sustainable entrepreneurial opportunities in rural areas as alternatives to making a living for the rural population. We then formulate recommendations based findings of the study.

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OBJECTIVES OF THE STUDY

- Identify nature of entrepreneurship practices.
- Identify the socioeconomic background of the entrepreneurs under study.
- Exploring various sectors for entrepreneurship development.
- To determine the key problems that entrepreneurs face and provide recommendations.

Methodology

STUDY DESIGN: This is a descriptive study and describes the situations occurring at present.

SETTING: Blocks, Khunti, Murhu, and Arki under Khunti District.

SAMPLE SIZE: Total 100 Entrepreneurs. There have been 100 participants in the survey and a questionnaire has been taken into consideration for the study.

SAMPLING TECHNIQUE: In this study, convenience sampling techniques were used to collect data. Participants were selected as convenient because the location was very interior and Nexalite was very active in the region.

STUDY PARTICIPANTS: Entrepreneurs who are beneficiaries of MMAJJGVY were the study population residing in the study area.

Inclusion Criteria:

- Participants over the age of 14 will be included in the study.
- Participants who give their consent.

Exclusion Criteria:

- Individuals under the age of 14.
- Individuals residing outside the Khunti district.

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DURATION OF THE STUDY: A study was conducted between March 21st and June 18th, 2022.

DATA COLLECTION PROCEDURE:

Data Collection Method

Survey Method

Tools

Semi-Structured Questionnaire

The study is supported by data from both primary and secondary sources.

A Face to Face Survey covering all the study's supporting factors—namely, the subjects' personal information, business information, the purpose of the business, financial aspects, motivating factors, government programmes, problems, and other pertinent areas—was distributed in order to gather the primary data. Books, journals, magazines, periodicals, government and research publications, planning commission documents, newspapers, earlier studies, and websites were used to obtain secondary data.

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DATA ANALYSIS:

The data was collected using the Face to Face Survey method. Microsoft Excel is used to calculate the percentages, create graphs based on and analyze and interpret the data in the study from the questionnaire.

LIMITATIONS:

- An analysis of primary data has been done in this paper, and the study is based on the available information provided by the respondents.
- Researchers were unable to obtain all of the information was seeking from the respondents.
- Only the perspective of the entrepreneur concerned was used to collect the data required for the study.
- The study is limited to 100 respondents.
- This research has been conducted in Khunti District, and individuals residing outside of Khunti District is not considered for participation in this study

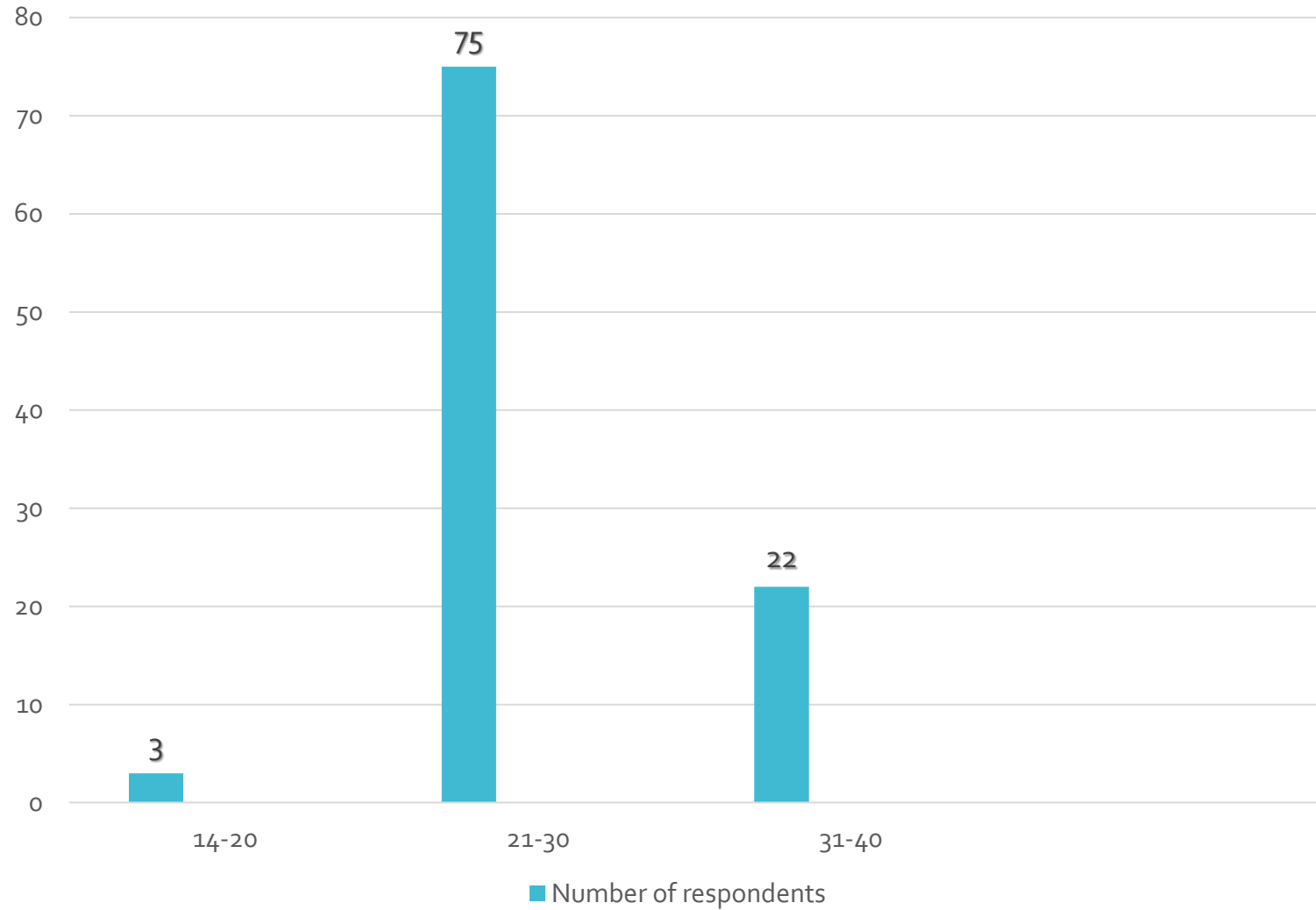


Findings

Age

The majority of respondents are within the age range of 21-30, which is the age when most people start considering income generation in order to plan for their future and considered as Youth.

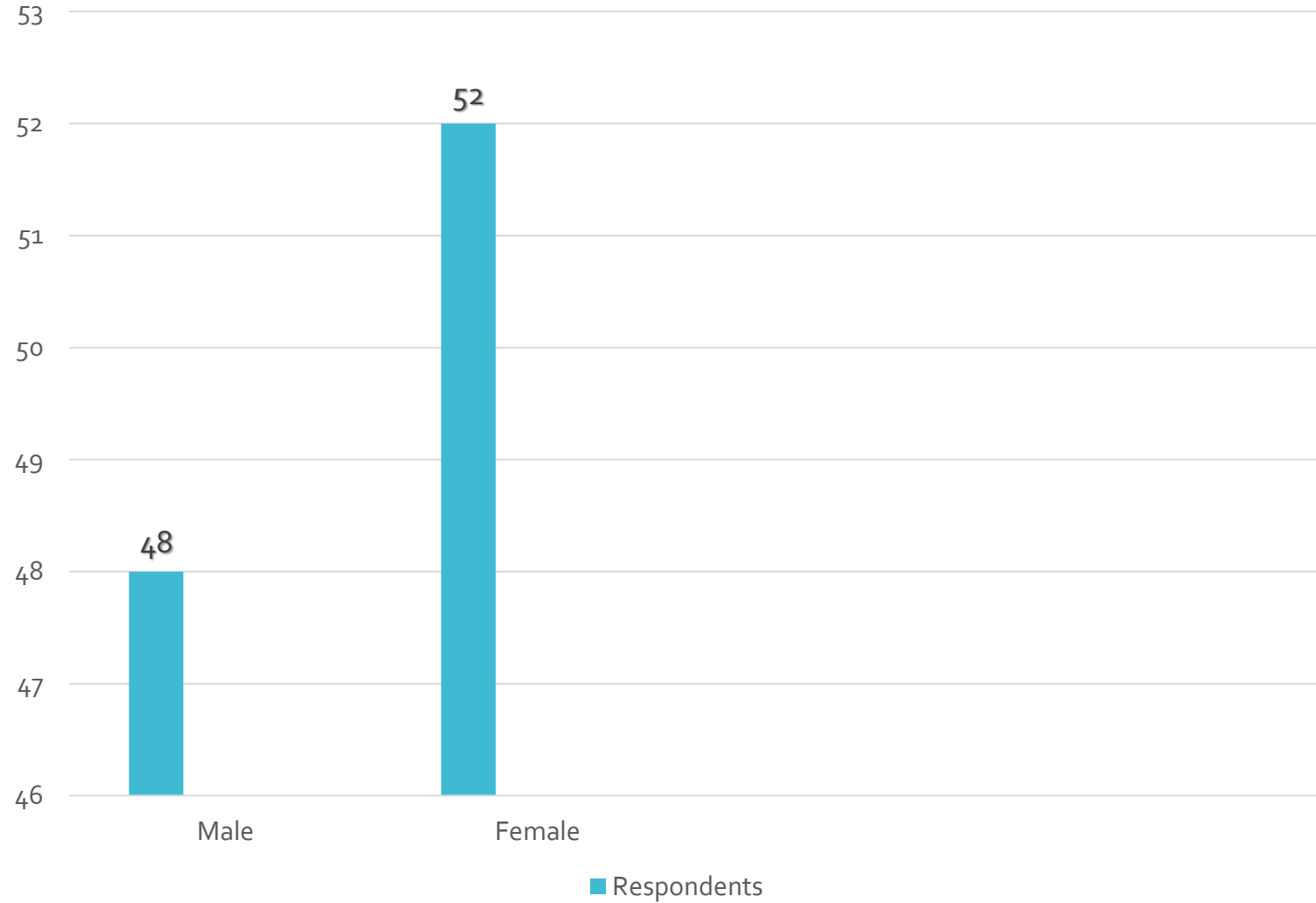
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Gender

The majority of respondents were female. This is a good sign for achieving gender equality and as India's economic situation improves, it will be able to generate its own income and become self-sufficient.

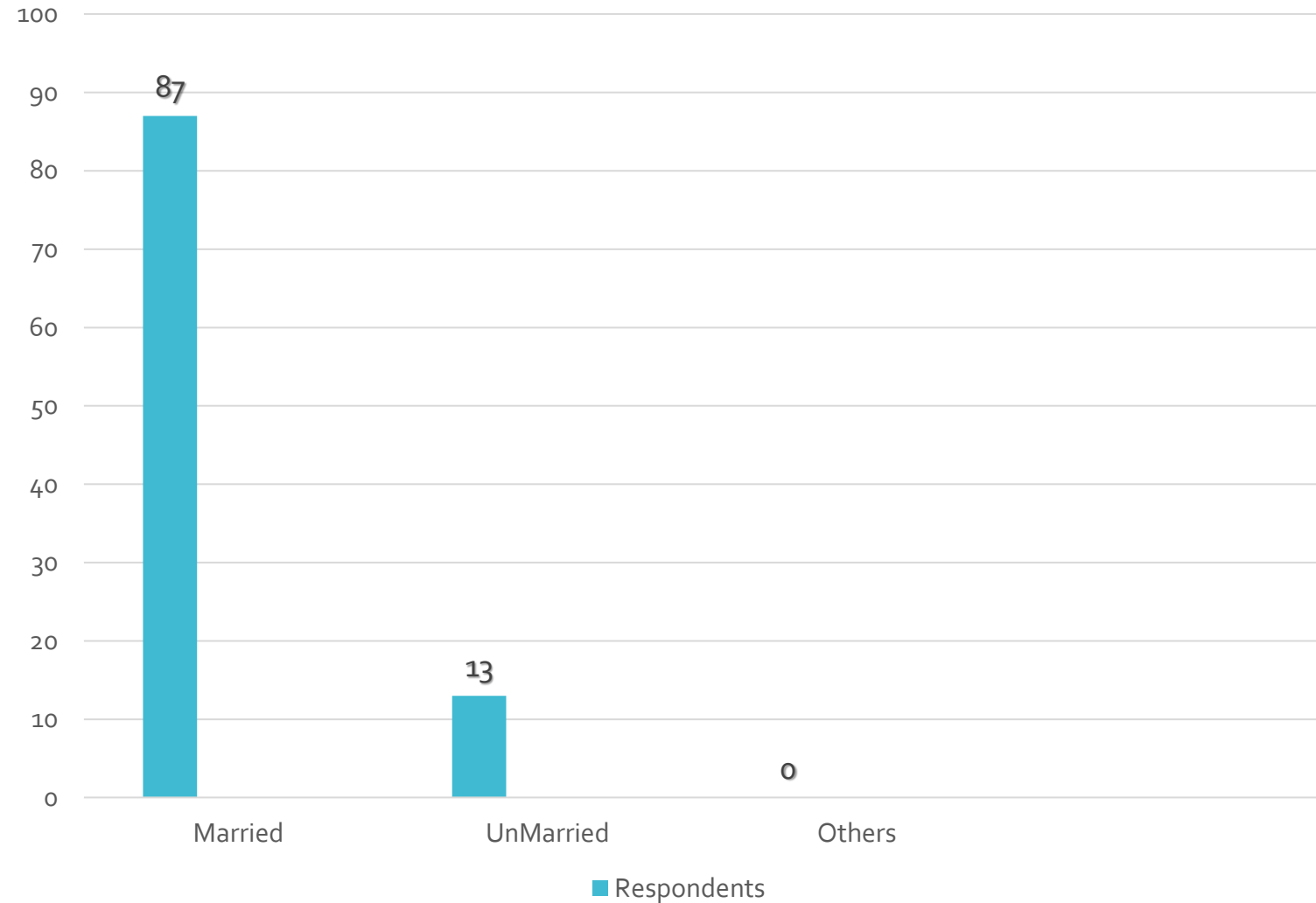
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Marital Status

The majority of respondents are married since India's social structure encourages people to work, enter into business, or engage in money-making activities after they have married.

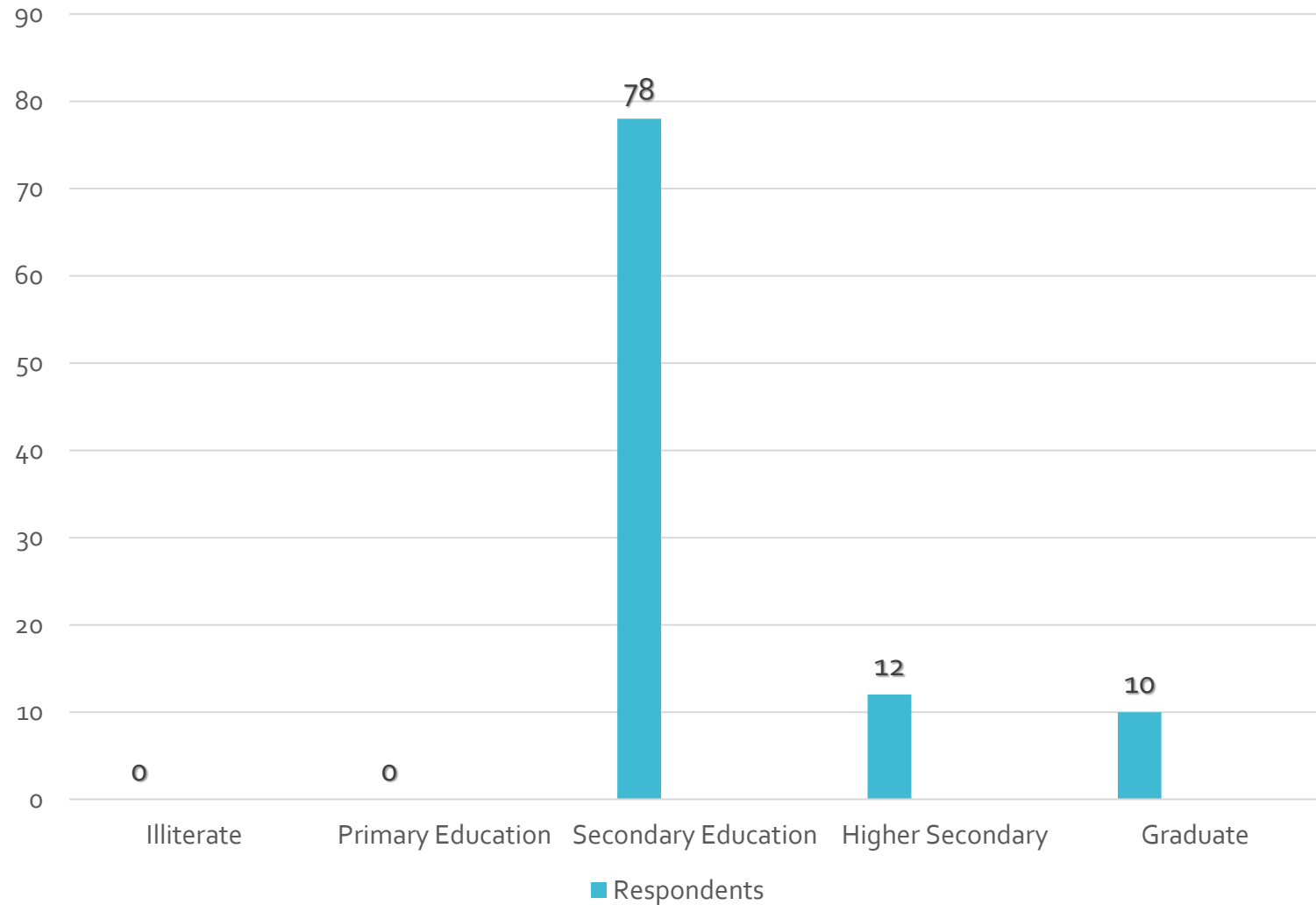
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Educational Qualifications

As the majority of respondents have completed their secondary education, it shows positive signs in literacy and Despite their education, since they live in backward areas and have not explored the world as much as other communities, they are unable to cope with the challenges and changes. The fact that they are educated is a good indicator that they will be able to contribute more with their commitment, education, and vision in the future.

