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Entrepreneurship Development among Minority Communities: With Special Reference to Nagaon District of Assam

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Abstract:

Entrepreneurship plays an important role in the economic development of a nation. It starts from the innovation of the idea to establishing, nourishing the enterprise. It is a total process undertaken by an entrepreneur. The development of entrepreneurship creates utilities and generation of employment. Assam is one of the most industrially backward states of India. Though the state has resources in abundance but the entrepreneurship development is not satisfactory. The study was conducted in Rupahihat area of Nagaon District of Assam with the prime objective of examining the present status of entrepreneurship development among the minority communities also finds out the problems faced by such entrepreneurs. The study reveals that, the entrepreneurship development in the study area is slow in progress due to awareness, motivation etc. with other problems, which requires proper attention from all sides.

Key words: Entrepreneurship, Innovation

1. Introduction

Entrepreneurship plays an important role in the economic development of a nation. Entrepreneurship development is necessary for national growth and social development. Schumpeter, J. A (1954) considered economic development as a good change brought by entrepreneur by instituting new combination of production. It is the driving force which accelerates economic development of the country. The development of entrepreneurship creates utilities and generation of employment. Entrepreneurship is the total process undertaken by an entrepreneur. It starts from the innovation of the idea of establishing, nourishing the enterprise. Entrepreneurship development particularly in micro enterprise and SSI sector has been recognized as one of the most significant and characteristic features of industrial development. Unemployment problems and alleviation of poverty can be solved through the entrepreneurship development.

In India millions of the people are living below the poverty line and 26 percent is considered as the poorest of the poor. Again according to the estimation of the Planning Commission of India (2006), there are 36 million people who are now unemployed. Hence, for alleviation of poverty and to eradicate unemployment problem, entrepreneurship development is most essential. Since the independence Government of India has launched different strategic measures to alleviate poverty and unemployment problems in time to time, but in spite of this program and schemes India is still considered as industrially backward nation. Therefore awareness about entrepreneurship development is most essential for all.

2. Need of the Study

The state of Assam geographically form the core of north- eastern state and with vast deposit of mineral resources like petroleum, natural gases, coal, limestone, forest and water resources but it has been considered as an industrially 'A' category backward state of India. There are twenty seven districts in Assam including Nagaon district. Nagaon district is situated in the middle of the state of Assam. The district covers an area of 3937.31 Sq. Km. out of which urban area is 35.31 Sq. Km. and for rural is 3831 Sq. Km. It covers 5.06 per cent of the total geographical area of the state of Assam. The total population of the district as per 2011 census is 28.26 lakhs of which 14.40 lakhs is male and 13.85 lakhs are females Though the district has resources in abundance but the entrepreneurship development is not satisfactory. Again the minority communities of the district are economically backward and majority of them are living below the poverty line.

Till now, there is no sufficient study carried out in a holistic view to study the entrepreneurship development among the minority communities particularly in rural areas of the Nagaon district.

3. Location of the Study Area

Rupahihat is one of community development block under the Nagaon District. Total geographical areas of this block are 11,290 hectare. In this block there are 42 revenue villages and 14 Gaon Panchayat. According to 2001 census total population in this block are 142039 of which 73482 are male and 68557 are female. Literacy rate of the block is 44 percent. Total SC population in

the block is 17310, ST population is 1714 and 123015 are general caste population and majority (90 per cent) of them are religious minority i.e. Muslim.

4. Objectives

- To study the progress of entrepreneurship among minority communities in Nagaon district and study block.
- To examine the different problems faced by the entrepreneurs.
- To suggest measures to improve entrepreneurship among the minorities in Assam in general and the study area in particular.

5. Research Methodology and Data Source

Nagaon district of Assam has been deliberately selected for the purpose of the study as it has all the characteristics of an economically and industrially backward district defined by the Central government (Panda Committee 1968, Sivaraman Committee and category 'A' by Central Government for transport subsidy) The study is based upon the methods of survey research and the data which are collected both from primary and secondary sources. Data are mostly represented in nature. For convenience of the study, one development blocks have been selected purposefully out of 18 development blocks functioning in the Nagaon district. In order to make the study more relevant, it has been purposefully decided that the study would be carried out on 40 minority community's entrepreneurs have been selected randomly from the sample block.

