



## POSSIBILITIES OF EMPLOYMENT GENERATION AND ENTREPRENEURSHIP

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### ABSTRACT

*Implications of economic policies initiated and pursued by the Government for the creation of gainful employment opportunities. After independence, when India initiated the programme of economic development through planning mechanism, neither of the two prevalent economic theories i.e. the Keynesian theory of effective demand and the neo-classical theory of flexible wage rates was not found suitable to the Indian conditions. Poverty reduction has been an important goal of development policy since the inception of planning in India. Various antipoverty, employment generation and basic services programmes have been in operation for decades in India. The ongoing reforms attach great importance to removal of poverty, and addressing specifically the wide variations across States and the rural-urban divide. Anti-poverty strategy has three broad components: promotion of economic growth; promotion of human development; and targeted programmes of poverty alleviation to address multi-dimensional nature of poverty. The various programmes targeted at the poor have been streamlined and strengthened in recent years, including through the NREGS. The influence of macro economic environment on the industry speeds ahead economy generates more jobs and higher levels of wages and income through increasing productivity. To achieve these objectives, series of outward oriented policy changes i.e. industrial reforms, fiscal reforms, monetary reforms, trade policy reform etc. were introduced. An economic reform has been evolving historically and being propelled forward with incredible speed by the technological revolution.*

### INTRODUCTION

Entrepreneurship has been traditionally defined as “the process of designing, launching and running a new business which typically begins as a small business, such as a startup company / organisation / firm offering a product, process or service for sale or hire “

In other words Entrepreneurship has been defined as “capacity willingness to develop, organise and manage a business venture along with any type of risks in order to make profit “That means main moto of entrepreneurship is, how or in which means make maximum profit.

If any person starts business then his / her main motto is to earn maximum profit in minimum resources. for achieving goal he /she consider many factor i.e. availability of land for set up plant / storage, , availability of raw material , availability of man power , nearest market / customer , transportation ,Favorable climate ,security etc.

Entrepreneur has been defined as “A person who organizes and manages any enterprise/ firm / organization especially business, usually with considerable and proper initiative and risk.” An Entrepreneur starts a small business and take all risks and reward of a given business, venture, good ideas & offers , better services rather than others provided to increase sale .

In the end of 19<sup>th</sup> century, a new type of entrepreneurship has been identified and which is known as “social Entrepreneurship. “An Entrepreneur who works in the field of social work and combines their business

activity with humanity , environment , community society , animals health sector , education , orphan child , eradication of poverty , women empowerment and gov. Welfare programs . Social entrepreneur receive funds by bank loans, venture capital financing, government grant, private foundation grants e.t.c.

After 2010 entrepreneurship can be studied in college or university as a part of the disciplines of management business administration.

An Entrepreneurs are leaders willing to take risk and exercise initiative , taking advantage of market opportunities by planning , organising and deploying resources often by innovating to create new or improving existing product or services . Successful entrepreneurs have the ability to lead a business in a positive direction by proper planning to adapt to changing environment and understand their own strengths weakness.

An Entrepreneur may be defined as “A Person who initiate, organize or run a business enterprise.” According to Kamal Singh, “A confident, innovative and creative Men / women capable of achieving self economic independence individually or in collaboration, generates employment opportunities for others through initiating, establishing and running the enterprise by keeping pace along with her family and social life.” Government of India has defined women entrepreneurs as “an enterprise owned and controlled by women having a minimum financial investment of 51% of capital and giving at least 51% of the employment generated in the enterprise to women.

### **Anti-Poverty, Employment Generation and Basic Services Programmes**

#### **(A) Pradhan Mantri Gram Sadak Yojana (Pmgsy)**

Launched in December 2000 as a 100 per cent CSS, PMGSY aims to provide all-weather connectivity to all the eligible unconnected rural habitations. Bharat Nirman, envisages connectivity by 2009 to all the habitations with a population of 1000 or more in the plains, and of 500 or more in the hilly, desert and tribal areas. The systematic upgradation of the existing rural road network also is an integral component of the scheme, funded mainly from the accruals of diesel cess in the Central Road Fund, with support of the multilateral funding agencies and the domestic financial institutions. Up to December 2005, with an expenditure of Rs.12,049 crore, a total length of 82,718 km. of road works had been completed.