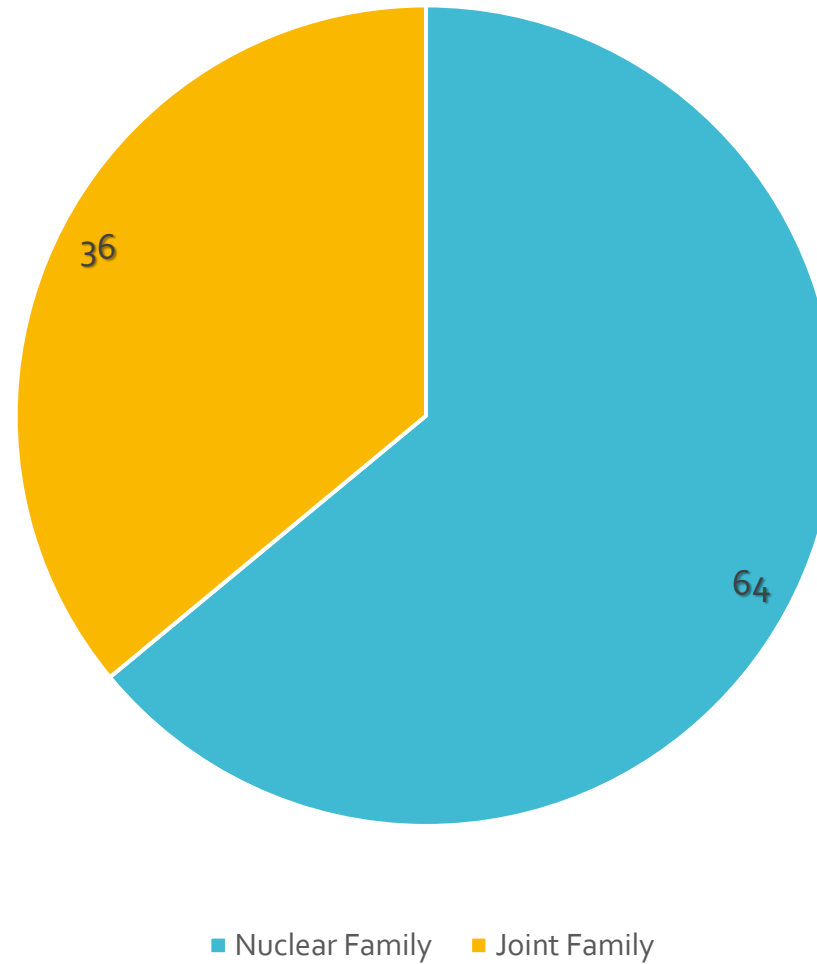
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The Nature of the Family

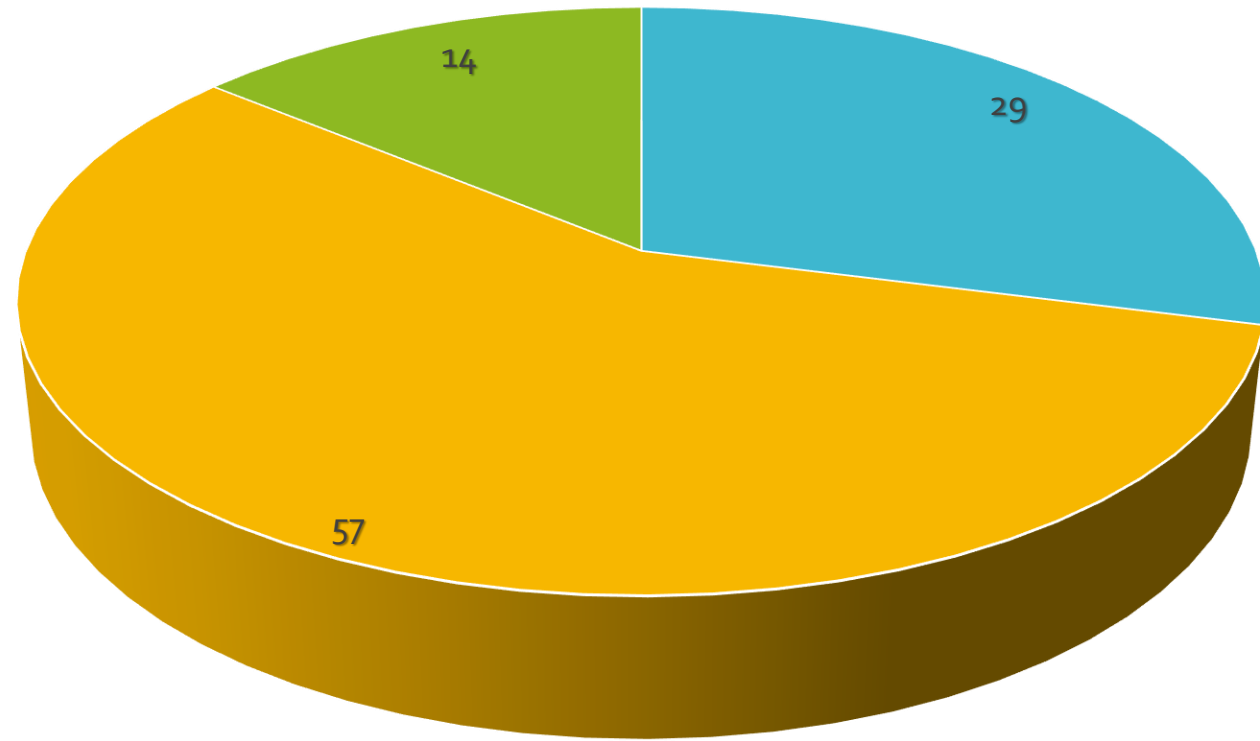
The majority of entrepreneurs belong to joint families, indicating that they receive assistance in supporting business operations. This is because joint family members are closer and more supportive than nuclear family members, which is an Indian tradition.



N=100

Family Size

The majority of respondents have a family size of 6-10 members, 29% have 1-5 members, and 14% have more than 10 members. The study found that on average, families with more than six members experience a rise in social and financial obligations as they grow. However, other members of the family contribute income to the household, but not on a regular basis. This may prevent them from developing their businesses.

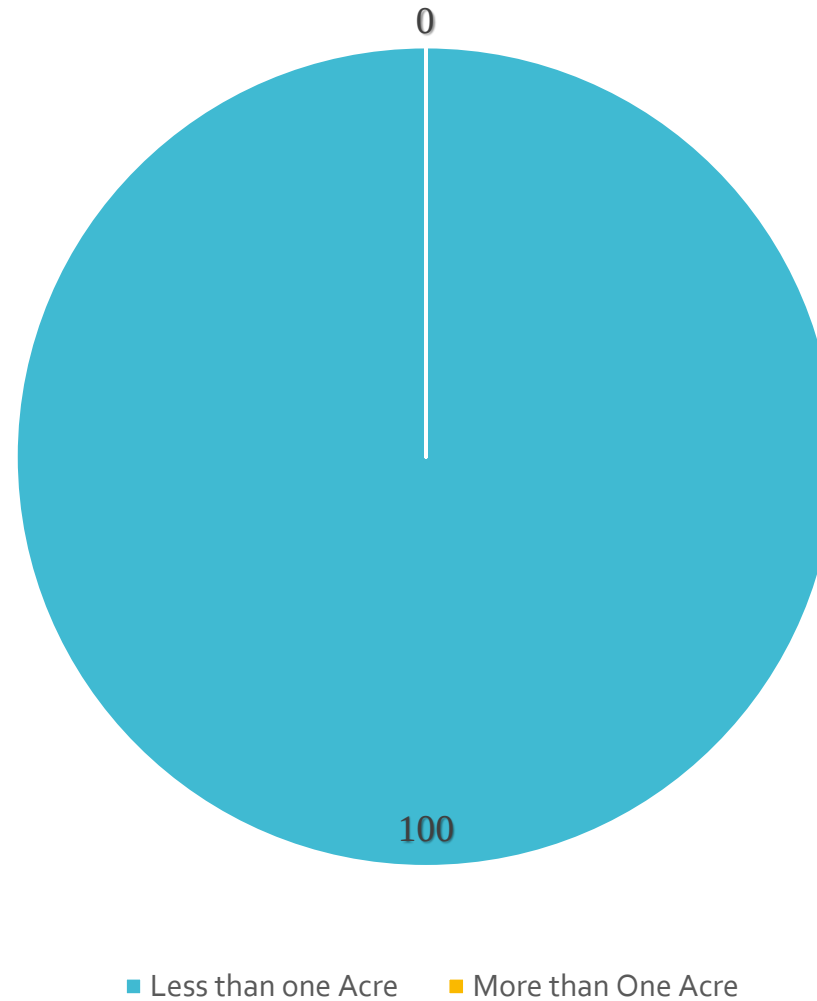


■ 1-5 Members ■ 6-10 Members ■ More than 10 Members

N=100

Land Holdings

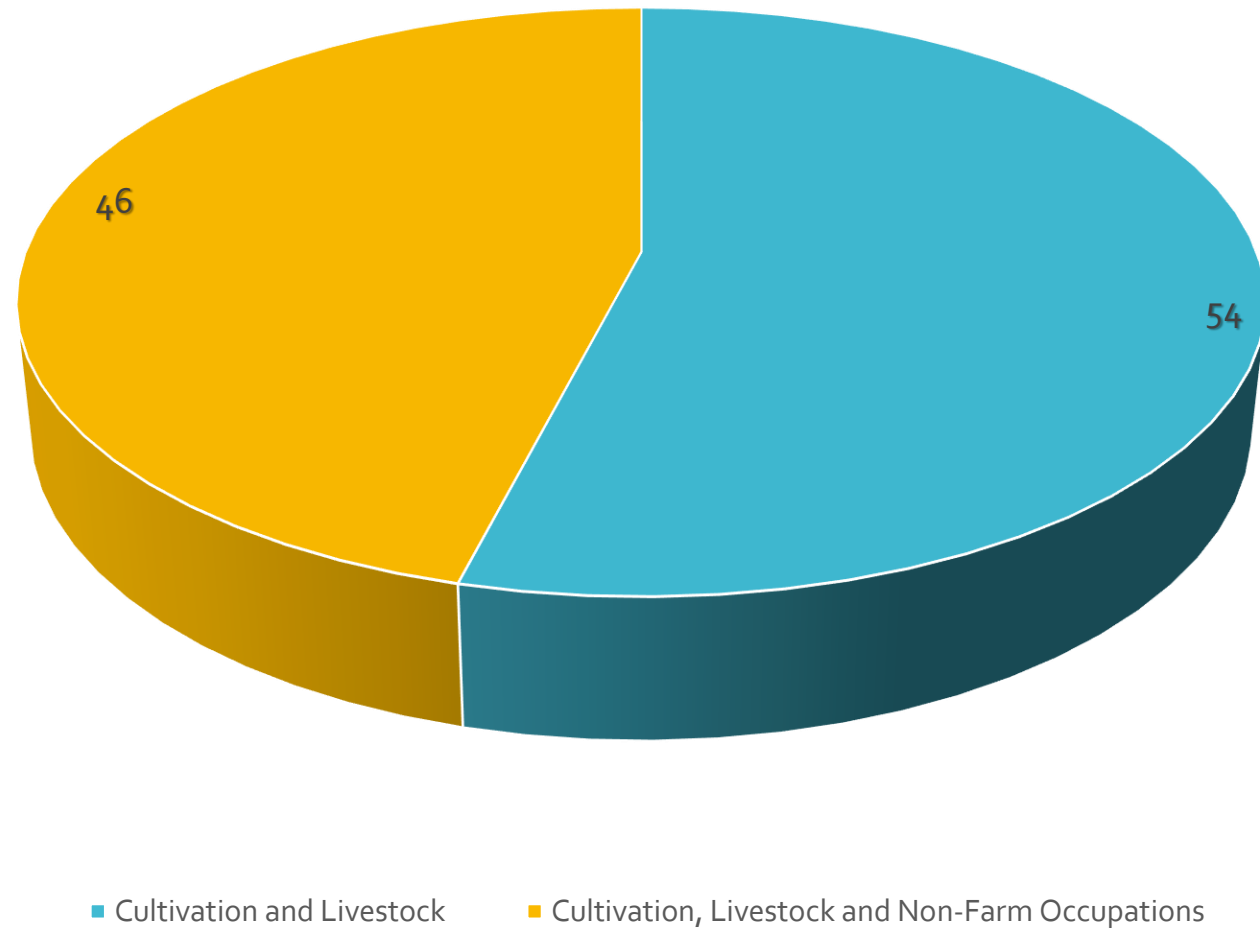
In most cases, the entrepreneurs are members of a joint family, and the majority of respondents have less than one acre of land, indicating that land size is a problem for most families, and this contributes to low farm productivity. In cases where there are six or more family members in a joint family, agriculture is not sufficient as an alternative employment option. As a result, rural entrepreneurship has become an important and significant source of income for many families.



N=100

Other sources of Family Income

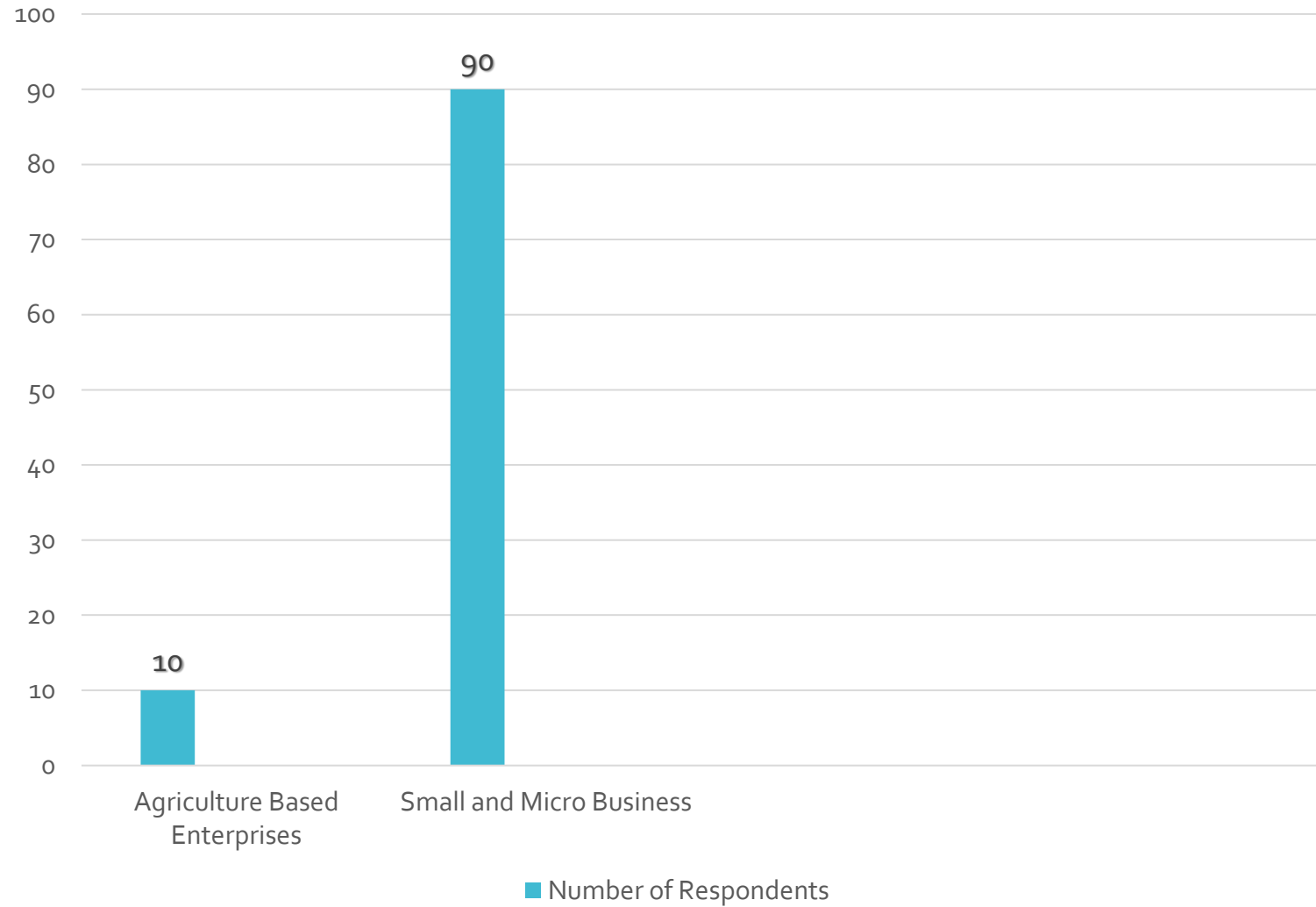
The majority of respondents have other sources of income from cultivation and livestock, but not on a regular basis. This is because their land is small and their capacity to produce is limited. In some seasons, the farm's production is high, while in others, it is difficult to sell due to low production. As regards the livestock, profits are good only at certain times of the year, such as during festivals, monthly fairs, etc. In this area, every household has livestock for personal consumption. Among 46 of respondents, there is one additional occupation other than farming, which is a wage-earner. This type of work is irregular, and family members are employed as soon as work becomes available.



