

Abstract of the Ph. D Thesis

On

**RURAL ENTREPRENEURSHIP IN NAGALAND: PROBLEMS  
AND PROSPECTS**

Submitted for

The Degree of Doctor of Philosophy in Commerce

By

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**NAGALAND UNIVERSITY**

**CAMPUS: KOHIMA**

**MERIEMA, NAGALAND**

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## CERTIFICATE

*This is to certify that the thesis, “**Rural Entrepreneurship in Nagaland: Problems and Prospects**” has been completed by **Mr. LIPOKTOSHI**, Research Scholar, Department of Commerce, Nagaland University, Kohima Campus: Meriema under my supervision. It is a record of original research work.*

*The thesis is fit for the submission for the degree of Doctor of Philosophy in Commerce.*

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## DECLARATION

*I, LIPOKTOSHI, do hereby declare that the subject matter of this thesis titled, “Rural Entrepreneurship in Nagaland: Problems and Prospects” is the record of work done by me, that the contents of this thesis did not form basis of the award of any previous degree to me or to the best of my knowledge to anybody else. This thesis has not been submitted earlier either to this university or to any other University/Institution for the fulfillment of the requirement of a course of study.*

*This is being submitted to the Nagaland University for the degree of Doctor of Philosophy in Commerce.*

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## LIST OF ABBREVIATIONS

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AIIDC	- Assam Industrial Infrastructure Development Corporation
BEST	- Basic Entrepreneurial Skill Training
DDP	- District Domestic Product
DDU-GKY	- Deen Dayal Upadhyaya Grameen Kaushalya
DFS	- Department of Finance Service
DIC	- District Industries and Commerce
EAPs	- Entrepreneurship Awareness Programmes
EDP	- Entrepreneurship Development Programme
ESDP	- Entrepreneurship Skill Development Programme
GSDP	- Gross State Domestic Product
HSLC	- High School Leaving Certificate
HSSLC	- Higher Secondary School Leaving Certificate
IBRD	- International Bank for Reconstruction & Development
IGA	- Income Generation Activities
ITI	- Industrial Training Institutes
IMCs	- Industries Motivation Campaigns
MDP	- Management Development Programme
MFI	- Micro Finance Institutions
MNREGS	- Mahatma Gandhi National Rural Employment Guarantee Scheme
MSDE	- Ministry of Skill Development & Entrepreneurship

MSME	- Micro Small Medium Enterprises
MSMED	- Micro Small Medium Enterprises Development
NBDA	- Nagaland Bamboo Development Agency
NBFC	- Non Banking Finance Companies
NCGTC	- National Credit Guarantee Trustee Company
NEA	- National Entrepreneurship Awards
NEN	- North-East Network
NER	- North-East Region
NGO	- Non Governmental Organisation
NREGS	- National Rural Employment Guarantee Scheme
NREGA	- National Rural Employment Guarantee Act
NKC	- National Knowledge Commission of India
NRLM	- Nagaland Rural Livelihoods Mission
UT	- Union Territories
KVIB	- Khadi and Village Industries Board
KVIC	- Khadi and Village Industries Commission
PIAs	- Project Implementing Agencies
PMEGP	- Prime Minister's Employment Generation Programme
PMGSY	- Pradhan Mantri Gram Sadak Yojana
PMMY	- Pradhan Mantri Mudra Yojana
PMRY	- Pradhan Mantri Rojzar Yojana
RED	- Rural Entrepreneurship Development
REDP	- Rural Entrepreneurship Development Programme

REGP	- Rural Employment Generation Programme
SAGY	- Sansad Adarsh Gram Yojana
SDP	- State Domestic Product
SIDBI	- Small Industries Development Bank of India
STRIVE	- Skill Strengthening for Industries value Enhancement
SVEP	- Start-up Village Entrepreneurship Programme
VDP	- Vendor Development Programme
YES	- Youth Employment Summit

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# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 INTRODUCTION**

“India lives in villages and its true spirit lives in rural areas”. – Mahatma Gandhi.

The statement is applicable even today, because majority of the population in India lives in villages. As per the Provisional Population Total of census 2011, the rural population formed 68.84% of the total population of the country. Hence, thinking of India’s development without developing villages is like building a castle in air, (Patel & Panchasara, 2019). Village and rural industries play a vital role in constructing the national economy so it is not wrong to say village and rural industrialisation nurtures economic development in the rural areas and also improves the standard living of rural masses. Any progress of growth and development that does not fulfil the needs of rural areas and its people, especially the poor cannot be claimed as development in India. Need for empowerment of rural areas/villages by enhancing the welfare of the society and unleashing the innovations of entrepreneurship that in turn will make a giant leap forward. Entrepreneurship has assumed much importance for economic growth both in developed and developing countries. It promotes capital formation and creates wealth in the country and it is a pathway to prosper. If entrepreneurship is encouraged in rural areas it would, of course, be instrumental in changing the face of rural areas by solving many problems

like unemployment, poverty, economic disparity, improper utilization of rural workforce, low-slung standard of living, etc.

Rural entrepreneurship is the way of converting developing region into developed region; it involves transformation of overall social livings and economic betterment of the people in the rural areas. Rural Entrepreneurship can be considered as a driver of national and local economic development and as a contributor to increase the standard of living. Rural entrepreneurship plays an important role in ensuring the development of a village through the accrual of intrinsic and extrinsic benefits to the villages.

A country's development can be felt by its developed villages, which is possible through rural industrialization. According to Prof. D.R. Gadgil, "rural industrialization should be conceived as one on the major economic and social objectives of the plan of economic development". Rural industrialisation through rural entrepreneurship is regarded as the stabilizer to reduce poverty, and create income and employment opportunities. Rural entrepreneurship can be deliberated as one of the answers to economic disparity, migration, lessen poverty, unemployment and develops backward areas.

Rural industries and business organizations in rural areas generally associated with agriculture and allied activities to agriculture. India's rural economy is also directly or indirectly involved in agriculture and its allied activities like organic farming, horticulture, floriculture, piggery, poultry farming, sericulture, fishery, animal husbandry, etc., which are of remarkable importance because of its high supply and demand links with the other parts of the regions. But with the rapid growth in its population with consequent pressure of land has led the planners to lay greater emphasis on industrial development. Rural industries have been found to have high potential in employment generation and income creation, particularly in rural and

backward areas, and finally play a key role in the country's economy. Countries like USA, U.K, Canada, Switzerland, Germany and more particularly in Japan, small scale industries play a vital role in making their countries as the most advanced and industrialized countries. This sector is considered to be an engine of growth, especially in a developing country like India due to their contribution to income generation, employment, GDP and export earnings (KVN & Singh, 2006).

Government of India has been endlessly supporting and promoting for the growth of rural entrepreneurship. It is undeniable that employment opportunities had been improved since after Government of India focused on employment generation and assets creation through various interventions of plans and policies. However, despite the serious efforts of the government, the state of the entrepreneurial activities in the rural areas has not risen up to the expected level. To take the rural entrepreneurship forward, holistic understanding of the issue and challenges concerned with the promotion of rural entrepreneurship is essential. Mahatma Gandhi's dream of making rural India the focal point of holistic development of the country, characterized by a total harmony between individual's development and the larger economic and social development requires that the rural people be enabled to take up sustained and productive income generation activity through rural industrialization.

## **1.2. CONCEPTUAL FRAMEWORK**

A number of concepts are integral to this research study. These are discussed below:

### **1.2.1. Entrepreneur:**

The Webster Dictionary defines entrepreneur, as a person who organizes and operates a business venture and assumes much of the

associated risk. The word Entrepreneur is said to be derived from French word “Entreprendre” means to ‘undertake’ i.e., a person who undertakes the risk of new enterprise. Richard Cantillon, an Irishman and a French Banker used the word Entrepreneur for the first time in his writings. According to him an entrepreneur is, “someone who takes the risk of running an enterprise by paying a certain price for securing and using resources to make a product and reselling the product for an uncertain price”.

Peter F. Drucker defines, “Entrepreneur is one who always searches for change, responds to it and exploits it as an opportunity. He believes for in increasing the value and consumer satisfaction. Thus, a professional manager who mobilizes resources and allocates them to make a commercial gain from an opportunity is also an entrepreneur.

Joseph A. Schumpeter defines an entrepreneur as, “an innovator playing the role of a dynamic businessman adding material growth to economic development.” He also explains an entrepreneur as one who seeks to reforms or revolutionize the pattern of production by exploiting an innovation or more generally an untried technological possibility for production of a new commodity or producing an old one who in new way outlets of products. According to him entrepreneurs are business leaders and not simply capital contributors. They are men of vision, drive and talent who spot out opportunities and promptly seize them for exploitation.

Entrepreneurs may operate in any field of activities, such as industries, services such as social and healthcare, agriculture, etc. Entrepreneurs may be from any backgrounds, from any religious group, caste and creed. They may be of any age, any gender and may be illiterate or literate; they may be from any rural or urban areas. Entrepreneurs always try to gratify the needs of the market to supply desired need of products or services. Entrepreneurs play an important role in economic and social changes and



development of a region or country. Thus, entrepreneurs are person who initiate, organize, manage, and control the affairs of a business unit what combine the factors of production to supply good and services, whether the business pertains to agriculture, industry, trade or profession.

### **1.2.2. Entrepreneurship:**

Entrepreneurship is the propensity of mind to take calculated risk with confidence to achieve a pre-determined business or industrial objective. In substance, it is the risk-taking ability of the individual, broadly coupled with correct decision making (Soundarapandian, 2010). Entrepreneurship is a multi- dimensional task defined differently by different authorities. In the opinion of A.H. Cole Entrepreneurship is, “The purposeful activities of an individual or group of associated individuals, undertaken to initiate, maintain, or earn profit by production and distribution of economic good and services”. Joseph A. Schumpeter (1939) is also of the view that, “Entrepreneurship is based on purposeful and systematic innovation. It includes not only the independent businessman but also company directors and managers who actually carry out innovative functions” (Varshney, 2012). Peter Drucker (1986), “Entrepreneurship is neither a science nor an art. It is a practice. It has a knowledge base. Knowledge in entrepreneurship is a means to an end. Indeed, what constitutes knowledge in practice is largely defined by the ends, that is, by the practice.”

National Knowledge Commission of India (NKC 2008) defined Entrepreneurship as “the professional application of knowledge, skills and competencies and/or of enterprise or diversifying from an existing one, thus, to pursue growth while generating wealth, employment and social good”.

Thus, in simple language Entrepreneurship is defined as an ability to identify an investment opportunity and to organize an enterprise in order to contribute

to the economic growth of the country. Entrepreneurship is the function of economic activity, undertaking risk, facing challenges, creating something new, innovation, organizing and coordinating resources. Entrepreneurship is the process of risk bearing, innovation, thrills seeking. Entrepreneurship is the attempt to create value through recognition of business opportunity, the management of risk- taking appropriate to the opportunity, and through the communicative and management skills to mobilize human, financial and material resources necessary to bring up a project.

### **1.2.3. Rural Entrepreneur:**

Rural entrepreneur may be defined as, any individual or group of persons carrying out economic activities with profit motive in the rural areas with or without any proper infrastructure facilities can be termed as rural entrepreneur. A rural area means, the area comprised in any village and include the area comprised in any town, the population of which does not exceed 20000 as per latest census or such other figure as the Central Government may specify from time to time and any area classified as village as per revenue records of the state or U.T irrespective of population. Basically, rural entrepreneur is a person responsible for effecting change, adds value to art and crafts. (KVIC)

### **1.2.4. Rural entrepreneurship**

Rural entrepreneurship also conjures different meanings to different people. Without going into semantics, rural entrepreneurship can simply be defined as entrepreneurship emerging in the rural areas is rural entrepreneurship, or rural entrepreneurship implies rural industrialisation.

Rural entrepreneurship can be defined as entrepreneurship emerging at village level which can take place in a variety of fields of endeavor such as business, industry, agriculture and acts as a potent factor of economic

development. The term rural entrepreneurship refers to the self-employment programs exclusively meant for rural people. In other words, establishing industrial and business units in the rural areas refers to rural entrepreneurship (Chandrasahsa, 2016).

Establishing business units in the rural areas refers to rural entrepreneurship. In simple words, rural entrepreneurship implies entrepreneurship emerging in rural areas. (Desai, 2005), defined rural entrepreneurship as, “Entrepreneurship emerging at village level which can take place in a variety of fields of endeavor such as business, industry, agriculture and acts as a potent factor of economic development”. As stated earlier that majority of the rural populations are directly or indirectly dependent on agriculture, which affects the economic development of the rural areas.

#### **1.2.5. Rural Industry / Village Enterprises:**

(KVIC) defines village industry or rural industry as any, “Industry located in rural areas, the population of which does not exceeds 10000 or such other figure which produces any goods or render any services with or without the use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed thousand rupees. The definition of village industry has been modified by the Government of India, as any industry located in rural areas; village or town with a population of 20000 and below and an investment of 3 crores in plant and machinery is classified as a village industry”.

Rural Industry or Village industries usually are micro or small enterprises. In accordance with the provision of Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified as below:

- (i) A micro enterprise, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
- (ii) A small enterprise, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; and
- (iii) A medium enterprise, where the investment in plant and machinery or equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

The new classification has come into effect from 1st July, 2020. The earlier criterion of classification of MSMEs under MSMED Act, 2006 was based on investment in plant and machinery / equipment. It was different for manufacturing and services units. It was also very low in terms of financial limits. Since then, the economy has undergone significant changes. a revision in MSME criteria of classification was announced in the Aatmnirbhar Bharat package on 13th May, 2020. This has been done in order to be realistic with time and to establish an objective system of classification and to provide ease of doing business ( MSME Annual Report, 2021)

All the village industries have been grouped in to seven major categories as follows:

- i. Mineral-based industries
- ii. Forest-based industries
- iii. Agro-based industries
- iv. Polymer and chemical-based industries
- v. Engineering and non-conventional industries
- vi. Textile industries (including Khadi), and
- vii. Service industries.

### **1.3. REVIEW OF LITERATURE**

#### **1.3.1. Rural Entrepreneurship Development:**

The term “entrepreneurship” comes from the French word “Entreprendre” and the German word “Unternehmen” both means to ‘undertake’. Entrepreneurship is the act of being an entrepreneur and it begins with action, creation of new organization. (Santhi & Kumar, 2011)

**Archana Mali (2011)**, in her thesis “Entrepreneurship Development in Assam – An analytical study” delineates how entrepreneurship plays a major role in the development of enterprises, creation of opportunities for self-employment and entrepreneurial activities. Entrepreneurship helps in solving social problem of unemployment and also utilization of talent of individuals, which ultimately help in the development of the economy and contribute to socio-economic changes. The objectives of the study were to analyze the growth trend of entrepreneurship in Assam, to examine the role of support organisations in promoting entrepreneurship, to identify challenges and opportunities of entrepreneurship in Assam. The researcher has concluded that entrepreneurship in the state will experience a big fill up if highly qualified individual can be induced to take up entrepreneurship.

**Duricova (2014)** in her research paper, ‘Entrepreneurship in Urban and Rural Areas in the EU’ describes entrepreneurship in urban and rural areas in the European Union. With regard to the assumption that entrepreneurship is an important driving force of national and regional development and contributes to increasing the standard of living, the main goal of the paper is to examine possible differences in preference to become an entrepreneur in rural or underdeveloped region with comparison to urban and well-developed areas.

**A.K. Aggarwal (2018)** in his paper states that entrepreneurship is a crucial element for each country that aims to be competitive and developed within knowledge-based world economy. The emerging domain of rural entrepreneurship envisions itself as a body of knowledge to accelerate the process of rural industrialization in the country. Rural entrepreneurship is presently at the focus of much theoretical, practical and political interest. Rural entrepreneurship stands as a vehicle to improve the quality of life for individuals, families and communities and to sustain a healthy economy and environment. The paper aims at recognizing the need and relevance of understanding rural entrepreneurship development, emerging entrepreneurial eco-system, rural entrepreneurs are the creation of micro and small village enterprises.

**Sathya (2019)**, in his research paper, “Rural Entrepreneurship in India” makes an attempt to find out the challenges and problems for the potentiality of rural entrepreneurship. It also tries to focus on the major problems faced by entrepreneurs especially in the field of marketing of products, primary amenities like water supply, availability of electricity, transport facilities, required energy and financial amenities. In the light of this research paper made the effort have been made tackle the major challenges and problems available in the Indian market and effective measures had been highlighted for the possibilities and prospects to be able and successful entrepreneurs.

### **1.3.2. Need for development of rural entrepreneurship**

**Thakur, Dubey, & Bhawe (2012)** “The Development of Entrepreneurship in Indian Rural Areas”, delineates that rural entrepreneurship industrial development is a self-reliant development strategy but it needs to be supported by enabling environment and proper infrastructure support. For creation of enabling environment there is need for

government and non-government entities to work together. Then these enterprises can grow and contribute efficiently towards the society by creating job avenues, adding economic value and help to scarce resources within the community.

**kushalakshi & Raghurama (2014)** in their paper, "Rural Entrepreneurship: A Catalyst for rural development". Explained that village or a rural area is the back bone of the country. It plays a vital role in the national economy, predominantly in the rural development. Rural entrepreneurship helps in generating employment opportunities with low capital cost and raising the real income. It also contributes to the agricultural development and urban industries. With the growth of rural entrepreneurship, many economic problems like poverty, migration, economic disparity, unemployment can be eradicated in the rural areas.

**Ram, Singh, & Prasad (2012)** in their paper "prospects of Agriculture and allied Entrepreneurship development in North- East India" delineates that entrepreneurship is an important facet of industrial growth and development of the nation. The paper explains the opportunities involved in agriculture and allied activities in North-East, such as pig production Mushroom production, poultry production, fermented bamboo shoot, fish and fruit productions. The paper also highlights that North-East region is the biodiversity for hydro energy potential, oil and gas, coal, limestone, forest wealth, fruits and vegetables, flowers, aromatic plants, which has got huge opportunities for agripreneurs.

**Jain and Pandey (2013)** in their research paper, "Rural development through Entrepreneurship". Their paper states that around three-fourth of the India's population is living in vast rural areas. The need for rural entrepreneurship for developing industries in the rural areas has become urgency as it fosters economic development in rural areas, which reduces

rural urban migration; lessen growth in slums, etc. The paper reveals that rural industries encourages dispersal of economic activities in the rural areas and promotes balanced regional development. Rural industries also act as a catalyst of the widespread problems of disguised unemployment or under employment stalking the rural territories through entrepreneurship.

**Paul & Sharma (2013)** in their research paper, "Entrepreneurship as a tool for Rural Development" addresses to discover the innovators in Bihar, studying the usability of the innovations and its impact in rural people. The result shows that maximum innovations are in field of agriculture, rural energy and technology based. So far the local area is benefiting from the technology and innovation not much support is there from government to promote.

**Patil & Patil (2016)** in their paper, "Rural Development through Entrepreneurship" made an attempt to find out the difficulties and opportunities of rural entrepreneurship. It also focuses on the problems encountered by rural entrepreneurs like marketing of products, financial services and other primary amenities.

**Rajesh Chatterjee (2017)** in their paper, "Factors Influencing Growth of Rural Entrepreneurship in Tripura: A Socio-economic Perspective" delineates that India has a rich entrepreneurial society and rural entrepreneurs are the key drivers for employment generation and wealth creation in villages or rural areas. The research study is an endeavor in search of those factors which has influence on the entrepreneurship growth of rural Indian villages.

**Ramanjaneyalu (2018)** in their paper, "Rural Entrepreneurship as a major tool for Development of Tourism Industry" attempts to make an insight view of opportunity for entrepreneurs in rural areas with regard to tourism in line with accommodation, hospitality, medical, beverage, easy



access to transportation, entertainment, banking services and leisure, etc. the paper also suggest that entrepreneurs must develop a business plan in accordance with opportunity driven by tourism to facilitate rural development.

### **1.3.3. Problems and challenges in rural entrepreneurship**

**Saxena (2012)** in his research paper, “Problems faced by Rural Entrepreneurs and Remedies to solve it” delineates that 73% of the total population in India lives in rural region and faces a lot of problems such as financial, infrastructural, facilities, marketing, management, Human resources problems, which highly affect the economy of the region. He also suggested some remedies for those problems which will strengthen the economy, such as creation of finance cells, proper supply of raw materials, offering training facilities, setting up marketing cooperative.

**Patel & Chadva (2013)** in their paper,” Rural Entrepreneurship in India: Challenges and Problem” explains that majority of rural entrepreneurs is facing many problems due to not availability of primary amenities in rural areas of developing country like India. Lack of education, financial problems, insufficient technical and conceptual ability, is the factors where rural entrepreneurs finds difficult to establish industries in the rural areas. The paper also put an attempt to discover the challenges and problems for the potentiality of Rural Entrepreneurship

**Jerome & Bambur (2013)**, “The Urban and Rural challenges of Entrepreneurship” states that entrepreneurship is an attempt to break the circle of poverty and create job opportunities. The drive toward success as an entrepreneur is to recognize that we acquire enough independence to leave the apparent safety of traditional employment. The decayed in the traditional employment, gave rise to the emergence of entrepreneurs in both the urban and rural locations, this does not imply the feel day for entrepreneurs but is

accompanied with several challenges, such as- declining employment opportunities, improper facilities to support economic development, lack of technical knowhow and poor infrastructure. The paper also suggests that the challenges of entrepreneurs in an organization can be utilized to be an opportunity for entrepreneurs to explore for better benefit.

**Dilip Ch. Das (2014)** in his paper, “Prospects and Challenges of Rural Entrepreneurship Development in NER-A study” explains that rural Entrepreneurship is the answer to removal of poverty of a region. It looks fascinating, attractive and motivating after listening stories of the entrepreneurs, but success is not as easy as it looks always. There are some obstacles an entrepreneur faces such as financial, marketing, storage and personal. The paper also gives some suggestions like better banking system, proper marketing areas, more trainings etc., to improve the situation.

**S. Vijay Kumar (2016)** in his paper “Rural Development in India through entrepreneurship: An overview of the problems and Challenges”, states that entrepreneurship development in the rural context itself is the biggest challenges. The people living in rural regions suffer with unemployment, weak infrastructure facilities which may be solved with the upliftment of rural entrepreneurship. The paper also reveals various problems like fear of risk, insufficient finance, illiteracy and competition from the urban entrepreneurs.

**Mounika Beeravalli (2017)**, in her paper, “A study on Rural Entrepreneurship – Prospects and Challenges” reveals that rural entrepreneurship is the best answer for removal of rural poverty in India. Hence government should stress and emphasize more on integrated rural development programs. Standardization and grading should be enhanced to encourage to the rural youths. The study also reveals that NGO’s should also be provided full support by the government. The paper focuses on the major

problems faced by the rural entrepreneurs especially in the field of marketing of products, financial amenities, infrastructural facilities and other primary amenities.

**Jayadatta S. (2017)**, “Major Challenges and Problems of Rural Entrepreneurship in India” states that rural entrepreneurship is a major opportunity for the people who migrate from rural areas or semi urban areas to urban areas. The paper also reveals that majority of rural entrepreneurs are facing many problems due to non-availability of primary amenities in the rural areas especially in developing countries like India. Financial problems, lack of education, insufficient technical and conceptual ability at present is too difficult for the rural entrepreneurs to establish industries in the rural areas.

**katekhaye & Magda (2017)**, in their paper “Difficulties and Challenges faced by rural entrepreneurs in India and European Countries”, reveals that the economic growth of a nation strongly depends on the progress of rural region and the standard people living in rural areas. India and European countries face various problems such as entrepreneurial/business problems, social/personal problems and technical problems. The main challenge at the Indian and European level consists, in increasing entrepreneurial activity and providing supports for more and more people to become entrepreneurs.

**Ahmad (2018)** in his paper, “Challenges and Problems of Rural Entrepreneurship in India” describes that rural entrepreneurship is an important channel for those migrating from rural or semi-urban areas to urban areas. The rapid population growth creates increasing demand for rural entrepreneurship. With the rapid growth in the rural populations, major demographic challenges had questioned the capabilities of some traditional small scale business in the rural areas. The problems and challenges related

to lack of education, financial problems, inadequate skills and conceptual skills are too difficult for rural entrepreneurs to establish rural industries.

**Ashwin kumar A. Patel and Dignesh S. Panchasara (2019)**, in their paper, “Rising problems and challenges in Rural Entrepreneurs” explains that entrepreneurship at village level acts as a potent issue for the development of economic development of the country. The paper also unfolds the importance of rural entrepreneurship with the entrepreneurial traits and skills. The paper also highlights the challenges and problems of rural entrepreneurship. It collectively tries to concentrate on the most problems faced by entrepreneurs notably among the sector of commercialism of product, various primary amenities like water, convenience of electricity, transport facilities, required energy and financial amenities.

#### **1.3.4. Rural entrepreneurship Development through Government and Non-governmental organisations**

**Gulati & Sharma (2013)** “Entrepreneurship in Indian Scenario”, their paper delineates that number of unemployed is ever increasing. There needs to be specific skill and knowledge set needed from the individual who is looking for entrepreneurship. The entrepreneurship is taking its toll not only from the customers' side or from the companies or from the unemployed youth, or from the nation but also from the lack of resources and skill and from the brain drain. The government and the NGOs and academicians are in favor to enhance the skill and the quality of the entrepreneurship in our country. The solutions to this problem can be easily made if positive attitude and the tilt for entrepreneurship from us can be enchanted.

**H. Ramakrishna (2013)** in his study, “The emerging role of NGOs in Rural Development of India: An Assessment” reveals that number of NGOs have been playing a vital role in rural community development, besides

government interventions. Both GOs and NGOs have been actively involved in transforming the lives of the rural poor. NGO are playing a very crucial role in the process of managing development initiatives of various kinds at the rural levels. The paper also highlights the important activities which should be taken up for the development of the poor such as agricultural related programs, health programmes for human and non-human beings, community development programs, human resource development programs, trade and industrial promotion and so on. Despite their good intentions, a large number of NGOs find it difficult to sustain in the long run i.e., sustainability of organisations as well as sustainability of projects.

**Biju Mani Das and Rosy Sharma (2015)**, “Rural Entrepreneurship and Development: A case study”. Their paper explains the need for economic development and entrepreneurship development in the District of Nalbari, Assam, where numbers of educated youths are unemployed. The paper also states the importance on promoting Micro, Small and Medium size enterprises. The paper also highlights the development programmes adopted by the government such as, NGRES (National Rural Employment Guarantee Scheme) and PMGSY (Pradhan Mantri Gram Sadak Yojana) in managing the increase employment opportunities significantly in Assam. AIIDC (Assam Industrial infrastructure Development Corporation) has been allotted 400 bighas of land set up an industrial park, and under the scheme PMRY created and provided sustainable self- employment opportunities to a million educated unemployed youth during the 8<sup>th</sup> five years plan.

**G. Vedanthadesikan and P. Pathmanathan (2016)** in their study, “Rural Entrepreneurship - An Indian Scenario” reveals that the rural development by entrepreneurship has evolved in post independent India in positive direction, the credit for such achievement is due to the effective policies implemented by the government and active participation of NGO’s.

The paper also explains the achievement of the Millennium Development Goals is at the centre of sustainable development. Sustainable rural development is vital to the economic, social and environmental viability of nations. It is essential for poverty eradication since global poverty is overwhelmingly rural.

**Phatik Chandra kalita (2019)** in his thesis “Performance of training Agencies in Rural entrepreneurship Development: A study in Bongaigaon District of Assam”, states that developing country like India are facing problem of structural unemployment due to high rate of population growth and slow pace of economic development. The researcher delineates that entrepreneurship plays an important role in solving the problems of unemployment and poverty eradication. Therefore, the government has initiated the scope for self-employment through motivating the young generation by entrepreneurship training. Government and non-government organisations are set up in the district which is providing entrepreneurial training to the unemployed youths.

**Kamil, Lutfiansyach, & Sukmama (2019)** In their paper, “Rural youth Entrepreneurship training based on Local potential”, the paper delineates that the youth in millennial era has significant role, in overcoming social problem. The researcher of the paper aimed to empower the youth through entrepreneurship training based on local potential. The study was divided into two parts, i.e., the result of youth empowerment training program and the impact of youth empowerment training program. The result showed that the youth condition from some aspects, such as cognitive, affective and psychomotor after the entrepreneurship training.

#### **1.4. STATEMENT OF THE PROBLEM**

Almost 75 per cent of world's population settled in rural areas and nearly 25 per cent in urban areas. But more attention and policies are framed to developed urban areas which is the main problem why a region is called as rural area. The attention given to the urban areas not only affecting the rural areas but it also affects the urban areas such as over population, growth of more slum areas, pollutions, unemployment, etc. Likewise, entrepreneurs in rural areas also face many problems due to unavailability of primary amenities in the developing country like India. Lack of infrastructural facilities, lack of education and knowledge, scarcity of industrial avenues, financial problems, insufficient technical and conceptual ability, lack of transportation facilities are some points where rural entrepreneurs finds difficult to establish industries in the rural regions.

Nagaland a mountainous State, is predominantly rural with 82.26% of populations living in villages, i.e., 14,07,506 of populations lives in rural regions out of 19,78,502 of total populations in the state (2011 census, Nagaland). So, the state faces lots of problems in uplifting industrial sectors, due to difficulties encountered in bringing the machinery, equipment, raw materials etc., which could be the main reason of low industrial sectors in Nagaland. With the limited number of big units, medium units and small units of industries, the limitation of opportunity for development and unemployment also rises.

Nagaland is regarded as state of agriculture because more than 70% of its population is engaged in agricultural sectors, but Agricultural operation in the state is still labour intensive, which could be a reason for not producing sufficiently. Limited use of farm machinery, equipment and implements are seen because of low purchasing power of the resource by poor farmers. Mechanization is also difficult due to hilly terrains. But without farm

mechanization it is not possible to go for intensive agriculture. Farm mechanization aims at achieving intensive agriculture and timely farm operation, efficient use of inputs, improvement in quality of produce and safety and comfort of farmers and reduces loss of production.

Though there has been tremendous progress in promotion and development of entrepreneurship in Nagaland the state is still lagging in development of infrastructural facilities and industrialization. The scarcity of industrial sector in the state is another blow to the present generation. Five decades of statehood had passed, yet no substantial change/development had brought in the industrial sector. The requirement for infrastructure strengthening becomes more acute for hilly and mountainous areas. Therefore, speedy provision of infrastructure and connectivity becomes critical as we envision the economic development of the state.

The problem of Nagaland not growing in economic, agriculture, infrastructure, industries is due to ignorance of the youth. In Nagaland majority of its population are directly depends on agriculture but unfortunately the state has not being able to achieve self- sufficiency in almost all the agri- products. The main drawbacks are that the youths of the State don't take up Entrepreneurship as their career option. Most Naga's think that Government job is for the educated ones and agriculture and allied activities are for the illiterate, school and college dropouts people, so the educated people don't opt for the agri- related business.

### **1.5. SIGNIFICANCE OF THE STUDY**

The present study has been selected because the growth and development of an economy largely depends on the rural entrepreneurship, Micro and small units have also tremendous potential to generate employment opportunities for many rural labour forces. Rural



industrialisation is also an important source of income not only for those people who could not find employment in other sectors but also provide pillow to falling incomes of agricultural workers.

As per Nagaland Vision 2030, “The crux of the vision 2030 is based on transforming the economy of Nagaland through agriculture where the rural people, especially farmers who comprises 45.47 per cent of the total workers of Nagaland will have to play the central role”. The present study will throw light on specific rural entrepreneurs who contributes to economy of Nagaland through their agricultural activities practices and agri-related activities, manufacturing activities, trading activities and tourism or services related activities.

Nagaland is very rich in culture and arts, so the present study will reveal the role played by rural entrepreneurs who are involves in business activities such as handlooms material, weaving items, basket making, wooden craft, bamboo crafts, and Varsity of artistic pieces, affects the societies of Nagaland in building economy of the region. The contribution may be seen little, but in the long run it is the most prosperous business which will help to preserve our culture as well as help in the growth and development of the society.

Nagaland being the mountainous region, its rural entrepreneurs overcomes various problems and challenges in their business such as infrastructural problems, transportation problems, storage problems, financial problems, marketing problems, manufacturing problems and personal problems. An attempt for tackling with such situations will be recommended by the researcher, so to have a better society and strong economy in the state.

The study will be helpful to the rural entrepreneurs in the State for better conduct of their business and to be a successful entrepreneur and to

have a sound enterprise. The study will also be of great help to the policy makers, governmental and non-governmental organizations working for the development of entrepreneurship in general and rural entrepreneurs in Nagaland.

## **1.6. OBJECTIVES OF THE STUDY**

The objectives of the study are; -

1. To review the existing scenario on rural entrepreneurship in Nagaland.
2. To assess the socio-economic conditions of the rural entrepreneurs in Nagaland.
3. To evaluate the role of Government and Non-government agencies in the growth and promotion of rural entrepreneurship in Nagaland.
4. To identify the challenges faced by rural entrepreneurs in running their business.

## **1.7. HYPOTHESES**

To meet the objectives of the study and to draw the suitable suggestion and conclusions, following hypotheses have been proposed:

H1. Socio-economic conditions affect the productivity of rural entrepreneurs.

H2. The role of Government and non-government agencies in the promotion and growth of rural entrepreneurship in Nagaland is not satisfactory.

## **1.8. RESEARCH METHODOLOGY**

The research undertaken is of descriptive nature. To serve the purpose of the study and to achieve the research objectives, informations have been collected based on both primary as well as secondary sources.

### **1.8.1. Population and sample**

The present study examines rural entrepreneurship development in four districts of Nagaland namely Kohima, Wokha, Mokokchung and Phek. Villages with a population of 20000 or less under these districts have been considered. The researcher attempts to reach out 200 rural entrepreneurs in the above-mentioned districts who are running their business for at least 2 years. The details of the rural entrepreneurs were collected from directorate of entrepreneurship and skill development of Nagaland.

### **1.8.2. Area of Study**

The state of Nagaland has 12 districts, of these, four districts –Kohima, Wokha, Mokokchung and Phek had been chosen for the present study. Of these, the rural areas/villages of Kohima and Mokokchung may be considered as the most developed area. And the villages in both Phek and Wokha districts are considered as not so developed area.

### **1.8.3. Data collection**

The present study is based on both primary data and secondary data.

### **1.8.4. Primary data**

Primary data was collected through structured questionnaire. In every district, 50 questionnaires were sent to the respondents. 48 respondents from Kohima district, 46 respondents from Wokha district, 45 from Mokokchung and 46 respondents from Phek district send back the filled in questionnaires. A total of 185 filled in questionnaires were received by the researcher.

### **1.8.5. Secondary data**

Secondary data were obtained from Directorate of Skill Development and Entrepreneurship, Directorate of Industries and Commerce. In addition, a sizeable secondary data from magazines, books, Theses, unpublished theses, journals, Annual Reports of relevant departments, published and unpublished documents of the Government of Nagaland and internet sources.

### **1.8.6. Data Analysis**

After completing the collection of data with the help of structured questionnaire a thorough verification has been made for further processing of the data. Data were tabulated as per the requirement of the study. The data so collected were analyze and interpret to draw conclusion by using appropriate statistical tool like mean, median, mean deviation, standard deviation, correlation, Chi-square test. Tables were constructed in simple form and Charts to represent the data by using suitable diagrams and graphs to have visual appealing as well as to draw an inference regarding the distribution.

## **1.9. CHAPTER SCHEME:**

The present study is organized in to six chapters, its sequence and the topic dealt with various subject are as follows; -

### **Chapter -1: Introduction**

Chapter 1 presents a bird's eye view on introduction, conceptual framework of entrepreneur, entrepreneurship, rural entrepreneurs, rural entrepreneurship, rural areas/ village enterprise. The chapter also covers the review of literature where four major point had been categories, such as; concept of rural entrepreneurship, need for development of rural entrepreneurship, problems and challenges faced in rural entrepreneurship and rural entrepreneurship through government and non-government organisations. Research

methodology, statement of problem, significance of the study, objectives of the study and hypothesis are presented.

## **Chapter - 2: Rural Entrepreneurship development in Nagaland**

Chapter 2 deals with the Rural Entrepreneurship Development in Nagaland. Rural industries in Nagaland, rural entrepreneurship development through agriculture, rural entrepreneurship through manufacturing sectors, rural entrepreneurship development through trading sector and rural entrepreneurship development through services sector.

## **Chapter – 3: Socio-economic conditions of rural entrepreneurs in Nagaland**

Chapter 3 presents the Socio-economic conditions of rural entrepreneurs in Nagaland. The study was conducted in the rural areas of Kohima, Wokha, Mokokchung and Phek districts of Nagaland. The chapters also present the socio-economic characteristics as age of the respondents, gender, educational qualifications, family background, occupation of the parents, number of members involved in the entrepreneurial activity. It also deals with the business details, such as; nature of business and forms of business, duration of the business, initial investment, annual income and annual sales.

## **Chapter – 4: Problems and challenges faced by rural entrepreneurs in Nagaland**

Chapter 4 deals with “Problems and challenges encountered by rural entrepreneurs in operating their enterprise”. The five different major problems faced by the rural entrepreneurs; financial problems, manufacturing problems, marketing problems, personal problems and other problems.

## **Chapter-5: Role of Government and non-government agencies in the growth and development of rural entrepreneurship in Nagaland**

Chapter 5 deals with the role of Government and non-government agencies in the growth of rural entrepreneurship in Nagaland.

## **Chapter-6: Findings and Conclusion**

Chapter 6 being the last chapter deals with, “Summary, findings, Suggestions and conclusion. The chapter also presents the few suggestions based on the findings of the study. Besides, a few specific suggestions for rural entrepreneurship development have been presented. The chapter concludes with the directions for future research.

### **1.10. CONCLUSION**

Entrepreneurship is the key element to economic prosperity. Today, entrepreneurship is the most important factor in the process of industrialisation besides playing a dynamic role in the fulfillment of our economic objectives. In fact, one of the most significant reasons for the poor economic growth of the country is because of the lack of entrepreneurship among the people or the society. Undeniably, entrepreneurship has grown phenomenally during the past decades, and maybe it's because of the importance given to rural entrepreneurship. Rural entrepreneurship can somehow bring change in the rural areas or backward regions, as it has got spontaneous prospects for growth, if proper measures are taken towards the drawbacks involved in it. Rural entrepreneurship being a tool of change for the rural society should be encouraged to solve problems like unemployment, economic disparity, poverty, poor utilization of rural work force, low level of standard of living, etc. Hence, the reasons attributable for such state of affairs like socio-economic factors, entrepreneurial activities, income generation trends, motivational factors, growth factors and problems encountered by the

rural entrepreneurs, role of government and non-government agencies towards the growth of entrepreneurship need to be studied. Therefore, for accelerating industrial growth and creating productive employment for the rural areas and backward regions, consideration for rural entrepreneurship is required.

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## **CHAPTER 2**

### **RURAL ENTREPRENEURSHIP DEVELOPMENT IN NAGALAND**

#### **2.1. INTRODUCTION**

Nagaland is a hilly state with mountainous terrain richly endowed with natural resources. Nagaland is predominantly an agrarian state with 70% of its population engaged and dependent in agriculture, and its cultures and traditions are all symbolic to agriculture. It is right to state that the state dependent upon agricultural sector and therefore, it is essential for a planned economy development in order to achieve sustainability in all spheres of development activities in the state.

Nagaland after attainment of statehood in 1963, it began its first phase of economic planning. During the initial period of planning, the economy was based on traditional agriculture and social set up. Agriculture was the main occupation, whereby its working populations were engaged using primitive technique of production. Since then, the structural transformation has become evident in the State's economy. However, Secondary sector has remained stagnant and it continued to be the lowest contributing sector in the economy.

Agriculture leads the economy of Nagaland but the economy of the state was agrarian in nature and more than 80 per cent of its working populations directly dependent on agriculture. So, the Government has been working towards imparting knowledge and skills to the farmers as well as to the society to improve agricultural situation in the state. The state has started focusing not only in agriculture but also in Agri-allied activities such as piggery, poultry farming, sericulture, bee-keeping, floriculture and horticulture. Today, sale of vegetables, seasonal fruits, home-made products,

handicraft and handlooms have increased by the roadsides and market places. These small income generating ventures have expanded into small scale and cottage industries which are of tremendous important for employment generations and economic development in the state.

The Nagaland Vision 2030 envisages to transform the economy of Nagaland from one which is largely subsistence agriculture oriented to a more market-oriented economy based on agriculture and commercial scale production leading to a vibrant economy with small scale ancillary industries, service and small-scale industries. It envisions inclusive development covering all districts of the State with generation of employment opportunities for all sections of the society especially of the educated class. In the longer-term context beyond ten years, it envisages large scale industry emerging in identified iconic sectors based on natural resources such as oil, coal, limestone, bamboo, wood and agro based products. Vision 2030 envisions a robust industrial base for the State over the 12-15 years perspective. The increased production both agricultural and industrial shall be the root for income generation, growth and development.

Nagaland is often being called as the “Land of Festivals” because with its 16 major tribes, one or the other tribe would be celebrating its festival every month of the calendar year. This indicates that it is very rich in culture, so rural entrepreneurs of Nagaland have the potential to promote artistic activities. The people of Nagaland are artistically brilliant in making handicraft pieces, bamboo products, handlooms articles, weaving cloths, basket making, variety of handmade items and Arts too. So, the old-age heritage of rural Nagaland can be preserved through rural entrepreneurship.

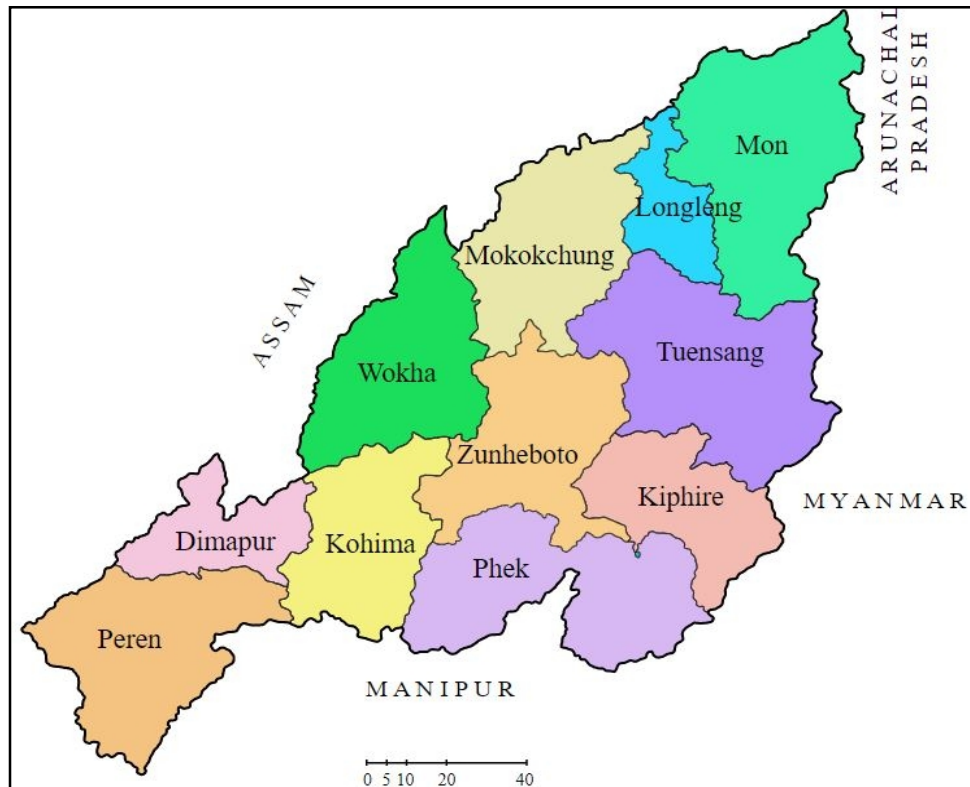
Nagaland is developed upto certain level, but the state still has some limitations of managerial skills, technical know- how, lack of adequate direction, infrastructure, farm mechanism, etc. As a result, the perspective for

industrial growth and its lateral benefits of employment generation and income have remained untapped. The concern agencies are necessary to have a strategy which can tackle with the problems prevailing in the state. More avenues on Agri and allied activities, manufacturing units, food processing units, tourism or service sectors should be provided by the concern departments. The rural areas of Nagaland will also have to keep up with the technological changes that are emerging in the world that can induce a paradigm shift in their outlook and way of living. Focuses should be made to uplift the manufacturing unit such as handloom products, handicraft, woodcraft, bamboo craft, process food, etc. The state is blessed with beauty, comfortable climate conditions, prosperous flora and fauna, rich and colourful tradition and so on, which give opportunities for the promotion of service sector in the state.