**(B) Indira Awaas Yojana (Iay)** IAY aims to provide dwelling units, free of cost, to the Scheduled Castes (SCs), Scheduled Tribes (STs), and freed bonded labourers, and also the non-SC/ST BPL families in rural areas. It is funded on a cost-sharing basis in the rates of

75.25 between the Centre and the States. Under IAY, the ceiling on construction assistance is Rs.25,000/- per unit in the plains and Rs.27,500/- for hilly/difficult areas; and Rs. 12,500/- on upgradation of unserviceable kutcha house to pucca/semi pucca house for all areas. Up to January 30, 2006, about 138 lakh houses had been constructed/upgraded with an expenditure of Rs.25,208 crore.

**(C) Swarnjayanti Gram Swarozgar Yojana (Sgsy)** SGSY, launched in April, 1999 after restructuring the Integrated Rural Development Programme and allied schemes, is the only self-employment programme for the rural poor. The objective is to bring the selfemployed above the poverty line by providing them income-generating assets through bank credit and Government subsidy. Up to November 2005, the Centre and States, sharing the costs on 75:25 basis, had allocated Rs.8,067 crore, of which Rs. 6,980 crore had been utilized to assist 62.75 lakh self-employed.

**(D) Sampoorna Grameen Rozgar Yojana (Sgry)** SGRY, launched on September 25, 2001 to provide additional wage employment in the rural areas, has a cash and food grains component, and the Centre bears 75 per cent and 100 per cent of the cost of the two with the balance borne by the States/UTs. In 2004-05, 82.23 crore persondays were generated with the Centre releasing Rs. 4,496 crore as cash component and about 50 lakh tonnes of foodgrains to the States/ UTs. Besides, under the special component of the SGRY, with the States/UTs meeting the cash components, Centre released 26 lakh tonnes of foodgrains to the 13 calamity affected States. In 2005-06 up to November, 2005, the number of persondays generated under SGRY was 48.75 crore, while the Centre's contributions in terms of the cash and foodgrains components up to January, 2006 were Rs. 4651 crore and 35 lakh tonnes, respectively. Under the special component, about 11.65 lakh tonnes of foodgrains have been released to the 11 calamity-hit States in the current year

## (E) National Food For Work Programme (Nffwp)

The NFFWP was launched as a CSS in November 2004 in the 150 most backward districts to generate additional supplementary wage employment with food security. States receive food grains under NFFWP free of cost. The focus of the programme is on works relating to water conservation, drought proofing (including afforestation /tree plantation), land development, flood-control/protection (including drainage in waterlogged areas), and rural connectivity in terms of all-weather roads. In 2004-05, allocation of Rs 2,020 crore and 20 lakh

### OBJECTIVE OF THE STUDY

- To generate employment opportunities in rural as well as urban areas of the country through setting up of new self-employment ventures/projects/micro enterprises
- To bring together widely dispersed traditional artisans/ rural and urban unemployed youth and give them self-employment opportunities to the extent possible, at their place.
- To provide continuous and sustainable employment to a large segment of traditional and prospective artisans and rural and urban unemployed youth in the country, so as to help arrest migration of rural youth to urban areas.
- To increase the wage earning capacity of artisans and contribute to increase in the growth rate of rural and urban employment

### SCOPE OF THE STUDY

The fact that the Indian government has initiated various schemes to inculcate the spirit of entrepreneurship among women in the post-1990 era has become one of the central themes of study among scholars in recent times. But only few research studies have been undertaken on this subject of NGOs and women entrepreneurship, till date. There is a great void between what has so far been done and what is to be done on this issue. The role of several facilitators in the issue of women entrepreneurship development by the NGOs are, yet not very clear. Even if there have been any studies they are nebulous. An earnest attempt has been made in the present study to throw light, clarify and enlighten further on the roles, functions, duties and responsibilities of various facilitators, functionaries or implementing authorities etc. The main focus has been on the NGOs, which encourages women to take up entrepreneurial activities by providing them diverse assistances. This assessment has been made by considering the perception of sample women entrepreneur members from three case study NGOs.