The Nature of entrepreneurship practices (Rural Enterprises)

Among a hundred entrepreneurs, 90 have small or micro businesses, and only 10 entrepreneurs have agricultural enterprises.

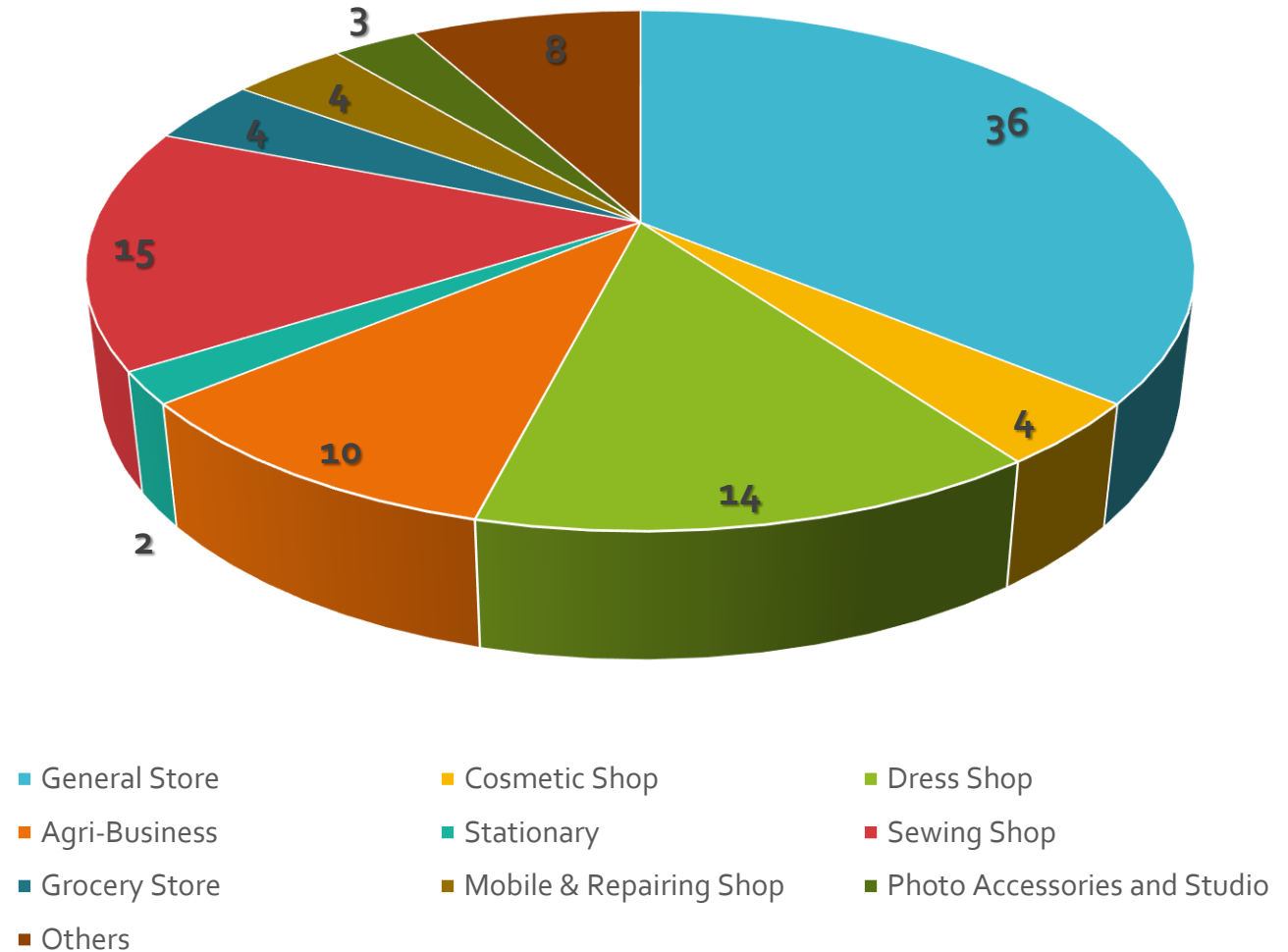
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Entrepreneurs Involved in a variety of trades

Major categories of entrepreneurial activities include small and micro enterprises, such as, dress shops, sewing shops, grocery stores, stationery shops, photo studios, and many others. Involved in an agricultural business that includes selling paddy, operating power tillers, using aaata chaki for agri-processing, and running a fertilizer shop.

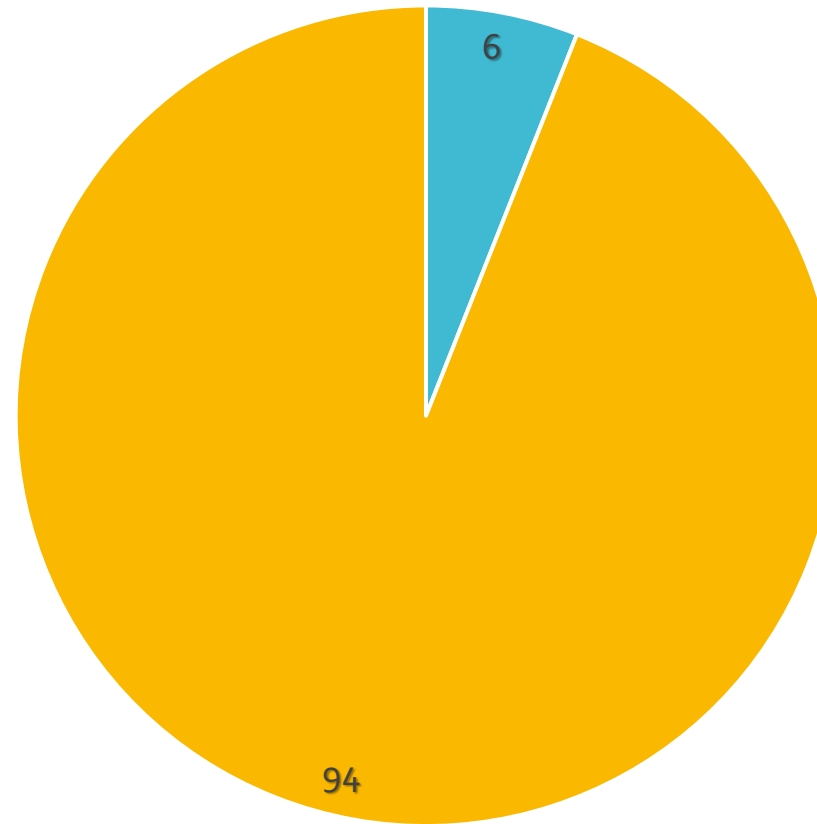
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N=100

The Legal Status of entrepreneur's businesses

The majority of entrepreneurs operate unregistered businesses.

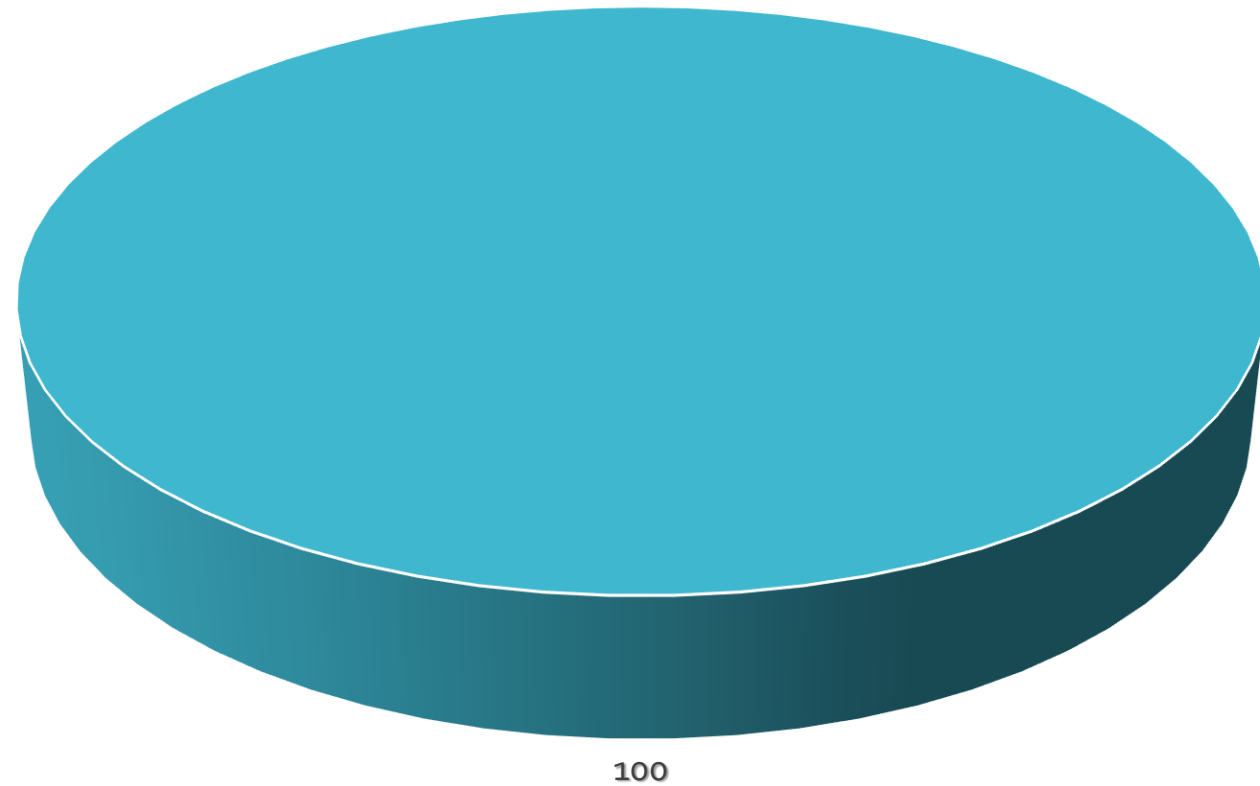


■ Registered ■ Not Registered

N=100

The Type of ownership

A business owner is solely responsible for his or her business and no partnership business or other type of business is involved.

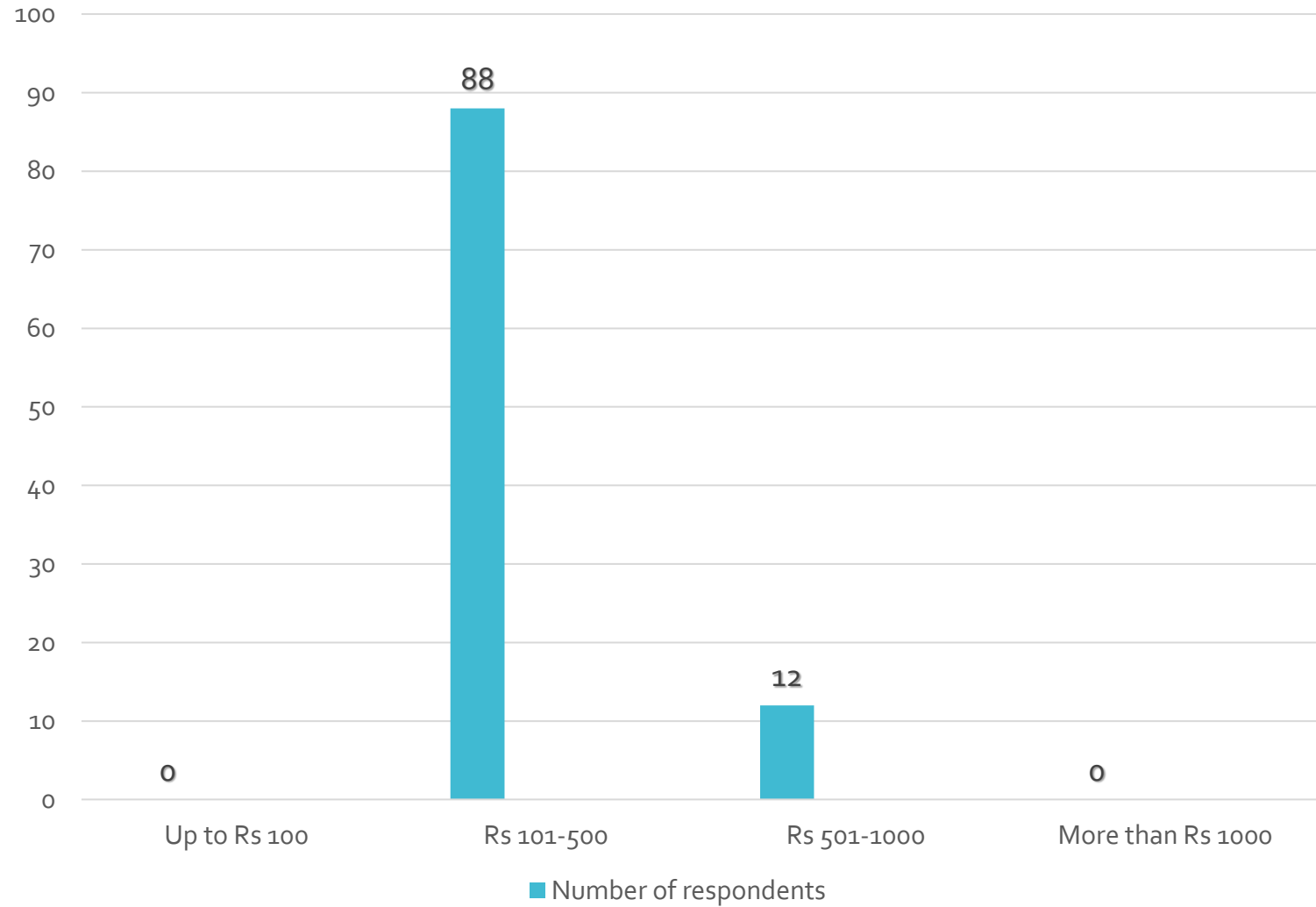


■ Individual ■ Partnership

Income Status of entrepreneurs per day

The majority of respondents earn a daily income ranging from Rs 101 to Rs 500 from their business.

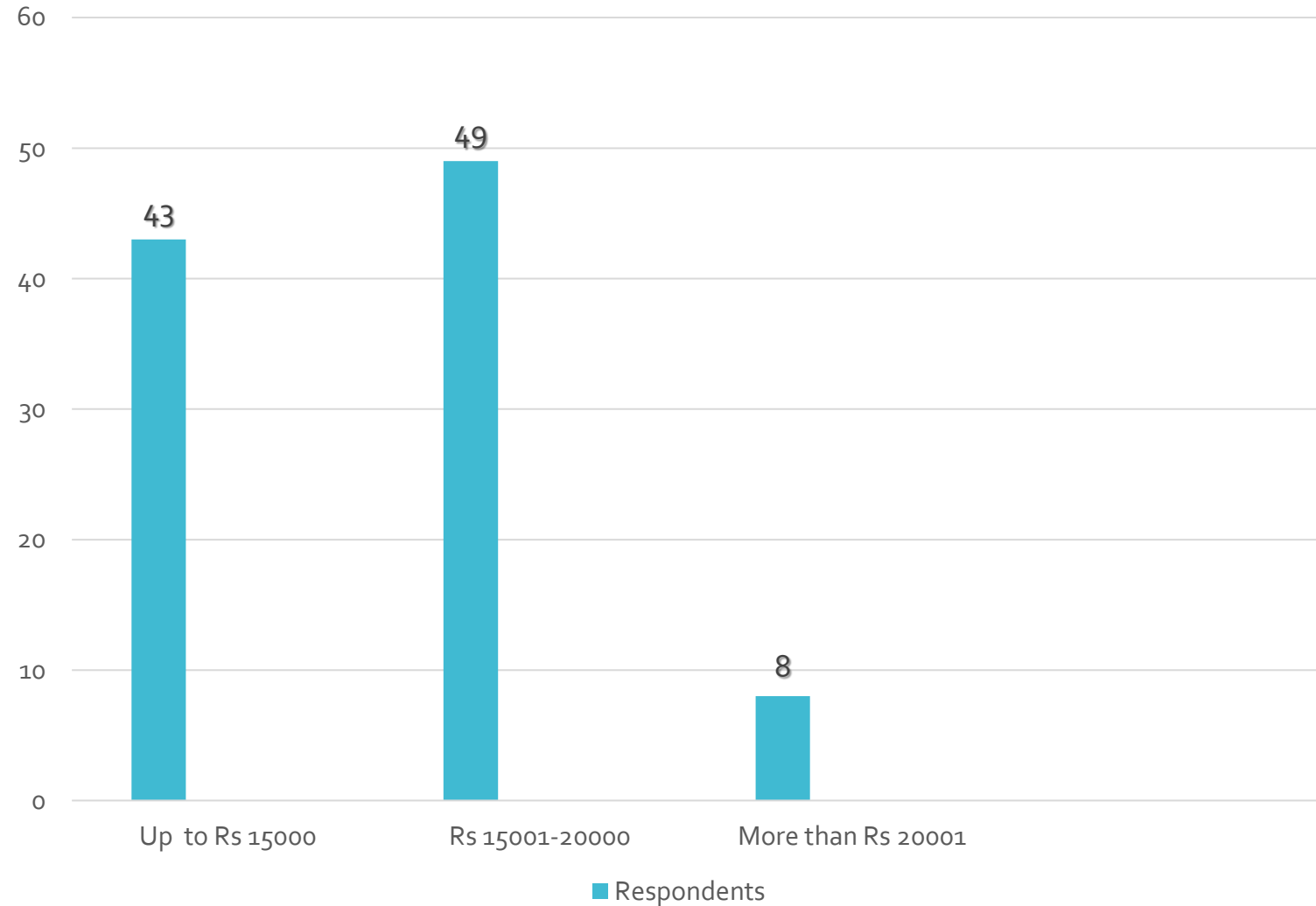
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Monthly Family Income of entrepreneurs

It is estimated that the majority of entrepreneurs' families have a monthly income between 15 thousand and 20 thousand rupees, with 43% having incomes up to 15 thousand rupees, and 8% of entrepreneurs having incomes over 20 thousand rupees.

