

## ENTREPRENEURSHIP AS A TOOL FOR RURAL SOCIO-ECONOMIC DEVELOPMENT

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### Abstract

Entrepreneurship is gaining traction as the present economic scenario necessitates employment providers playing a larger part in the economy of the country, as India struggles to offer job and income stability to its population. Entrepreneurship plays an important role in the global and local economies by industrialising rural and backward areas, supplying input to huge companies, and generating jobs. It is a significant driver in the transformation of an agriculture-based economy to an industry-based one, which is especially essential for India because 69 percent of the population lives in rural regions that lack basic facilities, causing people to migrate from rural to urban areas. Entrepreneurship is the current era's social and economic trademark. It's the key to both economic and social progress. In the setting of a growing country like India, where substantial socioeconomic issues exist, entrepreneurship plays a critical role.

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Agriculture makes a significant contribution to the national economy, and agriculture employs around 75 percent of our people, either directly or indirectly. As a result, any development in agriculture will eventually result in a better national economy. This may be accomplished by integrating agriculture and industry properly. The farm must be seen as a separate commercial entity. "If the villages vanish, India will perish as well," Mahatma Gandhi stated. India will cease to exist. Her own personal mission in the world will be misplaced." He emphasised local industry and envisioned the village as a self-contained, self-sufficient, and fully functional element of Indian society. The realisation of his vision, as well as many of the issues that have emerged as a result of a lack of job possibilities in rural regions, may be successfully addressed if village industries are created and agriculture is transformed from a way of life to an agribusiness.

Agriculture should be connected with village industries so that agricultural products can be used by village industries. These can also create items that can be employed in agricultural activities. As a result, a cycle can be established in which agro businesses use agricultural produce while also producing goods that farmers can use. This is also a pressing requirement at a time when the country is undergoing economic liberalisation and globalisation. It is necessary to convert job seekers into employment producers or generators. All of this will require the development of entrepreneurship among farmers in particular and the rural people in general. To turn a farm into an enterprise, the individual in charge must change his or her title from farmer to farm business operator or entrepreneur (De, 1986). Any technological improvement will never yield good results until and until farmers become entrepreneurs. Farmers are encouraged to be entrepreneurial as a result of agricultural innovation, rather than following the traditional and hereditary occupational structure. Gujarat, for example, has become a national leader in bringing the white revolution to the country as a result of farmers' entrepreneurial behaviour in shifting from traditional forms of dairy management to new systematic procedures of dairy management and adopting new technologies of milk production and processing.

We must first grasp who an entrepreneur is and what entrepreneurship is before we can promote it among farmers. The term 'entrepreneur' is closely linked to the phrase 'business.' These names are frequently used interchangeably. However, they are conceptually distinct. 'Entrepreneur' is derived from the French words 'enterprendre' and 'unternehmen,' both of which mean 'to undertake' or 'to do something.' 'Entrepreneurs' were the term used in the early 16th century to describe Frenchmen who organised and commanded military missions. After 1700, the name was used to other types of activities, mostly civil engineering such as road, bridge, and building construction. It wasn't until the early eighteenth century that the term was used to economic issues. Richard Cantillon, a French-born Irishman, was the first economist to coin the term "entrepreneur" to describe the risk-taking function of starting a new business. In general, an entrepreneur is a person who starts his own business or industrial venture with the goal of producing money. To put it another way, an entrepreneur is someone who organises, manages, and assumes the risk of running a business. An entrepreneur organises numerous production factors, such as land, labour, money, people, and machinery, and directs them toward a predetermined aim.

Following our study of the term 'entrepreneur,' it is equally necessary to focus on the phrase 'entrepreneurship.' While the term "entrepreneur" refers to a person, the term "entrepreneurship" refers to a function. Essentially, an entrepreneur is a business leader who performs entrepreneurial functions in regard to that business. As a result, entrepreneurship is a series of tasks that must be completed in order to start a business. As a result, entrepreneurship can be defined as the actions of entrepreneurs.

Entrepreneurial development is assisting a person in developing and enhancing entrepreneurial skills, abilities, and capabilities so that he can more efficiently and successfully realise his entrepreneurial goals. According to Prof. C.B. Gupta and N.P. Srinivasan, "Entrepreneurial development is inculcating entrepreneurial traits into a person, imparting the required knowledge, developing the technical, financial, marketing and managerial skills and building the entrepreneurial attitude". According to Joseph E. Steperek, "Intelligence, motivation, knowledge and opportunity are the pre requisites of entrepreneurial development".

A programme meant to assist a person in increasing his entrepreneurial skills, motives, qualities, and capabilities, which are important for fulfilling his entrepreneurial role more effectively, is referred to as an entrepreneurial development programme. Entrepreneurial development is a process that improves a future entrepreneur's motivation, abilities, qualities, and knowledge. It assists entrepreneurs in the establishment of their own businesses through training and development. It has been recognised as a valuable instrument for human resource development. It is primarily intended for the growth of first-generation entrepreneurs who are unable to run a successful business on their own. Entrepreneurial development programmes aid in the achievement of desired goals by instilling certain qualities and traits, ultimately leading to the advancement of the country.