### WOMEN ENTREPRENEURSHIP

It is widely accepted that women entrepreneurship is very significant in the global expedition for sustained economic development and social progress. In the era of growing industrialisation, urbanisation, social legislation along with increase of higher education and awareness, the women-owned businesses are increasing in the economies of almost all countries (Masood, 2011: 234). As a result of the economic crisis of the 1980s and the commercialisation and modernisation of the economy, women lost employment in agriculture and industries. This pushed women to move to urban areas to find out a suitable solution for generating livelihood, which resulted in the emergence of self-employment, largely in micro- business in the formal sector (United Nations, 1992). In the late 1980s more women opted for entrepreneurship as a career Today, in many countries, women are recognised as a driving force in the economy, whether measured by the number of businesses owned, the revenues generated, or the number of people employed. Overall, women entrepreneurs are increasingly prominent as employers, customers, suppliers and competitors in the global community (Greene *et al.*, 2003: 1). The Global Entrepreneurship Monitor (GEM) does research on women entrepreneurship. One of the reports published by GEM in 2007, collected data from 41 countries in order to see the differences in the entrepreneurial activity, uncover the factors that lead to entrepreneurial behaviour and suggest policies that may improve entrepreneurial activities (GEM, 2007).

According to the GEM (2007), women are less likely to be involved in entrepreneurial activities than men. However, the report finds that in some of the countries like Japan, Brazil, Peru, and Thailand, the entrepreneurial activities of women equals or exceeds those of men. (see table 2.1 below). Entrepreneurial behaviour can be characterised depending upon the stage of venture activity. GEM distinguishes two broad categories of entrepreneurs: early stage<sup>6</sup> and established businesses.<sup>7</sup> These two categories are very important as they convey different information about the entrepreneurial landscape of a country (GEM, 2007: 11-13).

## **REVIEW OF LITERATURE STUDIES BASED ON ENTREPRENEURSHIP**

**Everett H.E. Hagen (1962)**<sup>1</sup> attempted to study the origin of entrepreneurs in many countries. He noted that the entrepreneurs have emerged mainly from a particular socio-economic class. Further, in the Indian context, the leading business communities like Parsis, Marvaris and Sindhees have been found to have a deep desire in engaging in industrial activities.

**Berna (1966)**<sup>2</sup> in her study entitled “Industrial Entrepreneurship in Chennai State” found that the entrepreneurs hailed from diverse castes, occupations and classes, as only small – scale operations they came up to their present positions and diversified their production. This is attributed to their youth, education and technical training.

**Kameshwar Jha (1970)**<sup>3</sup> in his study of the growth of entrepreneurship in Bihar State, in 1970, has observed that favourable economic conditions have a good effect on the change in entrepreneurship and the change in social structure which is due to education. He added that profit motive has no influence on such changes.

**Gloria V. Javilionar and George R. Peters (1973)**<sup>4</sup> in a study on the social and psychological aspects of Indian entrepreneurship, noted that the entrepreneurship of the nation was a family phenomenon rather than an individual phenomenon. The family system had helped the entry of individuals into the arena of entrepreneurship.

**Nandy (1973)**<sup>5</sup>, in her study reported that “education has been a crucial factor for developing entrepreneurship and it has accelerated the entrepreneurial spirit.