N=100

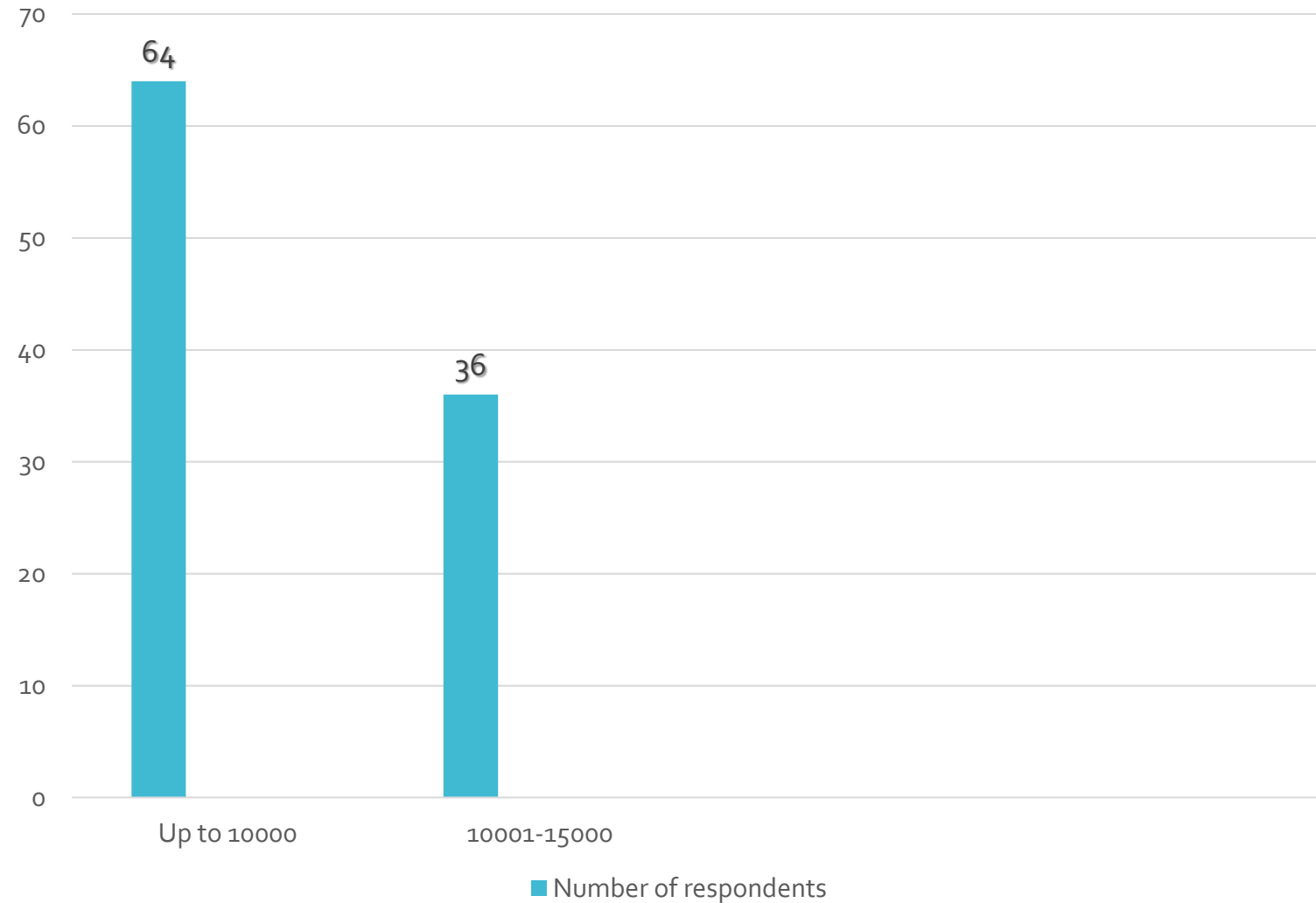


Monthly Family Expenditure

Most entrepreneurs have monthly expenditures of up to ten thousand rupees and 36% have a monthly expenditure of ten thousand one to fifteen thousand rupees.

It is observed that out of 100 respondents, the majority have only 5k-7k saved. Some of the members of the family, however, have completely spent their monthly family income, so they have no choice but to save. There is a need for behavioral changes in order to promote savings habits. The behavior of entrepreneurs may directly or indirectly influence their entrepreneurial behavior and the growth of their enterprises.

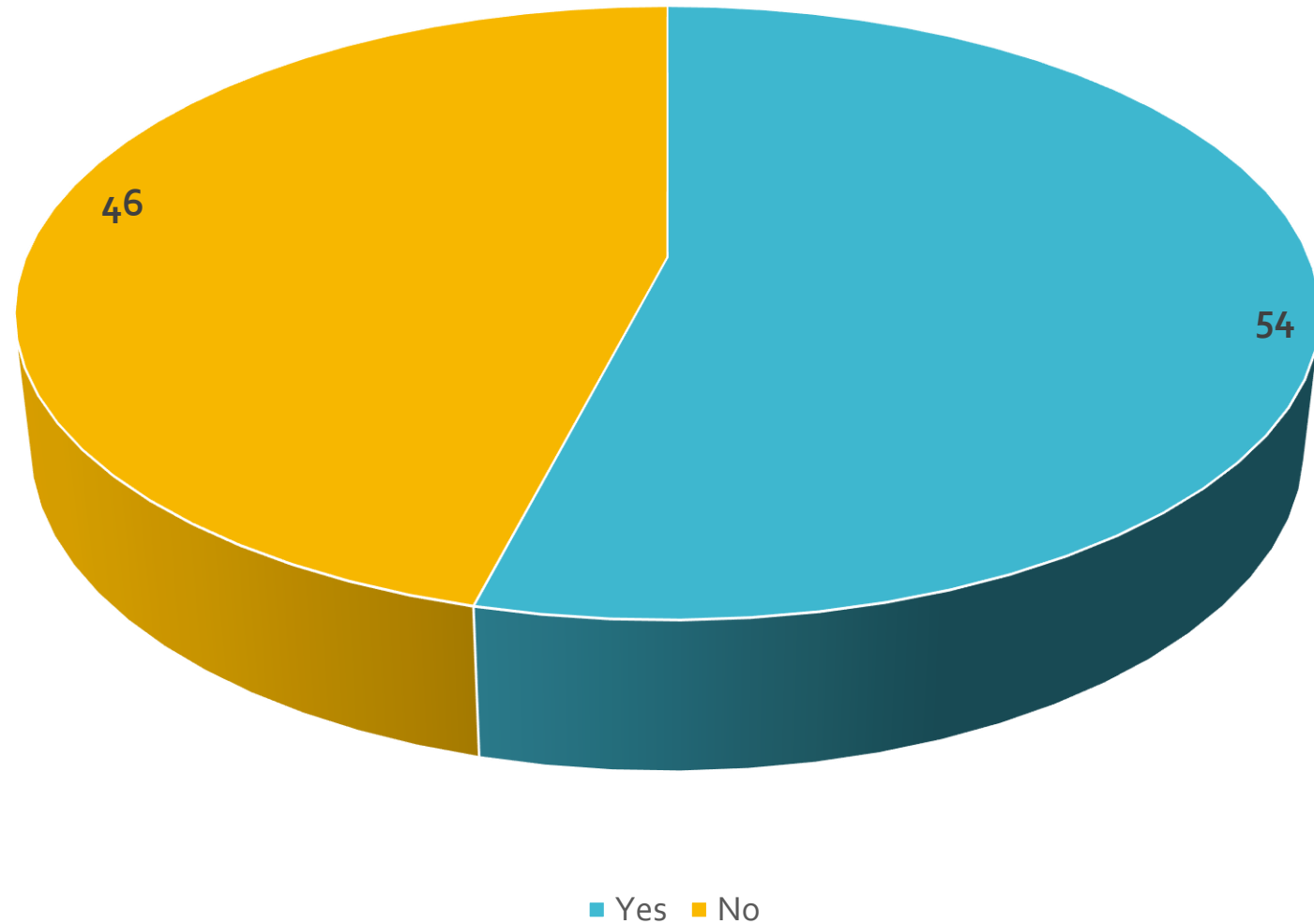
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N=100

Respondents Data Prior to start-up, they migrated for employment reasons.

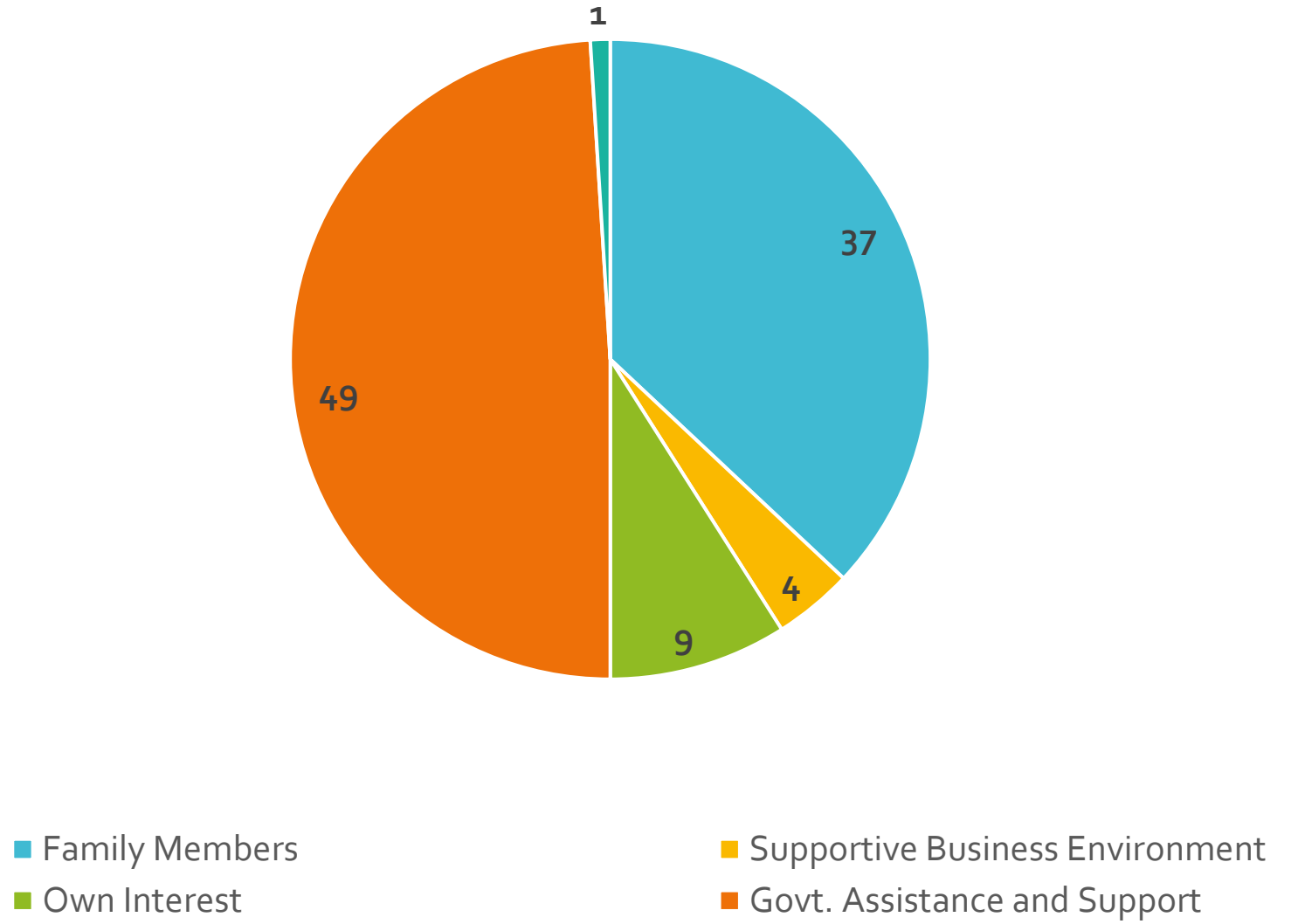
The majority of respondents indicated they moved for employment reasons prior to start-up, showing the importance of this program in terms of enhancing employment opportunities and at some extent reducing migration.



The Respondents Motivation for the Start-up

The majority of entrepreneurs cited government assistance and support as their primary motivation for starting up.

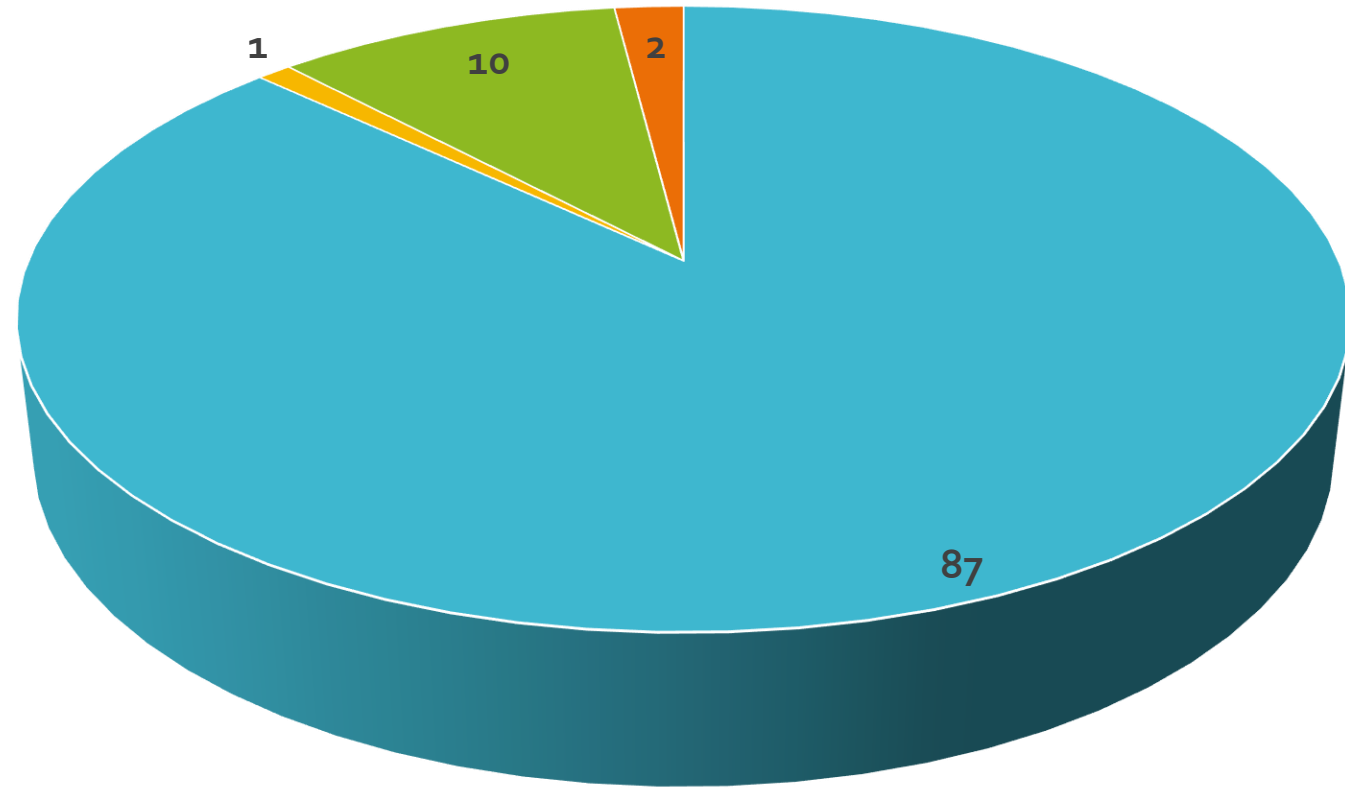
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N=100