## **2.2. NAGALAND AT GLANCE**

Nagaland, the 16<sup>th</sup> State of the Indian Union, is one of the Eastern most states on North-East frontier. The total geographical area of the state is 16,579 square kilometer and lies between 25.6 degree to 27.4 degree North latitude and 93.2 degree to 95.15-degree East longitude. The inhabitants of the state are almost entirely tribal with distinctive dialects and cultural features. As per 2011 census of Nagaland, the total population was 19, 78,502 of which only 5, 70,996 inhabits in urban and the rural population were 14,07,506 so we can rightly say that the state is predominantly rural with 82.26 per cent of population living in villages.

### Exhibit 1: Map of Nagaland

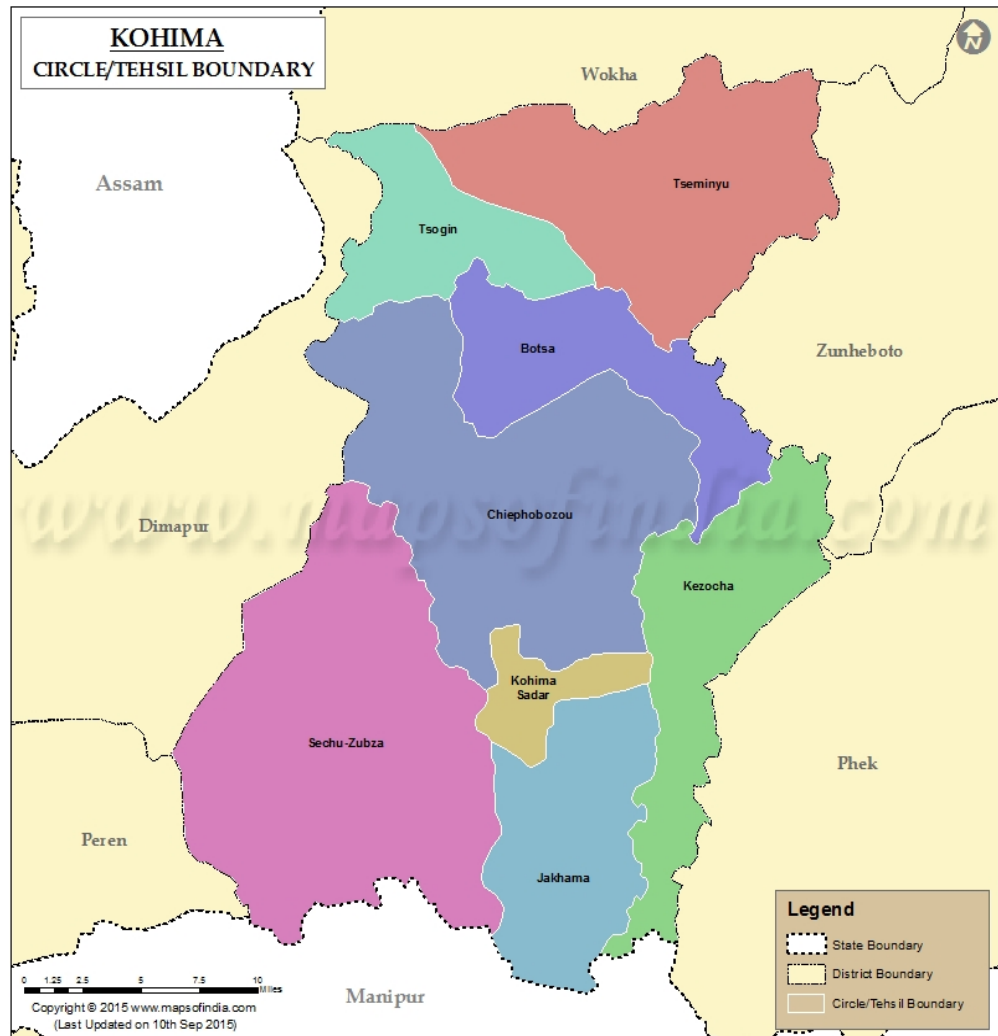


*Source: mapsofnagaland.com*

#### 2.2.1. Profile of Kohima

Kohima, the Capital of Nagaland was founded in 1878 when the British Empire established its headquarters of the then Naga Hills of Assam Province. In December 1963, when Nagaland became a full-fledged state of India, Kohima officially became the Capital of Nagaland. Kohima is located in the north-eastern part of Nagaland, to the east is the Phek District of Nagaland, to the west of Kohima lies Dimapur and Assam, to the north is Wokha District of Nagaland and to the south is Manipur.

## Exhibit 2: Map of Kohima district



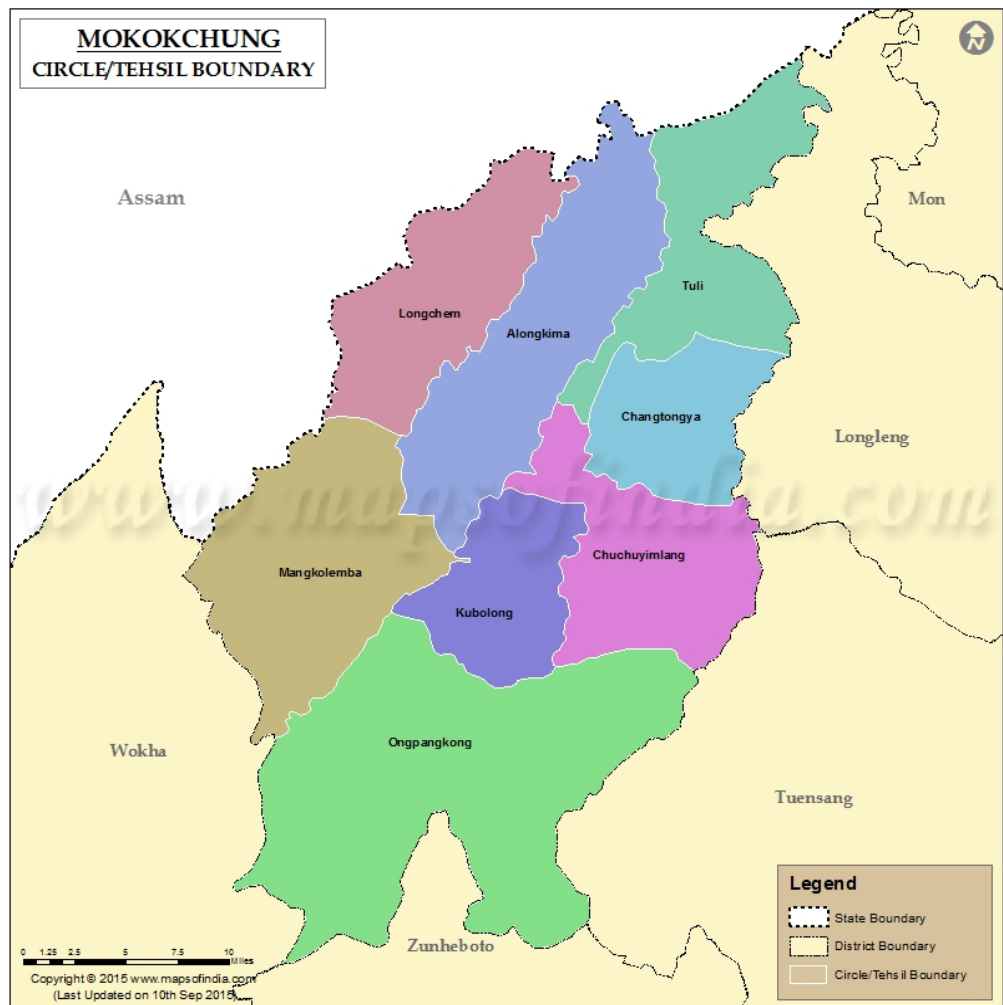
Source: *mapsofindia.com*

As of 2011, Kohima had a population of 99,039 of which males and females were 51,626 and 47,413 respectively. Kohima has an average literacy rate of 90.76%, higher than the national average of 79.55%. (Kohima City Population Census 2011 - Nagaland). The City's population is composed of all the 16 tribes of Nagaland along with different mainland Indians. Kohima has 5 administrative blocks, viz; Kohima, Chiephobozou, Jakhama, Sechu-Zubza and Botsa.

### 2.2.2. Profile of Mokokchung

Mokokchung is one of the major Districts in Nagaland State which covers an area of 1615 sq km. The town of Mokokchung is its headquarters and is the home of the Ao Nagas. The District is bounded by the state of Assam in the north, Zunheboto District in the South, Longleng District in the east and Wokha District in the west.

**Exhibit 3 - Map of Mokokchung district**



*Source: mapsofindia.com*

According to 2011 census, Mokokchung has a population of 1, 94,622 with a sex ratio of 925 females for every 1000 males, and a literacy rate of 91.6%. The physiography of the district shows six distinct hill ranges viz. Asetkong,

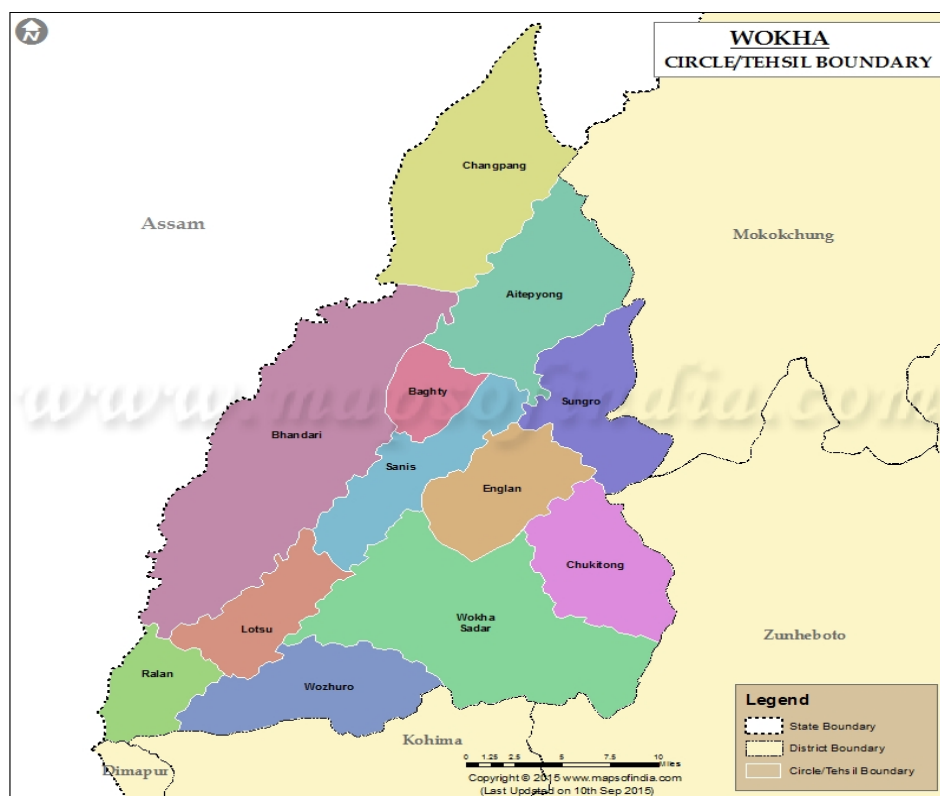


Changkikong, Japukong, Lanpangkong, Ongpangkong and Tzurangkong. Mokokchung District has 4 sub-divisions; - Mokokchung, Tuli, Mangkolemba and Changtongya. It has nine administrative circles – Ongpangkong, Tuli, Chuchuyimlang, Changtongya, Mangkolemba, Kubolong, Alongkima, Longchem and Merangmen.

### 2.2.3. Profile of Wokha

Wokha District is located in the mid-west part of Nagaland. It is surrounded by Mokokchung District to its northeast, Zunheboto District to its southeast, Tseminyü District to its south, Nuland District on its southwest and the Golaghat plains of Assam to the west.

**Exhibit 4 – Map of Wokha district**



*Source: mapsofindia.com*

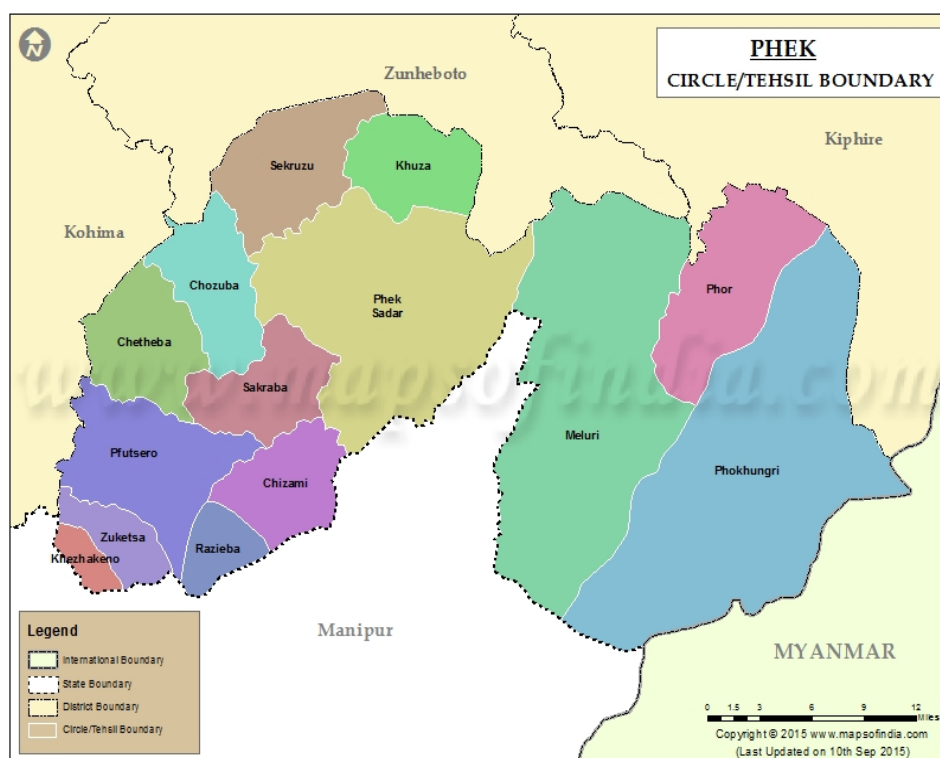
Wokha is the home of Lothas having a total geographical area of 1628 sq. km, with a total population of 1, 66,343. The district is divided into three ranges

viz. Wokha range or upper range, Sanis range or middle range and Bhandari range or Lower range. Government of Nagaland declared Wokha district as “the land of plenty” due to its soil fertility, rich mineral resources and wealthy flora and fauna. The populous of Wokha are skilled in weaving, carpentry, blacksmith, handicraft, bamboo work. Wokha is famous for jiggery production, passion fruit, Banana and numerous vegetables.

#### 2.2.4. Profile of Phek

Phek is a district in the southeastern part of Nagaland surrounded by Myanmar in the east, Kohima in the west, Tuengsang and Zunheboto in the north and Manipur in the south. It was approved as a full-fledged district on 19<sup>th</sup> December 1973 is a district of Nagaland with 1, 63,418 inhabitants. Phek has a sex ratio of 951 females to every 1000 male, and a literacy rate of 78.05%. Phek town is the headquarters of the district, which is located 120 kilometres away from the capital of the state Kohima.

**Exhibit 5 – Map of Phek district**



Source: mapsofindia.com

The district is the seventh most populous district in Nagaland. Phek is the home of Chakhesang and Pochury tribes having a total geographical area of 2026 sq. km. It has 14 subdivisions, namely, Phek Sadar, Pfütsero, Chozuba, Chizami, Kezhakeno, Khuza, Chetheba, Meluri, Sekruzu, Razieba, Sakraba, Zuketsa, Phor, and Phonkhungri.

### **2.3. ENTREPRENEURSHIP IN NAGALAND**

Entrepreneurship in Nagaland is at developing period, the rapid development of the society has made entrepreneurship as the most dynamic force in the economy. Nagaland is witnessing a surging growth in entrepreneurship because of the awareness that was brought about in the minds of young populace. Today we can witness a lot of young entrepreneurs doing well in their entrepreneurial activities such as handicraft and paper craft business, woodcraft and bamboo craft, stitching and weaving business, jewellery or ornament business, olericulture, floriculture, horticulture, sericulture, hotels, restaurant, homestay, resorts, tourist guides, pickle making businesses, homemade cookies and cakes and many more. These budding entrepreneurs strengthen the economy of the state and build a entrepreneurial culture among the populations.

Entrepreneurship looks like its blooming in the state; it is still a pitiful stage. The state still faces challenges like unavailability of resources, technical knowledge, skilled mentorship and laborer, poor infrastructure and procurement of capital, communication networks, etc. The roots for a stagnant economy in the state are also due to the lack of resources, lack of entrepreneurial ventures, poor market linkages, infrastructure, and poor technical know-how and so on. Vicious cycle of corruption has also mounted discouragement among the younger generations, many eligible and qualified

youths are unemployed not because they lack qualification or unskillful but because the system is misshapen politically, economically and socio-culturally.

While, when corruption had malformed the state and created a sense of despair in the minds of the public, entrepreneurship came as a rescue to many youths and is acting as a source of light for the younger generation in the state. Thus, the educated youths should stop preferring government jobs and start focusing on the self employment strategy and better become a job creator rather than a job seeker. The younger generations with the mindset of becoming an employment creator can change the whole scenario of Nagaland economically, politically and communally.

#### **2.4. RURAL INDUSTRIES IN NAGALAND**

**i) Agro base industry:** - Numbers of Agro based industries had come up in Nagaland, the Agro based industries related to the processing of agro products like sugar production and jiggery (local candy) from sugarcane, wine and fruit juice production from passion fruit, grapes, wild apples, kiwi, and many other fruits, silk production from sericulture activities, oil from oilseeds and other related processing from raw agro products.

**ii) Forest based industry:** - Though Nagaland is a small state, it has been endowed with a wide variety of forest types of unique geographical location, with rich contents. Therefore, there is a huge range of possibilities to establish industries related to wood products, bamboo products, honey, preparing manure from plant leaves, herbal medicines production and others.

**iii) Mineral based industry:** - After exploring for the minerals in rural areas proper utilization is required by establishment of its processing unit nearby

the concerned rural area. It also helps to minimize the initial cost of transportation to other processing units.

**iv) Traditional industry:** - Nagaland being tribal state where different tribes inhabits and the state is known for its rich traditional industries. Traditional industries like weaving, handloom, handicraft and other local artisan product manufacturing have huge potential to become professionally managed small and medium industries. The demand for the traditional products is increasing in high speed in the local markets and even in the international markets, so we can rightly state that this industry has got an enormous prospect.

**v) Dairy industry:** - Production of milk and milk products are seen in very small quantity in Nagaland, yet it creates a promising industry in rural areas of Nagaland, where milk and milk products consumptions are high.

**vi) Service industry:** - Service industries in Nagaland such servicing of electrical wiring and electronics domestic appliances and equipment, home stays and hostels, car wash services, hire systems as sound system and wedding equipment, transportation services, etc. Such services practices are increasing every year and can see more potential in this industry.

## **2.5. RURAL ENTREPRENEURSHIP DEVELOPMENT IN NAGALAND**

Rural Entrepreneurship Development has now appeared as a Nation's wide movement in view of its growing economic importance. Entrepreneurship is now regarded as an engine for accelerating the economic growth and is now, became an important element in the dynamics of modern economy. Rural Entrepreneurship Development (RED) has been supposed as one of the general growth efforts to foster economic development in rural areas. Rural development is often defined as development that benefits rural populations

and is able to uplift on a long term and sustainable basis of the population's standards of living and well-being (Aggarwal, 2018). Rural entrepreneurship provides to the rural needs such as development of rural areas, employment generation, income generation, decrease rural-urban migration. There are huge opportunities rural areas to hit the demand for fresh vegetables and fruits, packaged foods in the urban areas and with proper training to undertake entrepreneurial initiatives, the rural youth can get into the supply chain of these rural products.

The state economy is closely linked to its natural resource base and climate sensitive sectors such as agriculture and forestry faces an increased risk of the negative impacts of climate change. The state has high comparative advantages for the development and promotion of organic cultivation. The state must therefore devise measures backed by appropriate policy framework to convert the 'organic by default' areas into 'organic by design' for specific crops with high market value and demand. Agriculture within the market economy has become very competitive. If the produce of the farmers is to get acceptance in the market, apart from the volume of production, the quality of the products is critical. For this high investment is required to upgrade and improve the agricultural technologies.

In Nagaland, the scope of development is not narrow but broad, because it includes not just the economic development but the growth on social front, education, fashion, quality of life, women and child development and awareness of the citizens. The mission of development is so huge and complex that just implementing government plans is not sufficient to fix the problems.

Entrepreneurship in agricultural sectors sounds promising and attractive, but is not an easy journey because of its problems such as lack of entrepreneurial culture, poor infrastructure, lack of adequate training support and government

policy. Despite of the constraints agripreneurship has got many opportunities in agriculture and allied sectors, especially in the rural regions of India. Accordingly, The Government of India had been giving increasing importance to the development of agriculture in the country. And the replications of agriculture being developed over the years is reflected by various indicators such as increasing productivity, cropping intensity, high yielding variety seeds, diversification, mechanization and modernization of agriculture.

#### **2.5.1. Rural entrepreneurship development in agriculture sector**

Entrepreneurship in agriculture and its allied sectors or agripreneurship can be promoted as proactive employment strategy in the country for economic self-sufficiency in the society, as economy consists of two sectors, namely agriculture and industry. Industry refers to the urban economy, whereas agriculture to the rural economy. And it is no wrong to call India as an agriculture-dominated country, as around 70% of the total population in India are living in the rural areas, of which mostly are dependent on agriculture and allied sectors for their livelihood. India been the agriculture-dominated country, agriculture acts as the backbone of the Indian economy and is an important contributor to our national income, having a contribution of more than 50% of our national income.

An agripreneur is an innovator, who drives changes in rural economy by adopting innovative ideas in agriculture and allied sectors. An agripreneur may also be defined as someone who undertakes a variety of activities in agriculture and its allied sectors to be agripreneur. Agripreneurship is the entrepreneurial process taken up in agriculture or the allied sectors. It is the process of adopting new methods, processes, techniques in agriculture or the allied sectors of agriculture, for better output and economic earnings. In

simple words, Agripreneurship is defined as the process of creating value in the production-consumption activities of agriculture (Kumar, 2016).

Nagaland is a hilly state with mountainous terrain richly gifted with natural resources, predominantly an agrarian state with 70% of its population engaged and dependent on Agriculture (Annual Administrative Report, AARDA, 2016-2017). Agriculture in Nagaland, by tradition, was merely a way of living and not a means of earning a living. After the attainment of Statehood, the State Government has been working towards imparting knowledge and skills to the farmers to improve agricultural situation in the state. It has under taken a number of irrigation projects, supplied pumping set to farmers, started Community Development Projects, set up seed farms and established Agricultural Research Centers. Owing to these, there has already been a sustained increase in production. Agriculture still leads the economy of the state. Today Nagas have assumed floriculture, horticulture, aquiculture, sericulture and animal husbandry as worthwhile occupation and are performing well in these sectors.

Now almost, 71% of the population of Nagaland is rural. By default, 50% of the work force and 63% of the households are engaged in farming. Their contribution to Gross State Domestic Product (GSDP) is however, less than proportionate to their share of the population as agriculture contributes around 28% of the GSDP.

Nagaland is regarded as state of agriculture, as majority of its population are engaged in agricultural sectors, but agricultural operation in the state is still labour intensive, which could be a reason for not producing sufficiently. Limited use of farm machinery, equipment and implements are seen because of low purchasing power of the resource by poor farmers. Mechanization is also difficult due to hilly terrains. But without farm mechanization it is not possible to go for intensive agriculture. Farm



mechanization aims at achieving timely farm operation, efficient use of inputs, improvement in quality of produce and safety and comfort of farmers and reduces loss of production.

Agri business development benefits an economy in various forms and ways. Such as it generates immediate large-scale employment, utilizes the idle human and natural resources, promotes capital formation by mobilizing the idle savings of the public, reduces unemployment, promotes balanced regional development, reduces concentration of economic power, promotes equitable distribution of wealth, income and even political power, induces backward and forward linkages for industrial and economic development, and promotes country's exports. Agri-business includes activities related to production, propagation and distribution of products and services relating to olericulture, floriculture, horticulture, sericulture, pisciculture, apiculture, aquaculture and animal husbandry.

#### **i) Horticulture**

Horticulture has emerged as one of the prospective agricultural enterprise in accelerating the economy of the state. Nagaland offers a very favourable set of soil and agro-climate conditions for growing of horticultural crops and includes a wide range of crops e.g., fruits crops, vegetables crops, ornamental crops, potato and tuber crops, rhizomatous crops, medicinal and aromatic crops, spices and plantation crops. Amongst many horticultural crops, Nagaland is doing well in producing sub-tropical fruits like guava, banana, mango, pineapple, lychee, papaya and citrus to temperate crops like apple, pears, plums, peach and other related varieties of fruits. The state has rich diversity of different vegetables crops both indigenous tropical and temperate. The regions in the higher altitudes are very much favourable for growing temperate vegetables. Tuber and rhizomatous crops like tapioca, sweet

potatoes, yam, celosia and ginger grow richly in the state, while plantation crops like coffee, large cardamom and tea are also doing well.

## **ii) Floriculture**

Commercial floriculture in Nagaland received attention very late in comparison to other states. But today, Floriculture has evolved as an important commercial activity in the state. The state produces Roses, Anthuriums, geranium, lilliums, orchids, succulents, etc. which is of finest qualities is in huge demand in the market both within and outside the state. Floriculture in the state seems rosy and may well be seen as sunrise industry of the state. Floriculture has got a tremendous scope to expand in Nagaland as it provides opportunities for improvement of livelihood to the rural poor, and provides employment opportunities in the floricultural sector.

## **iii) Apiculture**

Beekeeping in Nagaland is presently characterized by low level technology, limited investment, low productivity, low quality and lack of market initiative. Bees and bee keeping is not new to Nagas and is an age-old tradition. It is roughly estimated that there are about 1, 20,000 bee colonies reared in the traditional method reared in simple boxes, tree trunk and logs, crevices, bamboos, underground chambers etc. out of which 80,000 is Apiscerana (Asian honey bee) and 40,000 is Trigona/Melipona species (Stingless bees). There are also about 30,000 colonies of Apisdorsata/laboriosa (Giant bee) found in the wild in the state. (Report of the Task force Nagaland, 2015)

With the realization of the vast potential of bee keeping for income generation and employment generation to the rural poor, the state government launched a state mission “Nagaland Beekeeping and Honey Mission” in the year 2007 promote and develop beekeeping into a robust industry.

#### **iv) Sericulture**

Sericulture is an Agro-based Industry and has excessive potential to generate more employment opportunities and upliftment of rural economy. It is generally a rural based activity, as it is mostly practiced by the rural community where the land is readily available. Favourable climatic and topographic conditions prevailing in the State has delivered an opportunity to practice all the four varieties of silkworm races namely Mulberry, Eri, Muga and Tasar. Eri and Mulberry silkworms are reared indoor that can provide a minimum of 4-6 crops in a year. Whereas, Muga and Tasar silkworms are reared outdoor by mounting the silkworm on the host plants and provide at the most 2 crops in a year. Therefore, the department of sericulture, Nagaland emphasize more on Eri and Mulberry culture, which offer better economic prospective. Sericulture activities can convert the mindset and economy by empowering them with Human resource Development and regular income generating activity through the multi-chained activity in the field of raising Plantation, Raising of Seedlings/Saplings, silkworm Rearing, Spinning & Reeling of Silk yarns, weaving and product diversification, dyeing and Marketing etc.

#### **v) Pisciculture**

Pisciculture activities in Nagaland, by and large relate to the inland fish only. Marine fish activities are totally non-existent. The fishery resources of the state are marge comprising of about 50000 Ha. of lentic and 1600 km of lotic surface. Of these also, the utilization percentage is low, being about 3.64 percent of lentic resources. The state is also bestowed with numbers of hills streams terrain but the fish population is less resulting in marge production.

Fisheries sector in Nagaland has witnessed a notable growth from a subsistence traditional activity to a diversified economic activity. Over the years the department has implemented various successful schemes to bridge

the huge demand supply gap of fish production by implementing farmer centric programmes in the state. The fisheries sector has been playing a pivotal role in the economic development by virtue of its potential contribution to employment generation, income augmentation, addressing food and nutritional security concerns. The department focuses towards achieving a level of self-sustenance in fish production through fuller utilization of available resources, ensuring responsible fishing and sustainable fisheries, efficient application of technologies and strengthening the domestic marketing system (Annual Administrative Report, AARF&R, 2018-19).

#### **vi) Animal husbandry**

Animal husbandry is an integral component of Indian agriculture supporting livelihood of more than two thirds of the rural population. Animal provide nutrient-rich food products, draught power, dung as organic manure and domestic fuel, hides and skin, and are a regular source of cash income for rural households. Animal husbandry is fast changing the economy of rural agrarian society and in turn contributing significantly to state economy (Thirah, 2019).

Animal Husbandry practices have been playing an essential role in supplementing family income and generating employment to the rural poor. As meat is consumed in huge quantity by Nagas', be it be in urban Nagaland or rural Nagaland, meat consumption is high as it serves as the main food item. Meat is used widely in marriage, festivals, feasts and social gatherings and even in daily meal. Animal husbandry not only provides meat but also provides dairy products, egg, fibre and manure which are of great importance. So, it is obvious that animal husbandry if developed properly will significantly influence the state's economy by generating revenue and create revenues for employment as well.

Meat being the most important food item for the Nagas, the development of animal husbandry has significant importance in the economy of Nagaland. However, livestock and poultry production in the state still remains much below the minimum requirement of the state and is imported from other states like Bihar, U.P, Assam, AP and other neighbouring countries like Bhutan, and Burma. The present poor economic condition and insufficient animal production is the result of neglect shown to this sector, even after the implementation of several Five-Year Plans. Animal husbandry if developed properly, the state will be able to increase its revenue and retain the outgoing money within the state (Thirah, 2019).

### **2.5.2. Rural entrepreneurship development in manufacturing sector**

Manufacturing sector is growing rapidly in Nagaland, manufacturing units such as handloom products, basketry, wood carving and processed water, processed foods and fruits are increasing its popularity in Nagaland. The weavers in Nagaland popularly produce shawls, sweaters, Shirts, bed sheets, pillow covers, shoulder bags, table mats, door mats, etc. Nagas are also known for their wood carving skills, the furniture and show pieces they make are high on demand.

Over the years number of small-scale industries are growing up, factories like packaged drinking water, detergent and soap making units, rubber items factories, jigglery production units, processing food units, processing fruits into jams, jelly, juice, dried fruits and pickle units, and processing foods like fresh meat, dried meat, bakery, coffee beans, chips are growing rapidly in Nagaland, which helps in strengthening the economy of the state.

#### **i) Handlooms and handicrafts**

Handloom weaving is popularly practiced in Mokokchung, Wokha, Tuensang, Zunheboto, Mon, Phek and Kohima districts. Handloom and

handicrafts were the most common household industry among the tribal people. It constitutes an important section of the unorganized sector in Nagaland contributing significantly in employment generation and export. The common items that the weavers produce shawls, scarf, shirts, neck tie, sweater, jacket, bed sheet, shoulder bags, table mat, door mat, floor mat etc. the motifs and design differ according to the tribes preparing it. Whereas, Handicraft works includes metal works, jewelry and bead work/ ornaments and pottery. Handloom and handicraft works are now flourishing due to significant market demand over the years. The Nagaland handloom and handicraft Development Corporation market the handloom products within and in other states of India.

#### **ii) Wood craft and furniture**

Nagaland has a rich tradition of wood carving that has its origins in an animistic past. Wood craft finds a place in the daily life of the Nagas as it forms an integral part of traditional kitchen and tableware as well as furniture. The wood craft of Nagaland woodcraft is full of symbolic motifs and unique designs and excellent quality. The wood carvers of Nagaland produce unique pieces of wooden work from traditional instruments such as chisel, dao and axe, etc. wooden figures of human beings, elephants, hornbill, mithun head, tiger and other animals are the main products of the traditional industry of wood carving. The demand for Nagaland wood craft is increasing because of its beautiful design, which portrays the rich artistic caliber and imaginative skills of the local craftsmen. The wood carving industry of Nagaland has led to the strengthening of the economy in the state, as the state earns huge revenues from the wood carving industry of the state.

#### **iii) Bamboo crafts and bamboo products**

Bamboo is a natural resource that is abundantly available in Nagaland. Bamboo has been an essential part of the Naga community for centuries. It

continues to play a dominant role in the life of the people, the uses of bamboo ranges from agriculture tools & implements to shelter, food and livelihood. Principal products made out of bamboo by the tribes are of three categories such as baskets and allied products; musical instruments and various implements. In addition, bamboo is also used for construction of buildings and bridges, etc. (Mpanme, 2016). Bamboos in Nagaland are popular not only in bamboo crafts but also in consumption of the bamboo products. Bamboo edible products can be seen stocked in almost all the kitchen of Naga. The bamboo edible mostly used are fresh bamboo shoots, fermented bamboo shoots, bamboo juice, dried bamboo shoot, etc. are extensively used in all the traditional cuisine of Naga.

The Nagaland Bamboo Development Agency (NBDA) was set up in 2005 to develop the resources and enterprise, using the vast Bamboo reserve. Some of the development of 'Bamboo as enterprise' shall evolve policies and action plans that will focus on the following aspects; -

- a. Promote bamboo-based industries
  - Food products
  - Medicinal; chemical products and alcohol beverages.
  - Craft, handicraft and art products.
  - Value added products and wood substitutes such as ply, flooring tiles, sheltering, etc.
- b. Create awareness of the uses and value of bamboo by imparting training, seminars, workshop, etc.
- c. Promote development traditional usages of bamboo.

**Ghose, (2008)** Suggest that bamboo craft of Nagaland has great future. Basic skills being available, introduction of modern tools and modern designs can ensure global demand. Some isolated attempts were made with good

response. There is need for proper action plan to develop it further utilizing both traditional wisdom and modern look.

#### **iv) Food processing**

Nagaland has an excessive potential to compete globally in the food processing industry. Nagaland has immense opportunities in food processing business as it has blessed with numerous fruits, vegetables, medicinal and aromatic plants, spices and herbs, which grow abundantly in the state. Nagaland is also considered as huge producer of King Chilli, ginger, vegetables, fruits, coffee, etc. can do a lot more in the food processing industry. Food processing industries not only create employment avenues but also strengthen economy. However, rural entrepreneurs face problems in taking their produce from farms to markets as they have poor market linkage knowledge, the ignorance to preserve and packaging the produces also acted as another hurdle.

#### **v) Pottery**

Pottery is also another important crafts of Nagaland. The pottery of Nagaland is unique form of craft, unlike the other parts of India; pottery in Nagaland does not involve revolving the wheel, but is made exclusively with the help of hands. Pottery was known to the early Nagas and was mostly done by the womenfolk. Usually, the techniques vary according to the tribes and the geographical areas they inhabit. The most peculiar feature of Naga pottery is that the designs and motifs have been inspired by the design of the textiles. The pots made were very simple and importance was given to its functional value rather than aesthetics. Tseminyu and Ungma Village were well known for pottery but aluminum and steel vessels have long replaced the simple clay pots. It is recent, that the importance of usage and benefits of clay pots have increased.



### **2.5.3. Rural entrepreneurship development in trading sector**

In Nagaland trade is essential as its domestic market is insufficient to service the large production increases envisaged in many areas like canned agro products, coal, limestone and medicinal and aromatic plants. Currently, India's largest export to Myanmar is pharmaceutical products (37 percent) along with essential oils and perfumes, cotton and some machinery. Nagaland could try to take advantage of the existing trade in pharma products. There is also a system of informal trade operating with Myanmar in items like wheat and wheat products, paper and stationery products, meat and veterinary products especially chicken. There are large imports, albeit informally, from Myanmar like timber and even precious stone and gold. These areas have to formalized, expanded and capitalized upon for trade and commerce to emerge as an important economy of Nagaland. (Nagaland Vision 2030, 2016).

Nagaland being rich in tradition and culture, the inhabitants are very skillful in weaving, handicraft, woodcraft and bamboo craft which need international recognitions. The entrepreneurs in the state also do a lot of food processing businesses such as pickle production, jam production, dried fruit and nuts and many more which need to be popularized globally. Thus, more market linkage has to be done in both national and international level to export our locally made products, which in turn will promote our culture and traditions and strengthen our economy as well. Avenues like celebration of north-east festival, sales day, opening up restaurant which provide Naga cuisine, stores which sells Nagaland made products, should be implemented at national and international platform for the promotion of entrepreneurship in Nagaland.

#### **2.5.4. Rural entrepreneurship development in Services sector**

##### **i) Tourism**

Nagaland is blessed with beauty and breath-taking landscape, green forest, exotic flora and fauna, colorful and rich traditions which promotes tourism in the state. The state has a comfortable climate conditions throughout the year which is an advantage for the state as tourist can visit it anytime of the year.

Nagaland have colorful life and culture which are an integral part in the Nagas' society, its 16 major tribes have different and unique traditions, culture, customs and values which further translated into their unique festivals. Traditional songs and dances become an important role during these festivals. Nagas with their unique cultures and traditions attracts lots of tourist from round the globe. Hornbill festival of Nagaland is organized by the state government is a tourism promotional event to showcase Nagaland's traditional and cultural heritage in all its ethnicity, diversity and splendor. The state also offers an ideal place for trekking; rock climbing, and jungle camping and offers limitless exploration possibilities in its lush and green sub-tropical rain forests which is also full of medicinal plants.

Tourism in the state is yet to pick up in a large way. The rich natural picturesque view, the diverse flora and fauna and the unique socio-cultural heritage makes Nagaland an unexplored interesting destination for tourists. This industry alone can provide profitable employment opportunity to thousands of people. The state government recognizing this potential has adopted "Nagaland tourism policy" in 2000 which emphasizes on the eco-tourism and cultural tourism. However, tourist inflow to the state has been inconsistent. Therefore, there is need to look into this inconsistency of tourist inflow in the state and create such condition that are conducive for attracting the tourist and boosting this very potential industry. A regional tourism policy

may be framed with a focus on promotion of rural tourism so that rural areas also get the benefit of the promotion of tourism (Sema, 2006).

The tourism industry has been identified as one of the leading industries to drive development and economic transformation in developing countries. The tourism industry is seen as capable of being an agent of change in the landscape of economic, social and environment of a tourist destination. Tourism activity has also generated employment and entrepreneurship opportunities to the local community as well as using available resources as tourist attractions (Lonik, 2014). Nagaland's tourism sector has the potential to be a catalyst for the development of entrepreneurship and small business performance. Through the development of tourism, the rural Naga community has the opportunity to offer services or sell products to the both local and foreign tourists. To fulfill this purpose, local community participation in entrepreneurship is very important in order to develop the economic potential and to determine the direction of a development in rural areas.

## **ii) Eatery industry**

In the recent years, there has been a rise in the growth of hotels and restaurants in Nagaland. This was largely due to the growth in travel and tourism industry especially with the promotion of Hornbill Festival by the state Government, according to the survey on hotels and restaurants conducted by the economics and statistics Department, Nagaland (Jan, 2020 – march 2020) covering 11 districts of Nagaland. Hotel and restaurants survey is to develop methodologies for improving State Domestic Product (SDP) and District Domestic Product (DDP) for estimating the contribution of hotel and restaurant sector to the gross state Domestic Product (GSDP) and for estimating the DDP of the state, as the data captured is disaggregated as substitute level with an aim to capture their activities, characteristics, employment, income and expenditure.

### **iii) Lodging industry**

Over the years, lodging industry such as; hostel, hotel, homestay, resort, etc has been mounting up in Nagaland. Accommodation industry is very helpful for both the rural populations as well as for the travelers. Accommodation for the travelers can be perceived as expensive and with limited options. Hostels may hold as a rescue with a budget rate and giving travelers the ability to travel for much less rate for accommodation.

Homestay is also a promising concept in lodging industry which is also considered to be the best alternative to hotel accommodation. Homestay helps you to cover across land, people culture and cuisine of any place. Different types of houses are converted to homestay like heritage homes, farm houses, cottage, ancestral homes, etc. that gives a pleasant stay away from towns and cities but near to places of tourist attractions. Homestay contribute to preserve the local culture and tradition at the same time ensuring sustained income to the local inhabitants.

## **2.6. Conclusion**

Rural entrepreneurship is now regarded as an engine for accelerating the economic growth of a region. Rural entrepreneurship not only develops rural areas but also solves the employment crises and rural-urban migration. Nagaland, the 16<sup>th</sup> state of the Indian Union is predominantly agrarian, with more than 70% of the population engaged and dependent in agriculture. The state focuses on agri allied activities such as piggery, dairy farming, poultry farming, sericulture, apiculture, pisciculture, floriculture, horticulture, olericulture, etc. Over the years, number of small scale industries is growing, small scale units like handloom and handicraft units, basket making units, food processing units, wood and bamboo product units, dried fruit and pickle making units, etc. The efforts invested by the state to improve both in trading and service sectors are salutable. The tourism industry in Nagaland has the

potential to be a channel for the development of the state. In the recent years, there has been a rise in the growth of the eatery and lodging industries which gives employment opportunities to a lot of rural youths in the state.

Endless supports and promotion has been done by the government for the growth of rural entrepreneurship. Yet, the state still faces problems for the promotion of entrepreneurship among the populations. Skill development training in various sectors such as agriculture, manufacturing sector, trading sector and service sector have to be implemented for the rural populations. Government, non-government organisations and various institutions can play a major role by providing proper guidance, trainings, financial assistance and sustaining support systems.

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## **CHAPTER 3**

### **SOCIO-ECONOMIC CONDITIONS OF RURAL ENTREPRENEURS IN NAGALAND**

#### **3.1. INTRODUCTION**

India has great potential towards rural entrepreneurship and if it is properly harnessed, India has a bright chance of becoming leading economy in the world. Economic Development is perceived as a multi-dimensional method involving changes in social structures, acceleration of economic growth, reduction of poverty and reduction of inequality. Rural entrepreneurship Development is a mechanism for improving the socio-economic conditions of weaker sections. The part of entrepreneurship in economic development varies from economy to economy depending upon its industrial climate, material resources and the political system. Rural Entrepreneurship Development is a vital Programme for socio-economic development of rural areas of India. The objectives are to trigger economic development and generate employment by providing necessary factor inputs and infrastructure for productive uses in agriculture and rural industries, and improving the quality of life of the rural people by entrepreneurial empowerment. This also focuses on the help upgrade the skill, creativity and productivity of rural artisans and encourage value addition and quality of their products (Aggarwal, 2018). Economic development which involves a movement from one state of the economy to another is often attributed to the action of entrepreneurs who are the change agents in the economy (Manimala, 1999).