EDPs have both a short-term and a long-term goal. The overall goal of the entrepreneurial development programme is to promote small and medium-sized businesses while also encouraging self-employment. On the other side, potential entrepreneurs should improve their managerial skills. The entrepreneurship development programme aids in the elimination of a variety of issues such as unemployment, poverty, regional uneven growth, power concentration, and so on. EDPs aid economic progress by resolving these issues. The development of human resources is critical to a country's success. As a result, proper human resource development leads to the development of any nation.

Entrepreneurship development programmes aid in the reduction of unemployment, which is a major source of problems in emerging and poor countries. Allowing entrepreneurs to open their own businesses can help to reduce unemployment. Job chances for others are created as entrepreneurs set up more and more units. As a result, EDPs can help to tackle the problem of unemployment and poverty to a considerable extent. EDPs aid in a country's balanced regional development. In impoverished and emerging countries, there are certain industrially backward and distant locations. Small scale operations are established in these rural and backward locations with limited financial resources thanks to effective entrepreneurial development programmes. Central and state governments also offer incentives and subsidies to entrepreneurs who locate their businesses in rural areas, promoting balanced growth and reducing power concentration in

a few hands. Entrepreneurs work hard to bring together other manufacturing variables, which results in the creation of goods and services. More and more new firms are launched with the support of EDPs, resulting in an overall improvement in productivity, which contributes to an increase in national income and per capita income. A sufficient and adequate amount of funds is required to start a new venture.

To start a firm, an entrepreneur organises numerous factors of production and uses his own and borrowed funds. He mobilises society's idle savings and puts them to productive use, so contributing to capital formation. Various financial institutions and banks, including as ICICI, IDBI, IFCI, and SFCs, provide financial assistance to entrepreneurs in order to help them grow their businesses. EDPs contribute to increased capital formation, which serves as a buffer for a country's development. In the location where the business is located, there are a variety of resources available. If the resources are not appropriately utilised, they will be wasted. By advising, educating, and training entrepreneurs, a successful EDP can help them make the most of their local resources.

Proper utilisation of these resources will aid in the establishment of a solid foundation for the industry's rapid expansion. EDPs assist in the reduction of social stress. When unemployed youth and educated people are unable to find work, they become frustrated. As a result, there is social unrest. It is possible to alleviate dissatisfaction among educated individuals by directing them toward self-employment. In the end, self-employment decreases social stress. EDPs can assist in guiding jobless young people in the proper route. EDP provides direction, assistance, and training in the formation of their own businesses. The concentration of industries in cities leads to industrial slums because the majority of industries are located in urban areas.

Decentralization of industries can help to prevent industrial slums. This is made feasible by EDPs. These programmes have made a significant contribution to the solution of the problem of industrial slums. Entrepreneurs are given various incentives, exemptions, and subsidies to set up their businesses in industrially backward areas. For a balanced industrial expansion in all regions, infrastructure facilities are also given in remote areas. This would also aid in the reduction of pollutants, urban overcrowding, and transportation congestion.

Entrepreneurs use inventive approaches to create new goods and services. They offer a wide range of goods at reasonable costs in the market. Consumers' desires are met with a greater variety of items at lower prices, resulting in an increase in their spending power. Increased purchasing power allows them to buy more items for the same amount of money, resulting in a higher standard of living.

Entrepreneurs supply a country with a wide range of items on a huge scale at competitive pricing. We can replace imports by embracing innovations. We are capable of producing things that are now imported from other countries. Export surpluses result from increased output. After meeting domestic demands, we can facilitate exports. A country can also gain foreign exchange this way. A country will become economically self-sufficient and will no longer be reliant on foreign countries. Entrepreneurs can achieve self-reliance and self-sufficiency in an economy if they are aware of recent advances, which is possible with the appropriate organisation of EDPs. EDPs contribute to general development. When an entrepreneur starts a business, he or she needs a lot of other things, thus additional businesses are started at the same time. For example, when a new industry is set up in a

certain location, other facilities such as transportation, communication, finance, insurance, and input supplies are eventually built. This, in turn, leads to the area's general development.