The Purpose for being involved with the business

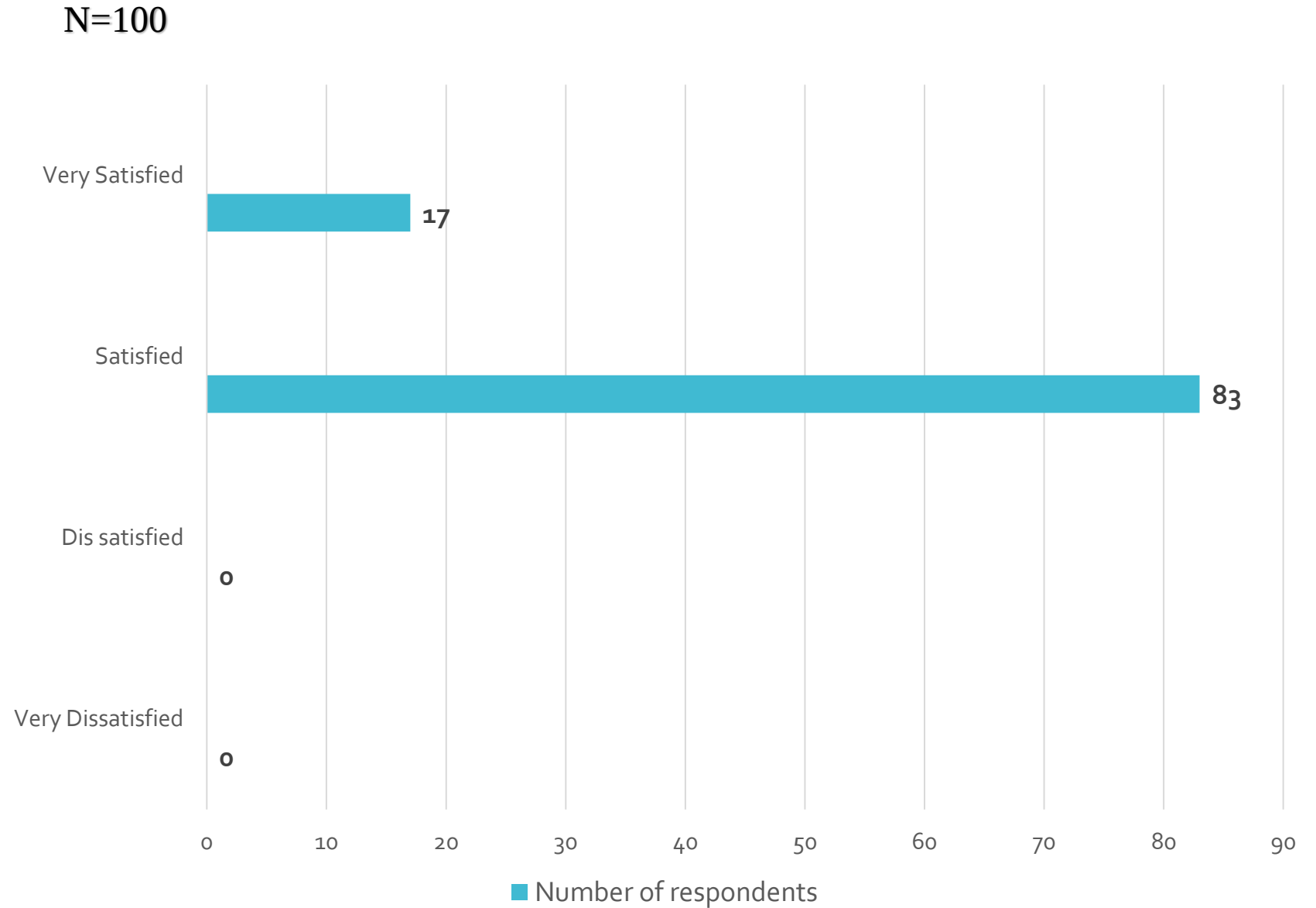
The majority of the respondents remain in the business as it is a source of income for their families.



- Source of Income for family
- Death of family head
- Husband Being a drunker
- Any other reasons?

Satisfaction level of respondents with the business

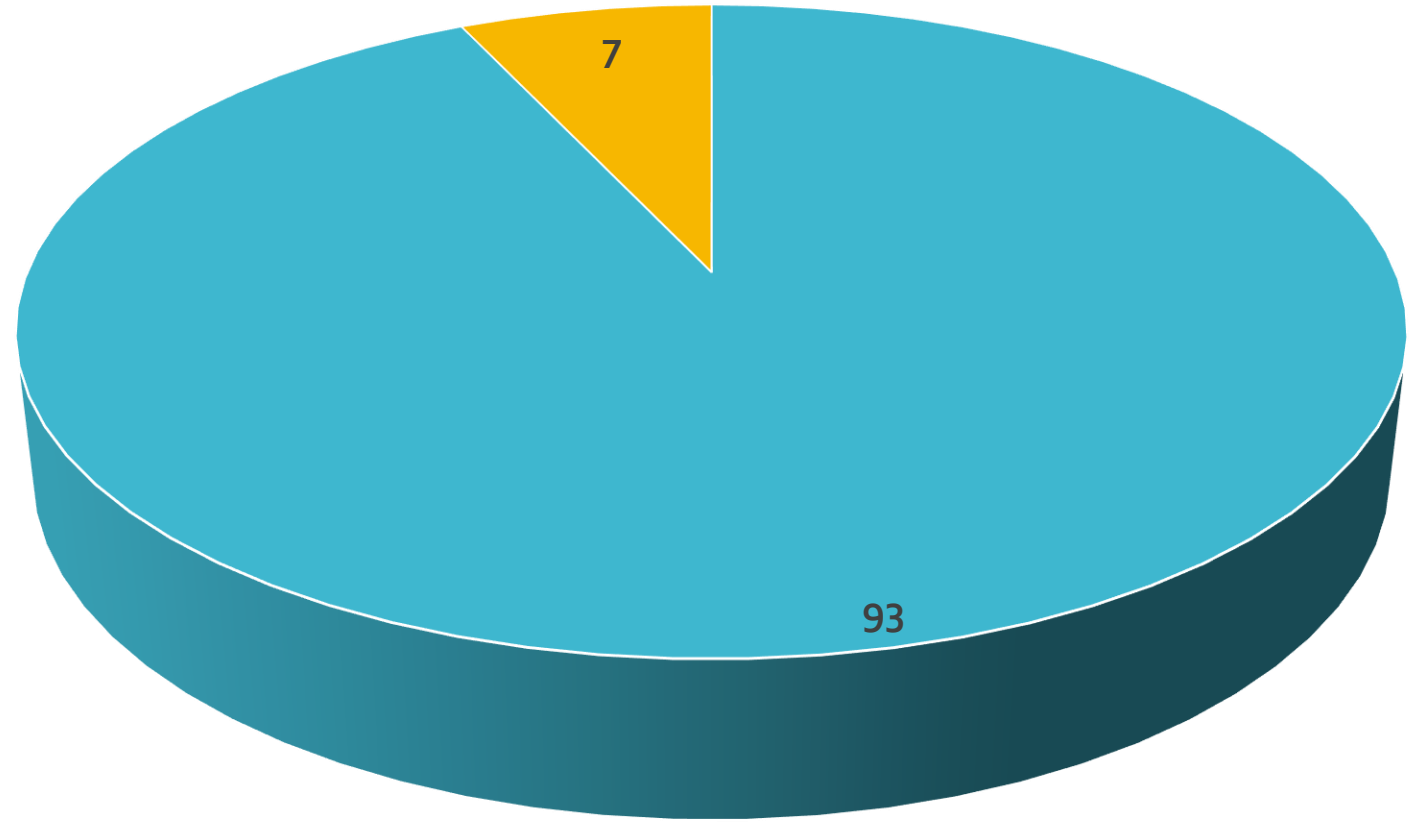
The majority of respondents feel satisfied with being in the business.



N=100

Family members of entrepreneurs assist in the business

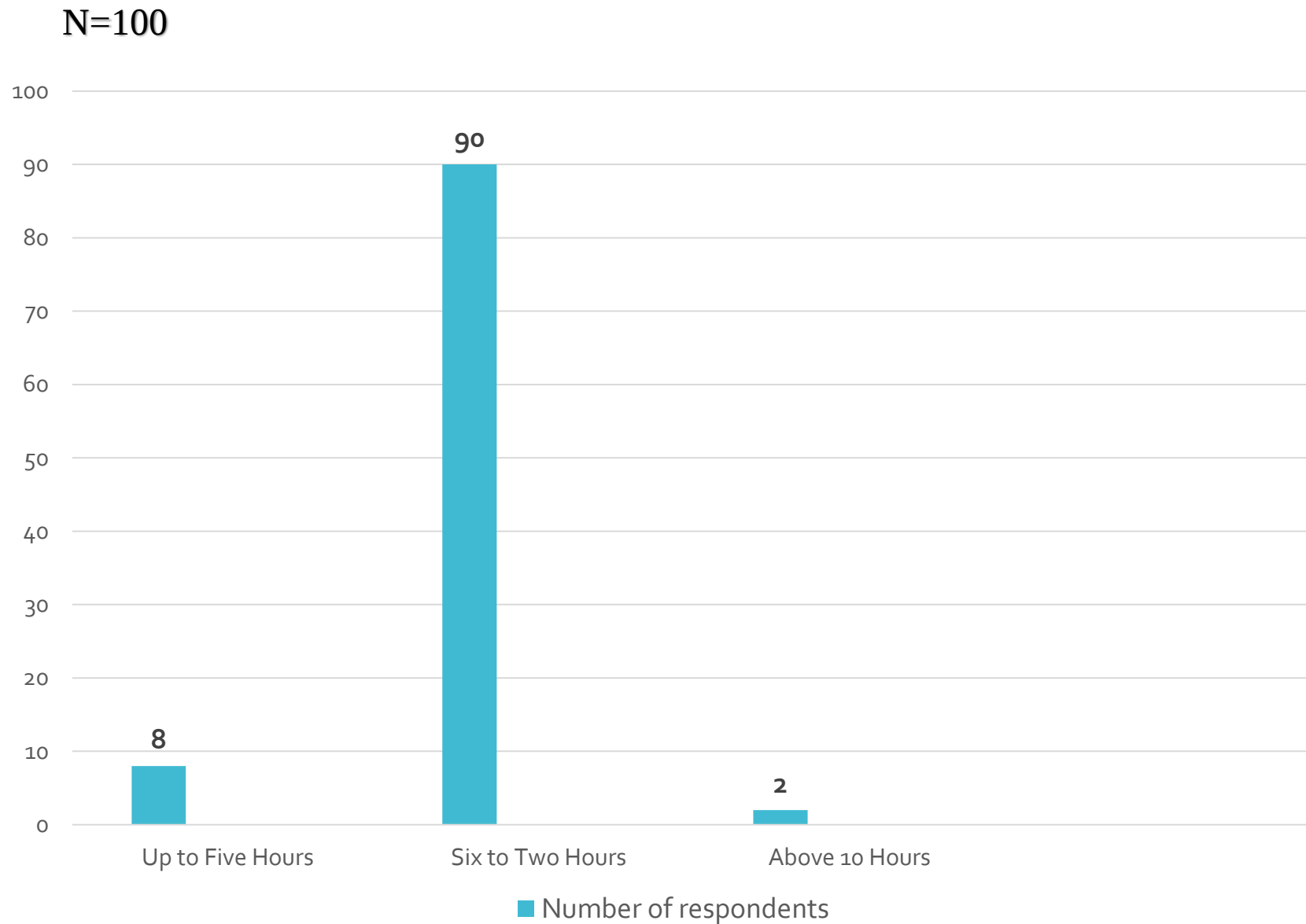
In most cases, the family members of entrepreneurs assist them in their business activities.



■ Yes ■ No

Time spent on business per day

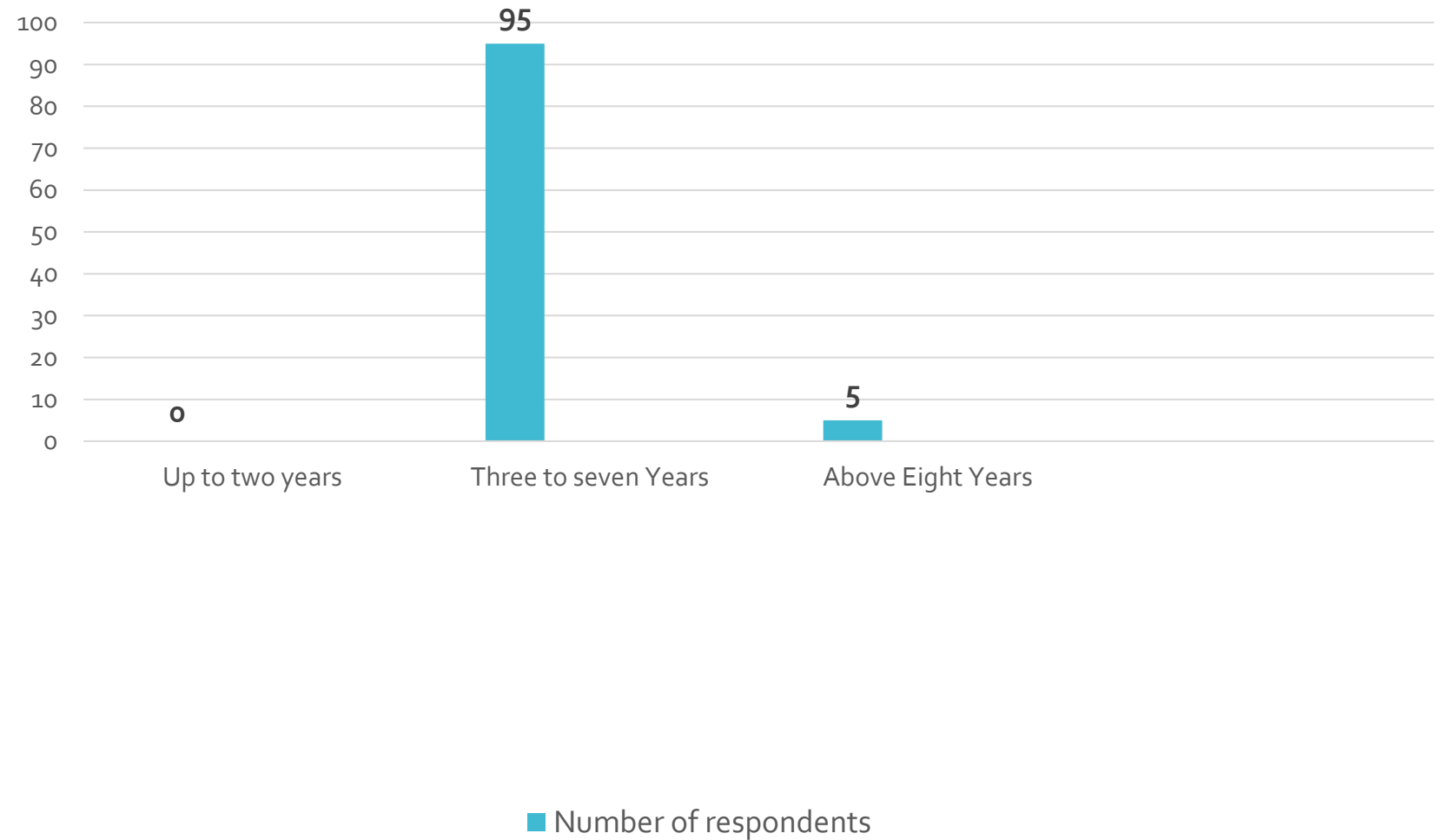
The majority of respondents spend six to ten hours a day on their business, which shows the level of commitment they have to it.



Years of experience in the field of business

Most respondents have been in business for three to seven years, and nearly every entrepreneur has at least three years of experience. Entrepreneurs with experience in the business world are a good sign, as they will be of assistance in the expansion of their business and with future training programs to understand current conditions and how to deal with them.