One of the key tasks of economic development is the fostering of an entrepreneurial spirit. An underdeveloped country cannot thrive without a

sizeable population of owners/managers willing to undertake risks, establish new plants, adapt new technologies, confront strife, and import new ways of doing business. Government in an under developed country can help in promotion of entrepreneurship by setting up extension services for farmers, educating and training the workforce, establishing entrepreneurship and management schools, integrating entrepreneurship development in different streams of education and creating congenial atmosphere for private investment (BR, 2001).

Both in developed and developing countries, industrialisation is considered as an important element for the economic development. And entrepreneurship contributes to industrial development in several areas such as assembling, organising, increase in productions, expanding the market globally, performing managerial functions in the business units. The role of industrial units in economic development of India is important from many angles. India is a vast country standing first in many spheres as largest democracy, widespread socio-economic and linguistic disparities, religious, cultural and political thinking, economic and other exploitation, standard of living and many other things. Under such circumstances there are bound to exist deviations in income standard of living and socio-cultural activities of people of different regions (Khan, 2016). So, in order to improve the standard of living of the masses the favourable factors for the rapid industrialisation of the state are its market potentials, power, soil, unexploited forest resources, livestock, natural resources and huge population.

### **3.2. PROFILE OF ENTREPRENEURS**

#### **3.2.1. Age of the Rural Entrepreneurs:**

Age is an important demographic character; it decides the potentiality of the rural entrepreneurs, their mental maturity in tackling problems. The



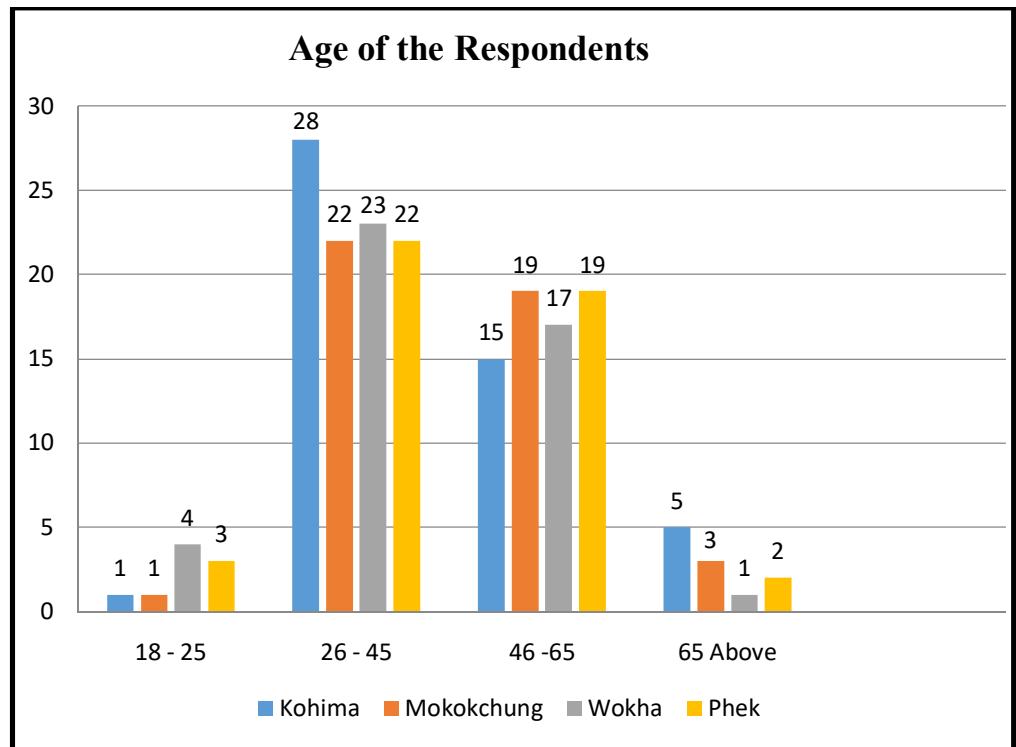
capabilities of rural entrepreneurs in doing various jobs vary at different phases as the confidence level, physical durability; perceptions at a particular time will vary with the progress of age and with the passage of time. Likewise, Respondents' understanding levels in running their entrepreneurial activities can be understood as per their age, both in person as well as in social life. The respondents were classified on the basis of their age such as 18 years to 25 years, 26 years to 45 years, 46 years to 65 years, and 65 and above, at the time of survey to know which age group had participated more dynamically in rural entrepreneurial activities.

**Table 3.1: Age of the rural entrepreneurs in Nagaland**

<b>Age (in years)</b> <b>Districts</b>	<b>18 – 25</b>	<b>26-45</b>	<b>46-65</b>	<b>65 Above</b>	<b>Total</b>
Kohima	1	28	15	5	48
Mokokchung	1	22	19	3	45
Wokha	4	23	17	1	46
Phek	3	22	19	2	46
<b>Grand Total</b>	<b>9</b>	<b>95</b>	<b>70</b>	<b>11</b>	<b>185</b>
<b>Percentage</b>	<b>4.86%</b>	<b>51.35%</b>	<b>37.83%</b>	<b>5.94%</b>	<b>100%</b>

*Source: Field Survey*

From the above table 3.1 it is depicted that 4.86% of rural entrepreneurs belong to the age group between 18 -25. A majority of the rural entrepreneurs falls under the age group of 26-45, i.e., 51.35% which shows that most of them are at their energetic stage and are doing well in the entrepreneurship activities. 37.83% of the rural entrepreneurs belong to the age group of 46-65 and only 5.94% belong to the age group of 65 above category, thus we can get an idea that most of the entrepreneurs belongs to 26-45 age categories.



**Figure 3.1: Age group of Rural Entrepreneurs**

It is also clear from the figure 3.1 that the good number of the rural entrepreneurs in Nagaland belongs to age group of 26 years to 45 years. On all the four districts of Nagaland i.e., Kohima-28 respondents, Mokokchung- 22 respondents, Wokha- 23 respondents and Phek- 22 respondents, which makes the total of 95 respondents out of 185 respondents, belongs to the 26-45 age group.

### **3.2.2. Gender of the Rural Entrepreneurs:**

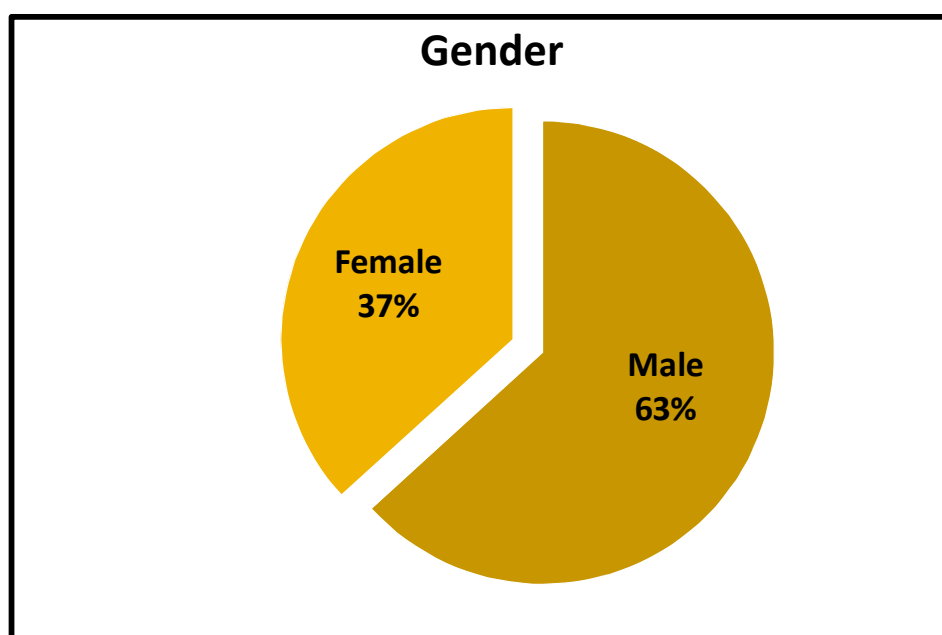
Gender of the rural entrepreneurs is also an important demographic characteristic because it indicates level of tendency towards entrepreneurship. Gender impacts the different types of entrepreneur in a society and the nature of business in which the entrepreneurs operates. Respondents' information

about the gender was collected to know the proportions of male and female entrepreneurs who participated in entrepreneurial activities in Nagaland.

**Table 3.2: Gender of the rural entrepreneurs in Nagaland**

District	Male	Female	Total
Kohima	27	21	48
Mokokchung	33	12	45
Wokha	29	17	46
Phek	28	18	46
<b>Grand Total</b>	<b>117</b>	<b>68</b>	<b>185</b>
<b>Percentage</b>	<b>63.24%</b>	<b>36.75%</b>	<b>100%</b>

*Source: Field Survey*



**Figure 3.2: Gender of the rural entrepreneurs in Nagaland**

The above table 3.2 depicts a clear picture that most of the rural entrepreneurs are male with a total number of 117 and only 68 female rural entrepreneurs. Breaking the numbers into the four districts covered in the study, Kohima with 27 males and 21 females, Mokokchung has 33 males and 12 females,

whereas, Wokha has 29 male and 17 female entrepreneurs and Phek has 28 male and 18 female entrepreneurs.

The figure 3.2 depicts a clear visual that most of the rural entrepreneurs are male with 63.24%. An exceptional 36.75% of rural entrepreneurs are female. From the study it is clear that male rural entrepreneurs are more than female entrepreneurs in Nagaland.

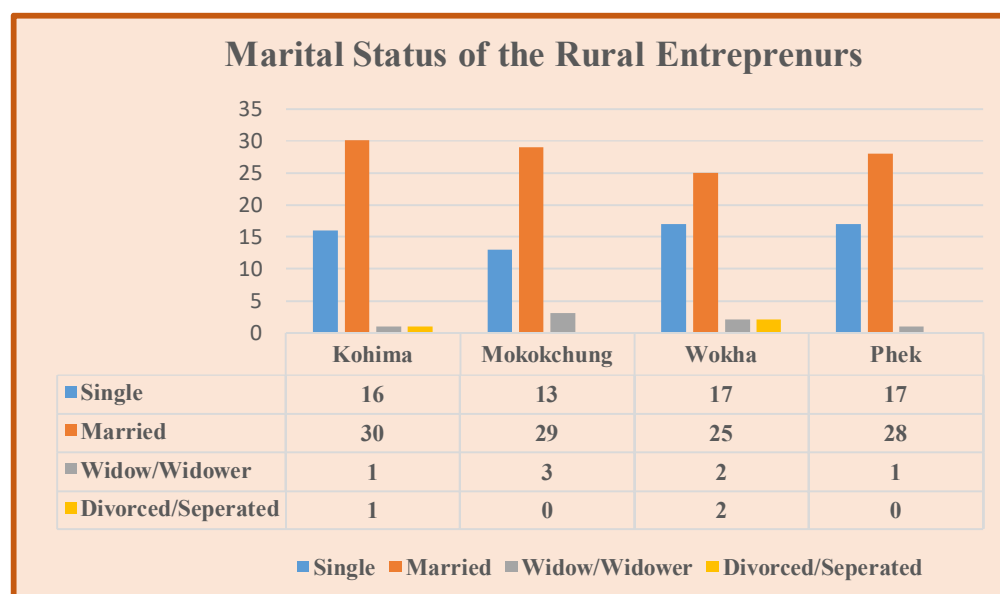
### 3.2.3. Marital Status:

The marital status of the rural entrepreneurs in Nagaland was ascertained and is presented in table 3.3 the marital status for the study had been classified into four categories such as single, married, widow /widower and divorced/ separated.

**Table 3.3 Marital status of the rural entrepreneurs in Nagaland**

<b>Status</b> <b>District</b>	<b>Single</b>	<b>Married</b>	<b>Widow / widower</b>	<b>Divorced /Separated</b>	<b>Total</b>
Kohima	16	30	1	1	48
Mokokchung	13	29	3	-	45
Wokha	17	25	2	2	46
Phek	17	28	1	-	46
<b>Grand Total</b>	<b>63</b>	<b>112</b>	<b>7</b>	<b>3</b>	<b>185</b>
<b>Percentage</b>	<b>34.05%</b>	<b>60.54%</b>	<b>3.78%</b>	<b>1.62%</b>	<b>100%</b>

*Source: Field survey*



**Figure 3.3:** Marital status of the rural entrepreneurs in Nagaland

The table 3.3 indicates that majority of rural entrepreneurs i.e., 60.54 % are married. It is also observed that 34.05% of rural entrepreneurs are still single and independent. Widow and widower account for 3.78% and divorced and separated accounts for 1.62% only.

From the above figure 3.3, it's clear that rural entrepreneurs are mostly married in all the districts. It is also clear that there was no respondent who divorced/ separated from Mokokchung and Phek districts.

#### **3.2.4. Educational Qualifications of the rural Entrepreneurs:**

Education is the key to successful entrepreneurship and it can help an individual to cope with their entrepreneurial problem more easily. Education is the top means of developing one's resourcefulness which incorporates different dimensions of entrepreneurship. The level of efficiency and productivity of a person can be seen by his/her educational qualifications. The communication skills, technological innovations, production efficiency and marketing capabilities of an entrepreneur also depends on his/her education

level. Thus, formal education is always considered significant quality of an individual in building an occupational career. Hence, an attempt was made to ascertain the educational qualification of the rural entrepreneurs in Nagaland.

The level of education of the rural entrepreneurs in Nagaland has been classified in the following categories for study purpose.

**a). Below Matric:** - below matric simply means that a respondent has not passed their HSLC examination or class 10 examination. Some respondents are drop out students and some discontinued their studies.

**b). HSLC Level Examinations:** - HSLC level examinations means a respondent of rural entrepreneurs in Nagaland has cleared their HSLC examinations but has not cleared HSSLC/ 10+2 examinations.

**c). HSSLC level Examinations:** - HSSLC level examination means a respondent of rural entrepreneurs in Nagaland has cleared their HSSLC examinations but not graduated.

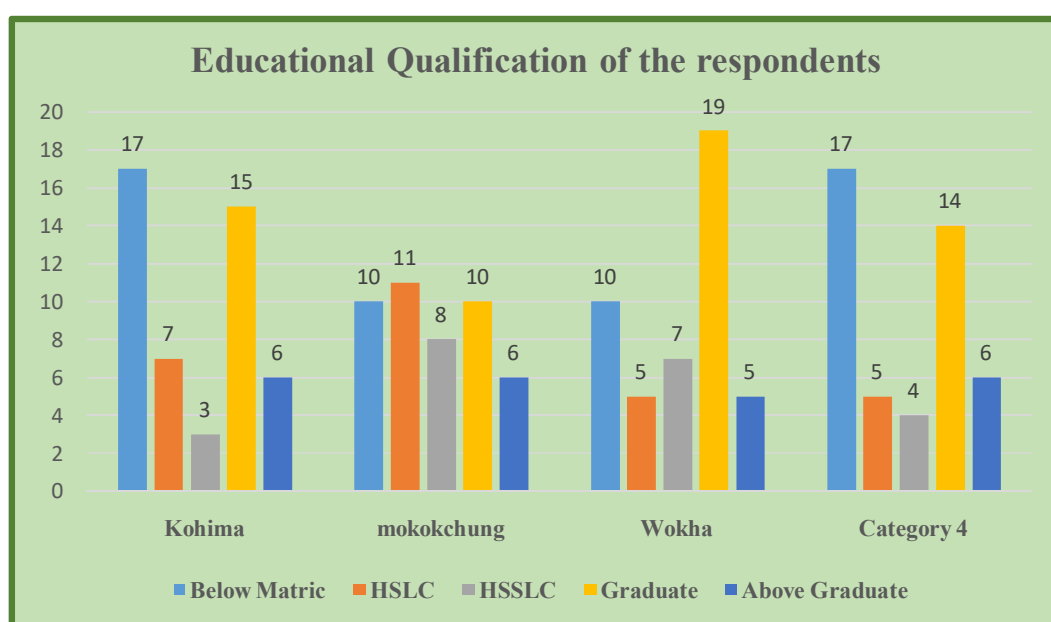
**d). Graduate:** - Graduate level of educations means who has cleared the degree education in any discipline.

**e). Above Graduate:** - Above graduate level of educations means who has cleared their post graduate examinations or those who has cleared doctoral studies.

**Table 3.4: Educational Qualification of the rural entrepreneurs in Nagaland**

Qualification District	Below Matric	HSLC	HSSLC	Graduate	Above Graduate	Total
Kohima	17	7	3	15	6	48
Mokokchung	10	11	8	10	6	45
Wokha	10	5	7	19	5	46
Phek	17	5	4	14	6	46
<b>Grand Total</b>	<b>54</b>	<b>28</b>	<b>22</b>	<b>58</b>	<b>23</b>	<b>185</b>
<b>Percentage</b>	<b>29.18%</b>	<b>15.13%</b>	<b>11.89%</b>	<b>31.35%</b>	<b>12.43%</b>	<b>100%</b>

Source: Field Survey



**Figure 3.4: Educational qualification of the rural entrepreneurs**

It is realized from the table 3.4 that the educational background of the selected entrepreneurs is good in Nagaland. The largest groups i.e., 31.35 per cent of

the rural entrepreneurs are graduate.12.43 per cent respondents have completed their education as graduate and above. However, rural entrepreneurs with low education profile (i.e., below matric) are engaged in entrepreneurial activities which accounts to 29.18 per cent. Rural entrepreneurs with 15.13% have completed their High schooling (HSLC). Fewer numbers of rural entrepreneurs had completed their higher secondary level (HSSLC) with 11.89%.

It is visible from the figure 3.4 that in Kohima 17 rural entrepreneurs has low educational profile as below matric, which is the maximum number of respondents from Kohima district. Mokokchung has got highest number of respondents whose qualification is HSLC. Wokha has got the highest number of respondents in graduate category with 19 respondents out of 46 respondents from the District. And Phek has got the highest number of rural entrepreneurs whose educational qualification is below matric. The figure also gives a clear picture that 58 respondents (which is the highest of all the categories) out of 185 are graduate and running their entrepreneurial activities.

#### **3.2.5. Respondents' Family size:**

It was found out that 16.75% of the entrepreneurs which is 31 respondents out of 185 have 1-3 family members. A majority of respondents i.e., 93 out of 185 of the rural entrepreneurs has 4-6 members, which accounts for 50.27 per cent, which is the highest comparing to other categories. 21.08% of the rural entrepreneurs (i.e., 39 respondents) has 6-9 members and only 8.10% of the entrepreneurs has 10 and above members in the family.



**Table 3.5: Family size of the rural entrepreneurs in Nagaland**

<b>District</b>	<b>Members</b>				<b>Total</b>
	<b>1-3</b>	<b>4-6</b>	<b>6-9</b>	<b>10 Above</b>	
Kohima	9	22	12	5	48
Mokokchung	9	24	5	-	45
Wokha	6	26	10	4	46
Phek	3	21	12	6	46
<b>Grand Total</b>	<b>31</b>	<b>93</b>	<b>39</b>	<b>15</b>	<b>185</b>
<b>Percentage</b>	<b>16.75%</b>	<b>50.27%</b>	<b>21.08%</b>	<b>8.10%</b>	<b>100%</b>

*Source: Field Survey*

It is also visible from the table 3.5 that in all the districts, i.e., Kohima with 22 respondents out of total 48 respondents in the district, Mokokchung has 24 respondents out of 45 respondents, Wokha has 26 respondents out of total 46 respondents in the district and Phek has 21 respondents out of total 46 respondents.

### **3.2.6. Members involvement in the business**

The support system from the family member also plays a big role in the success of any entrepreneurs' endeavor, which in turn depends upon the structure and economic status of the family. The increase in the needs, aspirations, desires, and potentials has made the people to live independently to achieve their own needs. Therefore attempt has been made to know the involvement of the family members which helps the rural entrepreneurs in running their enterprise.

**Table 3.6: Members involve in Business:**

	<b>MEMBERS</b>				<b>Total</b>
	<b>1-3</b>	<b>4-6</b>	<b>6-9</b>	<b>10 Above</b>	
Kohima	40	3	2	3	48
Mokokchung	34	5	5	1	45
Wokha	35	6	5	-	46
Phek	38	6	-	2	46
<b>Grand Total</b>	<b>147</b>	<b>20</b>	<b>12</b>	<b>6</b>	<b>185</b>
<b>Percentage</b>	<b>79.45%</b>	<b>10.81%</b>	<b>6.48%</b>	<b>3.24%</b>	<b>100%</b>

*Source: Field Survey*

It is lucid from the table 3.6 that 79.45% of the entrepreneurs have only 1-3 members involved in the business. 10.81% of the total rural entrepreneur has 4-6 member engaged in the business. And a very low percentage i.e., 6.48% and 3.24% entrepreneurs who are engaged in the business are 6-9 members and 10 above members respectively.

### **3.3. BUSINESS DETAILS:**

#### **3.3.1. Nature of Business**

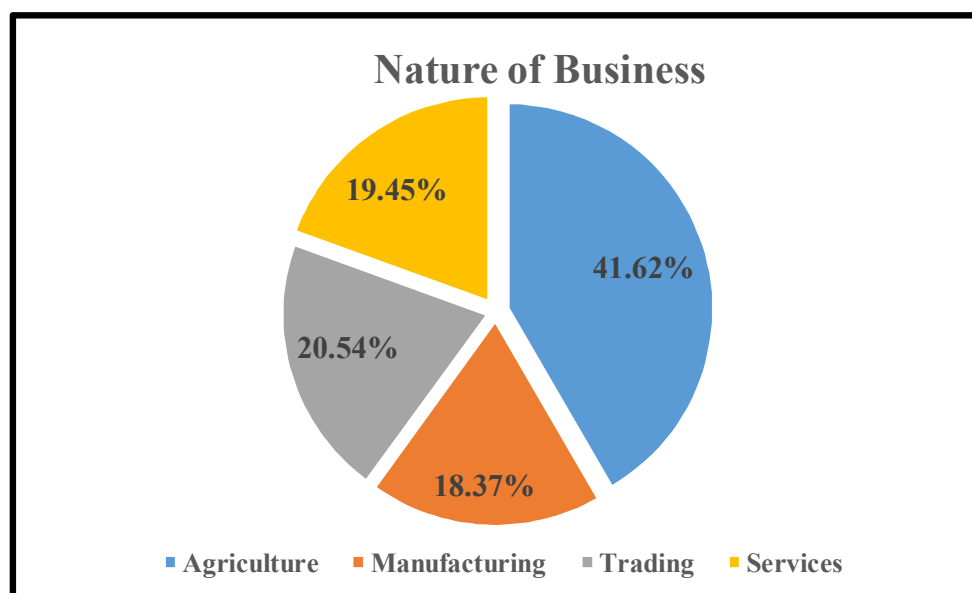
The table 3.7 shows a clear picture about the nature of business of an entrepreneur. In the present study, four types of business had been taken into account i.e., Agriculture, Manufacturing, Trading and Services.

**Table 3.7: Business details of the rural entrepreneurs in Nagaland**

Nature of Business	Kohima	MKG	Wokha	Phek	Total	Percent age
Agriculture	19	22	19	17	77	41.62%
Manufacturing	9	7	10	8	34	18.37%
Trading	7	10	8	13	38	20.54%
Service	13	6	9	8	36	19.45%
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*

It is noticeable that a favourable and justifiable 77 respondents out of total 185 rural entrepreneurs in Nagaland were engaged in agricultural sector. On the other side of the coin only 34 respondents of rural entrepreneurs are engaged in manufacturing sector. 38 respondents out of 185 rural entrepreneurs are engaged in trading sector and 36 respondents out of total 185 respondents are engaged in services sector.



**Figure 3.5: Nature of business of the rural entrepreneurs**

The above figure 3.5 depicts a clear view of the nature of business a rural entrepreneur undertakes. It is clear that major portions i.e., 41.62% of the rural entrepreneurs are engaged in agricultural sector. Rural Entrepreneurs engaged in manufacturing sector accounts only 18.37%, which is comparatively the lowest percentage of all sectors. While 20.54% of rural entrepreneurs are engaged in trading sector and 19.45% of the rural entrepreneurs are engaged in service sector.

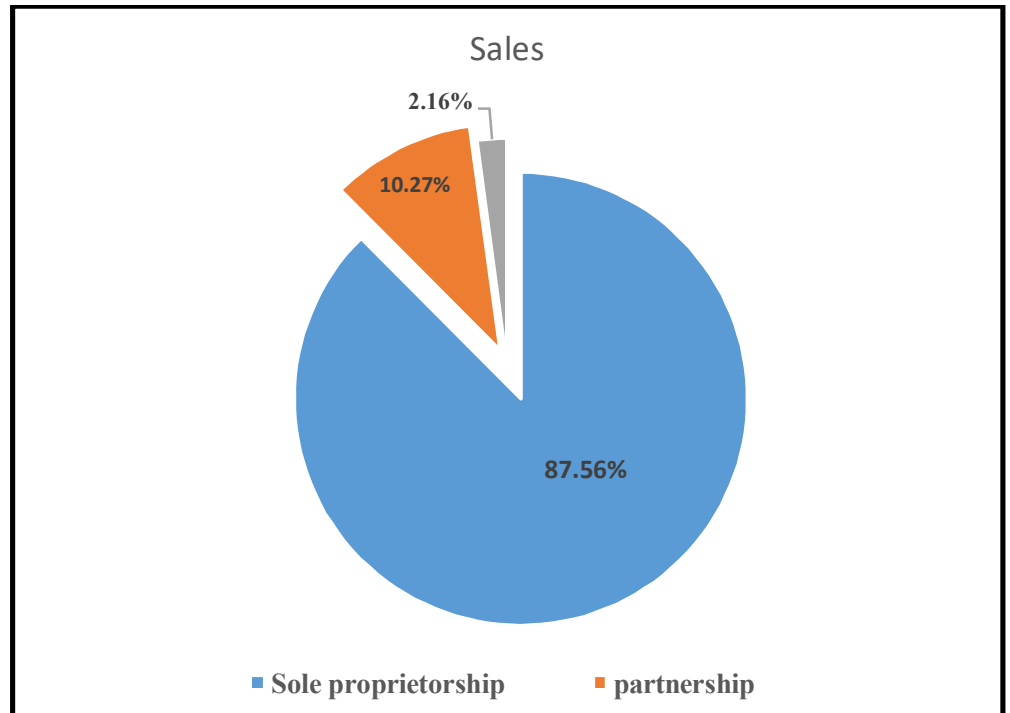
### 3.3.2. Forms of business

Form of business is referred to the kind of ownership of the business managed by the rural entrepreneur, ownership are segregated based on three kinds – sole proprietorship, partnership, cooperative/trust.

**Table 3.8: Form of Business**

<b>Forms</b>	Kohima	Mkg	Wokha	Phek	<b>Total</b>	<b>%</b>
Sole Proprietorship	43	40	39	40	<b>162</b>	<b>87.56</b>
Partnership	5	2	6	5	<b>19</b>	<b>10.27</b>
Cooperative/ trust	-	3	-	1	<b>4</b>	<b>2.16</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100</b>

*Source: Field survey*



**Figure 3.6:** Forms of Business

The above table 3.8 and figure 3.6 depicts about the form of business of rural entrepreneurs in Nagaland. It was found out that majority of the rural entrepreneurs are sole proprietors i.e., 87.56%. 10.27% of rural entrepreneurs are running their business activities under partnership. And a negligible 2.16% are the rural entrepreneurs are operating their business as cooperative or trust.

### **3.3.3. Seasons of the business**

The table 3.9 shows how the rural entrepreneurs are running their business as per duration i.e., whether seasonal or round the year.

**Table 3.9: Season of the business**

	<b>Kohima</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>%</b>
Seasonal	13	14	19	9	55	29.72
Round the year	35	31	27	37	130	70.27
Total	48	45	46	46	185	100

*Source: Field survey*

It was found out that 70.27% of rural entrepreneurs runs their entrepreneurial activities round the year and only few i.e., 29.72% does their business seasonally.

#### **3.3.4. Business experience/ years of running business**

Normally, entrepreneurs with experience tend to perform better in the operations of the entrepreneurial activities. Experiences such as technical, financial, management, communication, etc. can be obtained by an entrepreneur from previous job or from previous undertaking. Table 3.10 below shows the number of years that the rural entrepreneurs are undertaking or the rural entrepreneurs has experience in running a business.

**Table 3.10: Years of Running Business**

<b>Duration</b>	<b>KMA</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percentage</b>
2 – 5 years	16	20	21	23	<b>80</b>	<b>43.24%</b>
6 -10 Years	14	14	17	16	<b>61</b>	<b>32.97%</b>
11 -15 Years	9	6	3	2	<b>20</b>	<b>10.81%</b>
15 Above	9	5	5	5	<b>24</b>	<b>12.97%</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*

43.24% of the rural entrepreneurs run their business for 2-5 years, 32.97% of rural entrepreneurs run their business for 6-10 years. And only 10.81% runs their business for 11-15 years and 12.97% of rural entrepreneurs run their business for more than 15 years.

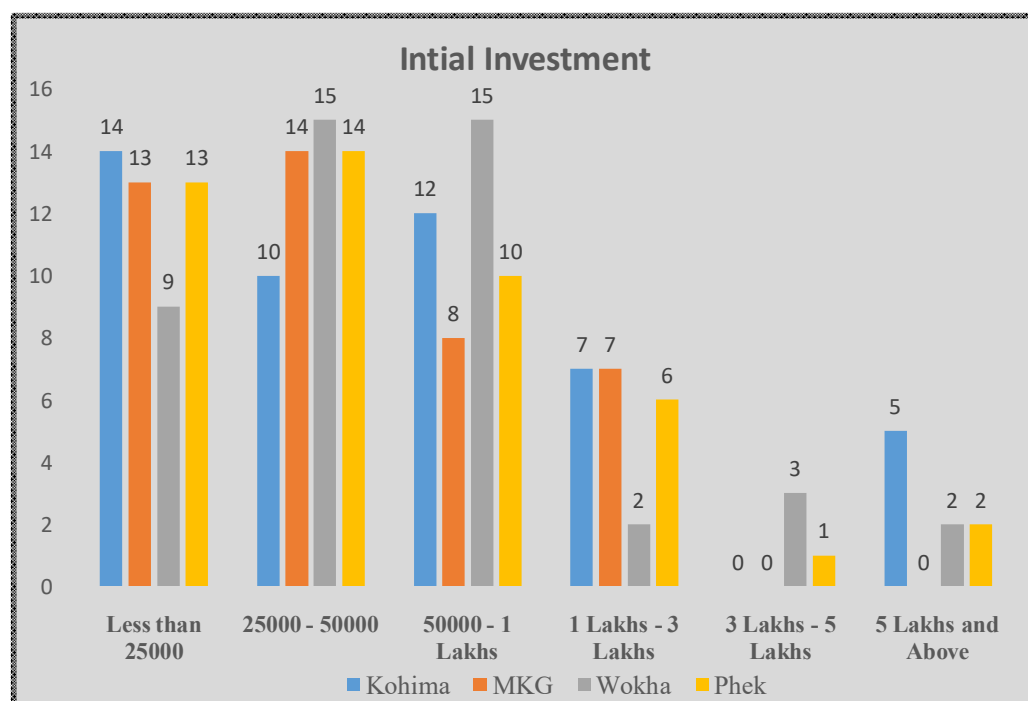
### 3.3.5. Initial Investment:

Finance plays an important role in the development of rural entrepreneurship. Initially many rural entrepreneurs has to avail some finance of his/her own or loan from outside, some avail fund from the bank or money lenders for the establishment of their business unit. The table and figure below gives a clear picture of the initial investment made by the rural entrepreneurs to start their business.

**Table 3.11: Initial Investment done by the rural entrepreneurs**

<b>Initial Investment</b>	<b>Kohima</b>	<b>MK G</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percent age</b>
Less than 25000	14	13	9	13	<b>49</b>	<b>26.48%</b>
25000 - 50000	10	14	15	14	<b>53</b>	<b>28.64%</b>
50000 -1 Lakhs	12	8	15	10	<b>45</b>	<b>24.32%</b>
1 Lakhs-3 lakhs	7	7	2	6	<b>22</b>	<b>11.89%</b>
3 Lakhs-5 Lakhs	-	-	3	1	<b>4</b>	<b>2.16%</b>
5 lakhs and Above	5	3	2	2	<b>12</b>	<b>6.48%</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*



**Figure 3.7:** Initial investment of the rural entrepreneurs

It is depicted from the table 3.11 and figure 3.7 that 26.48% of rural entrepreneurs had an initial investment of less than ₹ 25000. 28.64% of the entrepreneurs had started their business with investment range from ₹25000 to ₹ 50000. It is also clear that 24.32% of rural entrepreneurs had started their business with an initial investment of ₹50000 – 1 lakh. 11.89% with 1 lakh – 3 lakhs and a very low percent i.e., 2.16% of rural entrepreneurs started their business with 3 lakhs – 5 lakhs of initial investment. 6.48% of rural entrepreneurs started their business with an initial investment of 5 lakhs and above.

### 3.3.6. Initial Source of Fund/ Loan:

Rural entrepreneurs can raise their initial source of funds/ loans from family and friends, bank loan, government and non-government agencies, private money lenders etc. Getting funds and loans from the supporting agencies is



time consuming and not that easy, thus most of the entrepreneurs start their business with their own investments.

**Table 3.12: Source of funds/loan**

<b>Districts</b> <b>Sources</b>	<b>Kohima</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percent age</b>
Own	34	34	31	28	<b>127</b>	<b>68.64</b>
Family and friends	7	5	10	13	<b>36</b>	<b>19.45</b>
Bank Loan	3	2	1	2	<b>8</b>	<b>4.32</b>
Government Agencies	1	-	1	1	<b>4</b>	<b>2.16</b>
Private Money Lenders	3	3	3	-	<b>9</b>	<b>4.86</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*

From the above table 3.12 it is clear that majority of the rural entrepreneurs in Nagaland had started their entrepreneurial activities with their own arrangement of fund as their initial source of fund i.e., 68.64%. The entrepreneurs who started their business with the help of their family and friends are 19.45%. 4.32% and 4.86% of the rural entrepreneurs started their business with the help of Bank loan and loan from money lenders respectively. Whereas, rural entrepreneurs who had taken help from the government agencies to start their business was 2.16 percent.

### **3.3.7. Annual Income/ profit**

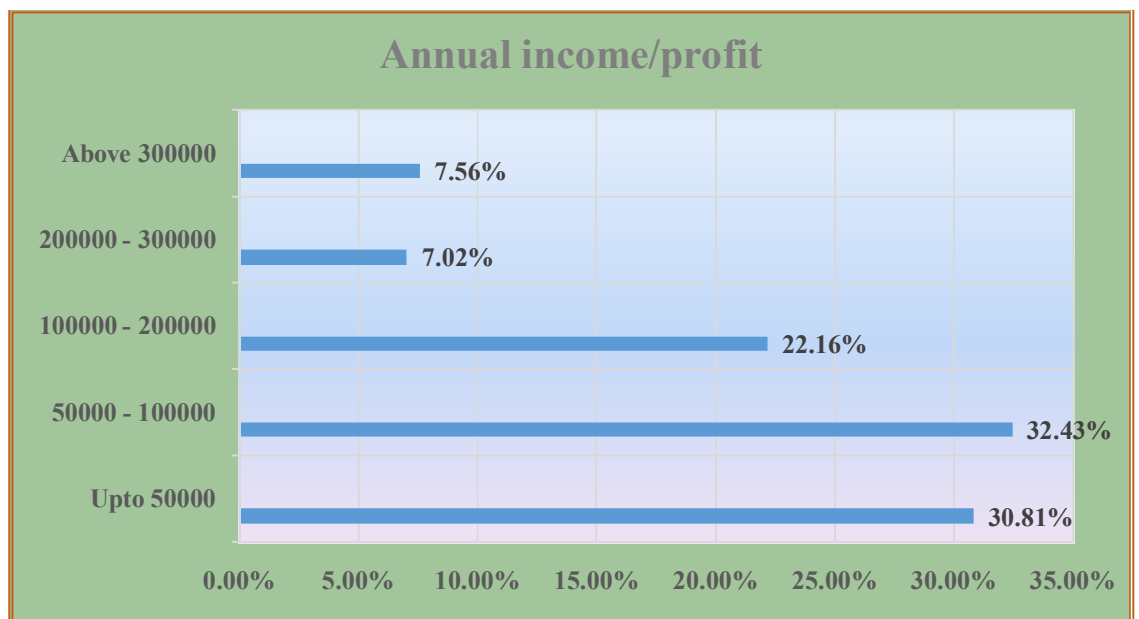
Profit plays an important role in determining the entrepreneurial performance of the rural entrepreneurs. Increase in the trends of profit represents that the rural entrepreneurs are performing well in their business. On the other hand, if there is no improvement in the performance one can deduce that the enterprise is stagnant and if there is a reduction, the enterprise is likely to be facing an

obstacle. Profit is required for the growth and expansion of business. Thus, the rural entrepreneurs were asked to give the range of annual income/profit they earn in a year.

**Table 3.13: Annual income or profit earned by the rural entrepreneurs**

<b>Annual income</b>	<b>Kohima</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percentage</b>
Upto 50000	19	12	11	15	<b>57</b>	<b>30.81%</b>
50000 - 100000	11	17	15	17	<b>60</b>	<b>32.43%</b>
100000 – 200000	7	11	12	11	<b>41</b>	<b>22.16%</b>
200000 – 300000	5	2	5	1	<b>13</b>	<b>7.02%</b>
Above 300000	6	3	3	2	<b>14</b>	<b>7.56%</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*



**Figure 3.8: Annual income/ profit earned by the rural entrepreneurs**

The table 3.13 and figure 3.8 depicts that 30.81% of the rural entrepreneurs had an annual income upto ₹50000. 32.43% of the rural entrepreneurs have an annual income which ranging from ₹50000 to ₹100000. 22.16% of rural entrepreneurs in Nagaland have an annual income which ranges between ₹100000 to ₹200000. And a very low percentage of 7.02% and 7.56% of rural entrepreneurs have an annual income of ₹200000 - ₹ 300000 and ₹300000 above respectively.

### 3.3.8. Annual Sales

Growth in the sales is an appropriate indicator of improvement in the enterprise performance. The profitability of the enterprise also depends on sales. The table indicates the annual sales for the rural entrepreneurs. 15.67% of the entrepreneurs' have annual sales upto ₹50000. The annual sales of ₹50000 - ₹100000 category are 28.10%, which is the maximum percentage in the annual sales of the rural entrepreneur.

**Table3.14: Annual sales of the rural entrepreneurs**

<b>Annual Sales</b>	<b>Kohima</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percent age</b>
Upto 50000	11	9	2	7	<b>29</b>	<b>15.67%</b>
50000 – 100000	14	13	17	8	<b>52</b>	<b>28.10%</b>
100000 -200000	11	11	15	8	<b>44</b>	<b>23.78%</b>
200000 -300000	8	5	3	13	<b>26</b>	<b>14.05%</b>
300000 -400000	4	3	8	8	<b>18</b>	<b>9.72%</b>
Above 400000	4	4	1	7	<b>16</b>	<b>8.64%</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*

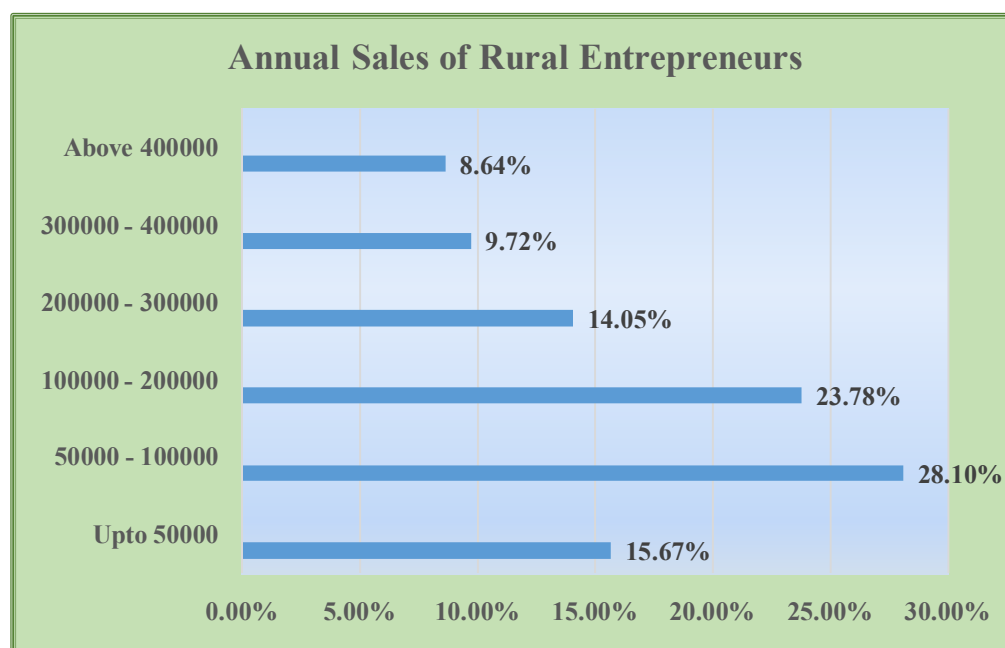


Figure 3.9: Annual sales of the rural entrepreneurs

It is evident from the table 3.14 and figure 3.9 that 23.78% of the entrepreneur experiences an annual sale of ₹100000 - ₹200000. 14.05% have annual sales upto ₹200000 - ₹300000. Whereas, a negligible percentage of rural entrepreneurs i.e., 9.72% and 8.64% experiences ₹300000- ₹400000 and ₹400000 above category respectively.

### 3.3.9. Employment

Employment opportunities created by the rural entrepreneurs in the industry is also a base for judging the growth of entrepreneurship in Nagaland. Enterprises produce their products with the help of workers. When there is adequate demand, resources, profits etc, they increase the number of workers from year to year. Therefore, an increase in the number of employees/workers employed indicates the growth or success of the enterprise.

To study the growth of entrepreneurship number of employment opportunities created by the rural entrepreneurs was done. The table shows

the employment opportunities created by the rural entrepreneurs in running their entrepreneurial activities. Sadly, it is found out that majority (i.e., 50.27%) of the rural entrepreneurs doesn't provide any employment opportunity to the society.

**Table 3.15: Employment opportunities created by Rural Entrepreneurs**

<b>Employment opportunities</b>	<b>Kohima</b>	<b>MKG</b>	<b>Wokha</b>	<b>Phek</b>	<b>Total</b>	<b>Percentage</b>
NIL	24	25	22	22	<b>93</b>	<b>50.27%</b>
1 person	10	4	10	10	<b>35</b>	<b>18.91%</b>
2 persons	5	7	6	8	<b>26</b>	<b>14.05%</b>
3 persons	4	3	2	3	<b>12</b>	<b>6.48%</b>
4 persons	3	2	2	1	<b>8</b>	<b>4.32%</b>
5 person and above	2	4	4	1	<b>11</b>	<b>5.94%</b>
<b>Total</b>	<b>48</b>	<b>45</b>	<b>46</b>	<b>46</b>	<b>185</b>	<b>100%</b>

*Source: Field survey*

However, an exceptional 18.91% of rural entrepreneurs provide employment to at least 1 person. 14.05% of rural entrepreneurs provide employment opportunities to at least 2 persons. And a negligible 6.48%, 4.32% and 5.94% of rural entrepreneurs provides employment to 3 persons, 4 persons and 5 persons & above respectively.

### **3.4. SOCIO-ECONOMIC CONDITIONS IN NAGALAND**

#### **3.4.1. Social factors affecting rural entrepreneurs in Nagaland**

Social factor which affects the rural entrepreneurs is clearly shown in table 3.16 that 50.81% of rural entrepreneurs agreed that they were able to motivate

others to do the business. 47.02% of the rural entrepreneurs feel confident while interacting with the community. 54.04% of the respondent improved their quality of life after starting the entrepreneurial activity.