**The Small Industries Extension training institute (SIET) Hyderabad, (1974)**<sup>6</sup> carried out a survey in 1974 among 61 entrepreneurs. The study disseminated details like young age, formal education, urban background, earlier industrial experience, strong aspirations risk taking spirit, adoption – propensity and desire for economic gains were some of the aspects found among these entrepreneurs.

**Ramkrishnan (1975)**<sup>7</sup>, in his survey of small scale units in Delhi, presented statistical details regarding the units and the social, educational, occupational background of the entrepreneurs, their motivation, expectation from and reactions to Government schemes.

**The Gandhigram (1975)**<sup>8</sup> rural institute of higher education- undertook a diagnostic study of entrepreneurship in small scale industrial units in Madurai city in 1975. This study identified the characteristics of Madurai city entrepreneurs as follows; pre-planning on the basis of credit facilities so as to achieve the determined goals, dependency, initiative, innovativeness, a moderate degree of traditionalism and occasional risk –taking.

**Selvaraj, “Entrepreneurship the Need of the Day” (1998)**<sup>9</sup> emphasized the need for the development of entrepreneurship in rural areas, as it will bridge the required disparities between the rural and less developed regions. Migration has become a major problem in our country. If the potential migrants are engaged in entrepreneurial activity, this can be minimized and the problem of urbanization can be eliminated.

## **RESEARCH DESIGN**

**The research design adopted for the study is Exploratory Research Design.**

- Collection of the Primary Data using a detail questionnaire to be filled by the people working in the field/area of the research, i.e. Bihar Poverty.
- Collection of Secondary Data, by taking the reference from the previous researches in the field of management of continuity and change in the Poverty.



## **CONCLUSION**

This chapter concludes the work undertaken by mentioning or re-presenting the brief on the role of entrepreneurship, contribution of MOVE-Market Oriented Value Enhancement and finally ends with some clues on the scope for further research in related areas as of this study.

### **Brief on the role of entrepreneurship Entrepreneurship and Entrepreneur**

Entrepreneurship can be described as a process of action an entrepreneur undertakes to establish his enterprise. Entrepreneurship is a creative activity. It is the ability to create and build something from practically nothing. It is a knack of sensing opportunity where others see chaos, contradiction and confusion. Entrepreneurship is the attitude of mind to seek opportunities, take calculated risks and derive benefits by setting up a venture. It comprises of numerous activities involved in conception, creation and running an enterprise. According to Peter Drucker Entrepreneurship is defined as \_a systematic innovation, which consists in the purposeful and organized search for changes, and it is the systematic analysis of the opportunities such changes might offer for economic and social innovation.

Entrepreneurship is a discipline with a knowledge base theory. It is an outcome of complex socio-economic, psychological, technological, legal and other factors. It is a dynamic and risky process. It involves a fusion of capital, technology and human talent. Entrepreneurship is equally applicable to big and small businesses, to economic and non-economic activities. Different entrepreneurs might have some common traits but all of them will have some different and unique features. If we just concentrate on the entrepreneurs then there will be as many models as there are ventures and we will not be able to predict or plan, how and where, and when these entrepreneurs will start their ventures.

Entrepreneur is a person who starts an enterprise. The process of creation is called entrepreneurship. The entrepreneur is the actor and entrepreneurship is the act. The outcome of the actor and the act is called the enterprise. An enterprise is the business organization that is formed and which provides goods and services, creates jobs, contributes to national income, exports and overall economic development. The term entrepreneur is used to describe men and women who establish and manage their own business. The process involved is called entrepreneurship. Entrepreneurship is an abstraction whereas entrepreneurs are tangible people. Entrepreneurship is a process and an entrepreneur is a person. Entrepreneurship is the outcome of complex socio-economic, psychological and other factors. Entrepreneur is the key individual central to entrepreneurship who makes things happen. Entrepreneur is the actor, entrepreneurship is the act. Entrepreneurship is the most effective way of bridging the gap between science and the market place by creating new enterprises. An entrepreneur is the catalyst who brings about this change.

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