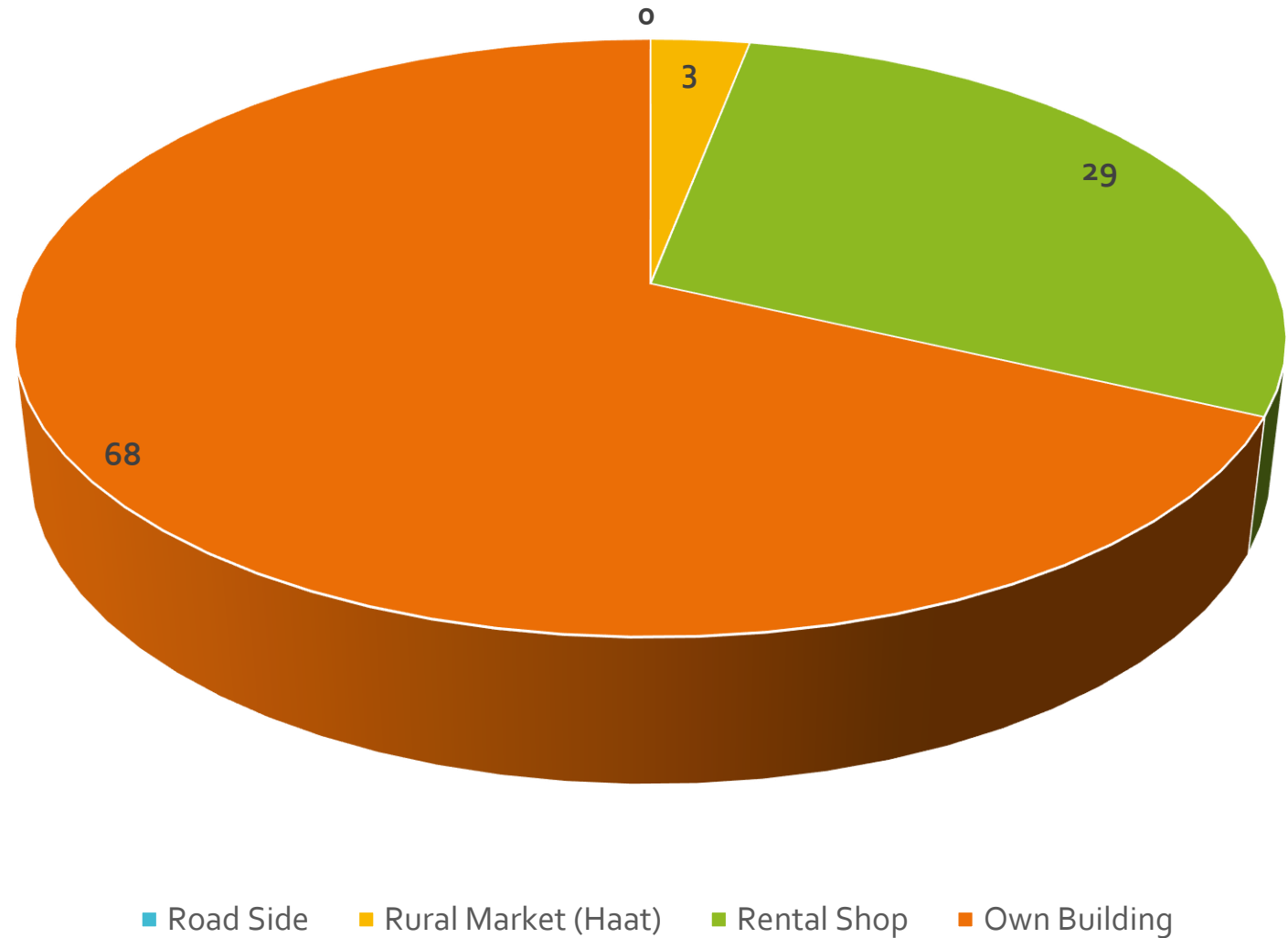
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The location from which the business is operated

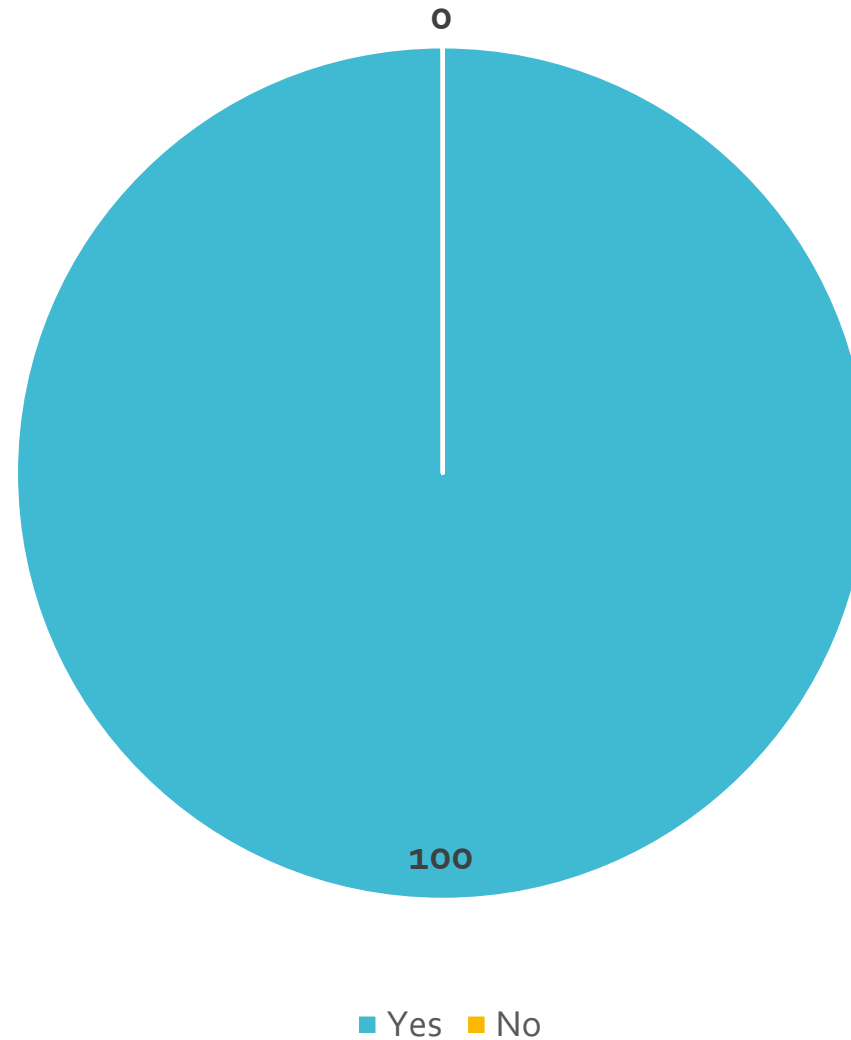
Most entrepreneurs run their businesses from their own buildings, while 29 percent do so from rental shop. In general, I think it is good that most entrepreneurs own their own building for the use of their businesses, this enables them to devote more time to their family and receive family assistance when required in some cases only, and to some extent they can save money on renting, allowing them to invest that money in health care, education, etc.



N=100

Respondents who have accessed any training to perform their business.

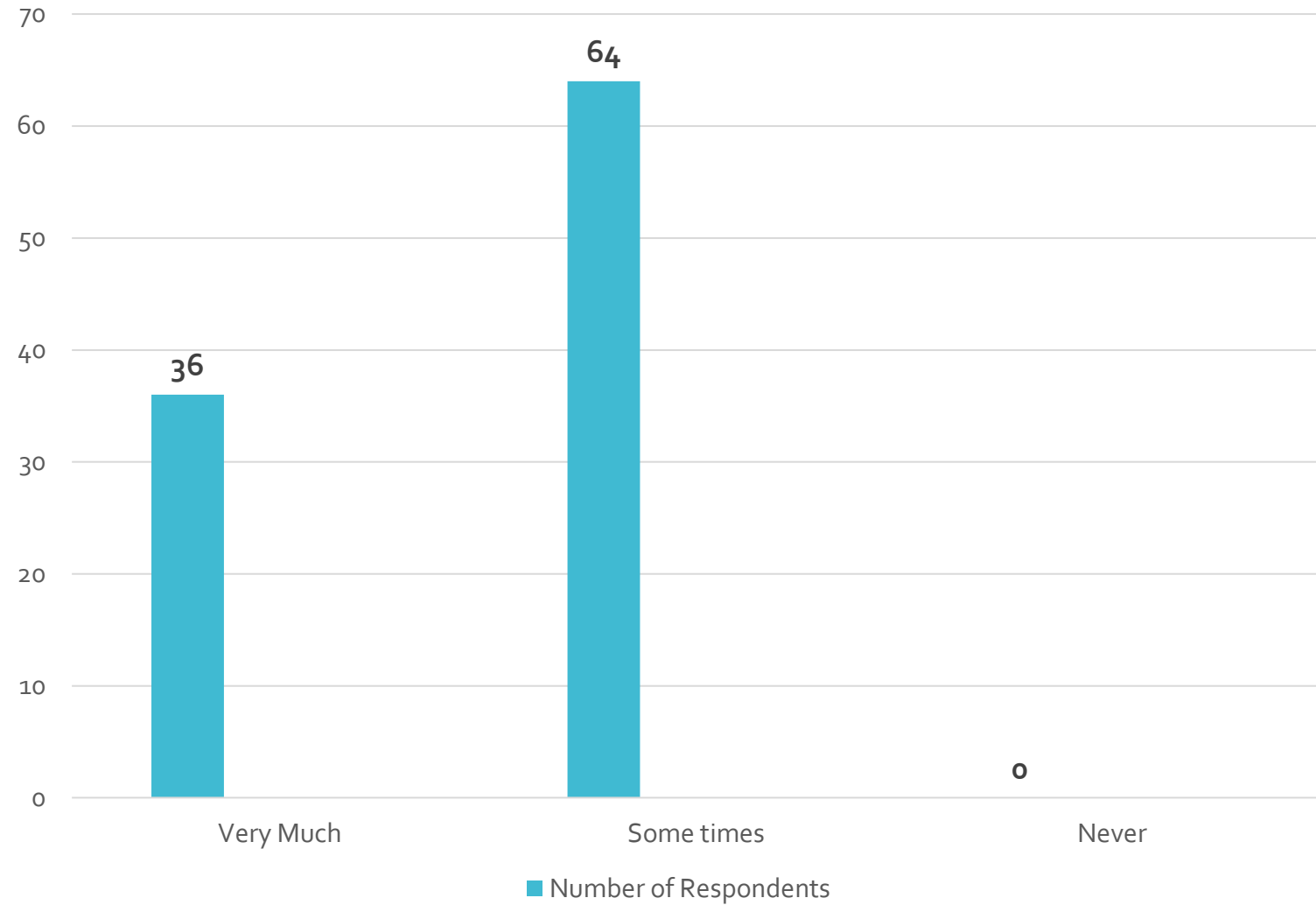
The majority of respondents have undergone training related to their business.



An opinion that training is a key aspect of starting and maintaining a business

The majority of entrepreneurs claim that training is sometimes helpful in starting and maintaining a business.

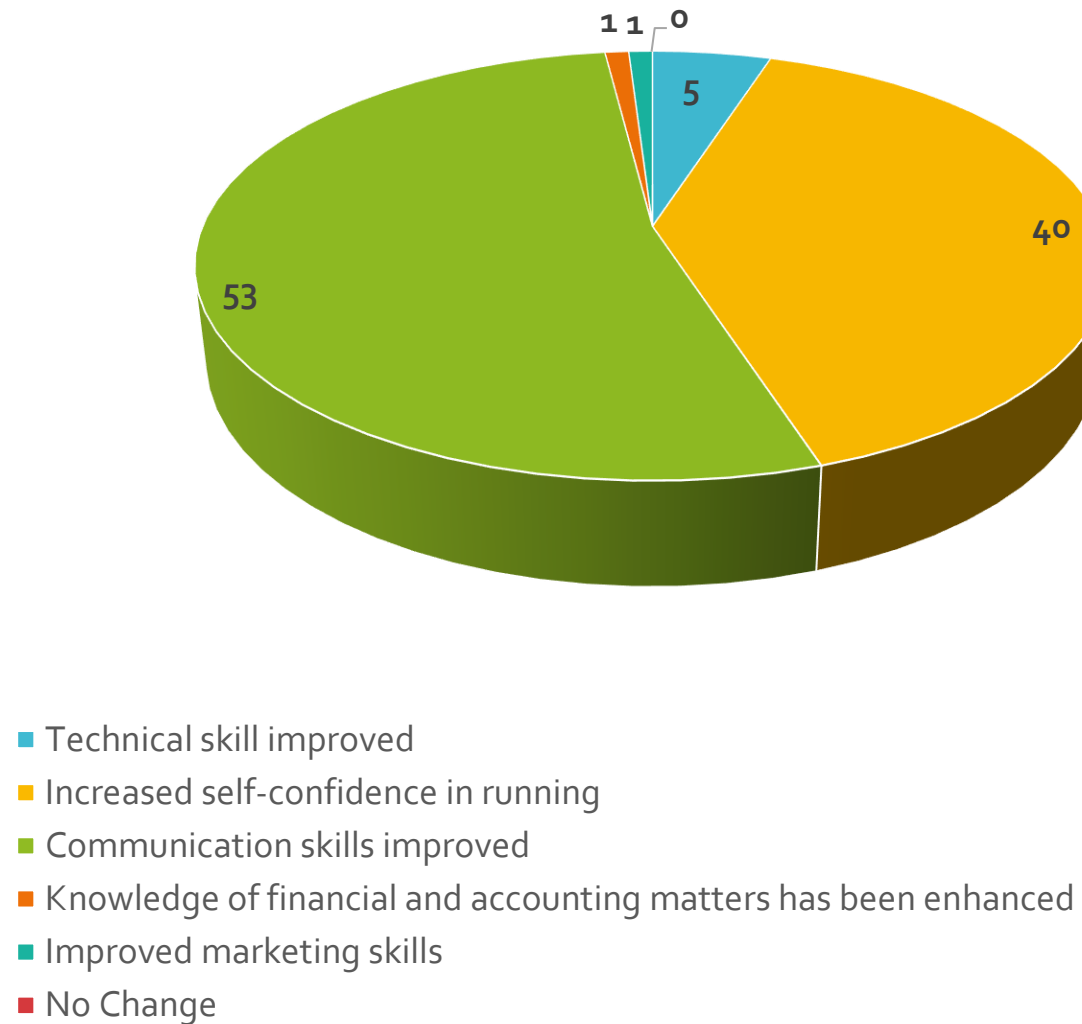
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Entrepreneurship training's impact

Fifty-three percent of entrepreneurs reported that their communication skills had improved and forty percent reported an increase in self-confidence as a result of entrepreneurial training. Others have reported that Technical skill improved, Knowledge of financial and accounting matters has been enhanced, Improved marketing skills.

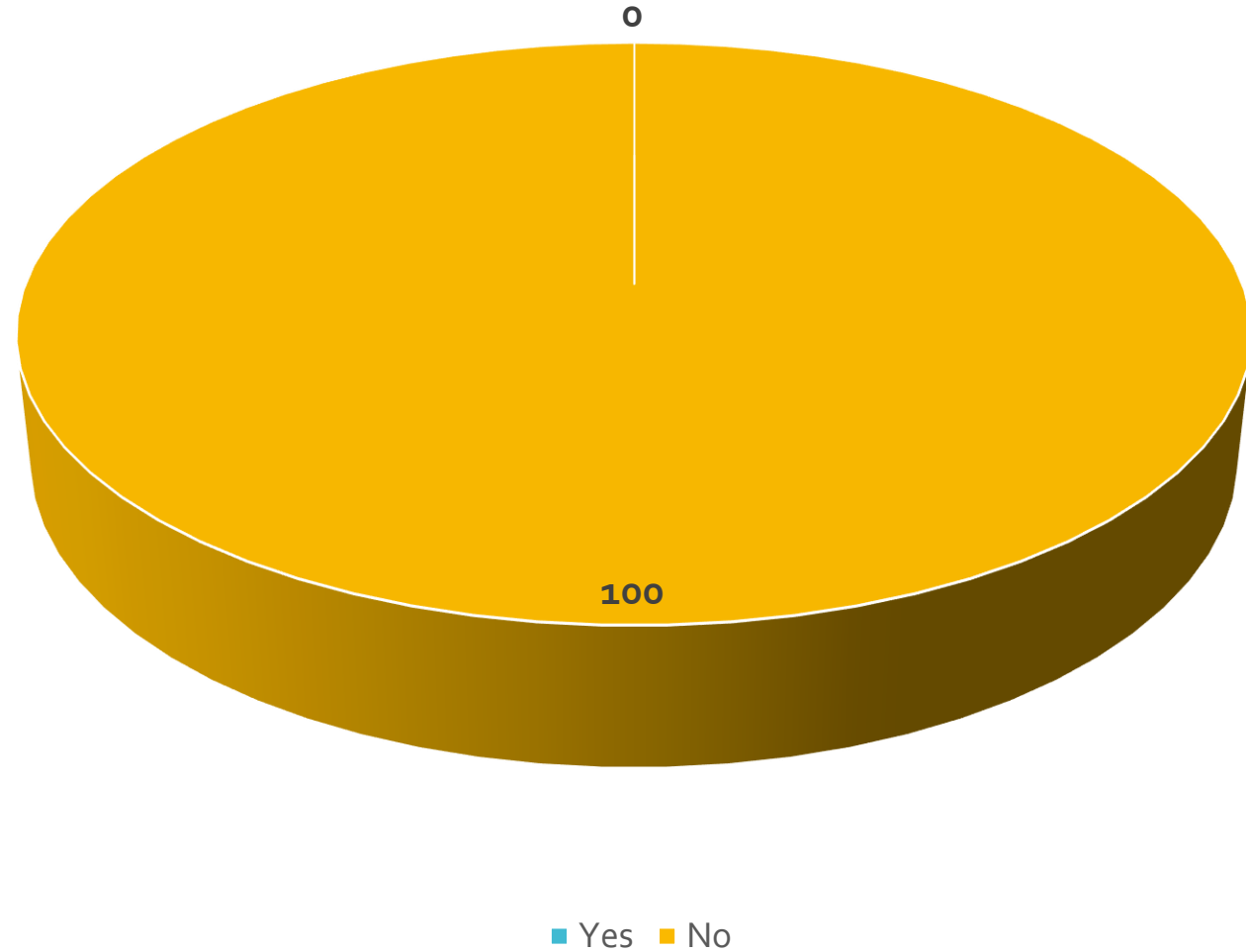
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N=100

Any access to a training program after the initial training period.