**Table 3.16: Social factors which affects rural entrepreneurs in Nagaland**

FACTORS	CA	A	N	D	CD
1. Able to motivate others to do the business	31 (16.21%)	94 (50.81%)	60 (32.43%)	Nil	Nil
2. Feel confident when I interact with community	40 (21.62%)	87 (47.02%)	58 (31.35%)	Nil	Nil
3. Improvement in quality of life	45 (24.32%)	100 (54.04%)	40 (21.62%)	Nil	Nil
4. Expecting to provide/ ability to provide better education to my children	35 (18.91%)	69 (37.29%)	74 (40%)	7 (3.78%)	Nil
5. Expecting/ already getting sound marriage proposals to me/ for my children	21 (11.35%)	44 (23.78%)	88 (47.56%)	28 (15.13%)	4 (2.16%)
6. Confidence of leading my family	47 (25.40%)	79 (42.70%)	52 (28.10%)	6 (3.16%)	1 (0.54%)
7. My family members are financially independent	30 (16.21%)	65 (35.13%)	72 (38.91%)	15 (8.10%)	3 (1.62%)
8. Have equal opportunities in my business activities	24 (12.97%)	83 (44.86%)	74 (40%)	4 (2.16%)	Nil
9. Capable of providing quality medical facilities to my family members	27 (14.59%)	72 (38.91%)	74 (40%)	12 (6.48%)	Nil
10. People recognize me in social gatherings	21 (11.35%)	69 (37.29%)	75 (40.54%)	19 (10.27%)	1 (0.5%)
11. Interest to provide education to child	24 (12.97%)	77 (41.62%)	76 (41.08%)	5 (2.70%)	3 (1.62%)
12. Interest in sending child for employment	20 (10.81%)	85 (45.94%)	74 (40%)	4 (2.16%)	2 (1.08%)
13. Control on my habits	36 (19.45%)	47 (25.40%)	74 (40%)	19 (10.27%)	9 (4.86%)

Source: Field survey

37.29% of rural entrepreneurs expects to provide or ability to provide better education to their children. Only 23.78% agreed that they expect getting sound marriage proposals for them or for their children. 42.70% of the rural entrepreneur feels confident about managing their family. Only 32.13% of the rural entrepreneur's family members are financially independent. An exceptional of 44.86% of the rural entrepreneur has equal opportunities in their business activities. The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 38.91%. 37.29% agreed and 11.35% completely agreed that people recognize them in social gathering after adopting the entrepreneurship. The rural entrepreneurs who are able to provide education to their child were 41.62% and 45.94% of rural entrepreneurs were able to motivate their children for employment. 25.40% agreed and 19.45% completely agreed that they could keep their negative habits under the control.

#### **i) Social factors affecting rural entrepreneurs in Kohima district**

Social factors which affect rural entrepreneurs of Kohima district in Nagaland. It is clear from the table 3.17 that 58.69% of the rural entrepreneurs were able to motivate others to do the business. 58.69% of the rural entrepreneur feels confident while interacting with the community. 54.34% of the respondent improved their quality of life after starting the entrepreneurial activity. 47.82% of rural entrepreneurs expects to provide or ability to provide better education to their children. Only 28.26% agreed that they expect getting sound marriage proposals for them or for their children. 52.17% of the rural entrepreneurs feel confident about leading the family. An exceptionally of 43.47% of the rural entrepreneur's family members are financially independent. 50% of the rural entrepreneurs have equal opportunities in their business activities.

**Table 3.17: Social factors affecting rural entrepreneurs in Kohima**

<b>SOCIAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Able to motivate others to do the business	6 (13.04%)	27 (58.69%)	20 (43.47%)	-	-
2. Feel confident when I interact with community	4 (8.69%)	27 (58.69%)	17 (37.77%)	-	-
3. Improvement in quality of life	6 (13.04%)	25 (54.34%)	16 (34.78%)	-	-
4. Expecting to provide/ ability to provide better education to my children	2 (4.34%)	22 (47.82%)	22 (47.82%)	1 (2.17%)	-
5. Expecting/ already getting sound marriage proposals to me/ for my children	-	13 (28.26%)	28 (60.86%)	6 (13.04%)	-
6. Confidence of leading my family	4 (8.69%)	24 (52.17%)	19 (41.30%)	1 (2.17%)	-
7. My family members are financially independent	4 (8.69%)	20 (43.47%)	22 (47.82%)	1 (2.17%)	-
8. Have equal opportunities in my business activities	2 (4.34%)	23 (50%)	21 (45.65%)	1 (2.17%)	-
9. Capable of providing quality medical facilities to my family members	3 (6.52%)	20 (43.47%)	22 (47.82%)	2 (4.34%)	-
10. People recognize me in social gatherings	2 (2.17%)	22 (47.82%)	20 (43.47%)	3 (6.52%)	-
11. Interest to provide education to child	4 (8.69%)	19 (41.30%)	24 (52.17%)	-	-
12. Interest in sending child for employment	5 (10.86%)	19 (41.30%)	23 (50%)	-	-
13. Control on my habits	7 (15.21%)	17 (37.77%)	21 (45.65%)	1 (2.17%)	1 (2.17%)

*Source: Field survey*

The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 43.47%. 47.82% agreed that people



recognize them in social gathering after adopting the entrepreneurship. The rural entrepreneurs who are interested to provide education to their child were 41.30% and 41.30% were interest in sending the employment as well. 37.77% agreed and only 15.21% completely agreed that they could control on their bad habits after starting their business.

## ii) Social factors affecting rural entrepreneurs in Mokokchung district

Social factor which affects the rural entrepreneurs in Mokokchung district is visible in the table 3.0 and is clear that 57.77% of the rural entrepreneurs in Mokokchung district, Nagaland were able to motivate others to do the business. 57.77% of the rural entrepreneurs agreed that they feel confident while interacting with the community. 57.77% of the respondent improved their quality of life after starting the entrepreneurial activity. 11.11% completely agreed and 31.11% agreed that they expect to provide or able to provide better education to their children. 48.88% agreed that they expect getting sound marriage proposals for them or for their children. 44.44% of the rural entrepreneur completely agreed that they feel confident about leading the family after starting the entrepreneurial activity.

**Table 3.18: Social factors affecting rural entrepreneurs in Mokokchung district**

<b>SOCIAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Able to motivate others to do the business	3 (6.66%)	26 (57.77%)	16 (35.55%)	-	-
2. Feel confident when I interact with community	3 (6.66%)	26 (57.77%)	15 (33.33%)	-	-
3. Improvement in quality of life	4 (8.88%)	26 (57.77%)	14 (31.11%)	-	-
4. Expecting to provide/ ability to provide better education to my children	5 (11.11%)	14 (31.11%)	23 (51.11%)	3 (6.66%)	-

5. Expecting/ already getting sound marriage proposals to me/ for my children	-	11 (24.44%)	22 (48.88%)	10 (22.22%)	2 (4.44%)
6. Confidence of leading my family	3 (6.66%)	20 (44.44%)	19 (42.22%)	2 (4.44%)	1 (2.22%)
7. My family members are financially independent	3 (6.66%)	10 (22.22%)	25 (55.55%)	5 (11.11%)	2 (4.44%)
8. Have equal opportunities in my business activities	2 (4.44%)	15 (33.33%)	26 (57.77%)	2 (4.44%)	--
9. Capable of providing quality medical facilities to my family members	4 (8.88%)	8 (17.77%)	27 (60%)	6 (13.33%)	--
10. People recognize me in social gatherings	5 (11.11%)	12 (26.66%)	25 (55.55%)	3 (6.66%)	1 (2.22%)
11. Interest to provide education to child	2 (4.44%)	13 (28.88%)	27 (60%)	1 (2.22%)	2 (4.44%)
12. Interest in sending child for employment	1 (2.22%)	18 (40%)	23 (51.11%)	2 (4.44%)	1 (2.22%)
13. Control on my habits	2 (4.44%)	15 (33.33%)	24 (53.33%)	3 (6.66%)	1 (2.22%)

*Source: Field survey*

Only 22.22% of the rural entrepreneur's family members are financially independent. 33.33% of the rural entrepreneurs have equal opportunities in their business activities. The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 17.77%. 26.66% agreed that people recognize them in social gathering after adopting the entrepreneurship. The rural entrepreneurs who are able to provide education to their child were 28.88% were able to motivate their children for employment. 33.33% agreed that they could keep their negative habits under the control.

### iii) Social factors affecting rural entrepreneurs in Wokha district

Social factors which affect the rural entrepreneurs in Wokha District are depicted in table 3. 56.52% of rural entrepreneurs agreed that they were able to motivate others to do the business. 36.95% completely agreed and 39.13% of the rural entrepreneurs in Wokha district agreed that they feel confident while interacting with the community. 50% of the respondent improved their quality of life after starting the entrepreneurial activity. 30.43% completely agreed and 32.60% agreed that they expect to provide or able to provide better education to their children. 32.60% agreed that they expect getting sound marriage proposals for them or for their children.

**Table 3.19: Social factors affecting rural entrepreneurs in Wokha district**

<b>SOCIAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Able to motivate others to do the business	12 (26.08%)	26 (56.52%)	8 (17.39%)	-	-
2. Feel confident when I interact with community	17 (36.95%)	18 (39.13%)	11 (23.91%)	-	-
3. Improvement in quality of life	19 (41.30%)	23 (50%)	4 (8.69%)	-	-
4. Expecting to provide/ ability to provide better education to my children	14 (30.43%)	15 (32.60%)	15 (32.60%)	2 (4.34%)	-
5. Expecting/ already getting sound marriage proposals to me/ for my children	15 (32.60%)	7 (15.21%)	19 (41.30%)	4 (8.69%)	-
6. Confidence of leading my family	24 (52.17%)	14 (30.43%)	7 (15.21%)	1 (2.17%)	1 (2.17%)
7. My family members are financially independent	12 (26.08%)	17 (36.95%)	14 (30.43%)	3 (6.52%)	-
8. Have equal opportunities in my business activities	13 (28.26%)	21 (45.65%)	12 (26.08%)	-	--
9. Capable of providing quality medical facilities to my family	10 (21.73%)	23 (50%)	13 (28.26%)	1 (2.17%)	--

members					
10. People recognize me in social gatherings	5 (10.86%)	20 (43.47%)	11 (23.91%)	10 (21.73%)	-
11. Interest to provide education to child	10 (21.73%)	24 (52.17%)	12 (26.08%)	-	-
12. Interest in sending child for employment	6 (13.04%)	28 (60.86%)	12 (26.08%)	-	-
13. Control on my habits	16 (34.78%)	4 (8.69%)	19 (41.30%)	1 (2.17%)	6 (13.04%)

*Source: Field survey*

52.17% of the rural entrepreneur completely agreed that they feel confident about managing the family after starting the entrepreneurial activity. Only 36.95% of the rural entrepreneur's family members are financially independent. 45.65% of the rural entrepreneurs have equal opportunities in their business activities. The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 50%. While, 43.47% agreed and 21.73% disagreed that people recognize them in social gathering after adopting the entrepreneurial venture. The rural entrepreneurs are able to provide education to their child were 52.17% and 60.86% of rural entrepreneurs were able to motivate for employment. 34.78% completely agreed that they could control on their bad habits after starting their business.

#### **iv) Social factors affecting rural entrepreneurs in Phek district**

The table 3.20 portrays the social factors which affects the socio-economic conditions of entrepreneurs in Phek district. It is evident from the table that 21.73% completely agree and 32.60% of the rural entrepreneurs in Phek District agree that they were able to motivate others to do the business. 28.26% completely agree and 26.08% of the rural entrepreneur feels confident while interacting with the community. 56.62% of the respondent improved their quality of life after starting the entrepreneurial activity. 39.13% of rural entrepreneurs were able to provide better education to their children. Only

28.26% agreed that they expect getting sound marriage proposals for them or for their children. 45.65% of the rural entrepreneurs feel confident to lead the family.

**Table 3.20: Social factors affecting rural entrepreneurs in Phek District**

<b>SOCIAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Able to motivate others to do the business	10 (21.73%)	15 (32.60%)	20 (43.47%)	-	-
2. Feel confident when I interact with community	13 (28.26%)	12 (26.08%)	21 (45.65%)	-	-
3. Improvement in quality of life	14 (30.43%)	26 (56.52%)	6 (13.04%)	-	-
4. Expecting to provide/ ability to provide better education to my children	14 (30.43%)	18 (39.13%)	14 (30.43%)	-	-
5. Expecting/ already getting sound marriage proposals to me/ for my children	6 (13.04%)	13 (28.26%)	19 (41.30%)	8 (17.39%)	-
6. Confidence of leading my family	16 (34.78%)	21 (45.65%)	7 (15.21%)	2 (4.34%)	-
7. My family members are financially independent	11 (23.91%)	18 (39.13%)	11 (23.91%)	6 (13.04%)	-
8. Have equal opportunities in my business activities	7 (15.21%)	23 (50%)	15 (32.60%)	1 (2.17%)	-
9. Capable of providing quality medical facilities to my family members	10 (21.73%)	21 (45.65%)	12 (26.08%)	3 (6.52%)	-
10. People recognize me in social gatherings	9 (19.56%)	15 (32.60%)	19 (41.30%)	3 (6.52%)	-
11. Interest to provide education to child	8 (17.39%)	21 (45.65%)	13 (28.26%)	4 (8.69%)	-
12. Interest in sending child for employment	8 (17.39%)	20 (43.47%)	16 (34.78%)	2 (4.34%)	-
13. Control on my habits	11 (23.91%)	10 (21.73%)	10 (21.73%)	14 (30.43%)	1 (2.17%)

*Source: Field survey*

An exceptional of 39.13% of the rural entrepreneur's family members was financially independent. Justifiable 50% of the rural entrepreneurs have equal opportunities in their business activities. The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 45.65%. 32.60% agreed that people recognize them in social gathering after adopting the entrepreneurship. The rural entrepreneurs who are interested to provide education to their child were 45.65% and 43.47% were interest in sending the employment as well. 23.91% completely agreed and 30.43% disagreed that they could control on their bad habits after starting their business.

### **3.4.2. Political factors which transforms the life of rural entrepreneurs in Nagaland.**

The table 3.21 shows the political factors which transform the life of rural entrepreneurs. 27.56% completely agreed and 35.67% of rural entrepreneurs agreed that they are able of take independent political issues. 34.05% completely agreed and 41.08% agreed that they cast their vote as per their wishes. 33.51% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 21.08% disagreed that they influence others indirectly in all elections of their village. 27.56% completely agreed and 39.45% agreed that their vote is for the development.

**Table 3.21: Political factors which transform the rural entrepreneurs in Nagaland**

<b>POLITICAL FACTORS</b>	<b>C</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Capable of taking independent political decisions	51 (27.56%)	66 (35.67%)	63 (34.05%)	5 (2.70%)	Nil
2. I cast my vote as per my wish	63 (34.05%)	76 (41.08%)	35 (18.91%)	11 (5.94%)	Nil
3. I play vital role in selecting a candidate for election	43 (23.24%)	62 (33.51%)	67 (36.21%)	11 (5.94%)	2 (1.08%)

4. I influence indirectly in all elections of my village	18 (9.72%)	29 (15.67%)	83 (44.86%)	39 (21.08%)	16 (8.64%)
5. My vote is for development	51 (27.56%)	73 (39.45%)	55 (29.72%)	Nil	Nil
6. I encourage everyone to participate in elections	49 (26.48%)	44 (23.78%)	67 (36.21%)	25 (13.51%)	Nil
7. My family members are independent in casting their votes	68 (36.75%)	50 (27.02%)	57 (30.81%)	10 (5.40%)	Nil
8. I cast my vote based on caste and religion	14 (7.56%)	12 (6.48%)	55 (29.72%)	60 (32.43%)	44 (23.78%)
9. I look for personal benefits in elections	12 (6.48%)	2 (1.08%)	35 (18.91%)	72 (38.91%)	64 (34.59%)

Source: Field survey

Rural entrepreneur who encourages others to participate during election is 26.48% who completely agreed and 23.78% who agreed to the same parameter. 36.75% completely agreed and 27.02% agreed that their family members are independent in casting their votes, while 32.43% disagree and 23.78% agreed that they cast their vote based on caste and religion. Rural entrepreneur who look for personal benefits in elections accounts for 6.48% whereas, 38.91% of rural entrepreneurs disagreed that they look for personal benefits in all elections.

#### **i) Political factors which transform the rural entrepreneurs in Kohima district**

It is evident from the table 3.21 that 54.34% agreed that they are capable of taking independent political issues. 26.08% completely agreed and 52.17% agreed that they cast their vote as per their wishes. 39.13% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 30.43% disagreed that they influence others indirectly in all elections of their village. 21.73% completely agreed and 34.78% agreed that their vote is for the development.

**Table 3.22: Political factors which transform the rural entrepreneurs in  
Kohima**

<b>POLITICAL FACTORS</b>	<b>C</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Capable of taking independent political decisions	7 (15.21%)	25 (54.34%)	15 (32.60%)	1 (2.17%)	-
2. I cast my vote as per my wish	12 (26.08%)	24 (52.17%)	11 (23.91%)	-	-
3. I play vital role in selecting a candidate for selection	9 (19.56%)	18 (39.13%)	18 (39.13%)	1 (2.17%)	1 (2.17%)
4. I influence indirectly in all elections of my village	3 (6.52%)	2 (2.17%)	19 (41.30%)	14 (30.43%)	9 (19.56%)
5. My vote is for development	10 (21.73%)	16 (34.78%)	20 (43.47%)	1 (2.17%)	-
6. I encourage everyone to participate in elections	11 (23.91%)	6 (13.04%)	26 (56.52%)	5 (10.86%)	-
7. My family members are independent in casting their votes	12 (26.08%)	9 (19.56%)	25 (54.34%)	1 (2.17%)	-
8. I cast my vote based on caste and religion	2 (2.17%)	1 (2.17%)	15 (32.60%)	13 (28.26%)	15 (32.60%)
9. I look for personal benefits in elections	-	1 (2.17%)	11 (23.91%)	15 (32.60%)	20 (43.47%)

*Source: Field survey*

Rural entrepreneur who encourages others to participate during election is 23.91% who completely agreed and 13.04% who agreed to the same parameter. 26.08% completely agreed and 19.56% agreed that their family members are independent in casting their votes, while 28.26% disagree and 32.60% agreed that they cast their vote based on caste and religion. Rural entrepreneurs who look for personal benefits in elections is only 2.17%



whereas, 43.47% of rural entrepreneurs in Kohima district completely disagreed that they look for personal benefit.

## ii) Political factors transforming the life of rural entrepreneurs in Mokokchung district

Political factors which transform the life of rural entrepreneurs in Mokokchung district is shown in table 3. It is clear from the table that 17.77% of rural entrepreneurs in Mokokchung district completely agreed and 28.88% agreed that they are capable of taking independent political issues. 20% completely agreed and 48.88% agreed that they cast their vote as per their wish. 24.44% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 15.55% agreed that they influence others indirectly in all elections of their village.

**Table 3.23: Political factors transforming the life of rural entrepreneurs in Mokokchung district**

<b>POLITICAL FACTORS</b>	<b>C</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Capable of taking independent political decisions	8 (17.77%)	13 (28.88%)	23 (51.11%)	1 (2.22%)	-
2. I cast my vote as per my wish	9 (20%)	22 (48.88%)	11 (24.44%)	3 (6.66%)	-
3. I play vital role in selecting a candidate for selection	5 (11.11%)	11 (24.44%)	27 (60%)	2 (4.44%)	-
4. I influence indirectly in all elections of my village	-	7 (15.55%)	25 (55.55%)	8 (17.77%)	5 (11.11%)
5. My vote is for development	9 (20%)	21 (46.66%)	15 (33.33%)	-	-
6. I encourage everyone to participate in elections	7 (15.55%)	16 (35.55%)	20 (44.44%)	2 (4.44%)	-
7. My family members are independent in casting their	9	16	19	1	-

votes	(20%)	(35.55%)	(42.22%)	(2.22%)	
8. I cast my vote based on caste and religion	-	3 (6.66%)	15 (33.33%)	18 (40%)	9 (20%)
9. I look for personal benefits in elections	2 (4.44%)	-	12 (26.66%)	18 (40%)	13 (28.88%)

*Source: Field survey*

20% completely agreed and 46.66% agreed that their vote is for the development. A good numbers of rural entrepreneurs encourage others to participate during election (15.55% completely agreed and 35.55% agreed). 20% completely agreed and 35.55% agreed that their family members are independent in casting their votes, while 40% disagree that they cast their vote based on caste and religion. An acceptable percentage of rural entrepreneurs i.e., 40% Disagreed and 28.88 % completely disagreed that they looks for personal benefits in elections.

### **iii) Political factors which transform the life of rural entrepreneurs in Wokha district**

The table 3.24 portrays the political factors affecting or contributing to the entrepreneurs in operating their business in Wokha district. It is clear from the table 47.82% completely agreed and 32.60% agreed that they are capable of taking independent political issues. 41.30% completely agreed and 43.47% agreed that they cast their vote as per their wish. 39.13% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 23.91% agreed that they influence others indirectly in all elections of their village. 32.60% completely agreed and 47.82% agreed that their vote is for the development.

**Table 3.24: Political factors which transform the life of rural entrepreneurs in Wokha district**

<b>POLITICAL FACTORS</b>	<b>C</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Capable of taking independent political decisions	22 (47.82%)	15 (32.60%)	8 (17.39%)	1 (2.17%)	-
2. I cast my vote as per my wish	19 (41.30%)	20 (43.47%)	5 (10.86%)	2 (4.34%)	-
3. I play vital role in selecting a candidate for selection	15 (32.60%)	18 (39.13%)	10 (21.73%)	3 (6.52%)	-
4. I influence indirectly in all elections of my village	8 (17.39%)	11 (23.91%)	16 (34.78%)	9 (19.56%)	2 (4.34%)
5. My vote is for development	15 (32.60%)	22 (47.82%)	9 (19.56%)	-	-
6. I encourage everyone to participate in elections	19 (41.30%)	17 (36.95%)	8 (17.39%)	2 (4.34%)	-
7. My family members are independent in casting their votes	23 (50%)	16 (34.78%)	7 (15.21%)	-	-
8. I cast my vote based on caste and religion	8 (17.39%)	3 (6.52%)	15 (32.60%)	4 (8.69%)	16 (34.78%)
9. I look for personal benefits in elections	5 (10.86%)	-	4 (8.69%)	15 (32.60%)	22 (47.82%)

*Source: Field survey*

Rural entrepreneur who completely agrees that they encourage others to participate during election is 41.30% and 36.95% agreed to the same parameter. 50% completely agreed and 34.78% agreed that their family members are independent in casting their votes, while 34.78% completely disagree that they cast their vote based on caste and religion. Rural entrepreneurs who look for personal benefit in elections account only 10.86%.

Whereas, 32.60% disagreed and 47.82% of rural entrepreneurs completely disagreed that they do not look for personal benefit in elections.

**iv) Political factors which transform the life of rural entrepreneurs in Phek district**

Political factors which transform the life of rural entrepreneurs in Phek district is portrayed in the table. It is clearly shown that 30.43% of rural entrepreneurs completely agreed and 28.26% agreed that they are able of take independent political issues. 50% completely agreed and 21.73% agreed that they cast their vote as per their wish. 30.43% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 17.39% disagreed that they influence others indirectly in all elections of their village.

**Table 3.25: Political factors which transform the life of rural entrepreneurs in Phek**

<b>POLITICAL FACTORS</b>	<b>C</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Capable of taking independent political decisions	14 (30.43%)	13 (28.26%)	17 (36.95%)	2 (4.34%)	-
2. I cast my vote as per my wish	23 (50%)	10 (21.73%)	7 (15.21%)	6 (13.04%)	-
3. I play vital role in selecting a candidate for selection	14 (30.43%)	15 (32.60%)	12 (26.08%)	5 (10.86%)	-
4. I influence indirectly in all elections of my village	6 (13.04%)	9 (19.56%)	23 (50%)	8 (17.39%)	-
5. My vote is for development	17 (36.95%)	13 (28.26%)	11 (23.91%)	5 (10.86%)	-
6. I encourage everyone to participate in elections	12 (26.08%)	5 (10.86%)	13 (28.26%)	16 (34.78%)	-
7. My family members are independent in casting their votes	23 (50%)	9 (19.56%)	6 (13.04%)	8 (17.39%)	-

8. I cast my vote based on caste and religion	4 (8.69%)	5 (10.86%)	10 (21.73%)	23 (50%)	4 (8.69%)
9. I look for personal benefits in elections	5 (10.86%)	-	8 (17.39%)	24 (52.17%)	9 (19.56%)

*Source: Field survey*

36.95% completely agreed and 28.26% agreed that their vote is for the development. Rural entrepreneur who encourages others to participate during election is 26.08% who completely agreed and 34.78% who disagreed to the same parameter. 50% completely agreed and 19.56% agreed that their family members are independent in casting their votes, while 50% disagree that they cast their vote based on caste and religion. Rural entrepreneur who looks for personal benefits in elections is only 10.86% whereas, 52.17% of rural entrepreneurs in Phek district do not look for personal benefit.

### **3.4.3. Economic factors affecting rural entrepreneurs in Nagaland**

Table 3.26 indicates that 35.67% of the rural entrepreneur had developed financially after starting their entrepreneurial activities. 42.70% of rural entrepreneurs had increased their expenditure, as they can afford. The quality of life had either changed or improved for the rural entrepreneur after starting their business were 56.21% and 47.56% of rural entrepreneur got freedom to take financial decisions, whereas, 37.83% got financial stability. 19.45% completely agreed and 19.45% agreed that rural entrepreneur do not depend on hand loans for celebrating festivals.

**Table 3.26: Economic factors affecting rural entrepreneurs in Nagaland**

<b>ECONOMIC FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Developed financially	26 (14.05%)	66 (35.67%)	88 (47.56%)	5 (2.70%)	-
2. Increase in expenditure	6 (3.16%)	79 (42.70%)	89 (48.10%)	11 (5.94%)	-
3. Quality of life changed/ improved	19 (10.27%)	104 (56.21%)	62 (33.51%)		-
4. I got freedom to take financial decisions	37 (20%)	88 (47.56%)	54 (29.18%)	6 (3.16%)	-
5. I got financial stability	25 (13.51%)	70 (37.83%)	84 (45.40%)	6 (3.16%)	-
6. I do not depend on hand loans for celebrating festivals	36 (19.45%)	36 (19.45%)	66 (35.67%)	3 (1.62%)	2 (1.08%)
7. I got financial strength for my marriage/ my children's marriage	17 (9.18%)	60 (32.43%)	93 (50.27%)	14 (7.56%)	1 (0.54%)
8. Capable of saving for my next generations	8 (4.32%)	70 (37.83%)	92 (49.72%)	15 (8.10%)	-
9. Good and stable domicile facilities	8 (4.32%)	73 (39.45%)	99 (53.51%)	5 (2.70%)	-
10. Capable of fulfilling my day-to-day requirements	30 (16.21%)	89 (48.10%)	62 (33.51%)	4 (2.16%)	-
11. I found increase in my expenses towards family living standards	25 (13.51%)	68 (36.75%)	83 (44.86%)	9 (4.86%)	-

Source: Field survey

It is also clear from the table 3.26 that rural entrepreneur got financial strength for their marriage or for their children's marriage. Rural entrepreneurs who can afford for their next generations are 37.83%. 39.45% of the rural entrepreneurs are also having good and stable domicile facilities at home. Rural entrepreneurs who were able of fulfill their day-to-day requirement was 48.10% whereas 36.75% of rural entrepreneur found increase in their expenses towards maintaining the family living standard.

**i) Economic factors which affects the rural entrepreneurs in Kohima district**

The above table 3.27 portrays the economic factors which affect the socio-economic conditions of the rural entrepreneurs in Kohima District, Nagaland. It is depicted from the table that 39.13% of the rural entrepreneur had developed financially after starting their entrepreneurial activities. 45.65% increase in the expenditure, as they can afford. The quality of life had either changed or improved for the rural entrepreneur after starting their business were 54.34% and 47.82% of rural entrepreneur got freedom to take financial decisions, whereas, 34.78% got financial stability. 45.65% agreed that rural entrepreneur do not depend on hand loans for celebrating festivals. It is also clear from the table that 32.60% of rural entrepreneur got financial strength for their marriage or for their children's marriage.

**Table 3.27: Economic factors which affects the rural entrepreneurs in Kohima**

<b>ECONOMIC FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Developed financially	5 (10.86%)	18 (39.13%)	23 (50%)	-	-
2. Increase in expenditure	-	21 (45.65%)	24 (52.17%)	1 (2.17%)	-
3. Quality of life changed/ improved	3 (6.52%)	25 (54.34%)	17 (37.77%)	-	-
4. I got freedom to take financial decisions	5 (10.86%)	22 (47.82%)	18 (39.13%)	1 (2.17%)	-
5. I got financial stability	4 (8.69%)	16 (34.78%)	24 (52.17%)	2 (4.34%)	-
6. I do not depend on hand loans for celebrating festivals	4 (8.69%)	21 (45.65%)	20 (43.47%)	2 (4.34%)	-
7. I got financial strength for my marriage/ my children's marriage	1 (2.17%)	15 (32.60%)	27 (58.69%)	3 (6.52%)	-

8. Capable of saving for my next generations	-	19 (41.30%)	25 (54.34%)	3 (6.52%)	-
9. Good and stable domicile facilities	-	17 (37.77%)	29 (63.04%)	-	-
10. Capable of fulfilling my day-to-day requirements	4 (8.69%)	27 (58.69%)	15 (32.60%)	-	-
11. I found increase in my expenses towards family living standards	4 (8.69%)	16 (34.78%)	25 (54.34%)	-	-

*Source: Field survey*

Rural entrepreneurs who are capable of saving for their next generations are 41.30%. 37.77% of the rural entrepreneurs are also having good and stable domicile facilities at home. 58.69% of rural entrepreneurs are able to fulfil their day-to-day requirement whereas, 34.78% of rural entrepreneur found increase in their expenses toward family living standard.

## **ii) Economic factors which affects the rural entrepreneurs in Mokokchung district**

The table 3.28 portrays that 35.55% of the rural entrepreneur had developed financially after starting their entrepreneurial activities. 37.77% increase in their expenditure, as they can afford. The quality of life had either changed or improved for the rural entrepreneur after starting their business were 46.66% and 35.55% of rural entrepreneur got freedom to take financial decisions, whereas, 35.55% got financial stability. 13.33% completely agreed and 28.88% agreed that rural entrepreneur do not depend on hand loans for celebrating festivals.



**Table 3.28: Economic factors which affect the rural entrepreneurs in  
Mokokchung district**

<b>ECONOMIC FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Developed financially	5 (11.11%)	16 (35.55%)	23 (51.11%)	1 (2.22%)	-
2. Increase in expenditure	1 (2.22%)	17 (37.77%)	24 (53.33%)	3 (6.66%)	-
3. Quality of life changed/ improved	4 (8.88%)	21 (46.66%)	20 (44.44%)	-	-
4. I got freedom to take financial decisions	7 (15.55%)	16 (35.55%)	22 (48.88%)	-	-
5. I got financial stability	5 (11.11%)	16 (35.55%)	23 (51.11%)	1 (2.22%)	-
6. I do not depend on hand loans for celebrating festivals	6 (13.33%)	13 (28.88%)	24 (53.33%)	-	2 (4.44%)
7. I got financial strength for my marriage/ my children's marriage	2 (4.44%)	9 (20%)	27 (60%)	6 (13.33%)	1 (2.22%)
8. Capable of saving for my next generations	1 (2.22%)	12 (26.66%)	25 (55.55%)	7 (15.55%)	-
9. Good and stable domicile facilities	-	16 (35.55%)	26 (57.77%)	3 (6.66%)	-
10. Capable of fulfilling my day-to-day requirements	3 (6.66%)	15 (33.33%)	25 (55.55%)	2 (4.44%)	-
11. I found increase in my expenses towards family living standards	2 (4.44%)	14 (31.11%)	26 (57.77%)	3 (6.66%)	-

*Source: Field survey*

It is also clear from the table 3.28 that rural entrepreneur got financial strength for their marriage or for their children's marriage. Rural entrepreneurs in Mokokchung district who will be able to serve their next generations was 26.66%. 35.55% of the rural entrepreneurs are also has good and stable

domicile facilities at home. 33.33% of rural entrepreneurs in Mokokchung district are able to fulfil their day-to-day requirement. 31.11% of rural entrepreneur found increase in their expenses towards maintaining family living standard.

### **iii) Economic factors which affects the rural entrepreneurs in Wokha district**

Rural entrepreneurs (i.e., 30.43%) in Wokha district had developed financially after starting their entrepreneurial venture. 41.30% of the rural entrepreneurs had increase in their expenditure, which shows that the rural entrepreneurs can manage to pay for their expenditure. The quality of life had either changed or improved for the rural entrepreneur after starting their business were 54.34% and 56.52% of rural entrepreneur got freedom to take financial decisions, whereas, 41.30% got financial stability. 13.04% completely agreed and 47.82% agreed that rural entrepreneur do not depend on hand loans for celebrating festivals. It is also clear from the table that rural entrepreneur got financial strength for their marriage or for their children's marriage.

**Table 3.29: Economic factors of socio-economic conditions in Wokha district**

<b>ECONOMIC FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Developed financially	10 (21.73%)	14 (30.43%)	20 (43.47%)	2 (4.34%)	-
2. Increase in expenditure	-	19 (41.30%)	26 (56.52%)	1 (2.17%)	-
3. Quality of life changed/ improved	6 (13.04%)	25 (54.34%)	15 (32.60%)		-
4. I got freedom to take financial decisions	8 (17.39%)	26 (56.52%)	10 (21.73%)	2 (4.34%)	-

5. I got financial stability	-	19 (41.30%)	24 (52.17%)	3 (6.52%)	-
6. I do not depend on hand loans for celebrating festivals	6 (13.04%)	22 (47.82%)	18 (39.13%)	-	-
7. I got financial strength for my marriage/ my children's marriage	6 (13.04%)	18 (39.13%)	22 (47.82%)	-	-
8. Capable of saving for my next generations	3 (6.52%)	22 (47.82%)	19 (41.30%)	2 (4.34%)	-
9. Good and stable domicile facilities	4 (8.69%)	22 (47.82%)	20 (43.47%)	-	-
10. Capable of fulfilling my day-to-day requirements	5 (10.86%)	25 (54.34%)	16 (34.78%)	-	-
11. I found increase in my expenses towards family living standards	8 (17.39%)	18 (39.13%)	19 (41.30%)	1 (2.17%)	-

*Source: Field survey*

Rural entrepreneurs in Wokha district who can afford their next generations were 47.82%. 47.82% of the rural entrepreneurs are also having good and stable domicile facilities at home. Rural entrepreneurs are capable of fulfilling their day-to-day requirement was 54.34% whereas 39.13% of rural entrepreneur found increase in their expenses towards family living standard.

#### **iv) Economic factors which affects the rural entrepreneurs in Phek district**

The table 3.30 shows that 28.26% of the rural entrepreneur had developed financially after starting their entrepreneurial activities. 47.82% increase in the expenditure, as they can meet the expense of. The quality of life had either changed or improved for the rural entrepreneur after starting their business were 60.86% and 52.17% of rural entrepreneur got freedom to take financial decisions, whereas, 41.30% got financial stability. 43.47% completely agreed and 47.82% agreed that rural entrepreneur do not depend on hand loans for

celebrating festivals. It is also clear from the table that 39.13% rural entrepreneur got financial strength for their marriage or for their children's marriage.

**Table 3.30: Economic factors which affect the rural entrepreneurs in Phek**

<b>ECONOMIC FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Developed financially	6 (13.04%)	18 (28.26%)	22 (47.82%)	-	-
2. Increase in expenditure	3 (6.52%)	22 (47.82%)	15 (32.60%)	6 (13.04%)	-
3. Quality of life changed/ improved	10 (21.73%)	28 (60.86%)	8 (17.39%)	-	-
4. I got freedom to take financial decisions	17 (36.95%)	24 (52.17%)	4 (8.69%)	1 (2.17%)	-
5. I got financial stability	16 (34.78%)	19 (41.30%)	11 (23.91%)	2 (4.34%)	-
6. I do not depend on hand loans for celebrating festivals	20 (43.47%)	22 (47.82%)	4 (8.59%)	-	1 (2.17%)
7. I got financial strength for my marriage/ my children's marriage	8 (17.39%)	18 (39.13%)	15 (32.60%)	5 (10.86%)	-
8. Capable of saving for my next generations	3 (6.52%)	17 (36.95%)	23 (50%)	3 (6.52%)	-
9. Good and stable domicile facilities	4 (8.69%)	18 (39.13%)	24 (52.17%)	-	-
10. Capable of fulfilling my day-to-day requirements	18 (39.13%)	22 (47.82%)	6 (13.04%)	-	-
11. I found increase in my expenses towards family living standards	8 (17.39%)	20 (43.47%)	13 (28.26%)	5 (10.86%)	-

*Source: Field survey*

Rural entrepreneurs in Phek district (i.e., 36.95%) were confident that they will be able to serve for their next generations. 39.13% of the rural entrepreneurs are also having a good and stable domicile facilities at home. 47.82% of rural entrepreneurs are competent of fulfil their day-to-day requirement. 43.47% of rural entrepreneur found increase in their expenses towards maintaining their family living standard.

### **3.5. HYPOTHESIS TESTING**

In order to test the proposed hypothesis, “socio-economic conditions affect the productivity of rural entrepreneurs”. The age of the rural entrepreneurs, gender, educational qualification, marital status and productivity were taken as independent variables and annual income of the rural entrepreneurs was considered as dependent variable. Following sub Hypotheses were framed to test the first hypothesis (H1);

- H1<sub>1</sub>: There is no association between educational qualification and the annual income of the rural entrepreneurs.
- H1<sub>2</sub>: There is no significant relationship between the annual income of entrepreneurs and their business operation district.
- H1<sub>3</sub>: There is no significant between the marital status and the annual income of the rural entrepreneurs.
- H1<sub>4</sub>: There is a significant relationship between the gender and the annual income of the rural entrepreneurs.

#### **3.5.1. There is no association between educational qualification and the annual income of the rural entrepreneurs**

In order to determine the association between educational qualifications and annual income of the rural entrepreneurs, the profit earned by the rural

entrepreneurs and the qualification status of the rural entrepreneurs has been ascertained and presented below:

**Table 3.31: Association between educational qualification and annual income of the rural entrepreneurs**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.016 <sup>a</sup>	16	.143
Likelihood Ratio	21.709	16	.153
Linear-by-Linear Association	4.592	1	.032
N of Valid Cases	185		

a. 10 cells (40.0%) have expected count less than 5. The minimum expected count is 1.19.

From the table 3.31 it is evident that computed chi-square value which is 22.016 is less than the table value (26.3 at df =16). Therefore, the Null hypothesis that is, there is no association between educational qualification and the annual income of the rural entrepreneurs is not rejected. Hence, educational qualification of rural entrepreneurs is not associated with their annual income. It shows that apart from education other factors may be associated with annual income of rural entrepreneurs.

### **3.5.2. There is no significant relationship between the annual income of entrepreneurs and their place of operating the business**

To test the significant relationship between the annual income of the rural entrepreneurs and their place of operating the business, ANOVA was performed. Mean was also computed for four districts, i.e., Kohima, Mokokchung, Wokha and Phek.

Here, data given below are the data provided by descriptive table for annual income of rural entrepreneurs for all four districts and the test of significance (ANOVA) of difference among annual income for all four districts.

**Table 3.32: Descriptive for annual income of rural entrepreneurs for all districts**

	N	Mean (Lakhs)	S.D.	Std. Error	95% Confidence Interval for Mean		Min	Max
					Lower Bound	Upper Bound		
Kohima	48	2.3958	1.44015	.20787	1.9777	2.8140	1.00	5.00
Mokokchung	45	2.2222	1.08479	.16171	1.8963	2.5481	1.00	5.00
Wokha	46	2.4130	1.14651	.16904	2.0726	2.7535	1.00	5.00
Phek	46	2.0870	1.02905	.15172	1.7814	2.3925	1.00	5.00
<b>Total</b>	<b>185</b>	<b>2.2811</b>	<b>1.18731</b>	<b>.08729</b>	<b>2.1089</b>	<b>2.4533</b>	<b>1.00</b>	<b>5.00</b>

*Source: Field Survey*

It is clear from the first table 3.32 that Mean annual income for Wokha District highest (2.4130 L) among four districts. Lowest average of annual income was found to be in Phek District (2.0870L).

**Table 3.33: Test of Significance (ANOVA) of difference among annual income for four districts**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.322	3	1.107	.783	.505
Within Groups	256.061	181	1.415		
<b>Total</b>	<b>259.384</b>	<b>184</b>			

The computed value of ANOVA is 0.783 (df; 3, 181), which is not significant at 0.5 level of significance. Therefore, the above Null hypothesis, there is no significant relationship between the annual income of entrepreneurs and their business operation district, is accepted. Therefore all the four districts average annual income is same.

### **3.5.3. There is no significant between the marital status and the annual income of the rural entrepreneurs.**

In order to determine the significance level between the marital status and the annual income of the rural entrepreneurs, chi-square test has been performed and the result of the chi-square test is presented below;

**Table 3.34: Chi-square test between marital status and annual income of the rural entrepreneurs**

	Value	Df	Asymp. Sig.(2-sided)
Pearson Chi-Square	10.900 <sup>a</sup>	12	.537
Likelihood Ratio	12.142	12	.434
Linear-by-Linear Association	.273	1	.601
N of Valid Cases	185		

a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is .05.

From the table 3.34 it is clear that computed chi-square value which is 10.990 is less than the table value (21.0 at df =12). Therefore, the Null hypothesis that is, there is no significant between marital status and the annual income of the rural entrepreneurs is accepted. Hence, marital status of rural entrepreneurs is not significant with their annual income.

### **3.5.4. There is a significant relationship between the gender and the annual income of the rural entrepreneurs.**

To test the above Null hypothesis T-test was performed. Mean was also computed between the male and the female entrepreneurs which is presented in the first table and the result of the T-test between the gender and the annual income is presented in table.3.35.



**Table 3.35: Group statistics**

Gender	N	Mean	Std. Deviation	Std. Error Mean
Male	117	2.4786	1.26354	.11681
Female	68	1.9412	.96014	.11643

**Table 3.36: Result of T-test between the gender and the annual income of the rural entrepreneurs**

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	12.167	.001	3.034	183	.003	.53746	.17714	.18795	.88696
Equal variances not assumed			3.259	170.17	.001	.53746	.16493	.21188	.86303

From the table 3.36 it is clear that the computed value of “t” is 3.034. This computed value of “t” for the significance of difference between the mean profit of male and female rural entrepreneurs is significant at 0.001 levels of significance at 185 “df”. It shows that male rural entrepreneur’s profit mean is significantly higher than the female rural entrepreneur. Therefore, it can be said that gender as social factor affect the productivity of rural entrepreneurs.

Therefore, the null hypothesis – socio-economic conditions affects the productivity of rural entrepreneurs is rejected at 0.05 levels of significance and alternative hypothesis that is male and female rural entrepreneur's profit differ significantly.

### 3.6. MOTIVATIONAL FACTORS

Motivation is inspirational process of starting an individual's inner energies and arrangements towards goals. Motivation can be either positive or negative. Positive motivation arises when an individual is encouraged to act for earning some rewards and benefits. Whereas, negative motivations arises when an individual is frustrate or fear of failure. The inner state which causes an individual to act towards the attainment of goals is indicated as motivation. And in the process of motivation process, motivators play a prominent role in the formation of an enterprise. An entrepreneur set up his/her enterprise with the help of motivators, such as spouse, relatives, friends, friend's parents, etc. through the motivator's views, ideas and experience regarding the initialization of the entrepreneurial activity, a person is motivated and start to think for the new venture.