**Extension Strategies for Entrepreneurship Promotion:** The most important objective is to educate farm families about the prospects of easily accessible businesses. Through different measures such as exhibitions, melas, and campaigns, the government, semi-government, and non-government groups should raise awareness among the most productive age range of farm families. For this goal, both printed and electronic media can be used efficiently. Any idea must be stimulated psychologically before it can be implemented. The economic, social, personal, and political benefits of various possible enterprises should be highlighted to properly motivate farm families. Farm visits, exposure visits, field trips, video film displays, dramas, puppet performances, group meetings, and other methods of inspiring potential entrepreneurs will be used. The acquisition of knowledge and skill up-gradation and polishing of existing knowledge and abilities are the basic prerequisites in the development and success of an organisation after awakening and inspiring. Farm families who are interested in or currently engaged in various enterprises should be given with lectures, printed materials, talks, institutional and non-institutional skill trainings for imparting firsthand technical knowledge in procurement, processing, production, and management. Any business's long-term viability requires constant follow-up. Various restrictions experienced by entrepreneurs, such as personal, social, economic, marketing, and so on, should be addressed during this period. To enable people to solve their difficulties, possible assistance in the form of information, technical skills, and inputs should be supplied. Knowledge of direct and indirect marketing of produce, as well as financial management, should be included in training programmes for rural people.

Creating a business and, as a result, promoting entrepreneurship is not a one-man show. In fact, it entails a variety of actions. The following measures are suggested for encouraging farmers to become more entrepreneurial:

1. Finance is seen as a lubricant in the establishment and operation of a business. As a result, funds must be made accessible to farmers on a timely basis and at favourable terms.
2. Agro-industries must be formed and developed with contemporary infrastructural facilities in the villages to overcome the problems of transportation costs and post-harvest losses of perishable commodities. This would assist promote export commerce on the one hand, and close engagement between customers and sellers on the other, avoiding the use of an intermediary.
3. Entrepreneurship development should be included in graduate and post-graduate courses at state agricultural colleges so that, once employed, these graduates and post-graduates can effectively administer government initiatives and encourage rural people to engage in agricultural entrepreneurship. Some of these graduates may choose to start their own agricultural businesses.
4. PMRY (Prime Minister Rozgar Yojana) is a major self-employment programme now being implemented by the government through District Industries Centres (DICS), with funding provided by a local bank. Agricultural finance personnel at banks should be exposed to entrepreneurship development so that they can spread

information about all of the resources available to farmers to assist them in starting a business.

5. Any industry requires raw materials. Previous experience has shown that rural industries with employment potential cannot be sustained for long periods of time unless a robust raw material foundation is established in rural areas. As a result, to develop the raw material basis in rural areas, a constructive policy is required.
6. One of the issues facing entrepreneurs is that the majority of them enter the business world by accident rather than choice. The units become sick due to the lack of aptitude and ability on the part of such entrepreneurs. As a result, training interventions such as Entrepreneurship Development Programmes (EDP), Women Entrepreneurship Development Programmes, and others are needed to build entrepreneurial attitudes and competences among prospective entrepreneurs.
7. To effectively exploit local resources, adequate measures should be made to provide institutional training to orient entrepreneurs in certain products and crafts.
8. Applied science, rather than basic science, should be prioritized by agricultural experts. They must priorities the development of technologies that farmers can use. Adaptable technology packages should be developed by scientists.

The following advantages will emerge if entrepreneurship is encouraged among farmers, farm women, and rural youth:

1. It will halt urban migration. Cities' population growth can be slowed, and rural residents can find work in their own communities.
2. Rural employment opportunities will be able to channel the energies of rural youth, reducing social ills and mischief in the villages. As a result, it will pave the path for rural communities to establish a healthy society.
3. Rural businesses will enhance their infrastructure, which will have a positive impact on other factors such as transportation, roads, product availability, and the economy. As a result, the total development of these places will be achieved.
4. This will aid in the transfer of economic power to rural areas and will be a significant step toward power decentralization. Rural industries will make use of rural manpower.
5. Agro-industries can assist in achieving environmentally friendly, balanced growth and development. Natural resource mismanagement and overexploitation shall be minimized.
6. Rural income can be raised, allowing rural development to take place. Traders and intermediaries exploiting rural youngsters can therefore be avoided.

Village economic growth and the success of any government-sponsored initiative are both dependent on human resource development. Farmers, farm women, and rural kids, on the other hand, are unable to cash them in due to ignorance and a lack of intrinsic drive. Farmers, on the other hand, have not seen them as legitimate commercial potential. Even development workers and field personnel are unaware of technical advancements and potential for diversifying and commercializing agriculture into a profitable business. This could be one of the reasons why they were unable to build an environment in which

the farming community could benefit from technical advancements and opportunities. As a result, there is a pressing need to mobilize the farming community in order to take advantage of new prospects. Farmers must regard their farm units as viable commercial units and become entrepreneurs. Banks, training institutes, and other existing infrastructure must be developed to support and sustain rural enterprise. In light of the changing situation, extension professionals must be equipped with ways for encouraging farmers, farm women, and rural youth to start relevant businesses for meaningful self-employment and income generation. Agricultural development programmes have focused on building infrastructure, creating technology, and disseminating them to farmers' fields until now. However, the focus should now be on the farmer himself. As a result, it can be concluded that agricultural entrepreneurship will contribute to the economic prosperity of communities, resulting in a healthier society and nation. This is what our country requires right now.

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