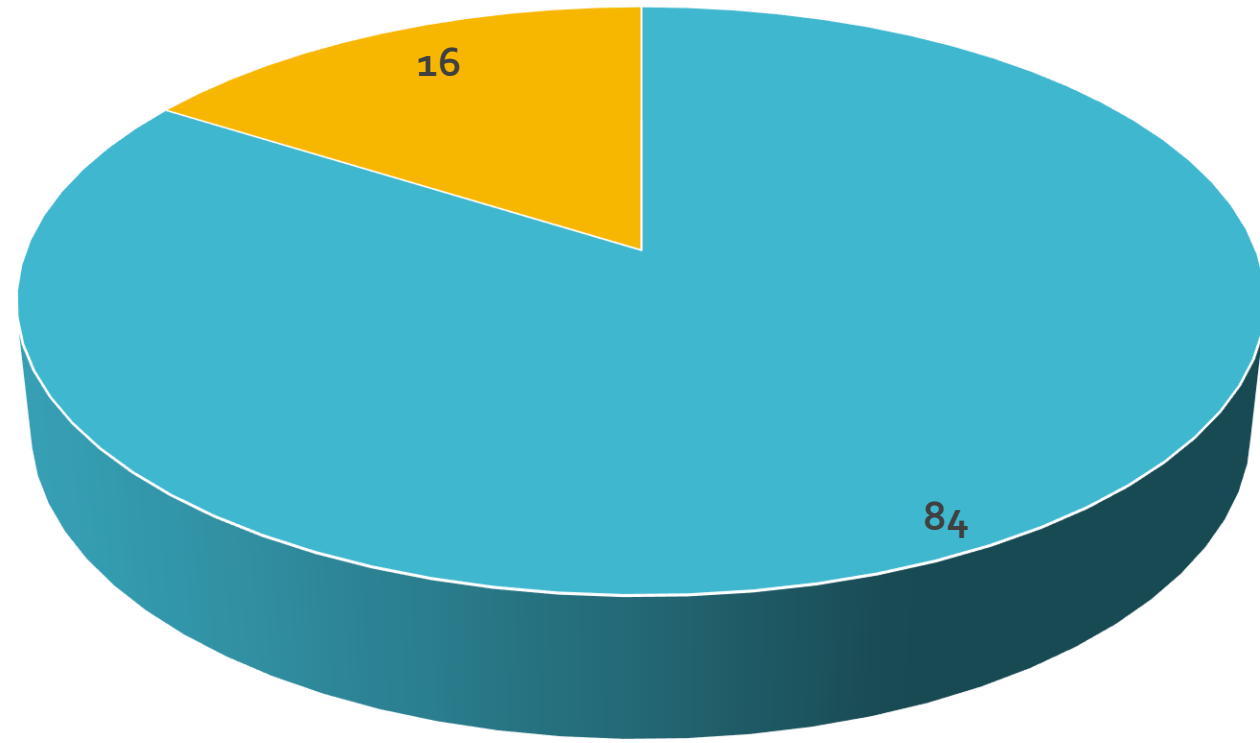
The entrepreneurs replied that they did not receive any entrepreneurial training after completing the initial training program. They were facing a number of challenges that they wanted to overcome, but no training was provided by either government or private agencies.



N=100

Information on entrepreneurs' opinions concerning obstacles to doing business

The majority of respondents
feel that there are obstacles to
doing business.

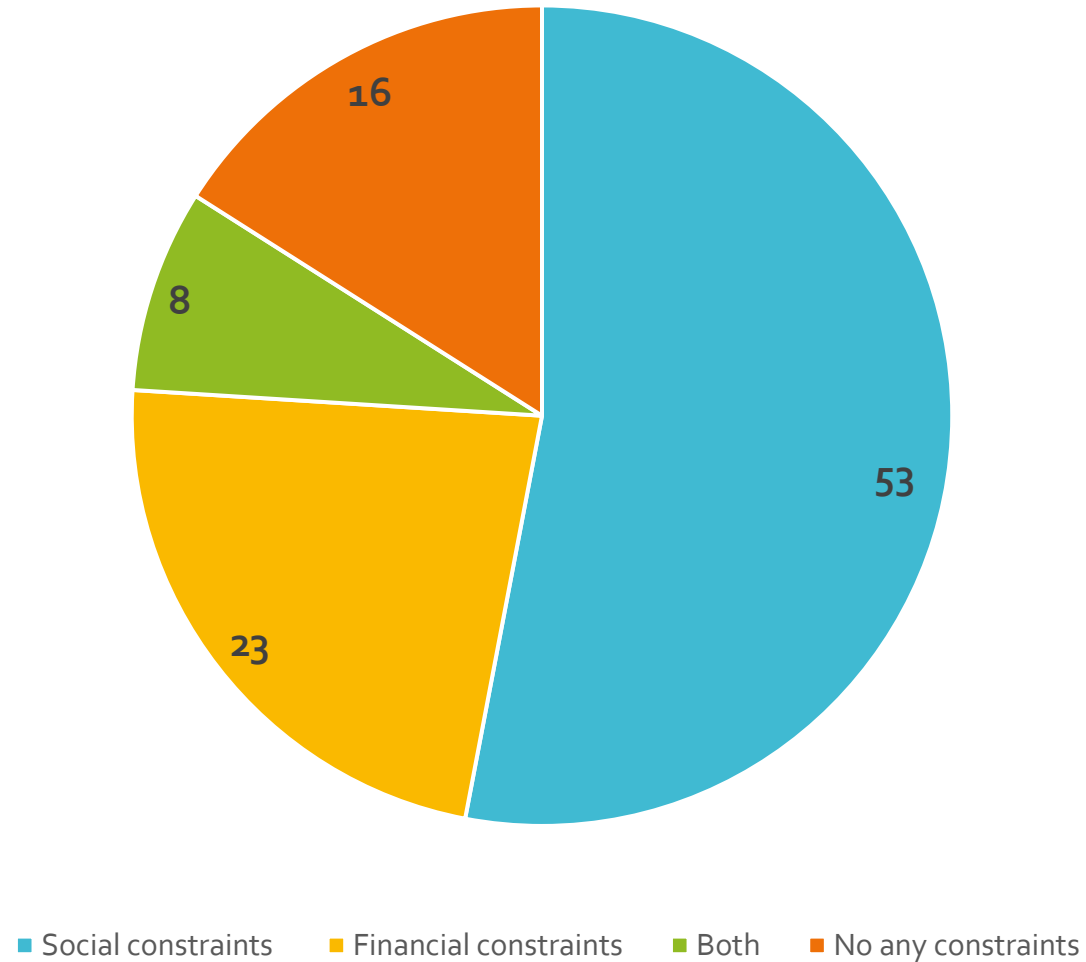


■ Yes ■ No

N=100

Information on the factors that discourage business management

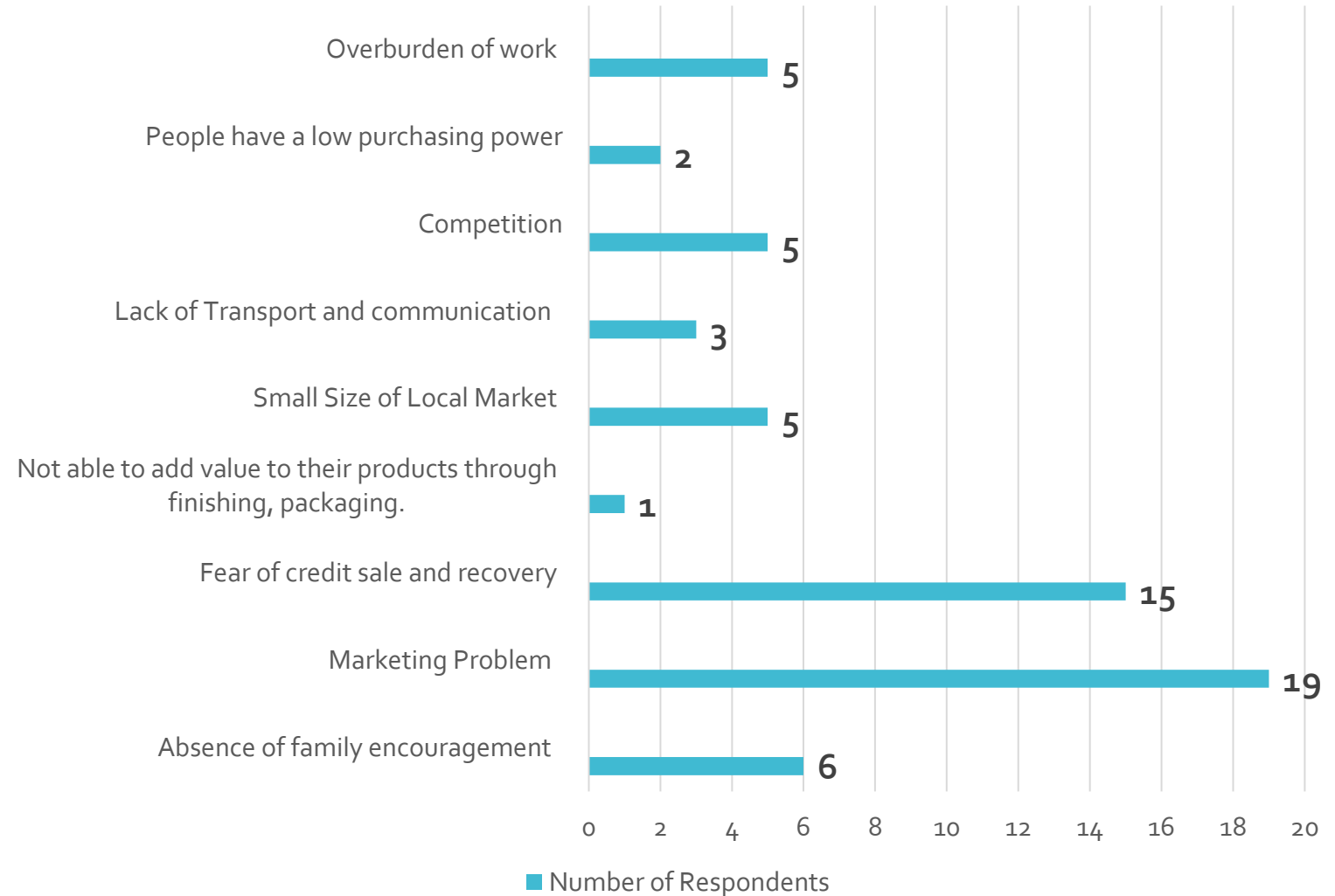
There were 53% who stated that they were constrained by social constraints, 23% by financial constraints, and only 8% by both (social and financial constraints) to discourage business management and 16% report that they have no problems.



Entrepreneurs face a variety of social challenges related to their businesses

The majority of entrepreneurs face marketing challenges, they require customized training programs, and other Entrepreneurs face a variety of social constraints related to their business, which are as follows: Absence of family encouragement, Fear of credit sale and recovery, Not able to add value to their products through finishing and packaging, Small Size of Local Market, Lack of transport and communication, Competition, People have a low purchasing power, Overburden of work

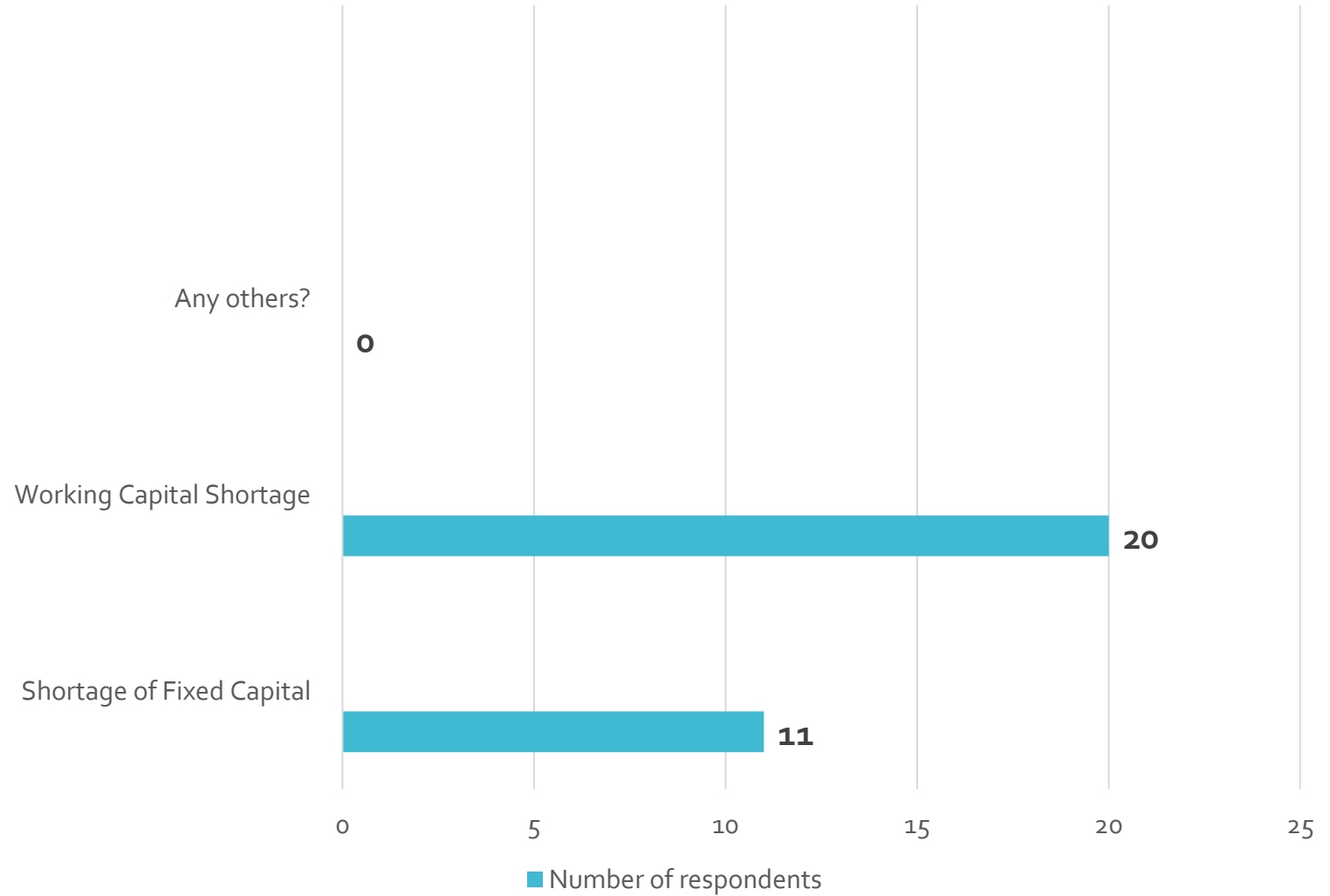
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Types of financial challenges faced by entrepreneurs

Entrepreneurs faces financial constraints related to their operations, including a shortage of fixed capital and a shortage of working capital.

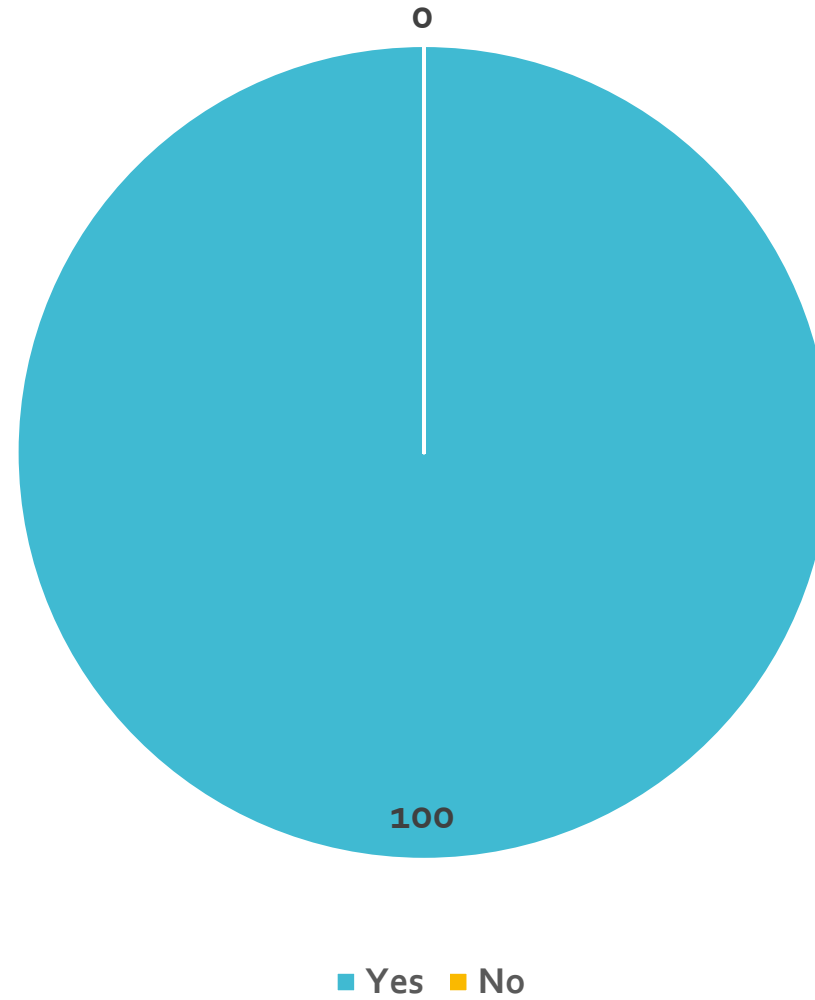
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Interest of the entrepreneur in expanding the business in the future

All respondents are interested in expanding the business in the future.