**Table 3.37: Motivational factors which influence the rural entrepreneurs in Nagaland**

<b>FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Circumstance/ situations were encouraging to become entrepreneur.	32 (17.29%)	93 (50.27%)	55 (29.72%)	5 (2.70%)	-
2. Opportunity to create own fortune	34 (18.37%)	120 (64.86%)	31 (16.75%)	-	-
3. I was having better exposure/ thought of seizing that opportunity	23 (12.43%)	88 (47.56%)	63 (34.05%)	11 (5.94%)	-

4. I was having the ability to organize and administer factor of production	13 (7.02%)	87 (47.02%)	80 (43.24%)	5 (2.70%)	-
5. I was having innovative motive	15 (8.10%)	87 (47.02%)	75 (40.54%)	8 (4.32%)	-
6. I was having business expertise	18 (9.72%)	58 (31.35%)	90 (48.64%)	24 (12.97%)	-
7. I was having specialized in technical know-how	10 (5.40%)	50 (27.02%)	85 (45.94%)	40 (21.62%)	-
8. I had economic/ financial stability	19 (10.27%)	51 (27.56%)	84 (45.40%)	28 (15.13%)	3 (1.62%)
9. To have self- dependent life	60 (32.43%)	82 (44.32%)	39 (21.08%)	4 (2.16%)	-
10. To continue family tradition	20 (10.81%)	45 (24.32%)	57 (30.81%)	59 (31.89%)	4 (2.16%)
11. Responsibility to family	49 (26.48%)	81 (43.78%)	46 (24.86%)	8 (4.32%)	1 (0.54%)
12. Impressive profit attraction	35 (18.91%)	85 (45.94%)	52 (28.10%)	10 (5.40%)	3 (1.12%)
13. Ample opportunities were available	24 (12.97%)	79 (42.70%)	74 (40%)	8 (4.32%)	-
14. Market was less competitive	30 (16.21%)	58 (31.35%)	74 (40%)	21 (11.35%)	2 (1.08%)
15. Technological development/ advancements	10 (5.40%)	47 (25.40%)	107 (57.83%)	21 (11.35%)	-
16. Possession required qualification/ education	12 (6.48%)	48 (25.94%)	88 (47.56%)	35 (18.91%)	2 (1.08%)
17. Passion for work	59 (31.89%)	83 (44.86%)	41 (22.16%)	1 (0.54%)	1 (0.54%)
18. Previous experience	11 (5.94%)	53 (28.64%)	86 (46.48%)	31 (16.75%)	4 (2.16%)
19. Encouragement from friends and family	23 (12.43%)	65 (35.13%)	77 (41.62%)	18 (9.72%)	2 (1.08%)
20. This was my last option/	6 (3.24%)	32 (17.29%)	70 (37.83%)	63 (34.05%)	14 (7.56%)

resort in life					
21. Need for social security	17 (9.18%)	75 (40.54%)	72 (38.91%)	21 (11.35%)	-
22. Opportunity to utilized the profit for agricultural purpose	13 (7.02%)	63 (34.05%)	74 (40%)	35 (18.91%)	-
23. This is one among different employment opportunity	26 (14.05%)	77 (41.62%)	74 (40%)	5 (2.70%)	3 (1.62%)
24. Encouraging from Govt. policy/ schemes	6 (3.24%)	13 (7.02%)	33 (17.83%)	75 (40.54%)	58 (31.35%)
25. Support and encouragement from NGO's	5 (2.70%)	13 (7.02%)	32 (17.29%)	64 (34.59%)	71 (38.37%)

*Source: Field Survey*

From the above table 3.37 it is evident that 93 respondents out of 185 respondents, which are 50.27% of rural entrepreneurs, agreed that they had been motivated to become an entrepreneur due to the circumstance or situation. 64.86% of the entrepreneurs, which is 120 respondents agreed that they got an opportunity to create own fortune. 47.56% of the rural entrepreneurs were having a better exposure so thought of seizing the opportunity was their motivational factor. Entrepreneurs having the ability to organize and administer factor of production and having innovative motive were 47.02%. Rural entrepreneurs having business expertise were 9.72% and 31.35% respectively for completely agreed and agreed. 27.02% having specialized in technical know-how, whereas, 27.56% had economic or financial stability which motivated them to become an entrepreneur. 32.43% completely agreed and 44.32% agreed that they have been motivated to become an entrepreneur to have self-dependent life. 24.32% agreed that they become entrepreneur to continue their family tradition whereas, 31.89% disagreed with the same parameter. 43.78% agreed that due to family responsibility they were compelled to become an entrepreneur. 45.94% of the entrepreneur agreed that the motivation parameter behind them becoming an

entrepreneur was due to impressive profit attraction. 42.70% of the rural entrepreneurs had ample opportunities which motivated them to become an entrepreneur. People were motivated to become entrepreneur because there was less competitive in the market were 31.35%. Whereas, motivation factors related to technological advancement or development was 25.40%. Rural entrepreneur who have good qualification background and was the motivating factor was 25.94%. 44.86% of the rural entrepreneur completely agreed that they become entrepreneurs because they have passion for the work they are currently doing. 28.64% agreed and 16.75% disagreed to the previous business experience. The rural entrepreneur who agreed to 35.13% and 12.43% completely agreed were encouraged by friends and family, so they become entrepreneurs. 17.29% agreed that since it was the last option so choose the current line of entrepreneurial activity, whereas, 34.05% disagreed. 40.54% of the rural entrepreneurs start their business due to the need for social security. 34.05% of the rural entrepreneur agreed that they got an opportunity to utilize the profit for agricultural purpose which motivates them. 41.62% of the rural entrepreneurs thinks that the present line of business they are doing in one among different employment opportunity. 40.54% disagreed and 31.35% completely disagreed that they were not motivated or encouraged by the government policies and schemes. 34.59% and 38.37% of the rural entrepreneurs also disagreed that it is not because of the support and encouragement from NGOs that they become entrepreneur.

### **3.6.1. Motivational factors which influence the rural entrepreneurs in Kohima district**

It is evident that 60.41% of rural entrepreneurs in Kohima District agreed that they had been motivated to become an entrepreneur due to the circumstance. 58.33% of the entrepreneurs were motivated due to the opportunity to create their own fortune. Half of the total, which is 50% of the rural entrepreneurs,

were having a better exposure so thought of seizing the opportunity was their motivational factor. Entrepreneurs having the ability to organize and administer factor of production was 50% and having innovative motive was 41.66%. Rural entrepreneurs having business expertise was only 29.16% and specialized in technical know-how were only 25% whereas, 35.41% had economic or financial stability which motivated them to become an entrepreneur.

**Table 3.38: Motivational factors which influence the rural entrepreneurs in Kohima district**

FACTORS	CA	A	N	D	CD
1. Circumstance/ situations were encouraging to become entrepreneur.	9 (2.08%)	29 (60.41%)	9 (3.25%)	1 (2.08%)	-
2. Opportunity to create own fortune	10 (20.83%)	28 (58.33%)	10 (20.83%)	-	-
3. I was having better exposure/thought of seizing that opportunity	7 (14.58%)	24 (50%)	17 (35.41%)	-	-
4. I was having the ability to organize and administer factor of production	3 (6.25%)	24 (50%)	21 (43.75%)	-	-
5. I was having innovative motive	10 (20.83%)	20 (41.66%)	18 (37.5%)	-	-
6. I was having business expertise	6 (12.5%)	14 (29.16%)	27 (56.25%)	1 (2.08%)	-
7. I was having specialized expertise in technical know-how	5 (10.41%)	12 (25%)	29 (60.41%)	2 (4.16%)	-
8. I had economic/ financial stability	5 (10.41%)	17 (35.41%)	22 (45.83%)	4 (8.33%)	-
9. To have self- dependent life	15 (31.25)	22 (45.83%)	10 (20.83%)	1 (2.08%)	-

10. To continue family tradition	2 (4.16%)	10 (20.83%)	20 (41.66%)	15 (31.25%)	1 (2.08%)
11. Responsibility to family	10 (20.83%)	21 (43.75%)	13 (27.08%)	4 (8.33%)	-
12. Impressive profit attraction	13 (27.08%)	18 (37.5%)	12 (25%)	5 (10.41%)	-
13. Ample opportunities were available	8 (16.66%)	22 (45.83%)	13 (27.08%)	5 (10.41%)	-
14. Market was less competitive	10 (20.83%)	18 (37.5%)	13 (27.08%)	7 (14.58%)	-
15. Technological development/ advancements	5 (10.41%)	10 (20.83%)	25 (52.08%)	8 (16.66%)	-
16. Possession required qualification/ education	5 (10.41%)	10 (20.83%)	27 (56.25%)	9 (18.75%)	-
17. Passion for work	19 (39.58%)	20 (41.66%)	9 (18.75%)	-	
18. Previous experience	4 (8.33%)	5 (10.41%)	24 (50%)	4 (8.33%)	1 (2.08%)
19. Encouragement from friends and family	6 (12.5%)	16 (33.33%)	23 (47.91%)	3 (6.25%)	-
20. This was my last option/ resort in life	6 (12.5%)	10 (20.83%)	23 (47.91%)	11 (22.91%)	4 (8.33%)
21. Need for social security	3 (6.25%)	21 (43.75%)	16 (33.33%)	5 (10.41%)	-
22. Opportunity to utilized the profit for agricultural purpose	6 (12.5%)	16 (33.33%)	18 (37.5%)	11 (22.91%)	-
23. This is one among different employment opportunity	1 (2.08%)	19 (39.58%)	20 (41.66%)	1 (2.08%)	2 (4.16%)
24. Encouraging from Govt. policy/ schemes	1 (2.08%)	-	9 (18.75%)	20 (41.66%)	18 (37.5%)
25. Support and encouragement from NGO's	-	2 (4.16%)	10 (20.83%)	14 (29.16%)	21 (43.75%)

Source: field survey

31.25% completely agreed and 45.83% agreed that self-dependent life was the motivational factor for them. 20.83% agreed that they become entrepreneur to continue their family tradition, whereas, 31.25% of the rural entrepreneurs in Kohima district disagreed to the same parameter. 43.75% agreed that due to family responsibility they were compelled to become an entrepreneur. 37.5% of the entrepreneur agreed that due to impressive profit attraction they were motivated. 45.83% of the rural entrepreneurs had ample opportunities were available which motivated them to become an entrepreneur.

20.83% completely agreed and 37.5% of rural entrepreneurs agreed that they were motivated to become an entrepreneur because the Market was less competitive, whereas, technological advancement or development was only 20.83%. Rural entrepreneur who have good qualification background and was the motivating factor was also 20.83%. The rural entrepreneurs completely agreeing that they become entrepreneurs because they have passion for the work were 39.58% and entrepreneurs agreeing were 41.66%. 10.41% agreed and 8.33% disagreed to the previous business experience. While, 33.33% of the rural entrepreneurs were encouraged by friends and family, so they become entrepreneurs. 22.91% disagreed that since it was the last option so choose the current line of entrepreneurial activity. 43.75% of the rural entrepreneurs start their business due to the need for social security. 33.33% of the rural entrepreneur agreed that they got the opportunity to utilize the profit for agricultural purpose which motivates them. 39.58% of the rural entrepreneur thinks that the present line of business they are doing in one among different employment opportunity. 41.66% disagreed that they were not motivated or encouraged by the government policy and scheme and 43.21% of the rural entrepreneur completely disagreed that it is not because of the support and encouragement from NGOs that they become entrepreneur.



### **3.6.2. Motivational factors which influence the rural entrepreneurs in Mokokchung district**

The table depicts the motivational factors of the rural entrepreneurs in Mokokchung District of Nagaland. It is clear that 53.33% of rural entrepreneurs agreed that they had been motivated to become an entrepreneur due to the circumstance. 62.22 % of the entrepreneurs were motivated due to the opportunity to create their own fortune. Only 26.66% of the rural entrepreneurs were having a better exposure so thought of seizing the opportunity was their motivational factor. Entrepreneurs having the ability to organize and administer factor of production was 40% and having innovative motive was 42.22%. Rural entrepreneurs having business expertise and specialized in technical know-how were only 13.33%whereas, 20% had economic or financial stability which motivated them to become an entrepreneur. 22.22% completely agreed and 44.44% agreed that they have been motivated to become an entrepreneur to have self-dependent life. 24.44% agreed that they become entrepreneur to continue their family tradition. 48.88% agreed that due to family responsibility they were compelled to become an entrepreneur. 51.11% of the entrepreneur agreed that they motivation parameter behind them becoming an entrepreneur is due to impressive profit attraction. 48.88% of the rural entrepreneurs had ample opportunities were available which motivated them to become an entrepreneur.

**Table 3.39: Motivational factors which influence the rural entrepreneurs in Mokokchung district**

<b>FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Circumstance/ situations were encouraging to become entrepreneur.	9 (20%)	24 (53.33%)	12 (26.66%)	-	-
2. Opportunity to create own fortune	4 (8.88%)	28 (62.22%)	13 (28.88%)	-	-
3. I was having better exposure/I thought of seizing that opportunity	2 (4.44%)	12 (26.66%)	27 (60%)	4 (8.88%)	-
4. I was having the ability to organize and administer factor of production	-	18 (40%)	27 (60%)	-	-
5. I was having innovative motive	1 (2.22%)	19 (42.22%)	24 (53.33%)	1 (2.22%)	-
6. I was having business expertise	2 (4.44%)	6 (13.33%)	27 (60%)	10 (22.22%)	-
7. I was having specialized expertise in technical know-how	-	6 (13.33%)	28 (62.22%)	9 (20%)	2 (4.44%)
8. I had economic/ financial stability	1 (2.22%)	9 (20%)	24 (53.33%)	9 (20%)	-
9. To have self- dependent life	10 (22.22%)	20 (44.44%)	15 (33.33%)	-	-
10. To continue family tradition	2 (4.44%)	11 (24.44%)	22 (48.88%)	10 (22.22%)	-
11. Responsibility to family	6 (13.33%)	22 (48.88%)	16 (35.55%)	1 (2.22%)	-
12. Impressive profit attraction	3 (6.66%)	23 (51.11%)	16 (35.55%)	2 (4.44%)	1 (2.22%)
13. Ample opportunities were available	1 (2.22%)	22 (48.88%)	22 (48.88%)	-	-
14. Market was less competitive	2 (4.44%)	18 (40%)	20 (44.44%)	4 (8.88%)	1 (2.22%)

15. Technological development/ advancements	3 (6.66%)	15 (33.33%)	24 (53.33%)	3 (6.66%)	-
16. Possession required qualification/ education	-	14 (31.11%)	22 (48.88%)	9 (20%)	-
17. Passion for work	10 (22.22%)	25 (55.55%)	10 (22.22%)	-	-
18. Previous experience	2 (4.44%)	11 (24.44%)	21 (46.66%)	11 (24.44%)	-
19. Encouragement from friends and family	1 (2.22%)	18 (40%)	20 (44.44%)	5 (11.11%)	1 (2.22%)
20. This was my last option/ resort in life	1 (2.22%)	6 (13.33%)	21 (46.66%)	15 (33.33%)	2 (4.44%)
21. Need for social security	-	18 (40%)	23 (51.11%)	4 (8.88%)	-
22. Opportunity to utilized the profit for agricultural purpose	-	20 (44.44%)	18 (40%)	7 (15.55%)	-
23. This is one among different employment opportunity	4 (8.88%)	19 (42.22%)	20 (44.44%)	2 (4.44%)	-
24. Encouraging from Govt. policy/ schemes	-	2 (4.44%)	9 (20%)	27 (60%)	7 (15.55%)
25. Support and encouragement from NGO's	-	-	8 (17.77%)	27 (60%)	10 (22.22%)

*Source: Field Survey*

Market was less competitive, so entrepreneurs were motivated to become an entrepreneur was 40%, whereas, technological advancement or development was 33.33%. Rural entrepreneur who have good qualification background and was the motivating factor was 31.11%. 55.55% of the rural entrepreneur completely agreed that they become entrepreneurs because they have passion for the work they are currently doing. 24.44% agreed and 24.44% disagreed to the previous business experience. 40% of the rural entrepreneurs were encouraged by friends and family, so they become entrepreneurs. 33.33% disagreed that since it was the last option so choose the current line of

entrepreneurial activity. 40%% of the rural entrepreneur start their business due to the need for social security. 44.44% of the rural entrepreneur agreed that they got the opportunity to utilize the profit for agricultural purpose which motivates them. 42.22% of the rural entrepreneur thinks that the present line of business they are doing in one among different employment opportunity. 60% disagreed that they were not motivated or encouraged by the government policy and scheme. 60% of the rural entrepreneur also disagreed that it is not because of the support and encouragement from NGOs that they become entrepreneur.

### **3.6.3. Motivational factors which influence the rural entrepreneurs in Wokha district**

It is evident that 54.34% of rural entrepreneurs agreed that they had been motivated to become an entrepreneur due to the circumstance. 71.73% of the entrepreneurs were motivated due to the opportunity to create their own fortune. 60.86% of the rural entrepreneurs were having a better exposure so thought of seizing the opportunity was their motivational factor. Entrepreneurs having the ability to organize and administer factor of production was 54.34% and having innovative motive was 58.69%. Rural entrepreneurs having business expertise was only 30.43% and specialized in technical know-how were only 28.26% whereas, 28.26% had economic or financial stability which motivated them to become an entrepreneur.

**Table 3.40: Motivational factors which influence the rural entrepreneurs in Wokha district**

FACTORS	CA	A	N	D	CD
1. Circumstance/ situations were encouraging to become entrepreneur.	6 (2.17%)	25 (54.34%)	11 (23.91%)	4 (8.69%)	-
2. Opportunity to create own fortune	11 (23.91%)	33 (71.73%)	2 (4.34%)	--	-
3. I was having better exposure/thought of seizing that opportunity	8 (17.39%)	28 (60.86%)	10 (21.73%)	-	-
4. I was having the ability to organize and administer factor of production	5 (10.86%)	25 (54.34%)	15 (32.43%)	1 (2.17%)	-
5. I was having innovative motive	1 (2.17%)	27 (58.69%)	16 (34.78%)	2 (4.34%)	-
6. I was having business expertise	3 (6.52%)	14 (30.43%)	24 (52.17%)	5 (10.86%)	-
7. I was having specialized expertise in technical know-how	-	13 (28.26%)	16 (34.78%)	17 (36.95%)	-
8. I had economic/ financial stability	2 (4.34%)	13 (28.26%)	21 (45.65%)	9 (19.56%)	1 (2.17%)
9. To have self- dependent life	12 (26.08%)	23 (50%)	9 (19.56%)	2 (4.34%)	-
10. To continue family tradition	7 (15.21%)	17 (36.95%)	8 (17.39%)	14 (30.43%)	-
11. Responsibility to family	12 (26.08%)	24 (52.17%)	9 (19.56%)	1 (2.17%)	-
12. Impressive profit attraction	11 (23.91%)	19 (41.30%)	13 (28.26%)	1 (2.17%)	2 (4.34%)
13. Ample opportunities were available	7 (15.21%)	21 (45.65%)	18 (39.13%)	-	-
14. Market was less competitive	11 (23.91%)	7 (15.21%)	23 (50%)	4 (8.69%)	1 (2.17%)

15. Technological development/ advancements	1 (2.17%)	13 (28.26%)	24 (52.17%)	8 (17.39%)	-
16. Possession required qualification/ education	4 (8.69%)	10 (21.73%)	28 (60.86%)	4 (8.69%)	-
17. Passion for work	13 (28.26%)	21 (45.65%)	12 (26.08%)	-	-
18. Previous experience	4 (8.69%)	14 (30.43%)	23 (50%)	4 (8.69%)	1 (2.17%)
19. Encouragement from friends and family	10 (21.73%)	19 (41.30%)	12 (26.08%)	5 (10.86%)	-
20. This was my last option/ resort in life	2 (4.34%)	10 (21.73%)	15 (32.43%)	17 (36.95%)	2 (4.34%)
21. Need for social security	3 (6.52%)	19 (41.30%)	17 (36.95%)	7 (15.21%)	-
22. Opportunity to utilized the profit for agricultural purpose	5 (10.86%)	17 (36.95%)	18 (39.13%)	6 (13.04%)	-
23. This is one among different employment opportunity	2 (4.34%)	25 (54.34%)	17 (36.95%)	2 (4.34%)	-
24. Encouraging from Govt. policy/ schemes	4 (8.69%)	10 (21.73%)	3 (6.52%)	9 (19.56%)	20 (43.47%)
25. Support and encouragement from NGO's	4 (8.69%)	10 (21.73%)	4 (8.69%)	7 (15.21%)	21 (45.65%)

*Source: Field survey*

26.08% completely agreed and 50% agreed that self-dependent life was the motivational factor for them. 36.95% agreed that they become entrepreneur to continue their family tradition. 52.17% agreed that due to family responsibility they were compelled to become an entrepreneur. 41.30% of the entrepreneur agreed that due to impressive profit attraction they were motivated. 45.65% of the rural entrepreneurs had ample opportunities were available which motivated them to become an entrepreneur.

23.91% of rural entrepreneurs completely agreed that they were motivated to become an entrepreneur because the Market was less

competitive, whereas, technological advancement or development was only 28.26%. Rural entrepreneur who have good qualification background and was the motivating factor was also 21.73%. The rural entrepreneur who completely agrees (i.e., 28.26%) and 45.65% of entrepreneur agreed that they have become entrepreneurs because they have passion for the work. 30.43% agreed that they have previous business experience. While, 41.30% of the rural entrepreneurs were encouraged by friends and family, so they become entrepreneurs. 36.95% disagreed that since it was the last option so choose the current line of entrepreneurial activity. 41.30% of the rural entrepreneur starts their business due to the need for social security. 36.95% of the rural entrepreneur agreed that they got the opportunity to utilize the profit for agricultural purpose which motivates them. 54.34% of the rural entrepreneur thinks that the present line of business they are doing in one among different employment opportunity. 43.47% completely disagreed that they were not motivated or encouraged by the government policy and scheme and 45.65% of the rural entrepreneur completely disagreed that it is not because of the support and encouragement from NGOs that they become entrepreneur.

#### **3.6.4. Motivational factors which influence the rural entrepreneurs in Phek district**

From the table below, it is evident that 32.43% of rural entrepreneurs agreed that they had been motivated to become an entrepreneur due to the circumstance or situation. 67.39% of the entrepreneurs, which is 31 respondents agreed that due to the opportunity to create own fortune. 52.17% of the rural entrepreneurs were having a better exposure so thought of seizing the opportunity was their motivational factor. Entrepreneurs having the ability to organize and administer factor of production is 43.47% and having innovative motive were 45.65%. Rural entrepreneurs having business expertise were 6.52% and 41.30% respectively for completely agreed and

agreed. 41.30% of rural entrepreneurs in Phek district have specialized in technical know-how. 23.91% completely agreed and 26.08% of rural entrepreneur had agreed that economic or financial stability which motivated them to become an entrepreneur. 50% completely agreed and 36.95% agreed that they have been motivated to become an entrepreneur to have self-dependent life. 15.21% disagreed that they become entrepreneur to continue their family tradition whereas, 43.47% disagreed with the same parameter. 45.65% completely agreed that due to family responsibility they were compelled to become an entrepreneur. 54.34% of the entrepreneur agreed that they motivation parameter behind them becoming an entrepreneur is due to impressive profit attraction. 30.43% of the rural entrepreneurs had ample opportunities were available which motivated them to become an entrepreneur. Market was less competitive, so entrepreneurs were motivated to become an entrepreneur were only 32.43%, whereas, technological advancement or development was 19.56%. Rural entrepreneur who have good qualification background and was the motivating factor was 30.43%. 36.95% of the rural entrepreneur completely agreed that they become entrepreneurs because they have passion for the work they are currently doing. 28.26% agreed and 26.08% disagreed to the previous business experience.



**Table 3.41: Motivational factors which influence the rural entrepreneurs in Phek district**

FACTORS	CA	A	N	D	CD
1. Circumstance/ situations were encouraging to become entrepreneur.	8 (17.39%)	15 (32.43%)	23 (50%)	-	-
2. Opportunity to create own fortune	9 (19.56%)	31 (67.39%)	6 (13.04%)	-	-
3. I was having better exposure/thought of seizing that opportunity	6 (13.04%)	24 (52.17%)	9 (19.56%)	7 (15.21%)	-
4. I was having the ability to organize and administer factor of production	5 (10.86%)	20 (43.47%)	17 (36.95%)	4 (8.69%)	-
5. I was having innovative motive	3 (6.52%)	21 (45.65%)	17 (36.95%)	5 (10.86%)	-
6. I was having business expertise	7 (15.21%)	19 (41.30%)	12 (26.08%)	8 (17.39%)	-
7. I was having specialized expertise in technical know-how	3 (6.52%)	19 (41.30%)	12 (26.08%)	12 (26.08%)	-
8. I had economic/ financial stability	11 (23.91%)	12 (26.08%)	17 (36.95%)	6 (13.04%)	-
9. To have self- dependent life	23 (50%)	17 (36.95%)	5 (10.86%)	1 (2.17%)	-
10. To continue family tradition	9 (19.56%)	7 (15.21%)	7 (15.21%)	20 (43.47%)	3 (6.52%)
11. Responsibility to family	21 (45.65%)	14 (30.43%)	8 (17.39%)	2 (4.34%)	1 (2.17%)
12. Impressive profit attraction	8 (17.39%)	25 (54.34%)	11 (23.91%)	2 (4.34%)	-
13. Ample opportunities were available	8 (17.39%)	14 (30.43%)	21 (45.65%)	3 (6.52%)	-
14. Market was less competitive	7 (15.21%)	15 (32.43%)	18 (39.13%)	6 (13.04%)	-

15. Technological development/ advancements	1 (2.17%)	9 (19.56%)	34 (73.91%)	2 (4.34%)	-
16. Possession required qualification/ education	3 (6.52%)	14 (30.43%)	14 (30.43%)	13 (28.26%)	2 (4.34%)
17. Passion for work	17 (36.95%)	17 (36.95%)	10 (21.73%)	1 (2.17%)	1 (2.17%)
18. Previous experience	1 (2.17%)	13 (28.26%)	18 (39.13%)	12 (26.08%)	2 (4.34%)
19. Encouragement from friends and family	6 (13.04%)	12 (26.08%)	22 (47.82%)	5 (10.86%)	1 (2.17%)
20. This was my last option/ resort in life	3 (6.52%)	6 (13.04%)	11 (23.91%)	20 (43.47%)	6 (13.04%)
21. Need for social security	8 (17.39%)	17 (36.95%)	16 (34.78%)	5 (10.86%)	-
22. Opportunity to utilized the profit for agricultural purpose	5 (10.86%)	10 (21.73%)	20 (43.47%)	11 (23.91%)	-
23. This is one among different employment opportunity	14 (30.43%)	14 (30.43%)	17 (36.95%)	-	1 (2.17%)
24. Encouraging from Govt. policy/ schemes	1 (2.17%)	1 (2.17%)	12 (26.08%)	19 (41.30%)	13 (28.26%)
25. Support and encouragement from NGO's	-	1 (2.17%)	10 (21.73%)	16 (34.78%)	19 (41.30%)

Source: Field survey

26.08% rural entrepreneurs were encouraged by friends and family, so they become entrepreneurs. 13.04% agreed that since it was the last option so choose the current line of entrepreneurial activity, whereas, 43.47% disagreed. 36.95% of the rural entrepreneur starts their business due to the need for social security. 21.73% of the rural entrepreneur agreed that they got the opportunity to utilize the profit for agricultural purpose which motivates them. 30.43% of the rural entrepreneur agreed and completely agreed that the present line of business they are doing in one among different employment opportunity. 41.30% disagreed and 28.26% completely disagreed that they

were not motivated or encouraged by the government policy and scheme. 34.78% and 41.30% of the rural entrepreneur also disagreed that it is not because of the support and encouragement from NGOs that they become entrepreneur.

### **3.7. CONCLUSION:**

Socio-economic conditions of the rural entrepreneurs in Nagaland indicate that a large number of factors contribute towards making a successful rural entrepreneur. Educational qualification, age, gender, marital status and family significantly influence the entrepreneurial inspiration. The study reveals that the process of entrepreneurship formation in rural areas is not restricted to any particular age group, gender, marital status but is more competent, determined, and confident to adventure their entrepreneurial talents and opportunities. Focus was also drawn over the economical areas of the respondents, their initial investments, annual income, annual sales and annual profit which are the key for the economic development of any person/entrepreneurs.

Keeping this in view, the youth in the state should be encouraged to establish micro and small enterprises by creating a stimulating environment even in all remote segments which would address the challenges of unemployment in the stage.

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## **CHAPTER 4**

### **CHALLENGES FACED BY RURAL ENTREPRENEURS IN NAGALAND**

#### **4.1. INTRODUCTION**

Rural entrepreneurship in India may be a journey from financial condition to prosperity, total dependence to equality and agricultural labour to entrepreneurs in trade and in commission sectors and at last, as chance entrepreneurs (Panchasara, 2019). The variations of growth may be due to several problems faced by the enterprises from time to time. The problems may differ from place to place, between one industry group of entrepreneurs and like that. Even with a specified class of enterprises or entrepreneur, again the problems may differ from enterprise to enterprise or entrepreneur to entrepreneur (Rao, 1986). The problems may be multi-dimensional relating to, say raw materials, marketing, power, labour, finance, technical and managerial guidance and state policy. All these problems ultimately affect the overall performance of a unit or a group of units (Panchasara, 2019).

The Ninth Five Year Plan has also sorted out the problems of rural industries as follows: inadequate flow of credit, use of obsolete technology, machinery and equipment, poor quality standards, inadequate infrastructural facilities (Planning Commission, 1997-2002). The problems of rural industries also involve lack of awareness and knowledge about the importance of developing industries is a factor for delayed growth of rural entrepreneurship. One more reason involve in delaying is also due to disinterest shown by rural people towards assuming entrepreneurship as a career. Rural public generally want to take up salaried employment because of assured income, lesser hours of work, lesser degree of responsibilities, etc.

Rural entrepreneur's most challenging task is to run their business successfully. Rural areas being the resource limited areas is the biggest drawback for setting a successful industry. Rural entrepreneurs have to run from pillar to the post for the successful operation of their enterprise. From beginning, a rural entrepreneur has to work against several hardships. Almost all the challenges or problems faced by the rural industries are very much identical but the common hindrance faced in the development of rural or village industries are financial constraints, fear of taking risk, lack of experienced workers, lack of technical know-how, lack of training, non-availability of workers, management problems, lack of quality control, high cost of production due to high input cost, lack of communication and market information, poor quality of raw materials, improper facilities of storage and warehousing facilities, obsolete and primitive technology, market related issues and lack of advertising strategy.

The informal sector of Nagaland is dominated by people from outside the state, mostly immigrants, who have inherited skills, strong financial support and business links outside the state. In such a situation, the little revenue that is generated in the economy and the large sum of money that is being pumped by the centre to meet the financial needs of the state plan is diverted outside the state ultimately (Iralu, 2001).

#### **4.2. PROBLEMS OF RURAL ENTREPRENEUR:**

Entrepreneurship activities is never at ease to operate in a region where it is surrounded by limitations, such as limited resources, insufficiency of finance, knowledge and skills, limited know-how, limited opportunities, market related issues, etc. and such hurdles is mostly faced by the rural regions. Nagaland is also one such state, where its majority of the populations lives in villages, and the operation of entrepreneurial activities are also mostly from the rural or village areas. So, it becomes a very

challenging task for the rural entrepreneurs in Nagaland to tackle with the various hardships.

Major Problems and challenges long faced by rural entrepreneurs in Nagaland are;

- Financial problems
- Manufacturing problems
- Marketing problems
- Personal problems
- Other problems

#### **4.2.1. FINANCIAL PROBLEMS:**

Finance is the life blood and nerve centre of a business, just as circulation of blood is essential in the human body for maintaining life, finance is very essential to smooth running of the business (Sharma, 2009). It has been rightly termed and particularly true for the rural/village enterprises or micro & small enterprises where the role played by capital is quite important. Accessibility of right amount of finance in right time at the right cost is crucial to ensure success of any enterprise. Entrepreneurship is not always a celebration of glory, but it faces a lot of financial problems. Rural entrepreneurs face numerous financial problems such as,-

- Insufficiency of capital
- Insufficiency of banking facilities
- Non-availability of credit
- Fear of taking risk
- Problem in debt collection from the customers, etc.

**Table 4.1: Financial problem faced by rural entrepreneurs in Nagaland**

<b>Financial Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Insufficiency of capital	48 (25.94)	102 (55.13)	17 (9.18)	13 (7.02)	5 (2.70)
2. Insufficient banking facilities	40 (21.62)	92 (49.72)	15 (8.10)	38 (20.54)	-
3. Non availability of credit	41 (22.16)	100 (54.05)	13 (7.02)	30 (16.21)	1 (0.54)
4. Fear of taking financial risk	49 (26.48)	97 (52.43)	15 (8.10)	23 (12.43)	1 (0.54)
5. Problem in debt collection from the customer	54 (29.18)	75 (40.54)	19 (10.27)	31 (16.75)	6 (3.24)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

From the table 4.1, it is clear that majority of the rural entrepreneurs (i.e., 102 respondents out of 185 total respondents) faces insufficiency of capital, which accounts to 55.13%. As is evident from the table, that 92 respondents face insufficient banking facilities that is 39.72 per cent of the rural entrepreneurs. Rural entrepreneurs who face non-availability of credit facilities are 54.05 percent which is 100 respondents out of 185 total respondents. While, 52.43 percent i.e., 97 respondents out of total 185 respondents fear of taking financial risk. The present study also reveals that 75 respondents out of total 185 respondents face problem related to debt collection from the customer, which accounts for 40.54 percent.

#### **i) Financial problems in Kohima District:**

Table 4.2 show the financial problems faced by the rural entrepreneurs in Kohima District. From the table it is depicted that 58.33 percent or rural entrepreneurs in the District face insufficiency of capital problem in



functioning their business. 62.5 percent face insufficient banking facilities and non-availability of credit.

**Table 4.2: Financial problems of rural entrepreneurs in Kohima district, Nagaland**

Financial Problems	CA	A	N	D	CD	Mean Score
1. Insufficiency of capital	15 (31.25)	28 (58.33)	3 (6.25)	-	2 (4.16)	4.1250
2. Insufficient banking facilities	9 (18.75)	30 (62.5)	5 (10.41)	4 (8.33)	-	3.9167
3. Non availability of credit	9 (18.75)	30 (62.5)	3 (6.25)	5 (10.41)	1 (2.08)	3.8542
4. Fear of taking financial risk	21 (43.75)	20 (41.66)	3 (6.25)	4 (8.33)	-	4.2083
5. Problem in debt collection from the customer	11 (22.91)	21 (43.75)	7 (14.58)	6 (12.5)	3 (6.25)	3.6458

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

It is also evident that 43.75 percent of rural entrepreneurs deal with a problems of non-availability of credit and fear of taking financial risk, which is 21 respondents out of total 48 respondents. Whereas, 43.75 percent of rural entrepreneurs in Kohima face problems related to debt collection from the customers.

Fear of taking financial risk problems has the highest mean score of 4.2083 and insufficiency of capital as the second highest of 4.1250. The lowest mean score is 3.6458 which relates to problem in debt collection from the customer.

## **ii) Financial problems of rural entrepreneurs in Mokokchung District:**

As is evident from the Table 4.3 that 57.77 percent of the rural entrepreneurs in Mokokchung District face problem relates to

insufficiency of capital. Whereas, 55.55% face problems related to insufficient banking facilities. 64.44 percent of the rural entrepreneurs face financial problems with non-availability of credit. 51.11 percent which is 23 respondents out of 45 total respondents fear to take financial risk. 44.44 percent face problem relating to debt collection from the customers.

**Table 4.3: Financial problems of rural entrepreneurs in Mokokchung district, Nagaland**

Financial Problems	CA	A	N	D	CD	Mean Score
1. Insufficiency of capital	16 (35.55)	26 (57.77)	2 (4.44)	1 (2.22)	-	4.2667
2. Insufficient banking facilities	9 (20)	25 (55.55)	5 (11.11)	6 (13.33)	-	3.8222
3. Non availability of credit	9 (20)	29 (64.44)	2 (4.44)	5 (11.11)	-	3.9333
4. Fear of taking financial risk	14 (31.11)	23 (51.11)	3 (6.66)	5 (11.11)	-	4.0222
5. Problem in debt collection from the customer	14 (31.11)	20 (44.44)	4 (8.88)	5 (11.11)	2 (4.44)	3.8667

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

The most financial problems faced by the rural entrepreneurs in Mokokchung district is also represented by the mean score, and the highest mean score is related to insufficiency of capital at 4.2667. Mean score of financial problems related to fear of taking risk (4.0222), insufficient banking facilities (3.8222), Non-availability of credit (3.9333), and problems in collection of debt from the customers (3.8667).

### iii) Financial problems of rural entrepreneurs in Wokha District:

Table 4.4 gives a clear picture about the financial problems of rural entrepreneurs in Wokha District. It is depicted from the table that 54.34 percent of the rural entrepreneur face insufficiency of capital, whereas, 39.13 percent of respondents completely agreed and 43.47% agreed on the insufficiency of banking facilities.

**Table 4.4: Financial problems of rural entrepreneurs in Wokha district, Nagaland**

Financial Problems	CA	A	N	D	CD	Mean Score
1. Insufficiency of capital	11 (23.91)	25 (54.34)	7 (15.21)	3 (6.52)	-	3.9565
2. Insufficient banking facilities	18 (39.13)	20 (43.47)	2 (4.34)	6 (13.04)	-	4.0870
3. Non availability of credit	19 (41.30)	18 (39.13)	2 (4.34)	7 (15.21)	-	4.0652
4. Fear of taking financial risk	11 (23.91)	27 (58.69)	5 (10.86)	3 (6.52)	-	4.0000
5. Problem in debt collection from the customer	21 (45.65)	17 (36.95)	1 (2.17)	7 (15.21)	-	4.1304

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

41.30 % face problems on non-availability of credit by the rural entrepreneurs in Wokha District. 58.69 percent which is 27 respondents out of total 46 respondents face problem relating to fear to take financial risk and 45.65% face problem in debt collection from the customer. The highest mean score is problem in debt collection from the customer at 4.1304 and the lowest mean score is insufficiency of capital at 3.9565.

#### iv) Financial problems of rural entrepreneurs in Phek District:

It is observed from the table 4.5 that 50 % faced insufficiency of capital problems whereas, 47.82% faced insufficient banking facilities. A majority of 23 (i.e., 50%) respondents out of 46 rural entrepreneurs in Phek faced non-availability of credit problems.

**Table 4.5: Financial problems of rural entrepreneurs in Phek district, Nagaland**

Financial Problems	CA	A	N	D	CD	Mean Score
1. Insufficiency of capital	6 (13.04)	23 (50)	5 (10.86)	9 (19.56)	3 (6.52)	3.4348
2. Insufficient banking facilities	4 (8.69)	17 (36.95)	3 (6.52)	22 (47.82)	-	3.0652
3. Non availability of credit	4 (8.69)	23 (50)	6 (13.04)	13 (28.26)	-	3.3913
4. Fear o f taking financial risk	3 (6.52)	27 (58.69)	4 (8.69)	11 (23.91)	1 (2.17)	3.4348
5. Problem in debt collection from the customer	8 (17.39)	17 (36.95)	7 (15.21)	13 (28.26)	1 (2.17)	3.3913

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

It is also clear that 58.69% of the rural entrepreneurs faced problems related to fear of taking financial risk. 36.95% of the rural entrepreneurs faced problem in debt collection from the customers. The mean score for the financial problems related to insufficiency of capital and fear of taking risk has the same value as 3.4348.

#### v) Cronbach's Alpha Analysis

Cronbach's Alpha is the most widely used measure of reliability. It is the average of all possible split half coefficients resulting from different ways of scale items. In order to measure the reliability of the data, the

researcher run Cronbach's Alpha for the study which is shown in the table 4.6.

**Table 4.6: Reliability Statistics/ Cronbach's Alpha Analysis**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.833	.836	5

*Source: Field study*

The Cronbach's Alpha coefficient value of 5 financial problems faced by rural entrepreneurs in running their business is 0.833. This indicates a high value of internal consistency in the items. The value of Cronbach's Alpha is acceptable, desirable, and is reliable enough to be used for further analysis.

#### **vi) Bartlett's Test of Sphericity and Kaiser-Meyer-Olkin Measure of Sampling Adequacy**

Bartlett's test of sphericity is used to measure the presence of correlations among the variables of financial problems of the rural entrepreneurs in Nagaland. Thus, KMO and Bartlett's Test has been assessed and is shown in the table below:

**Table 4.7: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.869
Bartlett's Test of Sphericity	Approx. Chi-Square	134.733
	df	10
	Sig.	.000

Bartlett's Test of sphericity is 134.733 with significant value of 0.000. Hence, researcher can proceed for the further analysis.

KMO Measure of Sampling Adequacy presents as per the standards needs which is greater than 0.5. The KMO Measure of sampling adequacy value for the financial problems of rural entrepreneurs are shown in the table 4.0 is 0.869, which is very close to 1.0. Hence, this value is acceptable and justifies the appropriateness of the analysis.

#### **4.2.2. MANUFACTURING PROBLEMS**

Over the years a number of manufacturing industries are coming up, factories like handloom and weaving industries, wood crafting and furniture industries, packaged drinking water, detergent and soap making units, rubber items factories, jiggery production units, processing food units, processing fruits into jams, jelly, juice, dried fruits and pickle units, and processing foods like fresh meat, dried meat, bakery, coffee beans, tea, chips are growing rapidly in Nagaland, which helps in strengthening the economy of the state, yet the numerous challenges faced by these industries are heart breaking.

Some of the manufacturing problems faced by the rural entrepreneurs in Nagaland are; -

- Lack of trained and technical staff
- Non- availability of workers
- Scarcity of raw material in and around the manufacturing unit
- Non availability of equipment
- Obsolete machinery
- Up gradation with technological changes
- Non availability of resources
- Scarcity and fluctuation of electricity
- High cost of production

- Location disadvantages.

**Table 4.8: Manufacturing problems faced by rural entrepreneurs in Nagaland**

<b>Manufacturing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Lack of trained and technical staff	5 (14.70)	16 (47.05)	3 (8.82)	6 (17.64)	4 (11.76)
2. Non availability of workers	4 (11.76)	17 (50)	5 (14.70)	5 (14.70)	3 (8.82)
3. Scarcity of raw material in and around the manufacturing unit	8 (23.52)	14 (41.17)	6 (17.64)	5 (14.70)	2 (5.88)
4. Non availability of material and equipment	6 (17.64)	18 (52.94)	4 (11.76)	5 (14.70)	1 (2.94)
5. Obsolete machinery	5 (14.70)	17 (50)	6 (17.64)	6 (17.64)	-
6. Up gradation with technological changes	5 (14.70)	20 (58.82)	5 (14.70)	3 (8.82)	1 (2.94)
7. Non availability of resources	4 (11.76)	20 (58.82)	4 (11.76)	6 (17.64)	-
8. Scarcity and fluctuation of electricity	5 (14.70)	16 (47.05)	3 (8.82)	6 (17.64)	4 (11.76)
9.. High cost of production	6 (17.64)	18 (52.94)	4 (11.76)	5 (14.70)	1 (2.94)
10.Location disadvantages	8 (23.52)	16 (47.05)	5 (14.70)	5 (14.70)	-

*Source: Field Survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

The above table 4.8 depicts the manufacturing problems faced by rural entrepreneurs in Nagaland. It is clear from the table that out of 34 respondents i.e., 47.05% of the rural entrepreneurs faces problem relating to lack of trained and technical staff. On the other hand, 50% of the entrepreneurs agreed with the problem of non-availability of workers. 41.17% of the rural entrepreneurs agreed that they face problems due to scarcity of raw material in and around the manufacturing unit. Rural

entrepreneurs facing problems with non-availability of material and equipment was 52.94 percent, whereas, 50% of rural entrepreneur faces problems related to obsolete machinery. The table also indicates that 58.82% of the rural entrepreneurs face problem relating to upgradation with technological changes. 58.82% of the rural entrepreneurs face problems relating to non-availability of resources and 47.05% with scarcity and fluctuation of electricity respectively. Whereas, 52.94% of rural entrepreneurs have problems regarding high cost of production and 47.05% with the location disadvantages.