For collecting the primary data, one structured questionnaire was prepared for the entrepreneurs and accordingly, information has been collected personally by the researcher. Besides this, secondary information was also collected from the bank and block officials in the study district and literature on the topic.

6. Limitation of the Study

The present study was conducted in Rupahihat block of the Nagaon district of Assam. The number of entrepreneurs in the block is higher than that of other blocks of the district and all of them are scattered in the different area of the entire block. majority of the entrepreneurs is not registered their enterprise in District Industries Centre for availing different assistance which is provided by the government in different time period. During the period of study, it was found that most of the entrepreneurs did not want to disclose their views regarding their enterprise, its actual sources of finance, the repayment position of loan and income level, sources of power etc.. which restricted the researcher's to make a detailed analysis.

7. Major Entrepreneurial Activities of the Study Area

The followings are the major entrepreneurial activities undertaken by the entrepreneurs of the study area.

- Textile Industry: i. Jute handloom products, ii. Jute rope. III. Coir rope iv. Fishing net. v. Knitting and embroidery.
- Engineering industry: i. Black Smithy,. ii. Wire netting.
- Forest based industry: i. Cane & Bamboo works I Bamboo Tarza making
- Agro based Industry: i.Rice milling.ii.Beaten Rice iiiPuffed Rice, iv Supari processing
- Others: i.Hatchery.ii. Cycle repairs.

From the above entrepreneurial activities it is found that all most all the enterprise which is undertaken by the entrepreneurs of Rupahihat block is micro and rural enterprise. There are no any major and medium size enterprises in the study area.

8. Analyses

8.1. Educational Background

Economic development largely depends on the literacy of the people. This is particularly important in case of entrepreneurial growth. Educational qualification affects the decision of prospective entrepreneur in the selection of an enterprise, location etc. The Table 1 shows the educational qualifications of 40 sample entrepreneur of study blocks. This also aids in day to day decision making as well as in running of a project. Education also helps to keep him aware of various facilities and incentive of the Government.

Qualification	Rupahihat	Percentage
Below HSLC	15	38
Undergraduate	20	50.
Graduate	05	12.
Technical	-	-
Others	-	-
Total	40	100

Table 1
Source: Field Survey

An illiterate person is conservative and reluctant to accept all changes. All most all, the entrepreneurs under study are found literate. From the Table 1, it is observed that the majority of the entrepreneurs (35 i.e.88 %) are undergraduate. Though these

entrepreneurs do not have any formal degree of graduation, each of these entrepreneurs is doing well in their enterprises. Therefore it is observed that for starting of an enterprise high educational qualification is not a prerequisite condition.

8.2. Forms of Organization

Regarding the forms of organization, most of the sample units (57%) are proprietary concerns, followed by Self help Group [SHG] (28%) and Partnership (15%). There is no any other unit registered as a private company and cooperative. Requirement of less investment, easy decision making and administration etc.. have encouraged the sample entrepreneurs for starting of a proprietorship business rather than partnership or other form of business. (Table 2).

Category	Rupahihat	Percentage
Proprietary	23	57
Partnership	06	15
Self help group	11	28
Cooperative	-	-
Company form	-	-
Total	40	100

Table 2
Source: Field Survey

8.3. Motivational Factors

The main objective of starting an enterprise is to create self- opportunities as well as generation of income. This may be an indication towards the changing attitude of the people towards self-employment and entrepreneurship as a career. From the Table 3 it is observed that the majority of the entrepreneurs (43%) is doing their business due to non availability of the jobs in Government and non-Government sectors. The majority of the educated youth is always in search of Government job but they are not interested to start an enterprise.