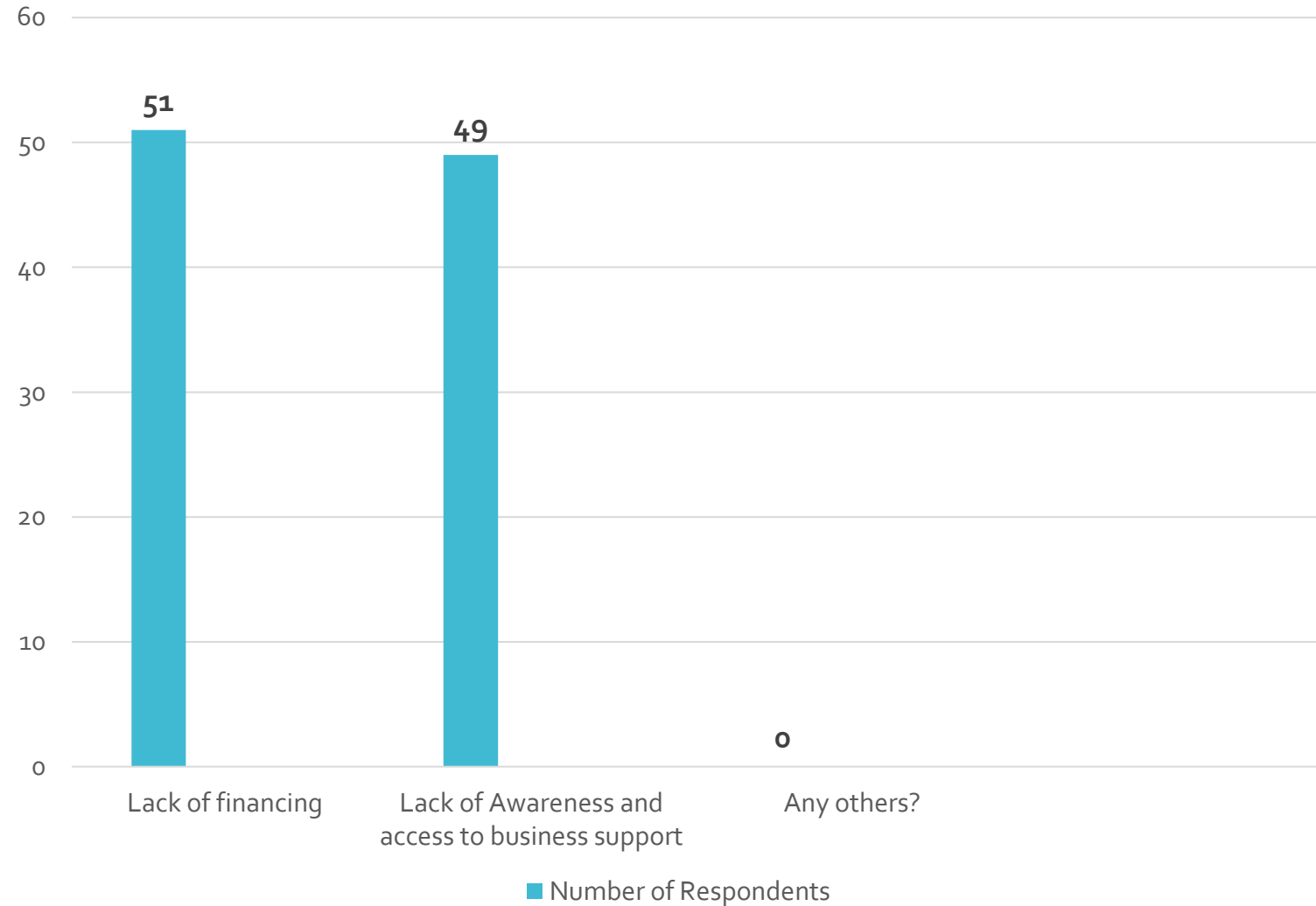
Entrepreneurs face various challenges as they expand their businesses

All respondents face a variety of challenges as they expand their business are as follows:

Lack of financing

Lack of awareness and access to business support

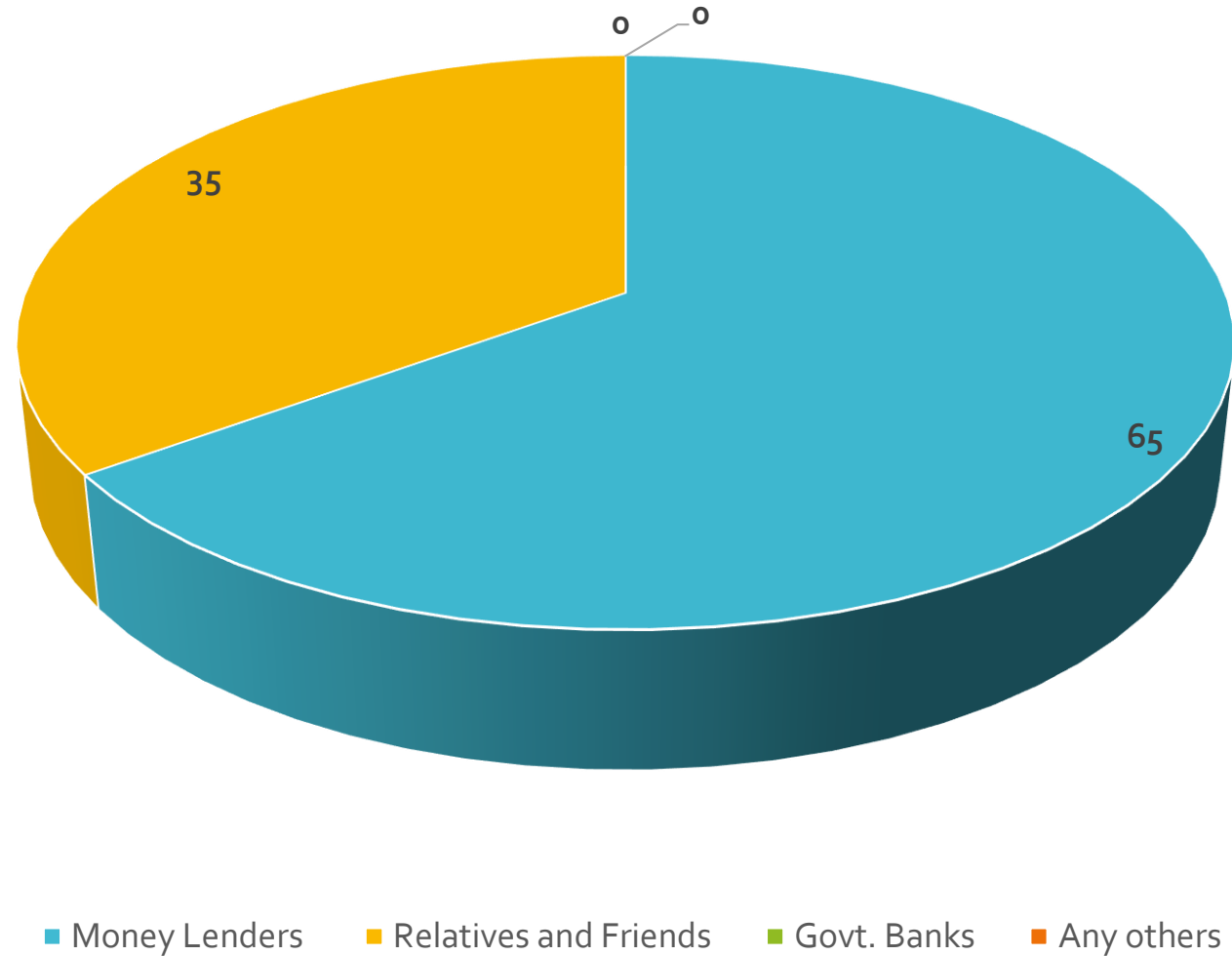
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N=100

Financial constraints and shortfalls of funds are resolved through sources?

Through this study, it was found that entrepreneurs resolve their financial difficulties and shortfalls of funds in an informal manner through the assistance of friends, relatives, and money lenders. There is no formal institutional support. Due to this, they are forced to take higher interest rates and relative capital rates.





Entrepreneurial opportunities

Rural Tourism

During the field visits and interaction with area locals, and entrepreneurs, as well as personal observations allowed us to uncover the potential for rural entrepreneurship besides micro and small businesses which are already in operation in the area and will facilitate the development of rural tourism. There are many places to visit around here, including Panchgagh Fall (water fall), Angrabari-Shiv Temple, GEL Church-Sarvda, Rani Fall, Khunti, etc. All of these locations are within 25 kilometers of the district headquarters. There are various picnic sites throughout rural areas with hilly terrain. Several of these sites may be developed for entrepreneurial tourism. Tourism is an industry comprised of various business sectors that provide a variety of services to tourists. Tourism includes not only the travel industry but also the transport industry, lodging industry, tourism operators, tourism travel agents, tourism promotion and advertising businesses, restaurants, hotels, nature parks, zoos, businesses that arrange concerts, plays, and other performances, businesses that arrange conventions and business meetings, and businesses that produce and market travel-related goods.

The Angrabari-Shiv Temple



GEL Church –Sarvda



Panchgagh Fall (Water fall)



Rani Fall



It has been shown above that there are a number of tourist sites which are less explored by a large number of people. However, with proper management they can be developed for rural tourism, thus increasing the potential market, which currently has a smaller market for rural economies.

STRENGTHS

- One of the most popular tourist destinations is Khunti. There are a number of places (both natural and man-made) in the Khunti district that are underutilized by most people and have the potential to expand their market.
- It has become advantageous for rural women who do not have a source of income to stay at home.
- Rich in forests and forest products.
- Create a market in the area for the locals and sell natural goods there to tourists
- Natural resources are looked after and conserved when they bring in money (e.g. Forests, waterfalls etc.)
- Those who want serenity and seclusion from city life prefer a pure and serene environment.

OPPORTUNITIES

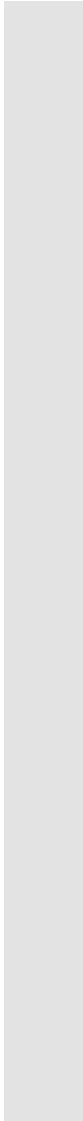
- Homestay, gift, and tour package effects have the potential to boost the local economy.
- Construction of Khunti's several settlements as a tourist village can be financed by the local government.
- Government planning and incentives for private investment should receive more attention.
- Increasing regional employment and preventing young people and economic activists from moving to other locations are two goals.
- The people's handicrafts, bamboo work, and Dhokhra metal casting are only a few examples of local potential that might be exploited into the souvenir industry today.
- There is potential for expanding adventure tourism, spiritual tourism, and picnic areas.

WEAKNESSES

- The village's lack of trained and skilled personnel.
- Inadequate local government support for managing tourist destinations to achieve sustainable tourism
- There are still just a few tourist attractions that take advantage of nature's full potential, giving visitors a limited range of options and necessitating the development of more engaging programming.
- Lack of infrastructure supporting tourists, including sewage and roads.

THREATS

- Scenic area damage
- Noise pollution can increase.
- Tourists commit more social offences.
- Concretization is necessary for infrastructure development, which will cause soil erosion, infertile soil, etc.
- Natural resources like forests and water resources are being destroyed and overused.



The SWOT matrix shows that there are six strengths and four weaknesses, which is a small difference. Based on external factors, there are seven opportunities compared to five threats, which are fewer. When converted into strengths, these opportunities can prove to be a major difference for the rural population.

Recommendations

I. Entrepreneurs

- There is constant interaction between rural entrepreneurs and the latest trends and technologies, whether via television, mobile phones, or the Internet. This allows them to upgrade their needs and keep up with local as well as global requirements.
- It is possible to form a self-reliant group and meet in a central location on a regular basis to discuss their needs, problems, successes, etc.
- Every entrepreneur has completed their secondary education. They are generally from interior areas and do not have access to updated information around the world and have faced problems developing their businesses. Entrepreneurs need to establish themselves successfully, especially in public relations, which offers information on how to deal with current problems and the presence of supportive organisations.
- Due to the high level of support from the family in business activities, entrepreneurs with joint family sizes are viewed as advantageous. By encouraging group entrepreneurship or partnership business in rural areas, especially among family groups, positive results can be achieved in the expansion of their business. These steps have many advantages such as mobilization of large capital, setting up large-scale enterprises in rural areas, solving the problem of skilled workers, alleviating overwork in enterprises, sharing business risks, and so on. Furthermore, this will reduce the movement of people from rural areas to urban areas. This will ultimately contribute to rural development.
- A lack of saving habits is the cause of problems relating to shortfalls of working capital, and hence the entrepreneurs should be aware of the need to increase savings and decrease expenditures, particularly during times of surplus.
- It is recommended that entrepreneurs register their businesses in order to take advantage of future government benefits. This will simplify the process for them.

Recommendations

II. Government

- Government should assist entrepreneurs by providing them with financial literacy and assistance with minimal interest rates by establishing them in formal financial institutions. This will encourage rural entrepreneurship.
- There is a decrease in the number of land holdings of farmers. Low-agro-based enterprises have a low level of confidence in their ability to compete. The Department of Agriculture can play a leadership role in this area by initiating leasing farming, providing government land for agriculture, and conducting programs to develop entrepreneurial skills for agro-based businesses that will motivate rural residents to start businesses in their communities.
- There is a need to implement an awareness program that uses successful tribal entrepreneurs as role models. This will reduce the social stigma associated with starting a business in a tribal community.
- Both the organized and unorganized sectors may provide full-time jobs as a result of the growth of tourism in rural areas. There are many benefits to establishing the tourism industry in rural areas, but they must be competitive on a high level, particularly in terms of knowledge, problem-solving skills, and self-assurance. The government might make progress in empowering locally based tourism. Partnerships between NGOs, local communities, and the public and corporate sectors. It may be possible to improve the living conditions of small communities and stop the migration to urban regions by enhancing access to infrastructure and services in the tourism area and the transportation infrastructure there.

Rural areas feature unspoiled natural beauty, which needs to be preserved in its natural state. The development of rural infrastructure should be done in a way that minimises the damage. The introduction of a cost-benefit analysis method that determines the least expensive environmental practises with the greatest benefits is necessary. The rural population should be motivated to promote rural tourism, and incentives can be offered to them to do so as long as environmental preservation is a requirement as well.

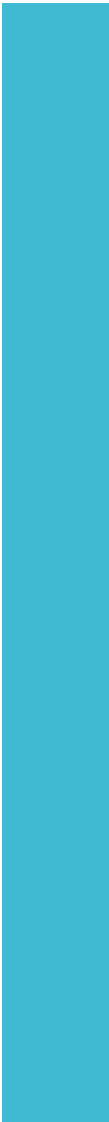
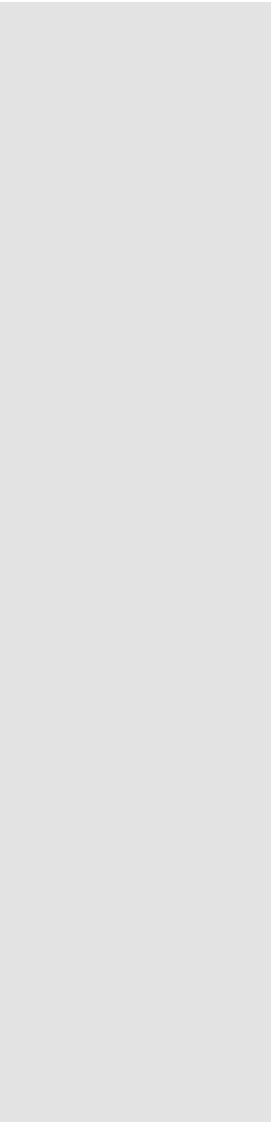
Recommendations

Tourists would be diverted to these places by advertisements for regional events like folk festivals, adventurous activities, sight-seeing, local cuisines, etc. The tourists ought to be encouraged to practise sustainable consumerism. Along with creating cash for the people living in rural areas, it will conserve the environment. By offering training, information, and holding conferences, seminars, and workshops in rural areas, villages will be better able to adapt to the changing demands of visitors. Offering a variety of activities and amenities in one location will draw tourists because they need a variety of activities at one location.

- The activities of entrepreneurial promotion agencies should be linked to panchayats to facilitate easy access and availability of schemes to entrepreneurs.
- To motivate young people to start businesses, the government should provide entrepreneurial education and skills training more readily available to them. Government should focus on implementing programs on a regular basis rather than only once, as changing external environments alter the challenges entrepreneurs face. By doing so, regional disparities within the state can also be reduced.
- The government should incorporate rural entrepreneurship courses into school and university curricula so that young people can think and operate practically about their future earnings and contribute to the rural economy and contribute to rural economies.
- There are some areas in the extreme interiors that do not have adequate infrastructure, such as roads, bridges, and communications facilities. In order to develop rural entrepreneurship, special attention is required. Chatradih, Indipiri, Gantura, and Baruhatu etc, are names of the villages.
- Government to provide or hire private agencies to provide entrepreneurs with training in a customized training program. Since each entrepreneur faces different challenges, a customized training program would help them meet those challenges. To cope with the current business environment, all training should be conducted on a regular basis for the next two to three years.

Conclusion

It is wonderful to see people engaging in a range of entrepreneurial endeavors in the rural communities of Khunti. Jharkhand's program (MMAJJGVY) to promote rural entrepreneurship isn't just about opening up businesses and making a small profit; it's also about creating a sustainable employment opportunity. To accomplish this, it should continue to offer training programs on a regular basis. This will enable it to support entrepreneurs and enable them to overcome the difficulties they face in the development of their business. Taking into account the low population density in the khunti area, people are already active in micro and small businesses. This study explored other employment opportunities for the rural population. This study suggests that there are many untapped potentials for promoting rural entrepreneurship within the context of rural tourism in Khunti. A government should involve local entrepreneurs in developing strategies for the development of rural tourism so that the project can be executed more effectively and be more sustainable.



THANK YOU
For your time and
consideration.