**i) Manufacturing Problems faced by rural entrepreneurs in Kohima District:**

It is observed from the table 4.9 that 44.44 percent of rural entrepreneurs face problems due to lack of trained and technical staff. 55.55% agreed that they face problem with non-availability of workers, whereas, 11.11 percent disagreed with the same variable.

**Table 4.9: Manufacturing problems faced by rural entrepreneurs in Kohima District, Nagaland**

<b>Manufacturing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Lack of trained and technical staff	2 (22.22)	4 (44.44)	-	2 (22.22)	1 (11.11)
2. Non availability of workers	-	5 (55.55)	2 (22.22)	1 (11.11)	1 (11.11)
3. Scarcity of raw material in and around the manufacturing unit	3 (33.33)	4 (44.44)	2 (22.22)	-	-
4. Non availability of material and equipment	2 (22.22)	5 (55.55)	1 (11.11)	1 (11.11)	-
5. Obsolete machinery	1 (11.11)	6 (66.66)	1 (11.11)	1 (11.11)	-
6. Up gradation with technological changes	3 (33.33)	5 (55.55)	1 (11.11)	-	-
7. Non availability of	1	6	1	1	-



resources	(11.11)	(66.66)	(11.11)	(11.11)	
8. Scarcity and fluctuation of electricity	2 (22.22)	4 (44.44)	-	2 (22.22)	1 (11.11)
9.. High cost of production	2 (22.22)	5 (55.55)	1 (11.11)	1 (11.11)	-
10.Location disadvantages	1 (11.11)	4 (44.44)	2 (22.22)	2 (22.22)	-

Source: Field Survey

Note: Figure within parenthesis show percentage of total sample respondent

44.44% agreed that they face problem with scarcity of raw material in and around the manufacturing unit. 55.55% of rural entrepreneurs face problems relating to non-availability of material and equipment. 66.66% of the rural entrepreneurs face problem due to obsolete machinery. Rural entrepreneurs in Kohima District who face problems relating to up gradation with technological changes were 55.55%. 66.66% agreed that they face problems with non-availability of resources. 44.44% agreed to the scarcity and fluctuation of electricity. 55.55% and 44.44% of rural entrepreneurs face problems relating to high cost of production and location disadvantages respectively.

## ii) Manufacturing problems faced by rural entrepreneurs in Mokokchung District:

Table 4.10 shows that 57.14 percent of rural entrepreneur face problems due to lack of trained and technical staff. 42.85% agreed that they face problem with non-availability of workers. 42.85% agreed that they face problem with scarcity of raw material in and around the manufacturing unit.

**Table 4.10: Manufacturing problems faced by rural entrepreneurs in Mokokchung District, Nagaland**

Manufacturing Problems	CA	A	N	D	CD
1. Lack of trained and technical staff	1 (14.28)	4 (57.14)	-	2 (28.57)	-

2. Non availability of workers	1 (14.28)	3 (42.85)	1 (14.28)	1 (14.28)	1 (14.28)
3. Scarcity of raw material in and around the manufacturing unit	1 (14.28)	3 (42.85)	1 (14.28)	2 (28.57)	-
4. Non availability of material and equipment	2 (28.57)	3 (42.85)	2 (28.57)	-	-
5. Obsolete machinery	-	4 (57.14)	2 (28.57)	1 (14.28)	-
6. Up gradation with technological changes	-	5 (71.42)	1 (14.28)	1 (14.28)	-
7. Non availability of resources	1 (14.28)	5 (71.42)	-	1 (14.28)	-
8. Scarcity and fluctuation of electricity	1 (14.28)	4 (57.14)	-	2 (28.57)	-
9.. High cost of production	2 (28.57)	3 (42.8)	2 (28.57)	-	-
10.Location disadvantages	2 (28.57)	4	1 (14.28)	-	-

*Source: Field Survey*

*Note: Figure within parenthesis show percentage of total sample Respondent*

With the problem relating to non-availability of material and equipment 42.85% agreed. 57.14% of the rural entrepreneur face problem due to obsolete machinery. Rural entrepreneurs in Mokokchung District who face problems relating to up gradation with technological changes were 71.42%. 71.42% agreed and 14.28% disagreed that they face problems with non-availability of resources. 57.14% agreed to the scarcity and fluctuation of electricity. 42.85% face problems relating to high cost of production and 57.84% agreed to the location disadvantages problems.

### **iii) Manufacturing problems faced by rural entrepreneurs in Wokha District:**

Table 4.11 shows the manufacturing problem faced by the rural entrepreneur in Wokha district. It is evident from the table that 25% completely agreed and 37.5% of the rural entrepreneurs agreed that they

face problem related to lack of trained and technical staff, whereas, 12.5% completely agreed to the same point. Non-availability of workers problem were agreed by 50% and 25% completely agreed.

**Table 4.11: Manufacturing problems faced by rural entrepreneurs in Wokha District, Nagaland**

<b>Manufacturing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Lack of trained and technical staff	-	5 (50)	2 (20)	1 (10)	2 (20)
2. Non availability of workers	1 (10)	5 (50)	2 (20)	1 (10)	1 (10)
3. Scarcity of raw material in and around the manufacturing unit	2 (20)	4 (40)	2 (20)	1 (10)	1 (10)
4. Non availability of material and equipment	-	6 (60)	1 (10)	2 (20)	1 (10)
5. Obsolete machinery	2 (20)	4 (40)	2 (20)	2 (20)	-
6. Up gradation with technological changes	2 (20)	5 (50)	1 (10)	1 (10)	1 (10)
7. Non availability of resources	2 (20)	4 (40)	2 (20)	2 (20)	-
8. Scarcity and fluctuation of electricity	-	5 (50)	2 (20)	1 (10)	2 (20)
9.. High cost of production	2 (20)	6 (60)	-	2 (20)	-
10.Location disadvantages	3 (30)	3 (30)	2 (20)	2 (20)	-

*Source: Field Survey*

*Note: Figure within parenthesis show percentage of total sample respondent.*

Most of the rural entrepreneurs in Wokha district who faces problem relating to scarcity of raw material in and around the manufacturing unit, which is 37.5 percent. 50 percent completely agreed and 25 percent agreed that they have problems relating to non-availability of material and equipment. 37.5% of the rural entrepreneurs face problems related to obsolete machinery, whereas 25% doesn't face any problems

with the machinery. 62.5% of the rural entrepreneurs face problems related to upgradation with technologies changes. Problems related to scarcity and fluctuation of electricity was agreed by 37.5% of the rural entrepreneurs in Wokha District. 50 percent and 62.5 percent of the rural entrepreneurs in Wokha district agreed that they face problems regarding high cost of production and location disadvantages respectively.

**iv) Manufacturing problems faced by rural entrepreneurs in Phek District:**

Table 4.12 depicts the manufacturing problems faced by rural entrepreneurs in Phek District Nagaland. It is clear from the table that majority i.e., 37.5% of the rural entrepreneurs faces problem relating to lack of trained and technical staff. On the other hand, 50% of the entrepreneurs agreed with the problem linked to non-availability of workers. 37.5% agreed of the rural entrepreneurs and 25% completely agreed that they face problems due to scarcity of raw material in and around the manufacturing unit.

**Table 4.12: Manufacturing problems faced by rural entrepreneurs in Phek District, Nagaland**

<b>Manufacturing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Lack of trained and technical staff	2 (25)	3 (37.5)	1 (12.5)	1 (12.5)	1 (12.5)
2. Non availability of workers	2 (25)	4 (50)	-	2 (25)	-
3. Scarcity of raw material in and around the manufacturing unit	2 (25)	3 (37.5)	1 (12.5)	2 (25)	1 (12.5)
4. Non availability of material and equipment	2 (25)	4 (50)	-	2 (25)	-
5. Obsolete machinery	2 (25)	3 (37.5)	1 (12.5)	2 (25)	-

6. Up gradation with technological changes	-	5 (62.5)	2 (25)	1 (12.5)	-
7. Non availability of resources	-	5 (62.5)	1 (12.5)	2 (25)	-
8. Scarcity and fluctuation of electricity	2 (25)	3 (37.5)	1 (12.5)	1 (12.5)	1 (12.5)
9.. High cost of production	-	4 (50)	1 (12.5)	2 (25)	1 (12.5)
10.Location disadvantages	2 (25)	5 (62.5)	-	1 (12.5)	-

*Source: Field Survey*

*Note: Figure within parenthesis show percentage of total sample respondent.*

Rural entrepreneurs in Phek District facing problems with non-availability of material and equipment was 50 percent, whereas, obsolete machinery was 37.5 percent. It is also clear from the table 4.10 that 62.5% of rural entrepreneurs face problem relating to up gradation with technological changes. 62.5% of the rural entrepreneurs face problems relating to non-availability of resources and scarcity and fluctuation of electricity. Whereas, 50% of rural entrepreneurs in Phek have problems relating to high cost of production and 62.5% with the location disadvantages.

#### **4.2.3. MARKETING PROBLEMS**

Marketing management is another important area which determines the survival of rural industries or small-scale industries. Rural industries in India are facing increasing difficulties in marketing their products/ services and generally are not utilizing their productions to the fullest capacity. In fact, marketing problems are becoming more serious than financial problems as finance can be arranged somehow, but marketing ones' produce or productions becomes a problems as rural areas doesn't have enough marketing facilities. Entrepreneurs requires more managerial skills, risk taking spirit, innovation, knowledge of the market connectivity, quality packaging, etc. to combat with the marketing problems.

Major marketing problems faced by the rural entrepreneurs in Nagaland are: -

- Marketing the good/services
- Competition in the market
- Market related issues
- Non-availability of market information
- Lack of demand
- Lack of quality packaging
- Improper facilities of storage
- Improper facilities of transportation
- Problem of credit sale
- Poor bargaining of credit sale.

**Table 4.13: Marketing problems faced by rural entrepreneurs in Nagaland**

Marketing Problems	CA	A	N	D	CD
1. Marketing the good/services	49 (26.48)	88 (47.56)	25 (13.51)	20 (10.81)	3 (1.62)
2. Competition in the market	55 (29.72)	91 (49.18)	26 (14.05)	12 (6.48)	1 (0.54)
3. Market related issues	54 (29.18)	85 (45.94)	23 (12.43)	20 (10.81)	3 (1.62)
4. Non availability of market information	27 (14.59)	104 (56.21)	29 (15.67)	24 (12.97)	1 (0.54)
5. Lack of demand	10 (5.40)	93 (50.27)	27 (14.59)	52 (28.10)	3 (1.62)
6. Lack of quality packaging	57 (30.81)	74 (40)	26 (14.05)	25 (13.51)	3 (1.62)
7. Improper facilities of storage	32 (17.29)	79 (42.70)	39 (21.08)	32 (17.29)	3 (1.62)
8. Improper facilities of transportation	52 (28.10)	75 (40.54)	29 (15.67)	25 (13.51)	4 (2.16)
9. Problem of credit sale	19 (10.27)	77 (41.62)	35 (18.91)	46 (24.86)	8 (4.32)
10. Poor bargaining of credit sale	24 (12.97)	103 (55.67)	35 (18.91)	22 (11.89)	1 (0.54)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent.*

Table 4.13 portrays the marketing problems face by the rural entrepreneurs in Nagaland, it is found that marketing the good/services problem was agreed by 47.56%, competitions in the market problem was agreed by 49.18% and poor bargaining of credit sale problem has affected 103 respondents (i.e., 55.67%) from the sample of 185 respondents. While rural entrepreneurs which accounts to 45.94 percent face problems relating to market issues. 56.21% rural entrepreneurs face problems related to non-availability of market information. And 93 rural entrepreneurs i.e., 50.27 percent face marketing problems relating to lack of demand, and 40.54% of rural entrepreneurs agreed that they face problems relating to improper facilities of transportation. 40% of rural entrepreneurs completely agreed to the problem relating to lack of quality packaging. Whereas, 42.70% of rural entrepreneurs in Nagaland face improper facilities of storage problems and 41.62% face problem relating to credit sale.

**i) Marketing problems faced by rural entrepreneurs in Kohima District.**

Table 4.14 represents the marketing problems face by the rural entrepreneurs in Nagaland. It is clear from the table 4.12 that 27.08% of the rural entrepreneurs in Kohima District completely agreed and 31.25% agreed to the problem relating to marketing of goods and services. 50% percent of the respondents also completely agreed on the competition of market problem, while 52.08% agrees to the market related issues. Non-availability of market information problem affected 50 percent of the rural entrepreneurs in Kohima.

**Table 4.14: Marketing problems faced by rural entrepreneurs in Kohima District, Nagaland**

<b>Marketing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Marketing the good/services	13 (27.08)	15 (31.25)	8 (16.66)	11 (22.91)	1 (2.08)
2. Competition in the market	16 (33.33)	24 (50)	4 (8.33)	4 (8.33)	-
3. Market related issues	7 (14.58)	25 (52.08)	5 (10.41)	11 (22.91)	-
4. Non availability of market information	13 (27.08)	24 (50)	7 (14.58)	4 (8.33)	-
5. Lack of demand	3 (6.25)	21 (43.75)	9 (18.75)	13 (27.08)	2 (4.16)
6. Lack of quality packaging	14 (29.16)	20 (41.66)	5 (10.41)	9 (18.75)	-
7. Improper facilities of storage	12 (25)	21 (43.75)	7 (14.58)	9 (18.75)	1 (2.08)
8. Improper facilities of transportation	11 (22.91)	20 (41.66)	7 (14.58)	9 (18.75)	1 (2.08)
9. Problem of credit sale	12 (25)	17 (35.41)	6 (12.5)	13 (27.08)	-
10. Poor bargaining of credit sale	12 (25)	24 (50)	5 (10.41)	7 (14.58)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

43.75 percent of the respondents faces lack of demand problem, whereas, 41.66% of the respondents faces problem relating to lack of quality packaging. Out of total 48 respondents from Kohima district 20 respondents i.e., 43.75% agreed to the problem relating to improper facilities of storage and 50% to poor bargaining of credit sale. 41.66 percent face problems related to improper facilities of transportation and 35.41percent face problem related to credit sale.

#### **ii) Marketing problems faced by rural entrepreneurs in Mokokchung District:**

Marketing problems faced by the rural entrepreneurs in Mokokchung District is shown in table 4.15 it is clear that 37.77 percent of the rural



entrepreneurs agreed that they face problems relating to marketing of goods and services. 48.88 percent agreed that their business is affected due to the competition in the market. Looking into the marketing related issues 44.44 percent of the rural entrepreneurs agreed on the point.

**Table 4.15: Marketing problems faced by rural entrepreneurs in Mokokchung District, Nagaland**

Marketing Problems	CA	A	N	D	CD
1. Marketing the good/services	14 (31.11)	17 (37.77)	11 (24.44)	2 (4.44)	1 (2.22)
2. Competition in the market	14 (31.11)	22 (48.88)	6 (13.33)	3 (6.66)	-
3. Market related issues	16 (35.55)	20 (44.44)	5 (11.11)	2 (4.44)	2 (4.44)
4. Non availability of market information	11 (24.44)	24 (53.33)	6 (13.33)	4 (8.88)	-
5. Lack of demand	3 (6.66)	24 (53.33)	5 (11.11)	13 (28.88)	-
6. Lack of quality packaging	14 (31.11)	21 (46.66)	7 (15.55)	2 (4.44)	1 (2.22)
7. Improper facilities of storage	14 (31.11)	22 (48.88)	5 (11.11)	4 (8.88)	2 (4.44)
8. Improper facilities of transportation	14 (31.11)	20 (44.44)	5 (11.11)	4 (8.88)	2 (4.44)
9. Problem of credit sale	2 (4.44)	20 (44.44)	6 (13.33)	16 (35.55)	1 (2.22)
10. Poor bargaining of credit sale	10 (22.22)	22 (48.88)	11 (24.44)	1 (2.22)	1 (2.22)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

The rural entrepreneurs in Mokokchung district also face non-availability of market information where 53.33% agreed that they face such problem and 24.44% completely agreed on the same point. 53.33% of the rural entrepreneur face problem on lack of demand. 46.66% agreed that they face marketing problem relating to lack of quality of packaging. Where 48.88% agreed on that they have problem relating to improper facilities of storage and improper facilities of transportation. Whereas, 44.44% of the respondents have problem of credit sale and 48.88% have problems related to poor bargaining of credit sale.

**iii) Marketing problems faced by rural entrepreneurs in Wokha district:**

Form the table 4.16 it is evident that 54.34% of the rural entrepreneurs in Wokha District face problem related to marketing of goods and services. 52.17% of the respondents also agreed that they face problem relating to the competition in the market. 45.65 percent of the respondents from Wokha completely agreed that they face problem related to market issues. Whereas, 58.69% face problem relating to non-availability of market information. 52.17 percent have agreed that they face lack of demand.

**Table 4.16: Marketing problems faced by rural entrepreneurs in Wokha district, Nagaland**

<b>Marketing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Marketing the good/services	12 (26.08)	25 (54.34)	4 (8.69)	5 (10.86)	-
2. Competition in the market	12 (26.08)	24 (52.17)	7 (15.21)	3 (6.52)	-
3. Market related issues	21 (45.65)	15 (32.60)	9 (19.56)	1 (2.17)	-
4. Non availability of market information	-	27 (58.69)	9 (19.56)	10 (21.73)	-
5. Lack of demand	1 (2.17)	24 (52.17)	7 (15.21)	14 (30.43)	-
6. Lack of quality packaging	17 (36.95)	13 (28.26)	8 (17.39)	7 (15.21)	1 (2.17)
7. Improper facilities of storage	3 (6.52)	13 (28.26)	15 (32.60)	13 (28.26)	2 (4.34)
8. Improper facilities of transportation	7 (15.21)	19 (41.30)	13 (28.26)	6 (13.04)	1 (2.17)
9. Problem of credit sale	3 (6.52)	24 (52.17)	14 (30.43)	5 (10.86)	-
10. Poor bargaining of credit sale	1 (2.17)	27 (58.69)	13 (28.26)	5 (10.86)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

Out of total 46 rural entrepreneurs 17 rural entrepreneurs from Wokha district completely agreed that due to lack of quality packaging the entrepreneurial activity is affected. While 28.36% of the rural entrepreneurs in Wokha district also face problems related to improper

facilities of storage and 41.30% face problems related to improper facilities of transportation. 52.17% entrepreneurs have been affected due to problem of credit sale and 58.69% entrepreneurs have been affected by poor bargaining of credit sale.

**iv) Marketing problems faced by rural entrepreneurs in Phek District:**

It is evident from the table 4.17 that 67.39 percent of the rural entrepreneurs have problems relating to marketing of goods and services and 45.65% of the rural entrepreneurs have problems related to competition in the market. 54.34% face problem related to market issues and 63.04% face problems related to non-availability of market information. 24 rural entrepreneurs out of total 46 rural entrepreneurs from Phek District, i.e., 52.17% face problem related to lack of demand.

**Table 4.17: Marketing problems faced by rural entrepreneurs in Phek District, Nagaland**

<b>Marketing Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Marketing the good/services	10 (21.73)	31 (67.39)	2 (4.34)	2 (4.34)	1 (2.17)
2. Competition in the market	13 (28.26)	21 (45.65)	9 (19.56)	2 (4.34)	1 (2.17)
3. Market related issues	10 (21.73)	25 (54.34)	4 (8.69)	6 (13.04)	1 (2.17)
4. Non availability of market information	3 (6.52)	29 (63.04)	7 (15.21)	6 (13.04)	1 (2.17)
5. Lack of demand	3 (6.52)	24 (52.17)	6 (13.04)	12 (26.08)	1 (2.17)
6. Lack of quality packaging	12 (26.08)	20 (43.47)	6 (13.04)	7 (15.21)	1 (2.17)
7. Improper facilities of storage	3 (6.52)	23 (50)	13 (28.26)	7 (15.21)	-
8. Improper facilities of transportation	20 (43.47)	16 (34.78)	4 (8.69)	6 (13.04)	-
9. Problem of credit sale	2 (4.34)	16 (34.78)	9 (19.56)	12 (26.08)	7 (15.21)
10. Poor bargaining of credit sale	1 (2.17)	30 (65.21)	6 (13.04)	9 (19.56)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

While, 43.47% of the rural entrepreneurs face problems relating to lack of quality packaging and 50% face problem related to improper facilities of storage. Whereas, 43.47 percent have completely agreed that they face problems related to improper facilities of transportation, 34.78% have problem related to credit sale and 65.21 percent of the respondent have problem related to poor bargaining of credit sale.

#### 4.2.4. PERSONAL PROBLEMS

Apart from the financial problems, marketing problems and manufacturing problems, rural entrepreneurs face a lot of challenges/problems relating to personal. Every rural entrepreneur has their own personal problems which affects their business performance and productivity. Some of the personal problems covered under this study are:

- Lack of experience
- Lack of managerial skills
- Lack of education and training
- Lack of help at home
- Lack of support from family members
- Fear of taking risk in expansion of business

**Table 4.18: Personal problems faced by rural entrepreneurs in Nagaland**

Personal problems	CA	A	N	D	CD	Mean Score
1. Lack of experience	40 (21.62)	79 (42.70)	22 (11.89)	42 (22.70)	2 (1.08)	3.6108
2. Lack of managerial skills	39 (21.08)	86 (46.48)	25 (13.51)	33 (17.83)	2 (1.08)	3.6865
3. Lack of education and training	38 (20.54)	74 (40)	23 (12.43)	44 (23.78)	6 (3.24)	3.5081
4. Lack of help at home	38 (20.54)	62 (33.51)	23 (12.43)	55 (29.72)	7 (3.78)	3.3730

5. Lack of support from family members	36 (19.45)	46 (24.86)	27 (14.59)	61 (32.97)	15 (8.10)	3.1459
6. Fear of taking risk in expansion of business	51 (27.56)	63 (34.05)	29 (15.67)	53 (17.83)	9 (4.86)	3.6162

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

The above table 4.18 shows the personal problems faced by rural entrepreneurs in Nagaland. It is depicted from the table that majority of the rural entrepreneurs in Nagaland faces a lot of personal problems. From the total of 185 rural entrepreneurs, 73 rural entrepreneurs which is 42.70% of the rural entrepreneurs agreed that they faces problem related to lack of experience and 46.48% faces problem with lack of managerial skills. While, 40 percent of the rural entrepreneur faces problems related to lack of education and training and 23.78 percent disagreed with the same variables. Likewise, 33.51 percent of the rural entrepreneurs agreed that they face problem relating to the lack of help at home, whereas, 29.72 percent disagreed that they face problem relating to the lack of help at home. Lack of support from family members is also an important variable of personal problem, where the respondent gets their support from their family members or not, only 24.36% of rural entrepreneurs agreed that they don't get such support whereas, 32.97% disagreed that they don't face any problem and get support from their family members. A majority of the rural entrepreneurs in Nagaland, which is 63 respondents (i.e., 34.05%), agreed that they face problems relating to fear of taking risk in expansion of their business.

#### **i) Personal problems faced by rural entrepreneurs in Kohima District:**

It is depicted from the table 4.20 that 50 percent of the rural entrepreneurs in Kohima district face problem relating to lack of experience. 58.33% agreed that they face problems related to lack of managerial skills.

Whereas, 39.58 percent of the rural entrepreneurs agreed that they have no problems relating to lack of education and training and lack of help at home at 50%. While 31.25% agreed with the problem related to lack of support from family members. And 43.75 percent agreed that they face problem relating to fear of taking risk in expansion of business.

**Table 4.20: Personal problems faced by rural entrepreneurs in Kohima District, Nagaland**

Personal problems	CA	A	N	D	CD	Mean Score
1. Lack of experience	8 (16.66)	24 (50)	8 (16.66)	7 (14.58)	1 (2.08)	3.6458
2. Lack of managerial skills	6 (12.5)	28 (58.33)	8 (16.66)	6 (12.5)	-	3.7083
3. Lack of education and training	8 (16.66)	19 (39.58)	7 (14.58)	12 (25)	2 (4.16)	3.3958
4. Lack of help at home	7 (14.58)	24 (50)	6 (12.5)	8 (16.66)	3 (6.25)	3.5000
5. Lack of support from family members	8 (16.66)	15 (31.25)	9 (18.75)	10 (20.83)	6 (12.5)	3.1875
6. Fear of taking risk in expansion of business	16 (33.33)	21 (43.75)	6 (12.5)	3 (6.25)	2 (4.16)	3.9583

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

The table also represents the mean score of personal problems face by rural entrepreneurs in Phek District. The mean scores for lack of experience (3.6458), lack of managerial skills (3.7083), lack of education and training (3.3958), lack of help at home (3.5000), lack of support from family members (3.2875) and fear of taking risk in expansion of business (3.9583).

**ii) Personal problems faced by rural entrepreneurs in Mokokchung District:**

It is observed that among 45 rural entrepreneurs in Mokokchung District, 47.82% faced lack of experience and 57.77% faced problems with lack of managerial skills. % of rural entrepreneurs which is 24 respondents out of 45 respondents agreed that they face problems relating to lack of education and training.

**Table 4.21: Personal problems faced by rural entrepreneurs in Mokokchung District, Nagaland**

Personal problems	CA	A	N	D	CD	Mean Score
1. Lack of experience	12 (26.66)	22 (47.82)	3 (6.66)	7 (15.55)	1 (2.22)	3.8222
2. Lack of managerial skills	11 (24.11)	26 (57.77)	4 (8.88)	3 (2.22)	1 (2.22)	3.9556
3. Lack of education and training	12 (26.66)	24 (53.33)	4 (8.88)	4 (8.88)	1 (2.22)	3.9333
4. Lack of help at home	13 (28.88)	16 (35.55)	5 (11.11)	10 (22.22)	1 (2.22)	3.6667
5. Lack of support from family members	10 (22.22)	12 (26.66)	9 (20)	11 (24.11)	3 (6.66)	3.3333
6. Fear of taking risk in expansion of business	11 (24.11)	18 (40)	6 (13.33)	8 (17.77)	2 (4.44)	3.6222

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

While 28.88% completely agreed and 35.55% of rural entrepreneurs agreed that they face lack of help at home problem and 22.22% disagreed that they don't face problem relating to help at home. 26.66% of rural entrepreneurs in Mokokchung district agreed with lack of support from family members. 40% of the rural entrepreneurs in Mokokchung district face fear of taking risk in expansion of business. The highest mean score was for lack of managerial skills at 3.9556 and the lowest score was for lack of support from family members at 3.3333.

**iii) Personal problems faced by rural entrepreneurs in Wokha District:**

From the table 4.22 it is found out that lack of experience problem/challenge has affected 39.13%. It is also clear that 36.95 percent of the rural entrepreneurs in Wokha District face problems relating to the lack of managerial skills.

**Table 4.22: Personal problems faced by rural entrepreneurs in Wokha District Nagaland**

<b>Personal problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>	<b>Mean Score</b>
1. Lack of experience	12 (26.08)	18 (39.13)	5 (10.86)	11 (23.91)	-	3.6739
2. Lack of managerial skills	12 (26.08)	17 (36.95)	6 (13.04)	11 (23.91)	-	3.6522
3. Lack of education and training	10 (21.73)	16 (34.78)	7 (15.21)	12 (26.08)	1 (2.17)	3.4783
4. Lack of help at home	12 (26.08)	11 (23.91)	4 (8.69)	18 (39.13)	1 (2.17)	3.3261
5. Lack of support from family members	10 (21.73)	10 (21.73)	4 (8.69)	19 (41.30)	3 (6.52)	3.1087
6. Fear of taking risk in expansion of business	12 (26.08)	17 (36.95)	6 (13.04)	9 (19.56)	2 (4.34)	3.6087

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

While 34.78% face problem with lack of education and training, 26.08% disagreed with the same variable. 39.13% and 41.30% disagreed with the lack of help at home and lack of support from family members respectively. Whereas, 36.95% of rural entrepreneurs from Kohima district face problems with fear of taking risk in expansion of business. The mean score related to personal problems faced by the rural entrepreneurs in Wokha District was also obtained and the highest mean score is related to lack of experience at 3.6739.



**iv) Personal problems faced by rural entrepreneurs in Phek District:**

Table 4.23 shows the personal problems faced by the rural entrepreneurs in Phek district of Nagaland. The table portray that 32.06% of the rural entrepreneurs are facing problem relating to lack of experience.

**Table 4.23: Personal problems faced by rural entrepreneurs in Phek District, Nagaland**

Personal problems	CA	A	N	D	CD	Mean Score
1. Lack of experience	8 (17.39)	15 (32.06)	6 (13.04)	17 (36.95)	-	3.3043
2. Lack of managerial skills	10 (21.73)	15 (32.06)	7 (15.21)	13 (28.26)	1 (2.17)	3.4348
3. Lack of education and training	8 (17.39)	15 (32.06)	5 (10.86)	16 (34.78)	2 (4.34)	3.2391
4. Lack of help at home	6 (13.04)	11 (23.91)	8 (17.39)	19 (41.30)	2 (4.34)	3.0000
5. Lack of support from family members	8 (17.39)	9 (19.56)	5 (10.86)	21 (45.65)	3 (6.52)	2.9565
6. Fear of taking risk in expansion of business	12 (26.08)	7 (15.21)	11 (23.91)	13 (28.26)	3 (6.52)	3.2609

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

From the total sample of 46 rural entrepreneurs in Phek District, 15 rural entrepreneurs which 32.60 percent agreed that they face problems relating to lack of Managerial skills. 32.60% agreed that they face lack of education and training whereas, 34.78 disagreed with the same variable. 41.30% of the rural entrepreneurs disagreed with the lack of help at home and 45.65% disagreed with the lack of support from the family members. While, 26.08% of the rural entrepreneurs have problems related to fear of taking risk in expansion of business.

Table 4.23 also represents the mean scores related to personal problems faced by rural entrepreneurs in Phek District. The mean score for the problems related to lack of experience (3.3043), lack of managerial skills (3.4348), lack of education and training (3.2391), lack of help at home (3.0000), lack of support from family members (2.9565), fear of taking risk in expansion of business (3.2609).

#### **v) Cronbach's Alpha Analysis for personal problems**

The Cronbach's Alpha analysis for personal problems faced by rural entrepreneurs in Nagaland is shown in table 4.24.

**Table 4.24: Reliability Statistics/ Cronbach's Alpha Analysis**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.922	.924	6

The Cronbach's Alpha coefficient value is 0.922. This indicates a high value of internal consistency in the items. The value of Cronbach's Alpha is acceptable and desirable, as these values are more than 0.7000, confirming that the scales are reliable enough to be used for further analysis.

#### **vi) Bartlett's Test of Sphericity and Kaiser-Meyer-Olkin measure of Sampling Adequacy**

Bartlett's test of sphericity is used to measure the presence of correlations among the variables of personal problems of the rural entrepreneurs in Nagaland. Thus, KMO and Bartlett's Test has been assessed and is shown in the table below:

**Table 4.25: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.854
Bartlett's Test of Sphericity	Approx. Chi-Square	898.301
	df	15
	Sig.	.000

Bartlett's Test of sphericity is 898.301 with significant value of 0.000. Hence, researcher can proceed for the further analysis.

KMO Measure of Sampling Adequacy presents as per the standards needs which is greater than 0.5. The KMO Measure of sampling adequacy value for the personal problems of rural entrepreneurs are shown in the table 4.0 is 0.854, which is very close to 1.0. Hence, this value is acceptable and justifies the appropriateness of the analysis.

#### **4.2.5. OTHER PROBLEMS**

Rural entrepreneurs are also faced with some other problems, which are different from entrepreneur to entrepreneur and also depends on the situation of business unit. The researcher has noticed some problems which did not covered under financial problems, manufacturing problems, marketing problems, personal problems, so the additional problems faced by rural entrepreneurs in Nagaland are added under other problems. These set of problems has been identified and discussed as other problems and presented in table 4.26.

The variables which cover under the other problems are; -

- Getting community/social support.
- Change around the location of business unit.
- Problems in availing training in business and allied activities.

- Lack of government policies/regulations/schemes.
- Difficulties in availing government schemes.

**Table 4.26: Other problems faced by rural entrepreneurs in Nagaland**

Other Problems	CA	A	N	D	CD
1. Getting community/ social support	34 (18.37)	92 (49.72)	39 (21.08)	20 (10.81)	-
2. Changing the location of business unit	40 (21.62)	78 (42.16)	29 (15.67)	35 (18.91)	3 (1.62)
3. Problem in availing training in business and allied activities	47 (25.40)	74 (40)	41 (22.16)	23 (12.43)	-
4. Lack of government policies/regulations/schemes	71 (38.37)	69 (37.29)	22 (11.89)	22 (11.89)	1 (0.54)
5. Difficult in availing government schemes	73 (39.45)	66 (35.67)	31 (16.75)	15 (8.10)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

Table 4.26 reveals the other problems faced by the rural entrepreneurs in Nagaland. It is observed from the table that majority of the rural entrepreneurs are not getting community or social support, which is (49.72%) 92 respondents out of 185 sample. 42.16% of the rural entrepreneurs also face problems due to changing the location of business unit. Whereas, the respondents who were having problem in availing training in business and allied activities was 40%, i.e., 74 rural entrepreneurs out of total 185 sample. 38.37% completely agreed and 37.29% of rural entrepreneurs agreed that they face problems with lack of government policies/ regulations/ schemes. On the other hand, 35.67% finds difficult in availing government schemes whereas, 39.45% completely agreed that they find it problems to avail the government schemes.

**i) Other problems faced by the rural entrepreneurs in Kohima District:**

Table 4.27 indicates that 41.66% face problems in getting community and social support. 39.58% of the rural entrepreneurs face problems because of the changes around the location of the business unit or village. 39.58% of the rural entrepreneurs completely agreed and 39.58% agreed that they face problems in availing training in business and allied activities.

**Table 4.27: Other problems faced by the rural entrepreneurs in Kohima District, Nagaland**

Other Problems	CA	A	N	D	CD
1. Getting community/ social support	7 (14.58)	20 (41.66)	12 (25)	9 (18.75)	-
2. Changes around the location of business unit/village	8 (16.66)	19 (39.58)	7 (14.58)	12 (25)	2 (4.16)
3. Problem in availing training in business and allied activities	19 (39.58)	19 (39.58)	6 (12.5)	4 (8.33)	-
4. Lack of government policies/regulations/schemes	23 (47.91)	19 (39.58)	4 (8.33)	2 (4.16)	-
5. Difficult in availing government schemes	21 (43.75)	19 (39.58)	6 (12.5)	2 (4.16)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

While 47.91 percent completely agreed that due to lack of government policies / regulations/ schemes they face problems, whereas, 39.58% of the rural entrepreneurs agreed to have problems with the same variable. 43.75% of the rural entrepreneurs completely agreed that they face difficulty in availing government schemes whereas, 39.58% agreed that they have problem with the same reason.

**ii) Other problems faced by rural entrepreneurs in Mokokchung District:**

Table 4.28 indicates that 46.66% face problems in getting community and social support. 37.77% of the rural entrepreneurs face problems because of the changes around the location of the business unit or village.

**Table 4.28: Other problems faced by rural entrepreneurs in Mokokchung District, Nagaland**

<b>Other Problems</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Getting community/ social support	14 (31.11)	21 (46.66)	9 (20)	2 (4.44)	-
2. Changes around the location of business unit/village	15 (33.33)	17 (37.77)	7 (15.55)	5 (11.11)	1 (2.22)
3. Problem in availing training in business and allied activities	14 (31.11)	17 (37.77)	12 (26.66)	2 (4.44)	-
4. Lack of government policies/regulations/schemes	17 (37.77)	17 (37.77)	7 (15.55)	3 (6.66)	1 (2.22)
5. Difficult in availing government schemes	19 (42.22)	17 (37.77)	7 (15.55)	2 (4.44)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

37.77% of the rural entrepreneurs face problems in availing training in business and allied activities, while 37.77% of the rural entrepreneurs completely agreed that they have problems in availing training in business and allied activities. 37.77 percent agreed that due to lack of government policies / regulations/ schemes they face problems, whereas, 37.77% of the rural entrepreneurs completely agreed to have problems with the same variable. 42.22% of the rural entrepreneurs completely agreed that they face difficulty in availing government schemes whereas, 37.77% agreed that they have problem with the same reason.

**iii) Other problems faced by rural entrepreneurs in Wokha District:**

It is observed that among the total 46 rural entrepreneurs in Wokha District, 28 respondents i.e., 62.22% of the rural entrepreneur faces problem in getting community/ social support. It is also clear from the table that 32.60% agreed and 36.95% completely agreed that the rural entrepreneurs have problems due to the changes around the location of business unit/village.

**Table 4.29: Other problems faced by rural entrepreneurs in Wokha District, Nagaland**

Other Problems	CA	A	N	D	CD
1. Getting community/ social support	10 (21.73)	28 (62.22)	4 (8.69)	4 (8.69)	-
2. Changes around the location of business unit/village	15 (32.60)	17 (36.95)	4 (8.69)	10 (21.73)	-
3. Problem in availing training in business and allied activities	12 (26.08)	13 (28.26)	12 (26.08)	9 (19.56)	-
4. Lack of government policies/regulations/schemes	13 (28.26)	20 (43.47)	6 (13.04)	7 (15.21)	-
5. Difficult in availing government schemes	15 (32.60)	17 (36.95)	10 (21.73)	4 (8.69)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

While 28.26% of the rural entrepreneurs agreed that they face problem in availing training in business and allied activities. Problems related to lack of government policies/regulation and schemes are a major problem where 28.26% completely agreed and 43.47% agreed. 36.95% of the rural entrepreneurs agreed that they face problems related to difficult in availing government schemes.

**iv) Other problems faced by rural entrepreneurs in Phek District:**

Table 4.30 indicates that 50% face problems in getting community and social support. 54.34% of the rural entrepreneurs face problems because of the changes around the location of the business unit or village. 54.34% of the rural entrepreneurs face problems in availing training in business and allied activities.

**Table 4.30: Other problems faced by rural entrepreneurs in Phek District, Nagaland**

Other Problems	CA	A	N	D	CD
1. Getting community/ social support	4 (8.69)	23 (50)	14 (30.43)	5 (10.86)	-
2. Changes around the location of business unit/village	2 (4.34)	25 (54.34)	11 (23.91)	8 (17.39)	-
3. Problem in availing training in business and allied activities	2 (4.34)	25 (54.34)	11 (23.91)	8 (17.39)	-
4. Lack of government policies/regulations/schemes	18 (39.13)	13 (28.26)	5 (10.86)	10 (21.73)	-
5. Difficult in availing government schemes	18 (39.13)	13 (28.26)	8 (17.39)	7 (15.21)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of total sample respondent*

36.95 percent completely agreed that due to lack of government policies / regulations/ schemes they face problems, whereas, 39.13% of the rural entrepreneurs completely agreed to have problems with the same variable. 39.13% of the rural entrepreneurs completely agreed that they face difficulty in availing government schemes whereas, 28.26% which is 13 respondents out of total 46 respondents agreed that they have problem with the same reason.



### **4.3. CONCLUSION**

Rural entrepreneurs face numerous problems in running their entrepreneurial activities, especially in an area like Nagaland where more than 70 percent are rural. The study had focused to highlight some problems faced by the rural entrepreneurs in Nagaland such as, financial problems, manufacturing problems, marketing problems, personal problems and other factors. The problems mostly faced by rural entrepreneurs related to finance are insufficiency of capital, insufficient banking facilities, non-availability of credit, fear of taking risk and problem in debt collection from the customer. Rural entrepreneurs in Nagaland also face problems related to manufacturing such as lack of trained and technical staff, non-availability of workers, scarcity of raw materials in and around the manufacturing unit, non-availability of material and equipment, obsolete machinery, upgradation with technological changes, non-availability of resources, scarcity and fluctuation of electricity, high cost of production and location disadvantages. Marketing problems like marketing the goods/services, competition in the market, non-availability of market information, lack of demand, lack of quality packaging, improper facilities of storage, improper facilities of transportation, problem of credit sale and poor bargaining of credit sale. It is explicit that the local product remained unidentified because of poor national and international market linkage, as well as lack of proper trainings. Rural entrepreneurs in Nagaland also face personal problems related to lack of experience, lack of managerial skills, lack of education and training, lack of help at home, lack of support from family members, fear of taking risk in expansion of business.

It is apparent that the rural entrepreneurs in Nagaland face problems with different magnitude. Rural entrepreneurs face extreme problems with the financial factors, some faces marketing problems, and few have manufacturing problems, a number of rural entrepreneurs have personal

problems. Therefore, an urgent need for strategic and tactic plan is required for overall growth and development of rural entrepreneurship in the state. Mindful effort on the part of the rural entrepreneurs, rural communities, and government and non-government organisations can create a better environment for the success and growth of rural entrepreneurship.

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## **CHAPTER 5**

### **ROLE OF GOVERNMENT AND NGOs IN THE GROWTH AND DEVELOPMENT OF RURAL ENTREPRENEURSHIP IN NAGALAND**

#### **5.1. INTRODUCTION**

Entrepreneurs are sometime called as ‘spark plug’ because they transform the economic scene of a region’s economy. The entrepreneurs are also considered as ‘change agent’ in the course of industrial and economic development of any economy. Therefore, entrepreneurship development programmes becomes a matter of great deal in all the regions. Entrepreneurship development is highly complex phenomenon. At the same time, it is highly important since the entrepreneurs play a vital role in the economic development of the country (Murthy, 2012)

According to Radha Kamal Mukherejee, “If India is to escape from deleterious social consequences of unplanned industrial development and of concentration of population in a few beehive industrial towns; the future industrial policy should aim at the transference or creation of organized/unorganized industries near the source of availability of most of their raw materials, labour and market.” This will reduce pressure of industrialisation and their adverse effects on a few centers such as cities/towns and ensure optimal utilization of precious resources like labour, raw materials and other facilities. A deliberate and well-organized effort is required to achieve goal. EDPs for rural areas and reorientation of our policies towards decentralization can, once again, realize the dream of self-sustaining society which used to be integral part of every village and town of our country (Dhameja). Entrepreneurial or Entrepreneurship Development Programmes (EDP) may be defined as an action plan to create an entrepreneur with achievement motivation, who can develop business, can take strategic decision, can cope successfully

with the internal and external environment and can fear the risk of investment. EDP is an entrepreneurial training Programme designed to help an individual or an entrepreneur, in strengthening his entrepreneurial motive and in acquiring skills and capabilities to promote and manage his enterprise more efficiently and effectively, and thereby playing his entrepreneurial role effectively.

The success of rural entrepreneurship depends exclusively in the well-established institutions set-up. The role of various institutions set up specially to promote the growth of entrepreneurship in rural areas and SSI in villages, is quite unique. In order to meet the requirements of the rapidly expanding entrepreneurship in rural cottage industries in the country, the government gave adequate institutional support and may well claim to have achieved some success in this sphere (Aggarwal). Rural Entrepreneurship Development programmes (REDPs) is one such programme given priority in developing economies to promote entrepreneurship and create self-employment avenues in rural areas. The programme also provides gainful employment to the surplus labourers in agriculture sector and land-less labourers with a view to supplement their income.