Motivation	Rupahihat	Percentage
Knowledge and skill	06	15
Non availability of jobs	17	43
Lower income	05	13
Socio- economic status	07	18
Government policy	02	5
Other reasons	03	8

Table 3
Source: Field Survey

On the other hand, 15 per cent entrepreneurs started their enterprise on the basis of their knowledge and skills. It is also seen in table that 13 per cent entrepreneurs started their enterprise only due to less income from their previous occupation. Therefore, it is observed that from the present business they have been able to improve their standard of living. Moreover, 18 per cent entrepreneurs started their enterprise only for social and economic status. Most importantly in the table it is observed that only 5 per cent entrepreneurs started their enterprise for Government supportive policy. Therefore the Government should take more steps for promotion of micro enterprise through organizing much awareness programs in the district in particular and state in general.

8.4. Awareness Regarding Scheme of Assistance

Adequate knowledge about the schemes and facilities available for enterprises is not only a promoting factor but also helps in sustaining the enterprises. For starting of an enterprise and availing of other facilities, it is necessary to get all information which is available for promotion and growth of the enterprise to motivate first generation Entrepreneurs. During the field survey, it was found that (Table 4) majority of the entrepreneur (33%) gets information from the existing entrepreneurs and family and friends also motivate them to start an enterprise i.e. 25%

Source	Rupahihat	Percentage
Existing entrepreneur	13	33
DIC	08	20
KVIC	06	15
Gaon Panchayat	03	08
Friend And Relatives	10	25

Table 4
Source: Field Survey

The role of District Industries Centre is most important to provide necessary information to the prospective entrepreneur (20%).

8.5. Exposure to Entrepreneurship Development Program.

Entrepreneurship Development program (EDP) is an important component for enhancing the skill of an entrepreneur. EDP improves the knowledge, skill and managerial ability. Because of technological change, training becomes an essential part in all most all the industrial units. But training is not given adequate importance by the entrepreneurs of micro and, small unit. In case of the study area, it is observed from the table no.5, that majority of the entrepreneurs have not taken (33%) training from the different organizations. Again government and financial institutions also have not taken sufficient numbers of training (EDP) programmers. The role of State Institute of Rural Development (SIRD) is most important, SIRD has provided the maximum number of trainings as 28 per cent of the respondents received training from SIRD. District Industries Centre provided training to 20 per cent entrepreneurs.

Training organization	Rupohihat	Percentage
DIC	08	20
KVIC	03	08
Financial institutions	05	13
SISI	-	-
SIRD	11	28
No training	13	33

Table 5
Source: Field Survey

8.6. Sources of Finance

Finance is the lifeblood of every organization. Adequate and timely release of funds is a primary requirement in promoting as well as sustaining of any enterprise. The need for money is continuous. It starts from the setting of the enterprise and remains on all the time. Finance is a major hurdle in the case of any rural, which has resulted in a very low level of the average investment in this sector. More often it is seen that the entrepreneurs invest their own savings to start of a new unit or business.

Sl. No.	Category	Unit	Percentage
1	Own	19	48
2	Bank	04	10
3	Other financial institution	-	-
4	Money lenders	08	20
5	Relatives	06	15
6	Others	03	08
	Total	40	100

Table 6
Source: Field Survey

In the field survey, (Table No.6) it has been observed that 48 per cent of the entrepreneurs starting the business with their own sources of funding. Again, 20 per cent entrepreneurs got funds from money lenders and 15 percent from relatives.

8.7. Problems Faced by the Entrepreneur

The various problems faced by the sample entrepreneurs discussed in this study. It was found that the entrepreneurs are facing a lot of problems at various stages in promotion of enterprises in the block. The basic problems faced by the entrepreneurs are inadequate finance, shortage of power and marketing facilities etc.