Government organisations and Non-governmental Organizations have taken several initiatives to encourage and motivate both the existing and the perspective entrepreneurs to venture into entrepreneurial or entrepreneurship activities. Numerous training and development programmes are being organized for better knowledge and skills to entrepreneurs about product development, marketing and markets, financial management, finding raw materials from nature and using natural resources in optimum for a sustainable environment. The government and NGOs had taken numbers of steps to instill the spirit of entrepreneurship among people and especially to the small-scale sectors so as to generate sustainable income and create employment opportunities. However, the government and non-government organisations need to speed up with the initiation of EDPs in the rural areas or rural villages, such as- training on utilization of available resources, marketing guidance and supports, financial supports and financial management, quality control management, storage

facilities and so on. Organisations should be enthused to identify, train and retrain rural entrepreneurs in villages and give them full assistance in the form of initial capital, infrastructure facilities, and follow-up trainings for their projects.

## **5.2. Role of Government Organisations in the growth and development of Rural Entrepreneurship in Nagaland**

Nagaland government announced the State Industrial Policy of Nagaland, 2000, to provide thrust to industrial activity in the state. Of all the sectors identified in the policy, growth sectors such as food processing, agro-forest based industries, tourism, Agriculture, Sericulture, Floriculture, Horticulture, handloom and handicrafts have started to come up. There is a special focus on apiculture through the bee and honey mission. However, Sectors like mineral based industries, bio-tech industries; IT and petrochemicals are yet to come up, mainly due to lack of private investment, infrastructural issues, lack of market linkage and insurgency related issues.

Government of Nagaland declared 2010-2011 as the 'Year of Entrepreneur' and with the declaration the cooperation Department had taken the responsibility to identify the areas and scope for development, trainings and facilitating an entrepreneurial atmosphere. The Department has been identifying and nurturing potential unemployed entrepreneurs of various trade pocket areas of the state and helped them form SHGs and Cooperatives. Various Government organisations are trying their best to uplift the entrepreneurial activities in the State. The organisations not only provide financial assistance but organize several training/seminars/workshops to motivate and educate the people and also sponsored educated unemployed youths to undergo various training programmes within and outside the state in order to promote industries and business enterprises. The efforts given by the various organisations to uplift rural entrepreneurial activities has been witnessing in the state.

### **5.2.1. Programmes/Schemes for the growth of Entrepreneurship in Nagaland:**

#### **i) District Industries & Commerce (DIC)**

The DIC is endeavoring to promote Industrialisation in the state through various Industrial and commercial activities and also include Hospitality and Business Service sector in the state. The department provides financial and fiscal incentives to help the unit. The Department had been implementing many developmental schemes in order to create self employment in small scale sector. The task of the department is, however, a difficult one because the remoteness along with poor industrial infrastructure like; road linkages, electricity, market accessibility, storage facilities are the major problems in the state.

Government of Nagaland with the help of Central Government had introduced numbers of schemes/programmes to have a sustainable development in the state and to promote entrepreneurship especially in the rural regions of the state, such schemes and programmes are; -

#### **ii) Prime Minister's Employment Generation Programme (PMEGP):**

KVIC launched the Rural Employment Generation programme (REGP) in April, 1995 for generation of employment under the Khadi and Village Industries sector to develop entrepreneurial skill and attitude among rural unemployed youth. Under this programme, capital subsidy in the form of margin money is provided at the rate of 25 percent of the project cost up to ₹10 Lakhs and 10 percent on the balance project cost up to ₹25 Lakhs. REGP was merged with PMRY in August 2008, and a new programme PMEGP was introduced.

Prime Minister's Rojgar Yojana (PMRY) was launched in October, 1993 with the objective to provide self-employment to one million educated unemployed youth in the country in micro enterprises, manufacturing services

and business ventures. In August 2008, REGP and PMRY were merged and Prime Minister's Employment Generation Programme (PMEGP) was launched.

PMEGP is a credit linked subsidy programme administered by the ministry of Micro, small and medium enterprises, Government of India. Khadi Village Industries Commission (KVIC) is the nodal agency at national level for implementation of the scheme. At state level the scheme is implemented through KVIC, KVIB and District Industries Centre (DICs).

**Table 5.1: State wise micro enterprise (project) assisted under PMEGP**

<b>Year</b>	<b>Margin money allocation (in lakh)</b>	<b>Margin money utilized (in lakh)</b>	<b>Unit assisted (Number)</b>	<b>Estimated employment generated</b>
2014-2015 (31/12/14)	N A	413.37	213	1604
2015-2016	NA	NA	NA	NA
2016-2017 (31/12/16)	NA	531.8	234	1822
2017-2018	2728.96	2672.15	930	7440
2018-2019	3488.40	2349.67	1208	9664
2019-2020	3412.08	2650.24	1109	8872
2020-2021 (31/12/20)	4296.52	844.28	181	1448

*Source: MSME Report*

The objective of the Prime Minister's Employment Generation programme (PMEGP) is to generate employment opportunities through establishment of micro enterprises in rural as well as urban areas. The upper limit of cost of project in manufacturing micro enterprise and service sector micro enterprise is ₹25 Lakhs and ₹10 Lakhs respectively.



From the above table 5.1 it is evident that the margin money utilized for the year 2014-2015 was ₹413.37 lakhs and had increase to ₹844.28 lakhs in the year 2020-2021. The estimated employment generated for the year 2014 -2015 was 1604 and had increase to 8872 in the year 2019 – 2020.

### **iii) Nagaland Khadi & Village Board (NKVIB):**

The Nagaland Khadi & village Industries Board is a statutory body constituted by the Government of Nagaland under the Act – (No. 5 of 1978) of Nagaland Legislative Assembly and it started functioning in January 1979. The main function of the board is to implement the programmes in accordance with the Khadi & Village Industries Commission (KVIC) pattern of assistance from time to time. Thus, NKVIB is not a profit making organisation of its own but to implement the programmes and scheme of KVIC by providing assistance in the form of marginal grant to the beneficiaries/units financed by the banking agencies under PMEGP scheme to promote Khadi & village activities in the state.

### **iv) Vendor Development Programme (VDP)**

The VDP programmes have been introduced with an aim to enroll potential SC/ST suppliers to be a part of respective supply chains. Facilitation to regular vendor development meets were organized, to strengthen the interaction between the procurement organisations and SC/ST suppliers. NIDC Ltd. has successfully organized several VDPs, only for SC/ST entrepreneurs in collaboration with various business associations with the participation of technical resource persons from central PSU's, central Ministries and Ministry of Defence, etc.

### **v) Entrepreneurship Skill Development programme (ESDP)**

The main objective of the Entrepreneurship Skill Development programme is to motivate youth representing different sections of the society including SC/ST/Women, differently-abled, Ex-servicemen and BPL persons to consider self-employment or entrepreneurship as one of the career options. Nagaland

Industrial Development Corporation Ltd. has been selected as the implementing agency for ESDP in the state and intends to fulfill the goals of this programme which is to promote new enterprises, inculcating entrepreneurial culture and capacity building training programmes to the existing MSMEs in the country. As per scheme guidelines, in EAP and ESDP there should be overall 40% women participation. The programme includes the following:-

1. Industrial Motivation Campaigns (IMCs)
2. Entrepreneurship Awareness Programmes (EAPs)
3. Entrepreneurship-cum-Skill Development Programme (E-SDP)
4. Management Development Programme (MDPs).

#### **vi) Pradhan Mantri Mudra yojana (PMMY)**

PMMY scheme was Launched on 8<sup>th</sup> April, 2015 by Government of India to “Fund the unfunded” by bringing such enterprises to the formal financial system and extending affordable credit to them. PMMY is a national mission aimed at increasing the entrepreneurial activity of existing small business and encouraging first generation entrepreneurs. PMMY is being implemented in all the state/union territories across the country. The government has taken various steps towards effective implementation of the PMMY scheme. These inter alia, include intensive publicity campaigns, simplification of application forms, credit guarantee scheme. The MUDRA bank was set up under the PMMY and provides its services to small entrepreneurs outside the service area of regular banks, by using last mile agents. MUDRA is a public sector financial institution in India and provides loans at low rates to micro finance institutions and non-banking financial institutions which then provide credit to MSMEs. It enables a small borrower to borrow from all public sector banks such as PSU banks, regional Rural banks and Cooperative banks, Private Sectors banks, Foreign banks, Micro Finance Institutions (MFI) and Non Banking Finance Companies (NBFC) for loan upto Rs 10 lakh for income generating micro/small enterprises engaged in the manufacturing, trading and services sectors.

Mudra loan is categories into three categories;

1. Shishu for the loan upto 50000
2. Kishor for the loan above 50000 upto 5 lakh
3. Tarun for the loan above 5 lakh upto 10 lakh

**Table 5.2: Sanctioned and Disbursement Amount under MUDRA Scheme in Nagaland**

Categories		2015 - 2016	2016 - 2017	2017- 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022
Shishu (Loans upto ₹ 50000)	No. of Sanctions	3247	8723	11069	11940	NA	NA	4080
	Sanctioned Amount	10.57	25.31	39.02	38.06	NA	NA	15.09
	Disbursement Amount	10.32	25.08	38.57	37.20	NA	NA	14.61
Kishor (Loan from ₹ 50000 to ₹5L)	No. of Sanctions	1418	1726	2461	4822	NA	NA	5766
	Sanctioned Amount	39.51	44.24	48.94	70.68	NA	NA	95.94
	Disbursement Amount	36.75	39.26	44.25	65.84	NA	NA	90.28
Tarun ( Loans from ₹ 5L- ₹10L)	No. of Sanctions	469	602	611	686	NA	NA	971
	Sanctioned Amount	35.81	44.51	48.01	54.25	NA	NA	77.51
	Disbursement Amount	29.47	39.49	41.79	48.54	NA	NA	66.88
<b>Total</b>	No. of Sanctions	5134	11051	14141	17448	15082	19787	10817
	Sanctioned Amount	85.89	114.06	135.98	163.00	NA	NA	188.53
	Disbursement Amount	76.54	103.83	124.61	151.57	169.84	244.48	171.77

Source: Annual Report of Mudra

#### **vii) Nagaland Rural Livelihoods Mission (NRLM):**

Nagaland Rural Livelihoods Mission (NRLM), the implementing Agency of NRLM in the state, is in its 6 Fiscal year of intensive implementation. It is witnessing holistic impact towards women empowerment, access to micro finance, multiple Income Generating Activities (IGA), increase in household income, increased self-help and social initiatives in its' current coverage of 768 villages, with dedicated Mission management Units under 43 Blocks across 9 Districts. The mission aims at reducing poverty through building grassroots community institutions with a target to reach out to the poorest of the poor rural women, and enable them to come out of poverty through meaningful engagement in livelihoods.

#### **viii) Start-up India**

Start up India is a flagship initiative of the Government of India, intended to build a strong ecosystem for nurturing innovation and startups in the country, which will drive sustainable economic growth and generate large scale employment opportunities. Startup India in Nagaland aims to emerge as one of the top Start up destinations in India which will provide the most enabling ecosystem to support and nurture startup entrepreneurship. With an aim to accelerate and promote local entrepreneurs in the state of Nagaland, the Department of Industries & Commerce has been appointed as the Nodal department to implement the start-up policy for the state which will create an enabling environment for start-ups to grow, by ensuring knowledge exchange, capacity building, policy interventions and access to funding. The Main objectives of Start-up India are:

- i. Facilitate the growth of at least 500 start-ups in the next 5 years, with a focus on establishing innovative “Made in Nagaland” products and services.

- ii. Establish a world class state incubator, in partnership with global leaders on a PPP mode, which will nurture, guide and support existing and aspirin Startups to become successful business ventures.
- iii. Mobilizing funding for investment in Startups through various interventions, including establishing a fund of funds.
- iv. Inculcate and stimulate a culture of creativity, innovation and entrepreneurship by creating the requisite environment for learning and experimentation during all stages of education.
- v. Achieve creation of direct and indirect employment in the private sector.

### **ix) Standup India**

Government of India has approved a ground breaking scheme called ‘Standup India’ dedicated to women and the members of schedules caste (SC) and Scheduled Tribes (ST). Stand up India scheme will promote entrepreneurship among female aspirants and the people from SC and ST communities. The scheme is a part of “Start up India Standup India” initiative announced by the Prime Minister on 15<sup>th</sup> August 2015-16. Loans under Standup scheme would be given for Greenfield projects in the non-farm sector. The scheme will be a refinance window through Small Industries Development Bank of India (SIDBI) with an initial amount of Rs 10,000 crore and is expected to benefit at least 250,000 borrowers. Loans under the scheme will range between Rs 1 lakh and Rs 1 crore. Standup India campaign is different from the Startup India campaign, startup India is for new entrepreneurs but stand up India is a proposal restricted only to Schedule caste, Schedule Tribe and women Entrepreneurs.

Special feature of Standup India Scheme are:

- i. The scheme is a part of Startup India, Stand up India slogan spread by the Department of Finance Service (DFS) to encourage entrepreneurial projects.

- ii. Standup India scheme will facilitate two entrepreneurial projects on an average of one for each category (women and SC/ST) of entrepreneurs per bank branch.
- iii. The scheme will provide financial Aid through the small Industrial Development Bank of India (SIDBI) with an initial amount of Rs 10000 crore.

A credit guarantee system would also be implemented under the scheme through the National Credit Guarantee Trustee Company (NCGTC) which will act as the operating agency for financial Aids.

**Table 5.3: State Wise Details of the SC/ ST and Women beneficiaries under the Stand-Up India Scheme from the year 2019-2020 till 23/11/2021**

Categories / State	SC		ST		Women	
	Number of Account	Sanctioned Amount (in crore)	Number of Account	Sanctioned Amount (in crore)	Number of Account	Sanctioned Amount (in crore)
<b>Arunachal Pradesh</b>	3	0.62	137	24.98	7	1.46
<b>Assam</b>	56	9.79	66	13.82	266	66.15
<b>Manipur</b>	6	1.64	32	6.47	22	4.46
<b>Meghalaya</b>	3	1.18	51	13.99	20	5.73
<b>Mizoram</b>	6	0.9	143	31.94	9	2.23
<b>Nagaland</b>	0	0	126	32.29	23	3.99
<b>Sikkim</b>	24	3.65	44	7.11	67	10.27
<b>Tripura</b>	20	4.01	11	2.82	40	9.02

*Source: Press Information Bureau, GOI*

From the above table 5.3 it is clear that the sanction amount for the SC/ST and women beneficiaries under the stand up India scheme in the Nagaland for the year 2019 – 2020 till 2021 was ₹32.29 crore which is the highest amount relatively to other state in north-east .

**x) Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS):**

MGNREGS is a centrally sponsored scheme. It is an employment generation programme, implemented in consonance with the enforcement of the section 4 of the National Rural Employment Guarantee Act 2005. The scheme is funded on the basis of 90:10 by the government of India and state government respectively.

Initially, the government of India allotted one district for implementation of NREGA in the state. Accordingly, Mon District with its backward status was selected as Phase-1 NREGA District for implementation of the scheme during 2005-2006. However, the actual implementation could start during 2006-2007 only. Since, 2008-2009, all Districts in the state have been covered under NREGS through the GOI notification.

Objective of the scheme:

- i. To provide 100 days of guaranteed employment in a financial year to every household in the rural areas notified by Central Government under section 3(1) of the NREGA and whose adult members, by application, are willing to do unskilled manual works.
- ii. To create durable assets in rural areas.
- iii. To strengthen the livelihood resource base of rural poor.
- iv. Ultimately to enhance the livelihood security of the rural households.

**xi) Sansad Adarsh Gram Yojana (SAGY):**

SAGY is based on Mahatma Gandhi's vision of a model village. The concept of rural development revolves around creating Model villages for transforming "swaraj" into "Suraj". On 11<sup>th</sup> October, 2014, the Hon'ble Prime Minister of India, Shri Narendra Modi introduced the programme with the holistic approach towards development. The members of both the parliament are to adopt one village from his/her constituency by the year 2016 and two more model villages

by 2019. With all the line departments in a convergence manner, it aims to achieve cent percent development which is to be encapsulated in the Village Development Plan. The objectives of SAGY are:

- i. To trigger processes which lead to holistic development of the identified Gram Panchayats
- ii. To substantially improve the standard of living and quality of life of all sections of the population through, improved basic amenities, higher productivity, enhanced human development, better livelihood opportunities, reduced disparities, access to rights and entitlements, wider social mobilization and enriched social capital.

**xii) Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY):**

The Ministry of Rural Development with a vision to transform the rural poor youths into an economically independent and global workforce launched Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY). It is a part of National Rural Livelihood Mission (DAY-NRLM) with dual objectives of adding diversity to the incomes of rural poor families and cater to the aspirations of the rural youth. DDU-GKY is uniquely focused on rural youths between 15 and 35 years from poor families willing to undergo training and get placement opportunity after successfully completing the course. As a part of Skill India Campaign, it plays an instrumental role in supporting the social and economic programs of the government like Make in India, Digital India, Smart cities and Start-up India and Stand-up India Campaigns.

In Nagaland, DDU-GKY programme started in 2018, with 4 Project Implementing Agencies (PIAs) providing skilling and placement to the rural youths across the state. The Ministry of Rural Development has allotted a target of 9040 rural youth to be trained in Nagaland between the year 2019-2022. Till date State Mission has through its training partners trained a total candidate of 1264 and provided placement to 281 candidates in various organisations across the country.



### **xiii) National Entrepreneurship Awards (NEA)**

The NEA program was started in 2016, as an important step to catalyze a cultural shift in youth for entrepreneurship, the Ministry of Skill Development and Entrepreneurship (MSDE) has instituted the National Entrepreneurship Awards (NEA) to recognize and honour outstanding young first generation Entrepreneurs and their Ecosystem Builders for their outstanding contribution to entrepreneurship development. The NEA seeks the participation of Young Entrepreneurs and Entrepreneurial Ecosystem Builders in the National Entrepreneurship Awards from all across India. It seeks to instill and entrench the entrepreneurial attitude among the future generations and the Youth of India. A total of 39 Awards under NEA 2019 were conferred to young entrepreneurs' upto the age of 40 years and their ecosystem builders across sectors, geographies and socio-economic background through the process of Nomination/Self-nomination.

### **xiv) Skill Strengthening for Industrial Value Enhancement (STRIVE)**

STRIVE project is a World Bank assisted-Government of India project with the objective of improving the relevance and efficiency of skills training provided through Industrial Training Institutes (ITIs) and apprenticeships. The financial agreement was signed between Government of India and International Bank for Reconstruction and Development (IBRD) on 19th December, 2017 and the closing date of the project is November, 2022. It is an outcome focused scheme marking shift in government's implementation strategy in vocational education and training from inputs to results. It is aimed at institutional reforms and improving quality & market relevance of skill development training programs in long term vocational education training. It shall incentivize ITIs to improve overall performance including apprenticeship by involving SMEs, business association and industry clusters. The project aims to develop a robust mechanism for delivering quality skill development training by strengthening

institutions such as State Directorate of training & Employment, CSTARI, NIMI, NSTIs, ITIs etc.

### **5.3. Role of Non-Government Organisations in the growth and development of Rural Entrepreneurship**

Non-Government Organisations have been an energetic part of the historical legacy of rural development in India. The success of rural development also depends upon the active participation of Non-government organisations in the country, the voluntary action promoted by Non-government organisations in development play a momentous role at the grass root level in the Indian society. The NGOs in India came to noticeable after independence, particularly after 1970s. Government officials, foreign donors and development practitioners contemplate that NGOs by virtue of being small scale, flexible, innovative and participatory, are more successful in reaching the unfortunate and in poverty alleviation.

The term Non-Government Organisation originated from the United Nations and is normally used to refer to organisations that are not a part of the government and are non profit making organisation. NGOs are legally constituted organisation created by natural or legal persons that functions independently from government. In other words, NGOs can also be considered as an organisation which are outside the direct control of government agencies or autonomous bodies and are engaged in providing financial and non-financial services to the community.

In Nagaland, NGOs are an integral part of social development and welfare of the people in the state. NGOs in Nagaland have been actively working for rural development programmes and welfare activities for rural communities. NGOs in Nagaland apart Child Education, child welfare, child rights, women development, women empowerment, old age Homes for old age people, physically and mentally challenged persons, and upliftment of society, etc, it also focuses on educating rural communities, rural youths for rural

entrepreneurship, Agriculture and its allied sectors, rural social awareness, betterment of backward and deprived communities, poverty and distress relief programmes and so on. NGOs in Nagaland have been initiating various trainings and programmes related to rural entrepreneurial skills, rural employment generation, women empowerment, development of Art, craft and culture, heritage protection, conservation of historical places, are some of the main activities undertaking in rural region of Nagaland by NGOs.

NGOs tries their best to uplift rural areas of Nagaland by imparting knowledge to the rural unemployed youths, provide them financial assistances and follow-up trainings. Many NGOs are working hard for the one common goal i.e., to uplift rural regions, yet some NGOs had done a tremendous job, such as: -

**i) YouthNet:**

YouthNet was established in the year 2006, 1<sup>st</sup> February, and is registered under the Registration of Societies Act 1860. YouthNet is a non-profit organisation with a mission to help youth acquire knowledge, develop life skills and form attitudes to enable them to become self-directing, positive, productive, responsible and contributing members of society through active participation and involvement. YouthNet works in partnership with the government, communities' residents, grass root organisations, educational institutions, corporations and philanthropies in all aspects of development while actively engaging youth in the process.

Since, its inception YouthNet continues to be one of the premier youth organisations in the North East India that empowers young people to address education, unemployment, and entrepreneurship and livelihood issues.

YouthNet was designated as the Youth Employment Summit (YES) Nagaland under the Global launch and made serious commitments to engage youth productivity and improve the livelihood of the current and future generations.

## **ii) Entrepreneurs' Associates (EA):**

Entrepreneurs Associate (EA) is a Non-Governmental organisation, launched in the year 2000, passionately working to promote entrepreneurship and develop sustainable livelihoods in Nagaland and other North Eastern states of India for economic development and increased participation of local people in the economic activities of the states for social equity and harmony. It is committed to nurture the entrepreneurial aspirations of individuals and communities, acknowledging their innate search for progress by utilizing resources that are within their reach, encouraging entrepreneurs to take society forward as part of their own success.

EA in collaboration with the Department of Rural Development (NRLM), Government of India, announced the Start-up Village Entrepreneurship Programme. The main activities of SVEP -identification and selection of potential entrepreneurs, trainings, start-up loans, setting up of enterprise, linkages with financial institutions for business expansion, hand-holding support till the business stabilises. SEVP continuously sensitize and help the rural poor people come out of poverty by helping them set up enterprises and provide support till the enterprises stabilizes.

## **iii) EduCentre**

Educentre is a registered society under the society's registration Act of 1860. Educentre Livelihood and Entrepreneurship Skills Centre is engaged in implementation of various training and rural tribal development projects in Nagaland. The cooperative came into being in the year 2018 and has partnership over the years with the Department of Industries and Commerce, Skill Development and Entrepreneurship, SASARD Agriculture College from training, handholding, production and manufacturing. The society provides life skill trainings, food processing trainings, household articles making training, bamboo crafts, beekeeping trainings etc. and had trained 500 individuals in 2020 and 350 in 2021.

Educentre School of Business is Nagaland's first business school that focuses on Start-ups, entrepreneurship and business. The programmes are designed to help society, grow businesses and help the businesses to produce high performance product/services and create impact in the society. It started to support Startup, such as Zeliang Codetech-an app that helps parents and teachers interaction easier through digitally, which helps to keep track of the students performance at school. Tech Icynics is currently working on parky, which is an IOT based android app. Tenyi Tech is also a Startup supported by Educentre, where the focus is on Health history Application (HHA), a web based application/system that manages medical records seamlessly and detect early sign of virus disease outbreak and tackles them efficiently.

#### **iv) North-East Network Nagaland:**

North East Network (NEN) was set up as a part of the preparatory process for the Beijing World Conference on Women in 1995. It also connects to different civil society organisations on development and social justice issues within North East India. NEN is based in Assam and its work extends to Meghalaya, Nagaland, and Delhi. NEN has a registered office at present at Guwahati, District Kamrup Metro, and Assam. It has an office located at Jorpukehuri, Guwahati, with a unit in Tezpur Assam and Branch Offices at Shillong, Meghalaya, Chizami and Kohima in Nagaland. NEN is one of the first organisations in the North East to combine activism with advocacy from a liberal feminist perspective, conveying critical gender issues through dialogue and dissemination. NEN is a women's right organisation linking with rural and urban women and organisations on development and related issues within North East India. NEN recognizes the potential and right of every individual and child as crucial, irrespective of their race, colour, caste, ethnic, origins, different abilities, linguistic group, religious belief, sexual orientation, marital/ family status, gender, age or social grouping. Thus, NEN endeavours touching individual lives to bring about a collective change in the society.

#### **5.4. Entrepreneurial/Entrepreneurship Development Programmes (EDPs):**

Entrepreneurial or Entrepreneurship Development Programmes (EDP) may be defined as an action plan to create an entrepreneur with achievement motivation, who can develop a business, take strategic decision, cope successfully with the internal and external environment and can face the risk of investment. EDP is an entrepreneurial training Programme designed to help an individual or an entrepreneur, in strengthening his entrepreneurial motive and in acquiring skills and capabilities to promote and manage his enterprise more efficiently and effectively, and thereby playing his entrepreneurial role effectively.

The main objectives of EDP are given below;

- To make trainees aware of changing and existing business scenario.
- To awaken the sleeping entrepreneurial characteristics of the passive participants.
- To motivate and develop risk taking capabilities of potential entrepreneurs.
- To impart managerial skills and develop decision making powers among the participants.
- To make the participants ready for self-employment instead of wage employment in the fields of their own aptitude.
- To assist the rural entrepreneurs in project selection and work out its feasibility details, and
- To update the knowledge of the participants about processes, rules, regulations, various programmes/schemes and help them in launching their own projects and setting up of projects.

Government organisations of Nagaland and Non-government organisations are doing a tremendous job in organising EDPs, such as Entrepreneurship Skill Development Programmes (ESDP), Basic Entrepreneurial Skill Training (BEST), Vendor Development Programme, and so on.

### 5.5. EDP programmes undertaken by Rural entrepreneurs:

Running a business organisation for an entrepreneur requires lot of knowledge, skills and techniques, which can be only acquired with proper training. Developmental training is one of the key elements for developing entrepreneurship in any region. The main objectives and aims of training are to acquire development and change through proper guidance planned efforts. Continuous changes in information technology emphasis more needs of skill development and training. Thus, training/programmes became the need of the hour for the business organisations and for the entrepreneurs, especially for the rural entrepreneurs.

**Table 5.4: EDP programmes undertaken by rural entrepreneurs**

<b>District</b>	<b>Yes</b>	<b>No</b>	<b>Total</b>
Kohima	2 (4.16%)	46 (95.83%)	<b>48</b>
Wokha	3 (6.52%)	43 (93.47%)	<b>46</b>
Mokokchung	4 (8.88%)	41 (91.11%)	<b>45</b>
Phek	2 (4.34%)	44 (95.65%)	<b>46</b>
<b>Total</b>	<b>11</b> <b>5.94%</b>	<b>174</b> <b>94.05%</b>	<b>185</b> <b>100%</b>

*Source: field survey*

Table 5.4 shows the status of rural entrepreneurs underwent EDP trainings and programmes. The rural entrepreneurs were asked to indicate whether they had participated/undergone in any EDP/training programme sponsored by Government and Non-government organisations for the development of entrepreneurship. It is depicted from the table that only 5.94% of the rural entrepreneurs had undergone EDP programmes and 94.05% of the rural entrepreneurs haven't gone for any training provided by the government and non-government organisations.

## 5.6. Source of knowledge for Entrepreneurship Development Programme (EDP)

Table 5.5 shows the source of knowledge for the entrepreneurship development programme by the rural entrepreneurs in Nagaland. It is evident that majority of the rural entrepreneurs got informations from friends and relatives, which is 37.29%. And only 1.08% of the rural entrepreneurs got the information through direct contact from entrepreneurship development organisation.

**Table 5.5: Source of knowledge for EDP programmes**

<b>District Sources</b>	<b>Kohima</b>	<b>Wokha</b>	<b>MKG</b>	<b>Phek</b>	<b>Total</b>
From friends and relative	14 (29.14%)	17 (36.95%)	16 (35.55%)	22 (47.82%)	<b>69 (37.29%)</b>
From advertisement in Newspaper, TV, radio	13 (27.08%)	15 (32.60%)	13 (28.88%)	10 (21.73%)	<b>51 (27.56%)</b>
Through self-initiative	21 (43.75%)	14 (30.43%)	14 (31.11%)	14 (30.43%)	<b>63 (34.05%)</b>
Directly through ED organisation	-	-	2 (4.44%)	-	<b>2 (1.08%)</b>
<b>TOTAL</b>	<b>48</b>	<b>46</b>	<b>45</b>	<b>46</b>	<b>185</b>

*Source: Filed survey*

34.05% of the rural entrepreneurs got the information through self initiatives and 27.56% of the rural entrepreneurs got the information regarding EDP from advertisement. 43.75% of the rural entrepreneurs in Kohima district got the information through self initiative. 35.55% of the entrepreneurs from Mokokchung district and 36.95% of entrepreneurs from Wokha District got the



informations from friends and relatives. Majority of rural entrepreneurs i.e., 47.82% got the informations from friends and relatives.

### 5.7. Reason for not attending training programme

It was felt necessary to recognize the reasons why majority of the rural entrepreneurs had not attended training programmes. So, the rural entrepreneurs were asked to state their reasons for not attending any training programmes.

**Table 5.6: Reasons for not attending training programmes**

Reasons	CA	A	N	D	CD
1. Not aware of the training programme	42 (22.70%)	88 (47.56%)	35 (18.91%)	18 (9.72%)	2 (1.08%)
2. Did not find time to take the training	33 (17.83%)	89 (48.10%)	29 (15.67%)	58 (31.35%)	3 (1.62%)
3. Duration not convenient	37 (20%)	67 (36.21%)	52 (28.10%)	27 (14.59%)	2 (1.08%)
4. Inconvenient place	29 (15.67%)	69 (37.29%)	58 (31.35%)	25 (13.51%)	4 (2.16%)
5. Felt not necessary	31 (16.75%)	57 (30.81%)	51 (27.56%)	39 (21.08%)	7 (3.78%)
6. Course not relevant	29 (15.67%)	54 (29.18%)	57 (30.81%)	43 (23.24%)	3 (1.62%)

*Source: Field survey*

The above table 5.6 depicts the reasons why the entrepreneurs in Nagaland failed to attend training programmes or EDP. It is evident from the table that 47.56% of the rural entrepreneurs are not aware of the training programme and 22.70% of the entrepreneurs completely agreed to the same parameter. 48.10% of the respondents agreed and 17.83% completely agreed that they did not get time to undergo training. 36.21% could not attend any training programme because the

duration was not convenient. 37.29% which is 69 respondents out of 185 respondents could not attend any training programme because of inconvenient training centre. 30.81% of the rural entrepreneurs felt not necessary to attend any training programme. Whereas, 29.18% agreed that the training course provided by the government and non-government agencies were not relevant to them, while 23.24% disagreed with it, they felt that the courses were relevant but they couldn't attend for some other problems.

#### i) Kohima District

Table 5.7 shows the reasons for not attending the training programme or entrepreneurial development programme of the rural entrepreneurs in Kohima district. It is evident from the table that 52.08% of the rural entrepreneurs in Kohima were not aware of the training programmes.

**Table 5.7: Reasons for not attending the training programmes by the rural entrepreneurs in Kohima district**

Reasons	CA	A	N	D	CD
1. Not aware of the training programme	11 (22.91)	25 (52.08)	7 (14.58)	4 (8.33)	1 (2.08)
2. Did not find time to take the training	10 (20.83)	30 (62.5)	4 (8.33)	3 (6.25)	1 (2.08)
3. Duration not convenient	10 (20.83)	20 (41.66)	14 (29.16)	3 (6.25)	1 (2.08)
4. Inconvenient place	9 (18.75)	18 (37.5)	16 (33.33)	4 (8.33)	1 (2.08)
5. Felt not necessary	12 (25)	17 (35.41)	7 (14.58)	12 (25)	-
6. Course not relevant	9 (18.75)	16 (33.33)	11 (22.91)	12 (25)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

A total of 30 respondents out of 38 respondents i.e., 62.5% of the rural entrepreneurs did not get time to take the training organized by the government and NGOs. 41.66% thinks that the duration of the trainings was not convenient for the rural entrepreneurs in Kohima. While, 37.5% agreed that the training programme and entrepreneurial training programme were held at their inconvenient place and 35.41% felt not necessary to take up the training. 33.33% finds the courses provided by the agencies are not relevant to them.

## ii) Mokokchung District

Table 5.8 depicts the reasons why the rural entrepreneurs in Mokokchung district, failed to attend training programmes or Entrepreneurship Development Programme (EDP).

**Table 5.8: Reasons for not attending the training programmes by the rural entrepreneurs in Mokokchung district**

Reasons	CA	A	N	D	CD
1. Not aware of the training programme	11 (24.44)	20 (44.44)	12 (26.66)	2 (4.44)	-
2. Did not find time to take the training	6 (13.33)	20 (44.44)	7 (15.55)	11 (24.44)	1 (2.22)
3. Duration not convenient	8 (17.77)	15 (33.33)	14 (31.11)	7 (15.55)	1 (2.22)
4. Inconvenient place	6 (13.33)	17 (37.77)	16 (35.55)	4 (8.88)	2 (4.44)
5. Felt not necessary	7 (15.55)	12 (26.66)	17 (37.77)	6 (13.33)	3 (6.66)
6. Course not relevant	6 (13.33)	13 (28.88)	16 (35.55)	9 (20)	1 (2.22)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

It is evident from the table 5.8 that 44.44% of the rural entrepreneurs are not aware of the training programme. 44.44% of the respondents agreed and 13.33% completely agreed that they did not find time to take the training. 33.33% could not attend any training programme because the duration was not convenient. 37.77% could not attend any training programme because of inconvenient place. 26.66% of the rural entrepreneurs did not feel needed to attend any training programme. Whereas, 28.88% agreed that the training course provided by the government and non-government agencies were not relevant to them, while 20% disagreed with it, they felt that the courses were relevant but they couldn't attend for some other problems.

### iii) Wokha District

It is evident from the table that 45.65% of the rural entrepreneurs in Wokha district were not aware of the training programme organized by the government and Non-government organisations. 39.13% of rural entrepreneurs in Wokha district could not attend any courses because of inconvenient place and training duration.

**Table 5.9: Reasons for not attending the training programmes by the rural entrepreneurs in Wokha district**

Reasons	CA	A	N	D	CD
1. Not aware of the training programme	12 (26.08)	21 (45.65)	10 (21.73)	2 (4.34)	1 (2.17)
2. Did not find time to take the training	12 (26.08)	20 (43.47)	11 (23.91)	2 (4.34)	1 (2.17)
3. Duration not convenient	13 (28.26)	18 (39.13)	12 (26.08)	3 (6.52)	-
4. Inconvenient place	11 (23.91)	18 (39.13)	16 (34.78)	1 (2.17)	-
5. Felt not necessary	9 (19.56)	15 (32.60)	16 (34.78)	3 (6.52)	3 (6.52)
6. Course not relevant	11 (23.91)	15 (32.60)	16 (34.78)	4 (8.69)	1 (2.17)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

32.60% of the rural entrepreneurs in Wokha district did not attend any training conducted by the government and NGOs because they felt that it was not necessary. Whereas, 23.91% completely agreed and 32.60% agreed to course not relevant, maybe the rural entrepreneurs in Wokha district felt the course provided by the government and NGOs were not relevant.

#### iv) Phek District

Table 5.10 shows the reasons for not attending the training programme or entrepreneurial development programme of the rural entrepreneurs in Kohima district. It is evident from the table that 47.82% of the rural entrepreneurs in Kohima were not aware of the training programmes. A total of 19 respondents out of 46 respondents i.e., 41.30% of the rural entrepreneurs did not get time to take the training organized by the government and NGOs.

**Table 5.10: Reasons for not attending the training programmes by the rural entrepreneurs in Phek district**

Reasons	CA	A	N	D	CD
1. Not aware of the training programme	8 (17.39)	22 (47.82)	6 (13.04)	10 (21.73)	-
2. Did not find time to take the training	5 (10.86)	19 (41.30)	7 (15.21)	15 (32.60)	-
3. Duration not convenient	6 (13.04)	14 (30.43)	12 (26.08)	14 (30.43)	-
4. Inconvenient place	3 (6.52)	16 (34.78)	10 (21.73)	16 (34.78)	1 (2.17)
5. Felt not necessary	3 (6.52)	13 (28.26)	11 (23.91)	18 (39.13)	1 (2.17)
6. Course not relevant	3 (6.52)	10 (21.73)	14 (30.43)	18 (39.13)	1 (2.17)

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

While 34.78% of the rural entrepreneurs in Phek district could not attend any courses because of inconvenient place and 30.43% agreed that duration was not convenient. 28.26% of the rural entrepreneurs in Wokha district did not attend any training conducted by the government and NGOs because they felt that it was not necessary. 21.73% agreed to course not relevant and 39.13% disagreed to the same parameter.

### 5.8. Assistance from government and NGOs

Government organisations and Non-government organisations are at work to provide the best assistance to the enterprises. The supporting agencies tries to assist the entrepreneurs by providing financial assistances, promotional, technical, trainings and development, information, raw materials, etc. However, Entrepreneurs in the rural areas remains unaware of the mentioned supports provided by the government and non-government organisations, and didn't avail the assistances. It is disheartening to find out that out of 185 rural entrepreneurs in total only 15 (i.e., 8.11%) entrepreneurs' avail or had received assistance from the government and non-government organisations. 170 (i.e., 91.89%) rural entrepreneurs doesn't avail any supports.

**Table 5.11: Assistance availing by the rural entrepreneurs provided by the government and Non-government organisations**

District	Yes	No	Total
Kohima	5 (10.41%)	43 (89.58%)	<b>48</b>
Wokha	3 (6.52%)	43 (93.47%)	<b>46</b>
Mokokchung	4 (8.88%)	41 (91.11%)	<b>45</b>
Phek	3 (6.52%)	43 (93.47%)	<b>46</b>
<b>Total</b>	<b>15 (8.11%)</b>	<b>170 (91.89%)</b>	<b>185</b>

*Source: Field survey*

It is also clear from the table 5.11 that only 10.41% of the rural entrepreneurs from Kohima District avails assistances and 89.58% doesn't avail any assistances. In Wokha district 6.52% avails and 93.47% of rural entrepreneurs doesn't avail any assistance. 8.88% of the rural entrepreneurs from Mokokchung district avails assistance given by the organisations, whereas, 91.11% doesn't avail. Rural entrepreneurs from Phek district who avails assistances provided by the government and non-government organisations were only 6.52% and rural entrepreneurs who doesn't avail the assistances were 93.47%.

### 5.9. Fund from government and NGO

To promote the entrepreneurial activities in Nagaland, government and non-government organisations has introduced numerous schemes that provide financial subsidy or funds to the eligible enterprise. Some of these subsidy schemes rural entrepreneurs can avail for their enterprise, such schemes under PMEGP, KVIC, PMKSY, NSLRM, MSME and many more. Table 5 given below shows the complete pictures, whether, rural entrepreneurs in Nagaland avails the subsidy or schemes provided by the government and non-government organisations.

**Table 5.12: Government and NGO subsidy/funds whether availing by the rural entrepreneurs**

District	Yes	No	Total
Kohima	5 (10.41%)	42 (87.5%)	<b>48</b>
Wokha	1 (2.17%)	45 (97.82%)	<b>46</b>
Mokokchung	2 (4.44%)	43 (95.55%)	<b>45</b>
Phek	3 (6.52%)	43 (93.47%)	<b>46</b>
<b>Total</b>	<b>11 (5.94%)</b>	<b>174 (94.05%)</b>	<b>185</b>

*Source: Field survey*

The table 5.12 indicates that out of 185 rural entrepreneurs only 5.94% of the rural entrepreneurs' avails subsidy and 94.05% doesn't avail the subsidy or funds provided by the supporting agencies. Rural entrepreneurs from Kohima district who avails subsidy or funds provided by the government and NGO were only 10.41% and a rural entrepreneur who doesn't avails were 87.5%. It is discouraging to know that only 2.17% rural entrepreneurs from Wokha district, 4.44% rural entrepreneurs from Mokokchung district and 6.52% rural entrepreneurs from Phek district avails the subsidy and funds provided by the government and non-government organisations. While, 97.82% rural entrepreneurs from Wokha district, 95.55% rural entrepreneurs from Mokokchung district and 93.47% rural entrepreneurs from Phek district does not avails the subsidy and funds provided by the government and non-government organisations.

#### **5.10. Hypothesis testing**

The rural entrepreneurs in Nagaland gets different types of benefit from supporting agencies, such as financial, training and development, information, promotional, technical, procurement raw materials, etc. The rural entrepreneurs were asked. To rate the role of supporting agencies in five different scales like completely satisfied, satisfied, neither satisfied nor unsatisfied, unsatisfied and completely unsatisfied, which is presented in the table below;



**Table 5.13: Cross tab Analysis**

		District				Total
		Kohima	MKG	Wokha	Phek	
Satisfaction level of rural entrepreneurs towards the Role of supporting agencies	Completely Unsatisfied	3 (6.25)	3 (6.66)	3 (6.52)	1 (2.17)	10 (5.40)
	Unsatisfied	13 (27.08)	15 (33.33)	5 (10.86)	5 (10.86)	38 (20.54)
	Neither Satisfied Nor Unsatisfied	18 (37.5)	16 (35.55)	12 (26.08)	17 (36.95)	63 (34.05)
	Satisfied	13 (27.08)	10 (22.22)	23 (50)	19 (41.30)	65 (35.13)
	Completely Satisfied	1 (2.08)	1 (2.22)	3 (6.52)	4 (8.69)	9 (4.86)
Total		48	45	46	46	185

*Source: Field Survey*

It is evident from the table 5.13 that only 4.86% of the rural entrepreneurs in Nagaland are completely satisfied with the support given by the government and non-government organisations. 35.13% of the rural entrepreneurs are satisfied to the support given by the supporting agencies. And 34.05% rural entrepreneurs are neither satisfied nor unsatisfied. Rural entrepreneurs who are unsatisfied with the contribution of the government and non-government organisations were 20.54 per cent. And 5.40% of the rural entrepreneurs are completely unsatisfied with the supporting agencies.

In order to test the hypothesis, “the role of government and non government agencies in the promotion and growth of rural entrepreneurship in Nagaland is not satisfactory” the role of the government and non-government organisations and the satisfaction levels of the rural entrepreneurs were considered as dependent variable and computed Chi-square test.

**Table 5.14: Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.603 <sup>a</sup>	12	.057
Likelihood Ratio	21.244	12	.047
Linear-by-Linear Association	11.111	1	.001
N of Valid Cases	185		

From the table it is clear that computed chi square value which is 20.603 less than the table value (21.0 at df=12). Therefore, the hypothesis that is, the role of government and non-government organisations for the growth and development of rural entrepreneurship is not satisfactory is rejected. Hence, the role of the government and non government organisations towards the growth and development of rural entrepreneurship is satisfactory.

### **5.11. Causes for slow growth of entrepreneurship**

Government and non-government organisations had taken several initiatives to encourage and motivate both the existing entrepreneurs and wannapreneurs to venture into entrepreneurial activities. Supporting organisations had introduced numerous schemes and programmes to support the entrepreneurs and enterprises. Over the years, numbers of entrepreneurs had been budded up in Nagaland, even though need for the development and upliftment of entrepreneurship is still needed. Nagaland faces lots of problems in uplifting industrial sectors, due to difficulties encountered in bringing the machinery, equipment, raw materials etc., which could be the main reason of low industrial sectors in Nagaland. Adding to that, lack of proper guidance and trainings, narrow avenues and ignorance of the people leads to slow growth in entrepreneurial activities in Nagaland. Rural entrepreneurs were asked to rate the causes of slow growth of

entrepreneurship in Nagaland on the basis of 5 scales on the following parameters: Lack of idea about how to start an enterprise, Lack of sufficient fund, Fear to take risk, Lack of proper infrastructure, working in other enterprise to gather knowledge, Laziness for hard working, Ignorance of the available resources, Ignorance about the opportunity available.