Problems	Respondents (Percentage)
Labour	04(10%)
Marketing	10(25%)
Power	17(43%)
Competition	05(13%)
Demand	07(18%)
Finance	21(53%)
Education	10(25%)

Table 7
Source: Field Survey
N.B. *No. Of Response Increase Due to Single Respondent Facing One or More Problem

The study reveals that out of 60 sample unit 53 per cent entrepreneurs facing the problems of finance, followed by 43 per cent facing the problems of power, 13 per cent facing the problems of competition, 10 per cent facing the problems of labour and 25 per cent marketing, 18 per cent facing demand problem, and 25 per cent facing the problems of education.

8.8. Innovative Idea

One of the basic features of entrepreneurship is innovation. An entrepreneur should have to innovate new things, such as a new method of production, new marketing opportunities, new sources of raw materials etc. In the study area it is found that the majority of entrepreneurs are doing traditional type of activities. Out of forty entrepreneurs only eleven numbers of entrepreneurs use some innovative idea in their enterprises.

	Category	Unit
1	New innovation	-
2	New method of production	-
3	Creation of new market	6/40
4	New sources of raw materials	5/40

Table 8

Source: Field Survey

There is ample scope for intervention in this area relating to the adoption of better and scientific methods of production, use of high quality seeds and storage facilities. This will not only enhance productivity and marketability of the products but also serve as motivation for others to follow.

9. Conclusion

Though the State Government as well as Central Government has been taking various measures to improve the socioeconomic condition as well as the welfare of minority people living in the state, but still minority peoples are very backward in every respect particularly in rural areas. The study was conducted in the Rupahihat area of Nagaon District with the prime objective of examining the present status of entrepreneurship development among the minority communities also finds out the problems faced by such entrepreneurs. For this purpose primary information has been collected from the 40 sample enterprises located in the Rupahihat area of Nagaon district. For collecting the primary data, one structured questionnaire was prepared for the entrepreneurs and accordingly, information has been collected personally by the researcher. The study reveals that, the entrepreneurship development in the study area is slow in progress due to awareness, motivation etc. with other problems, which requires proper attention from all sides.

10. Suggestions

In the light of the study, the researcher felt that the following suggestions would help the Government, financial institutions and different promotional agencies.

- Motivational Training/Entrepreneurship Development Programs: The people of the Assam and the district particularly in minority dominated rural areas are lacking entrepreneurship. Large sections of entrepreneur do not have much information about the functioning of promotional agencies in the state. Thus entrepreneurship development program will play an important role. The program may be conducted at regular intervals at different location of the block and Panchayat by the different promotional agencies, banks and other financial institution with their own initiative. In this regard Sachar Committees recommended that NABARD and SIDBI should set aside funds for training of minorities under its Entrepreneurial Development Program.
- Entrepreneurship education should be introduced at all levels of the education system: school, college and university.
- The procedure of applying for a loan should be made simple and at the same time, time for sanctioning and disbursing the loan should be lesser. Again in this regard the Sachar Committees (2006) recommendation should be followed by the Public Sector Banks to share information to the clients about the procedure for making loan applications and other relevant details
- The power supply is basic requirements for development of enterprises. But the power supply in Rupahihat is inadequate. There are unscheduled load shedding and unexpected power failure. It is suggested to take some urgent steps to improve the power supply position.
The improvement and expansion of other physical infrastructure such as water supply, communication network and road networks so as to reduce the socio – economic costs of setting industries are also necessary.
- District Industries Centre, Promotional organization, financial institution, Banks should provide skills Development training to the entrepreneurs. “Seekho aur Kamao” (learn and Earn) is one of the scheme of skill development of minorities should be implemented properly.
- Government and Financial Institution should take some awareness campaign on entrepreneurship development among the women’s of the district.
- The Block Industries Centre should be set up in every community development block of Assam
- Monitoring mechanism is to be set up at the branch offices of all Banks and also in block offices. The field officer of all Banks/Block should be entrusted with the duty of attending the premises of micro enterprises at regular intervals.

- The rural marketing service center should be established at the block level for the benefit of village artisans and rural enterprises. This center should provide necessary infrastructure for marketing of the product of artisans and entrepreneurs.

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