**Table 5.15: Causes for slow growth of entrepreneurship in Nagaland**

CAUSES	CA	A	N	D	CD
1. Lack of idea about how to start an enterprise	63 (34.05)	80 (43.24)	37 (20)	5 (2.70)	-
2. Lack of sufficient fund	69 (37.29)	77 (41.62)	34 (18.37)	5 (2.70)	-
3. Fear to take risk	65 (35.13)	83 (44.86)	23 (12.43)	14 (7.56)	-
4. Lack of proper infrastructure	54 (29.18)	98 (52.97)	27 (14.59)	6 (3.24)	-
5. Working in other enterprise to gather knowledge	36 (19.45)	68 (36.75)	65 (35.13)	16 (8.64)	-
6. Laziness for hard working	69 (37.29)	56 (30.27)	38 (20.54)	22 (11.89)	-
7. Ignorance of the available resources	65 (35.13)	76 (41.08)	26 (14.05)	13 (7.02)	-
8. Ignorance about the opportunity available	66 (35.67)	81 (43.78)	23 (12.43)	15 (8.10)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

The above table 5.15 depicts the causes for slow growth of entrepreneurship in Nagaland. It is clear from the table that 80 respondents (i.e., 43.23%), out of total 185 respondents agreed that due to lack of idea about how to start an enterprise causes slow growth of entrepreneurship, whereas, 34.05% completely agreed on the same parameter. 37.29% completely agreed and 41.62% of the

rural entrepreneurs agreed that due to lack of sufficient fund, there is a slow growth of entrepreneurship development in the state. Fear of taking risk is also another important parameter which slows the development of entrepreneurship, which was agreed by 44.86% of the rural entrepreneurs and 35.13% completely agreed. 29.18% completely agreed and 52.97% agreed, due to lack of proper infrastructure causes slow growth of entrepreneurship. 36.75% agreed that it is because many are working in other enterprise to gather knowledge. While, 37.29% of the rural entrepreneurs thinks that due to laziness to work hard among the entrepreneurs might the reason for slow growth of entrepreneurship in Nagaland. Where, 41.08% and 43.78% agreed that due to ignorance of the available resources and ignorance about the opportunity available might be the reason for slow growth of entrepreneurship in Nagaland.

#### i) Kohima

Table 5.16 shows the causes of slow growth of entrepreneurship in Kohima District of Nagaland. It is clearly visible from the table that 50% of the rural entrepreneurs think that the slow growth of entrepreneurship could be due to lack of ideas about how to start an enterprise and lack of sufficient fund.

**Table 5.16: Causes of slow growth of entrepreneurship in Kohima District**

CAUSES	CA	A	N	D	CD
1. Lack of idea about how to start an enterprise	24 (50)	19 (39.58)	4 (8.33)	1 (2.08)	-
2. Lack of sufficient fund	24 (50)	21 (43.75)	2 (4.16)	1 (2.08)	-
3. Fear to take risk	30 (62.5)	18 (37.5)	-	-	-
4. Lack of proper infrastructure	22 (45.83)	25 (52.08)	1 (2.08)	-	-

5. Working in other enterprise to gather knowledge	10 (20.83)	20 (41.66)	14 (29.16)	4 (8.33)	-
6. Laziness for hard working	24 (50)	18 (37.5)	4 (8.33)	2 (4.16)	-
7. Ignorance of the available resources	26 (54.16)	19 (39.58)	2 (4.16)	1 (2.08)	-
8. Ignorance about the opportunity available	24 (50)	19 (39.58)	3 (6.25)	2 (4.16)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

While, 62.5% completely agreed that the reason could be fear of taking risk among the people. 52.08% agreed that because of improper infrastructure, 41.66% agreed that working in other enterprise to gather knowledge might be the reason. 50% of the rural entrepreneurs completely agreed that it is due to laziness among the people that the entrepreneurial activities are not growing in the district. While, 54.16% and 50% completely agreed that ignorance of the available resources and ignorance about the opportunity available might be the reason for the slow growth of entrepreneurship.

## **ii) Mokokchung**

The causes of slow growth of entrepreneurship in Mokokchung District of Nagaland are presented in table 5.16. It is clearly visible from the table that 40% of the rural entrepreneurs thinks that the slow growth of entrepreneurship could be due to lack of ideas about how to start an enterprise and 55.55% agreed due to lack of sufficient fund the growth of entrepreneurship is affected.

**Table 5.17: Causes of slow growth of entrepreneurship in Mokokchung District**

CAUSES	CA	A	N	D	CD
1. Lack of idea about how to start an enterprise	18 (40)	22 (48.88)	5 (11.11)	-	
2. Lack of sufficient fund	16 (35.55)	25 (55.55)	4 (8.88)	-	
3. Fear to take risk	14 (31.11)	24 (53.33)	4 (8.88)	3 (6.66)	
4. Lack of proper infrastructure	13 (28.88)	28 (62.22)	4 (8.88)	-	
5. Working in other enterprise to gather knowledge	13 (28.88)	18 (40)	11 (24.44)	3 (6.66)	
6. Laziness for hard working	17 (37.77)	17 (37.77)	4 (8.88)	7 (15.55)	
7. Ignorance of the available of the available resources	15 (33.33)	21 (46.66)	7 (15.55)	2 (4.44)	
8. Ignorance about the opportunity available	12 (26.66)	25 (55.55)	5 (11.11)	3 (6.66)	

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

While, 53.33% agreed that the reason could be fear of taking risk among the people. 62.22% agreed that because of improper infrastructure, 40% agreed that working in other enterprise to gather knowledge might be the reason. 37.77% of the rural entrepreneurs completely agreed that it is due to laziness among the people that the entrepreneurial activities are not growing in the district. While, 46.66% and 55.55% completely agreed that ignorance of the available resources and ignorance about the opportunity available might be the reason for the slow growth of entrepreneurship.

### iii) Wokha

It is observed that among 46 respondents from Wokha District of Nagaland, 45.65% of the rural entrepreneurs thinks that due to lack of idea about how to start the enterprise could be the main reason for slow growth of entrepreneurship. It is also clear from the table that, 27.07% completely agreed and 41.30% of the rural entrepreneurs agreed that due to lack of sufficient fund, there is a slow growth of entrepreneurship development in the state.

**Table 5.18: Causes of slow growth of entrepreneurship in Wokha District**

CAUSES	CA	A	N	D	CD
1. Lack of idea about how to start an enterprise	10 (21.73)	21 (45.65)	15 (32.60)	-	-
2. Lack of sufficient fund	13 (27.07)	19 (41.30)	14 (30.43)	-	-
3. Fear to take risk	15 (32.60)	22 (47.82)	5 (10.86)	4 (8.69)	-
4. Lack of proper infrastructure	13 (29.07)	25 (54.34)	6 (13.04)	2 (4.34)	-
5. Working in other enterprise to gather knowledge	12 (26.08)	15 (32.60)	18 (39.13)	1 (2.17)	-
6. Laziness for hard working	18 (39.13)	16 (34.78)	7 (15.21)	5 (10.86)	-
7. Ignorance of the available of the available resources	15 (32.60)	19 (41.30)	7 (15.21)	5 (10.86)	-
8. Ignorance about the opportunity available	15 (32.60)	21 (45.65)	5 (10.86)	5 (10.86)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*

Low risk taking ability is also another important parameter which slows the development of entrepreneurship, which was agreed by 47.82% of the rural entrepreneurs. 29.07% completely agreed and 54.34% agreed, due to lack of proper infrastructure causes slow growth of entrepreneurship. 32.60% agreed

that working in other enterprise to gather knowledge might be the reason. 39.13% of the rural entrepreneurs completely agreed that it is due to laziness among the people that the entrepreneurial activities are not growing in the district. While, 41.30% and 45.65% agreed that ignorance of the available resources and ignorance about the opportunity available might be the reason for the slow growth of entrepreneurship.

#### iv) Phek

Table 5.19 depicts the causes for slow growth of entrepreneurship in Phek District, Nagaland. It is clear from the table 39.19% of the rural entrepreneurs in Phek district agreed that due to lack of idea about how to start an enterprise causes slow growth of entrepreneurship. 34.78% completely agreed and 26.08% of the rural entrepreneurs agreed that due to lack of sufficient fund, there is a slow growth of entrepreneurship development in the state

**Table 5.19: Causes of slow growth of entrepreneurship in Phek District**

CAUSES	CA	A	N	D	CD
1. Lack of idea about how to start an enterprise	11 (23.91)	18 (39.13)	13 (28.26)	4 (8.69)	-
2. Lack of sufficient fund	16 (34.78)	12 (26.08)	14 (30.43)	4 (8.69)	-
3. Fear to take risk	6 (13.04)	19 (41.47)	14 (30.43)	7 (15.21)	-
4. Lack of proper infrastructure	6 (13.04)	20 (43.47)	16 (34.78)	4 (8.69)	-
5. Working in other enterprise to gather knowledge	1 (2.17)	15 (32.60)	22 (47.82)	8 (17.39)	-
6. Laziness for hard working	10 (21.73)	5 (10.86)	23 (50)	8 (17.39)	-
7. Ignorance of the available of the available resources	9 (19.56)	22 (47.82)	10 (21.73)	5 (10.86)	-
8. Ignorance about the opportunity available	15 (32.60)	16 (34.78)	10 (21.73)	5 (10.86)	-

*Source: Field survey*

*Note: Figure within parenthesis show percentage of the respondents*



Fear to take risk is also another important parameter which slows the development of entrepreneurship, which was agreed by 41.47% of the rural entrepreneurs. 43.47% agreed, due to lack of proper infrastructure causes slow growth of entrepreneurship. 32.60% agreed that it is because many are working in other enterprise to gather knowledge. While, 21.73% of the rural entrepreneurs thinks that due to laziness for hard working among the entrepreneurs might the reason for slow growth of entrepreneurship in Nagaland. Where, 47.82% and 34.78% agreed that due to ignorance of the available resources and ignorance about the opportunity available might be the reason for slow growth of entrepreneurship in Nagaland.

### **5.12. Conclusion**

Entrepreneurship development is very much complex phenomenon. Hence, entrepreneurship development programmes becomes a matter of great deal in all the regions. At the same time, it is very important since the entrepreneurs play an essential role in the economic development of the country. For the growth and promotion of entrepreneurship, policy makers, government, non government institutions are working tirelessly in the state. And the success of rural entrepreneurship depends exclusively in the well-established institutions set-up.

Government of Nagaland with the help of central government had introduced numerous schemes and programmes for the promotion of entrepreneurship especially in the rural regions of the state. Institutions and programmes like PMEGP, NKVIB, VDP, PMMY, NRLM, Stand-Up, Start-Up, DDU-GKY, STRIVE, etc. have impacted a lot in the state and had transformed the entrepreneurial culture in the state. Non government institutions like, Entrepreneurs Associates, YouthNet, Educentre, North-east Network and many more had put an impact in the entrepreneurial culture as well. Some institutions focuses of training the entrepreneurs, while the other focuses on giving funds to the rural entrepreneurs for their start up, some agencies does both training and funding, and these assistance provided by the institutions has an incredible

impact. Various supporting agencies had provided financial assistances, technical trainings, promotional policies, training and development, raw materials, etc. And over the years, numbers of entrepreneurs had been budded up in the state. The growth of entrepreneurship development is still slow in the state because many inhabitants were aware of the schemes and funding agent available in the state, some fear to take risk, lack of idea about how to start an enterprise, ignorance of the available resources etc. Thus, concern institutions need to focus on these areas and bring change in the entrepreneurial culture, which in return will strengthen the economy of the state.

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## **CHAPTER 6**

### **FINDINGS, SUGGESTIONS AND CONCLUSION**

The study on rural entrepreneurship in Nagaland had been carried out with the objective to understand the scenario and to find out the problems of the rural entrepreneurship development in Nagaland. The study has revealed numerous useful findings of rural entrepreneurship; the socio-economic conditions which influence the rural entrepreneurs, various problems faced by the rural entrepreneurs, and the role played by the government and non-government organisations towards the upliftment of rural entrepreneurship. One prominent finding of the study is that majority of the rural entrepreneurs in Nagaland are in agricultural sectors and neglects the manufacturing, trading and services sectors. The operation of agricultural sector by the rural entrepreneurs is with very low capital and has very low income generation. Focuses has been made to study the roles of government and NGOs in the development of rural entrepreneurship in Nagaland.

This chapter is divided into three sections. The first section contains the major findings, suggestions in the second section. The third section enunciates about the scope for further study, recommendations in respect to the development of rural entrepreneurship in Nagaland and ends with the conclusion.

#### **6.1. SUMMARY OF MAJOR FINDINGS**

In this section of the chapter an attempt has been made to summarize the major findings of the research study, so that one can have better insight into the various aspects of rural entrepreneurship in Nagaland.

##### **6.1.1. Profile of the rural entrepreneurs:**

- The respondents were classified on the basis of their age such as 18 years to 25 years, 26 years to 45 years, 46 years to 65 years, and 65 and above. 4.86% of rural entrepreneurs belong to the age group of 18 to 25 years. 37.83% belong to 46 to 65 years and only 5.94% belong to 65 years and above category. A majority of the rural entrepreneurs falls under the age group of 26-45, i.e., 51.35% which shows that most of them are at their energetic stage and are doing well in the entrepreneurship activities.
- Out of 185 respondents 117 are male and 68 are female rural entrepreneurs. 63.24% are male entrepreneurs and 36.75% are female entrepreneurs.
- 34.05% of rural entrepreneurs are single, 60.54 % are married, 3.78% are widow/widower and 1.62% separated.
- It is realized that the educational background of the rural entrepreneurs is good in Nagaland. The largest group of rural entrepreneurs that is 31.35 per cent are graduate. 12.43 per cent respondents have completed their graduate and above level. 29.18 % are below matric, 15.13% have completed HSLC and 11.89% has completed HSSLC.
- It was found out that 16.75% of the rural entrepreneurs have a family size of 1 to 3 members, 50.27 % have 4 to 6 members, 21.08% have 6 to 9 members and 8.10% have 10 members and above.
- Out of 185 rural entrepreneurs, 77 are engaged in agricultural sector, 34 were engaged in manufacturing, 38 respondents in trading sector and 36 rural entrepreneurs engaged in service sector.
- It was found out that majority of the rural entrepreneurs are under the forms of sole proprietors i.e., 87.56%. 10.27% of rural entrepreneurs are running their business activities under partnership form of business. And a negligible 2.16% are the rural entrepreneurs are operating their business as cooperative or trust.
- 43.24% of the rural entrepreneurs run their business for 2-5 years. 32.97% of rural entrepreneurs run their business for 6-10 years. And

only 10.81% runs their business for 11-15 years and 12.97% of rural entrepreneurs run their business for more than 15 years.

- 26.48% of rural entrepreneurs had an initial investment of less than ₹ 25000. 28.64% of the entrepreneurs had started their business with investment range of ₹25000 - ₹ 50000. 24.32% of rural entrepreneurs had started their business with an initial investment of ₹50000 – 1 lakh. 11.89% with 1 lakh – 3 lakhs and a very low percent i.e., 2.16% of rural entrepreneurs started their business with 3 lakhs – 5 lakhs of initial investment. 6.48% of rural entrepreneurs started their business with an initial investment of 5 lakhs and above.
- 30.81% of the rural entrepreneurs had an annual income upto ₹50000. 32.43% of the rural entrepreneurs with annual income ranging from ₹50000 to ₹100000. 22.16% with ₹100000 to ₹200000. And a very low percentage of 7.02% and 7.56% with annual income of ₹200000 - ₹ 300000 and ₹300000 above respectively.
- It was found out that 23.78% of the rural entrepreneurs had an annual sale of ₹100000 - ₹200000. 14.05% have annual sales upto ₹200000 - ₹300000. 9.72% have ₹300000- ₹400000 and 8.64% of the rural entrepreneurs' have ₹400000 and above annual sales.
- The employment opportunities created by the rural entrepreneurs in running their entrepreneurial activities were also studied. Sadly, it was found out that majority i.e., 50.27% of the rural entrepreneurs doesn't provide any employment opportunity to the society. However, an exceptional 18.91% of rural entrepreneurs provide employment to at least 1 person. 14.05% of rural entrepreneurs provide employment opportunities to at least 2 persons. And a negligible 6.48%, 4.32% and 5.94% of rural entrepreneurs provides employment to 3 persons, 4 persons and 5 persons & above respectively.

### **6.1.2. Problems faced by Rural Entrepreneurs in Nagaland:**

#### **i). Financial Problems**

- **Insufficiency of capital**

55.13% of rural entrepreneurs in Nagaland face problems relating to insufficiency of capital. 58.33 % in Kohima District, 57.77% in Mokokchung District, 54.34 % in Wokha District and 50% in Phek District faced insufficiency of capital problems. Kohima District shows the highest percentage of rural entrepreneurs facing the problems of insufficiency of capital as compared to other districts.

- **Insufficiency of banking facilities**

Rural entrepreneurs facing insufficiency of banking facilities in Nagaland is 49.72%. 62.5% in Kohima District, 55.55% in Mokokchung, 43.47% in Wokha and 36.95% in Phek District. The district showing the highest percentage of rural entrepreneurs facing problems related to insufficiency of banking facilities is Kohima District.

- **Non-availability of credit**

54.05% of rural entrepreneurs face problems relating to non-availability of credit. It was found out that Kohima has the highest percentage of rural entrepreneurs facing problems with non-availability of credit with 62.5 percent.

- **Fear of taking risk**

Out of 185 respondents, 97 respondents which is 52.43% face problems related to fear of taking financial risk.

- **Problem in debt collection from the customers.**

40.54% of rural entrepreneurs in Nagaland face problems relating with debt collections from the customers. 43.75 percent in Kohima District, 44.44 %

in Mokokchung, 45.65% in Wokha District and 36.95% in Phek District. Wokha District shows the highest percentage and Phek District shows the lowest percentage.

## **ii). Manufacturing Problems**

- **Lack of trained and technical staff**

Out of 34 rural entrepreneurs in Nagaland engaged in manufacturing sector, have problems relating to lack of trained and technical staff (i.e., 47.05%). Mokokchung district has the highest percentage (i.e., 57.14%) problems related to trained and technical staff.

- **Non- availability of workers**

It was found out that 50% of rural entrepreneurs facing problems relating to Non-availability of workers.

- **Scarcity of raw material in and around the manufacturing unit**

Rural entrepreneurs facing problems related to scarcity of raw material in and around the manufacturing unit was 41.17%. it was also found out that Kohima district experience more problems related to the scarcity of raw materials.

- **Non availability of material and equipment**

52.94% of rural entrepreneurs in Nagaland face problems relating to non-availability of material and equipment.

- **Obsolete machinery**

50% of rural entrepreneurs in Nagaland face problems relating to obsolete machinery. 66.66% of rural entrepreneurs in Kohima District face the problems related to obsolete machinery, 57.14% in Mokokchung, 40% in Wokha and 37.5% in Phek District.

- **Up gradation with technological changes**

It was found out that 58.82% of rural entrepreneurs face problems relating to up-gradation with technological changes.

- **Non availability of resources**

58.82% of rural entrepreneurs have problems related to non-availability of resources.

- **Scarcity and fluctuation of electricity**

47.05% of rural entrepreneurs agreed that they face problems relating to scarcity and fluctuation of electricity.

- **High cost of production**

It was found out that 52.94% of rural entrepreneurs have problems relating to high cost of production.

- **Location disadvantages**

47.0% of rural entrepreneurs in Nagaland facing problems relating to location disadvantages.

### **iii). Marketing Problems**

- **Marketing the good/services**

It was found out that the rural entrepreneurs who agreed to the problems related to marketing the good/services was 47.56%. Phek has the highest (i.e., 67.39%) rural entrepreneurs who faces problems relating to marketing of good/services.

- **Competition in the market**

49.18% of rural entrepreneurs face problems relating to competitions in the market. Wokha district has the highest (52.17) percentage related to the competition in the market problems.



- **Market related issues**

Rural entrepreneurs who completely agreed that they face problems with market related issues were 29.18% and 45.94% agreed to the same problem.

- **Non-availability of market information**

56.21% of rural entrepreneurs in Nagaland face problems relating to non-availability of market information. 50% in Kohima District out of 48 total respondents, 53.33 % in Mokokchung out of 45 respondents, 58.69 % in Wokha out of 46 respondents and 63.04 % in Phek District out of 46 respondents. Phek has the highest and Kohima has the lowest percentage.

- **Lack of demand**

Rural entrepreneurs who agreed that they face lack of demand problems were 50.27% in Nagaland. Mokokchung district has the highest problem relating to lack of demand with 53.33%.

- **Lack of quality packaging**

30.81% of rural entrepreneurs completely agreed and 40 % agreed to the problem relating to lack of quality packaging.

- **Improper facilities of storage**

42.70 % of rural entrepreneurs in Nagaland face improper facilities of storage problems, whereas, 17.29 % of rural entrepreneurs disagreed.

- **Improper facilities of transportation**

40.54 % of rural entrepreneurs agreed and 28.10% agreed that they face problems related to improper facilities of transportation. Mokokchung district has the highest percentage of rural problems that face improper facilities of transportation problem.

- **Problem of credit sale**

It was found out that 41.62% of rural entrepreneurs in Nagaland faced problem of credit sale.

- **Poor bargaining of credit sale**

Rural entrepreneurs facing problems with poor bargaining of credit sale were 55.67 %. Phek district has 65.21 % of rural entrepreneurs facing the same problem, which is the highest percentage.

#### iv). Personal Problems

- **Lack of experience**

It was found out that 42.70% of rural entrepreneurs in Nagaland face problems relating to lack of experience.

- **Lack of managerial skills**

46.48% of rural entrepreneurs in Nagaland face problems relating to lack of managerial problems. Out of 48 respondents, 58.33% of rural entrepreneurs from Kohima district face the same problem which is the highest percentage from other district, i.e., Mokokchung, Wokha and Phek.

- **Lack of education and training**

Rural entrepreneurs in Nagaland facing problems relating to lack of education and training were 40%.

- **Lack of help at home**

33.51% of rural entrepreneurs in Nagaland agreed with the lack of help at home. Among the four districts Kohima experience the highest percentage with 50% of rural entrepreneurs agreeing that they face problems related to lack of help at home.

- **Lack of support from family members**  
32.97% of rural entrepreneurs in Nagaland disagreed with the lack of support from family members and only 24.86% agreed.
- **Fear of taking risk in expansion of business**  
It was found that 34.05% of rural entrepreneurs agreed with the problem related to fear of taking risk in expansion of business and 27.56% agreed with the same problem.

#### **v). Other Problems**

- **Getting community/social support**  
It was observed from the study that majority of the rural entrepreneurs are not getting community or social support which is 49.72 percent. In comparison Wokha district has the highest number of rural entrepreneurs facing the problem i.e., 62.22%.
- **Change around the location of business unit**  
42.16% of the rural entrepreneurs agreed and 21.62% completely agreed that they face problems due to changes around location of business unit or villages. 39.58% of rural entrepreneurs in Kohima, 37.77% in Mokokchung, 32.60% in Wokha and 54.34% in Phek face problems related to the changes.
- **Problems in availing training in business and allied activities**  
Rural entrepreneurs having problems in availing training in business and allied activities were 40%. In comparison, Phek District is affected with a maximum percentage of 54.34 percent of rural entrepreneurs facing with the problem.

- **Lack of government policies/regulations/schemes**

It was found out from the study that 38.37% of the rural entrepreneurs completely agreed and 37.29% of the rural entrepreneurs agreed that they face problems related to lack of government policies, regulations and schemes.

- **Difficulties in availing government schemes**

Rural entrepreneurs in Nagaland who agreed that they face difficulties in availing government schemes were 35.67% and 39.45% completely agreed.

### **6.1.3. Social Factors**

- Rural entrepreneurs experience a lot of social factors in operating their business. It was found out that 50.81% of rural entrepreneurs were able to motivate others to do the business.
- Majority of the rural entrepreneurs i.e., 47.02% feel confident while interacting with the community.
- 54.04% of the respondent improved their quality of life after starting the entrepreneurial activity.
- 37.29% of rural entrepreneurs could able to provide better education to their children.
- It was found out that 42.70% of the rural entrepreneurs feel confident about leading the family.
- 32.13% of the rural entrepreneur's family members are financially independent.
- The study shows that 44.86% of the rural entrepreneurs have equal opportunities in their business activities.
- The rural entrepreneurs who are capable of providing quality medical facilities to their family members were 38.91%.

#### **6.1.4. Political Factors**

- It was found out from the study that 27.56% of the rural entrepreneurs in Nagaland completely agreed and 35.67% agreed that they are capable of taking independent political issues.
- Majority of the rural entrepreneurs, i.e., 41.08% agreed that they cast their vote as per their wish.
- 33.51% of the rural entrepreneur play vital role in selecting a candidate for election, whereas 21.08% disagreed that they influence others indirectly in all election of their village.
- The study reveals that 27.56% completely agreed and 39.45% agreed that the vote the rural entrepreneurs cast during election is for the development.
- Rural entrepreneur who encourages others to participate during election is 26.48% who completely agreed and 23.78% who agreed to the same parameter.
- 36.75% of rural entrepreneurs completely agreed and 27.02% agreed that their family members are independent in casting their votes.
- Majority of the rural entrepreneurs does not look for personal benefits during elections, i.e., 38.91% does not look for personal benefits.

#### **6.1.5. Economic Factors**

- The study shows that 35.67% of the rural entrepreneurs in Nagaland had enhanced financially after starting their entrepreneurial activities.
- The study found out that 42.70% of rural entrepreneurs had increased their expenditure.
- The quality of life had either changed or improved for the rural entrepreneur after starting their business were 56.21% and 47.56% of rural entrepreneur got freedom to take financial decisions.
- It was also found out that 37.83% of rural entrepreneurs had got financial stability.

- 19.45% completely agreed and 19.45% agreed that rural entrepreneur do not depend on hand loans for celebrating festivals.
- The study reveals that 39.45% of the rural entrepreneurs are also having good and stable domicile facilities at home.
- Rural entrepreneurs who were to fulfil their day-to-day requirement were 48.10%.

#### **6.1.6. Role of government organisations**

- Trainings for rural artisans programme and rural industries programme under the initiatives of DIC, Government of Nagaland is found to be affective as it trains the rural youths and the rural communities for the upliftment of the state.
- Under PMEGP, estimated employment generated from the year 2016 to 2021 was 29246, and had an increasing trend every year.
- PMMY scheme shows an uplifting trend in Nagaland, since its launched year, i.e., 2015 to 2021 the scheme had funded to the unfunded entrepreneurs.
- It was found out that Nagaland had the highest sanctioned amount for ST categories under Stand up India Scheme, North East India. The sanctioned amount was ₹32.29 crores for the year 2019-20 to 2021.

#### **6.1.7. Role of Non-government Organisations**

- Basic Entrepreneurial Skill Training (BEST) under the initiatives of Entrepreneurs Associates had giving trainings to the young entrepreneurs. For the past 10 years Entrepreneurs Associates' had trained more than 250 youths.
- Entrepreneurs Associates with Ministry of Rural Development initiated Start up Village Entrepreneurship Programme (SVEP) and had achieved to train 1612 entrepreneurs from Jakhama Block and 2413 entrepreneurs from Chumukedima block.

- YouthNet hosted over 150 entrepreneurs and centralised platform for local entrepreneurs through Made in Nagaland (MIN) Centre.
- Since 2016 to 2020 YouthNet women Entrepreneurship Fellowship have helped over 30 young women to turn their business model around.
- Since 2015 YouthNet give chance to more than 700 students from 40 colleges to take part in the First Cut Competition, which is an intercollegiate entrepreneurship competition.
- Educentre in collaboration with Department of industries and Commerce had trained 500 people in 2019-2020 and 350 in 2021 under the livelihood generation program.

#### **6.1.8. Satisfaction level of rural entrepreneurs for the role of supporting agencies**

Satisfaction levels of the rural entrepreneurs were obtained to know whether the rural entrepreneurs are satisfied with the initiatives taken by government and non-government organisations. It was found out that 35.13% of the rural entrepreneurs are satisfied with the role of the supporting agencies.

#### **6.1.9. Causes for slow growth of rural entrepreneurship**

43.23% of the respondents agreed that due to lack of idea about how to start an enterprise causes slow growth of rural entrepreneurship in Nagaland. 37.29% completely agreed and 41.62% of the rural entrepreneurs agreed that due to lack of sufficient fund. Fear to take risk was agreed by 44.86%. 52.97% agreed that due to lack of proper infrastructure. 37.29% responded that due to laziness and lack of hard work among the rural entrepreneurs, slow down the growth of entrepreneurship in Nagaland.

## 6.2. TESTING OF HYPOTHESIS

The study formulated two hypotheses:

H1. Socio-economic conditions affect the productivity of rural entrepreneurs.

H2. The role of Government and non-government agencies in the promotion and growth of rural entrepreneurship in Nagaland is not satisfactory.

To test the first hypothesis, “Socio-economic conditions affect the productivity of rural entrepreneurs” age, gender, educational qualification, marital status and productivity were taken as independent variables and annual income was considered as dependent variable. Following sub Hypotheses were framed to test the first hypothesis (H1);

### **i. There is no association between educational qualification and the annual income of the rural entrepreneurs.**

In order to test the authenticity of the hypothesis, “There is no association between qualification and the annual income of the rural entrepreneurs” chi-square test was performed and the computed chi-square value is 22.016, which is less than the table value (26.3 at  $df = 16$ ). Therefore the hypothesis, there is no association between educational qualification and the annual income of the rural entrepreneurs is accepted. Hence, educational qualification of rural entrepreneurs is not associated with their annual income.

### **ii. There is no significant relationship between the annual income of entrepreneurs and their business operation district.**

To test the above hypothesis ANOVA was performed and the ANOVA value is 0.783 ( $df; 3, 181$ ) which is not significant at 0.5 level of significance. Therefore the hypothesis, there is no significant relationship between the annual income of entrepreneurs and their location of business operation is accepted.



**iii. There is no significant between the marital status and the annual income of the rural entrepreneurs.**

In order to test the above sub hypothesis chi-square test was applied and the computed value was 10.990, which is less than the table value (21.0 at  $df = 12$ ). Therefore, the hypothesis, there is no significant between the marital status and the annual income of the rural entrepreneurs is accepted. Since, marital status of rural entrepreneurs is not significant with their annual income.

**iv. There is a significant relationship between the gender and the annual income of the rural entrepreneurs.**

T-test was performed to test the hypothesis; there is a significant relationship between the gender and the annual income of the rural entrepreneurs, and the computed value of 't' is 3.034. The significance between the mean profit of male and female rural entrepreneurs is significant at 0.0001 levels of significance at 185 'df'. Therefore, it can be said that gender as social factor affect the productivity of rural entrepreneurs.

In order to test the second hypothesis, "the role of government and non government agencies in the promotion and growth of rural entrepreneurship in Nagaland is not satisfactory" the role of the government and non-government organisations and the satisfaction levels of the rural entrepreneurs were considered as dependent variable and computed Chi-square test. And the computed chi square value which is 20.603 less than the table value (21.0 at  $df = 12$ ). Therefore, the hypothesis that is, the role of government and non-government organisations for the growth and development of rural entrepreneurship is not satisfactory is rejected. Hence, the role of the government and non government organisations towards the growth and development of rural entrepreneurship is satisfactory.

### 6.3. SUGGESTIONS

- Rural Entrepreneurship is very fundamental and crucial, and the society and community should embrace rural entrepreneurship as an effective way for rural development. Local communities and societies at large specifically in villages or rural areas have great responsibility to create an atmosphere where rural entrepreneurs can be encourage to take up entrepreneurial activities, to let them build confidence to overcome the challenges. And with the collective efforts, entrepreneurship development can be seen in Nagaland.
- Younger generation should be encouraged to capture the entrepreneurial arena. As younger generation and first generation entrepreneurs are at their energetic stage and can do well in the entrepreneurial venture.
- Female participation is very low in taking up rural entrepreneurship in Nagaland, which shows that women are not encourage to initiate rural entrepreneurship. Hence, special effort and motivational support should be provided to women by the community, financial agencies and state government to take up entrepreneurship as their carrier option.
- Skill enhancement course and ability enhancement course should be introduced at school level, which will enhance the productivity of rural entrepreneurs in Nagaland.
- Nagaland being an agricultural state, intense effort should be made to enhance agripreneurship in Nagaland. Proper agricultural training should be introduce, agricultural market linkage should be made and up grading the food processing centres. And remove the tag 'Nagaland a land of organic by default' to 'Nagaland a land of organic by choice'.
- Training plays a major role in shaping the rural entrepreneurs in operating their business. Rural entrepreneurs in Nagaland face problems relating to lack of proper training and technical staff. HENCH,

entrepreneurial training institute should be established in the rural areas of Nagaland.

- Many rural entrepreneurs are not engaged in manufacturing sector due to high cost of infrastructure, manufacturing process, high cost of production, non-availability of resources, scarcity and fluctuations of electricity, scarcity of raw materials and equipment, etc. Policy maker and government can play a major role in solving these problems, by providing a proper connectivity channel for both raw products & finished products and should look into power fluctuations problems as well.
- Rural markets should be established to promote the products of rural entrepreneurs. Rural products should also be linked to national markets and international markets.
- Rural entrepreneurs face stiff competition from large scale manufactures and because of that they find difficult to sustain in the market hence, they should be provided subsidy and special assistance from the government.
- Majority of Rural entrepreneur are not aware about financials schemes launched by state and central government, hence special awareness programmes should be run by the respective government agencies.
- Improper infrastructural facilities create lot of hindrances to rural entrepreneur in operating their business. Government should take initiative to provide basic amenities, transportation and warehousing facilities to rural entrepreneurs.
- Many entrepreneurs or wannapreneurs want to start their venture but because of finance they face problem to take off. The young minds and the innovative ideas got trapped because they cannot arrange finance to start their business. Therefore, financial institutions should provide loan at lower interest rates to rural entrepreneurs. Rural entrepreneurs should also be provided special financial assistance from government and non-government organisations.

## **6.2. SCOPE FOR FURTHER STUDY**

- Further study on rural entrepreneurship development in Nagaland can be undertaken by taking more districts of Nagaland.
- A comparative study of rural and urban entrepreneurship can be undertaken.
- The impact and role of entrepreneurship on the economic growth of Nagaland.
- A study on comprehensive approach of Government and Non-government organisations towards rural problems.
- Entrepreneurship development programmes: A success study with special reference to Nagaland.
- Agripreneurship in Nagaland: A study on its progress and impact on economic development.
- The role of small and medium enterprises in reduction of unemployment problems.

## **6.3. CONCLUSION**

Entrepreneurship is regarded as an engine for accelerating the economic growth and is the element for economic prosperity. Entrepreneurship has grown phenomenally during the past decades, and maybe it's because of the focuses made on the rural entrepreneurship. Rural entrepreneurship can somehow bring change in the rural areas or backward regions, as it has got spontaneous prospects for growth. It act as a tool for change in the rural society and helps to solve problems related to unemployment, economic disparity, poverty, poor utilization of rural work force, low level of standard of living, etc.

Nagaland, the 16<sup>th</sup> state of the Indian Union is predominantly agrarian, with more than 70% of the population engaged and dependent in agriculture. The state focuses on agri allied activities such as piggery, dairy farming, poultry farming, sericulture, apiculture, pisciculture, floriculture, horticulture, olericulture, etc. Over the years, number of small scale industries is growing,

small scale units like handloom and handicraft units, basket making units, food processing units, wood and bamboo product units, dried fruit and pickle making units, etc. The efforts invested by the state to improve both in trading and service sectors are salutable. The tourism industry in Nagaland has the potential to be a channel for the development of the state. In the recent years, there has been a rise in the growth of the eatery and lodging industries which gives employment opportunities to a lot of rural youths in the state.

The study reveals that the process of entrepreneurship formation in rural areas is not restricted to any particular age group, gender, marital status but is more competent, determined, and confident to adventure their entrepreneurial talents and opportunities. Focus was also drawn over the economical areas of the respondents, their initial investments, annual income, annual sales and annual profit which are the key for the economic development of any person/entrepreneurs.

Government of Nagaland with the help of central government had introduced numerous schemes and programmes for the promotion of entrepreneurship especially in the rural regions of the state. Institutions provides training and funds to the rural entrepreneurs for their start up, some agencies does both training and funding, and these assistance provided by the institutions has an incredible impact. But the rural entrepreneurs in Nagaland face problems with different magnitude. The study focuses to highlight some problems faced by the rural entrepreneurs in Nagaland such as, financial problems, manufacturing problems, marketing problems, personal problems and other factors. The problems mostly faced by rural entrepreneurs related to finance are insufficiency of capital, insufficient banking facilities, non-availability of credit, fear of taking risk and problem in debt collection from the customer. Rural entrepreneurs in Nagaland also face problems related to manufacturing such as lack of trained and technical staff, non-availability of workers, scarcity of raw materials in and around the manufacturing unit, non-availability of material and equipment, obsolete machinery, upgradation with technological changes, non-

availability of resources, scarcity and fluctuation of electricity, high cost of production and location disadvantages. Marketing problems like marketing the goods/services, competition in the market, non-availability of market information, lack of demand, lack of quality packaging, improper facilities of storage, improper facilities of transportation, problem of credit sale and poor bargaining of credit sale. It is explicit that the local product remained unidentified because of poor national and international market linkage, as well as lack of proper trainings. Rural entrepreneurs in Nagaland also face personal problems related to lack of experience, lack of managerial skills, lack of education and training, lack of help at home, lack of support from family members, fear of taking risk in expansion of business.

Younger generations are more optimistic and inclined toward entrepreneurial activities which are a positive sign for better prospects of rural entrepreneurship. Rural entrepreneurship has improved the socio-economic conditions of rural youth and it has been a key factor for employment generation in rural areas. Rural entrepreneurship has created the opportunity for utilization of rural resources which has helped to make the rural society self sustained. But still rural entrepreneurs face problems viz. lack of finance, less awareness of government schemes, poor supply chain, lack of training, infrastructural facilities, etc. the study suggest that Government should pay attention to these problems faced by the rural entrepreneurs. Younger generation should be encouraged to establish micro and small enterprises rural areas of Nagaland which will minimize the challenges of unemployment, poverty, inequality and financial instability.

Therefore, an urgent need for strategic and tactic plan is required for overall growth and development of rural entrepreneurship in the state. Mindful effort on the part of the rural entrepreneurs, rural communities, and government and non-government organisations can create a better environment for the success and growth of rural entrepreneurship.

Thus, base on this study, it can be inferred that the rural entrepreneurship play a major role in strengthening the economy of the state. And with rural entrepreneurship a numerous problems can be solved. Hence, the proposed objective of the research study on rural entrepreneurship in Nagaland has been adequately accomplished.

This study is presented with a hope that it will draw the attention of future researchers, academicians, policy makers, state authorities, stake holders and institutions. If the study helps them in any form, the researcher will feel his efforts are amply achieved.

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## **ANNEXURE 1**

### **RURAL ENTREPRENEURSHIP IN NAGALAND: PROBLEMS AND PROSPECTS**

**Respected Sir/Madam**

I am pleased to inform you that I Mr. Lipoktoshi, a research scholar of Nagaland University, in the Department of Commerce, Meriema Campus, under the guidance of Dr. Amrendra Kumar Asst. Professor, Dept. of Commerce. Conducting the research on the topic, **“Rural Entrepreneurship in Nagaland: problems and Prospects.”**In this connection, I seek your opinions on the problems faced by you in running your business, prospects involves in entrepreneurial ventures, and the role of government and non-government agencies in the upliftment of Entrepreneurial activities in Nagaland. Therefore, I request your good-self to kindly spend some time to respond to these questions for my research work. The information provided will be kept confidential and will be used for research purpose only.

Thanking you.

#### **QUESTIONNAIRE FOR RURAL ENTREPRENEURS**

##### **PART-A: PERSONAL DETAILS**

1. Name of the respondent \_\_\_\_\_  
Address \_\_\_\_\_
2. Age  

Less than 25	<input type="checkbox"/>	26 – 45	<input type="checkbox"/>
46 – 65	<input type="checkbox"/>	Above 65	<input type="checkbox"/>
3. Gender  

Male	<input type="checkbox"/>	Female	<input type="checkbox"/>
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4. Marital status

Single	<input type="checkbox"/>	Married	<input type="checkbox"/>
Widow/ widower	<input type="checkbox"/>	Divorced / Separated	<input type="checkbox"/>

5. Educational qualification

Below Matric	<input type="checkbox"/>	HSLC	<input type="checkbox"/>
HSSLC	<input type="checkbox"/>	Graduate	<input type="checkbox"/>
Above Graduate	<input type="checkbox"/>	Other qualification, please mention	_____

6. Languages you know

English	<input type="checkbox"/>	Hindi	<input type="checkbox"/>
Nagamese	<input type="checkbox"/>	MIL	<input type="checkbox"/>
Other language, please mention _____			

7. Are you a first generation entrepreneur

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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8. Do you own agricultural land?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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If **yes**, how many acres of land you own?

Less than 1 acre	<input type="checkbox"/>	1-3 acre	<input type="checkbox"/>
4-5 acre	<input type="checkbox"/>	6 acre and above	<input type="checkbox"/>

9. Have you ever migrated from other village/town for the purpose of business?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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10. Your family size

1 – 3 member (s)	<input type="checkbox"/>	4 - 6 members	<input type="checkbox"/>
6 – 9 members	<input type="checkbox"/>	10 above	<input type="checkbox"/>

11. How many members are involved in your entrepreneurial activities

1 – 3 member (s)	<input type="checkbox"/>	4 - 6 members	<input type="checkbox"/>
6 – 9 members	<input type="checkbox"/>	10 above	<input type="checkbox"/>

12. Occupation of your parent / guardian

Agriculture	<input type="checkbox"/>	Business	<input type="checkbox"/>
Private Service	<input type="checkbox"/>	Government service	<input type="checkbox"/>



Others, please mention \_\_\_\_\_

13. Annual income of your parent/ guardian

20000- 50000 ☐ 50000 – 1 lakh ☐  
1 lakh – 3 Lakhs ☐ 3 lakhs – 5 lakhs ☐  
5 lakhs and above ☐

**PART- B: BUSINESS DETAILS**

1. Do you have any name tag for your Business?

Yes No ☐

If yes, under which name you are running your Business

\_\_\_\_\_

2. Your business is

Seasonal ☐ Round the year ☐

3. Nature of Business

Agriculture ☐ Trading ☐  
Manufacturing ☐ Service ☐  
Others, kindly mention \_\_\_\_\_

4. Form of business

Sole proprietorship ☐ Partnership ☐  
Cooperative/ Trust ☐

5. Kindly rate the **Reasons for starting the Business** in the 5 point scale. (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree).

REASONS	CA	A	N	D	CD
1. Special interest in the business					
2. Desire to be independent					
3. To earn a livelihood					
4. Need additional income					
5. Family responsibility					
6. Better status in the society					

6. Since how many years you are running this Business?

2-5 years	<input type="checkbox"/>	6-10 years	<input type="checkbox"/>
11-15 years	<input type="checkbox"/>	Above 15 years	<input type="checkbox"/>

7. What is your initial investment for this Business?

Less than 25000	<input type="checkbox"/>	Rs 25000 and 50000	<input type="checkbox"/>
Rs. 50000 – 1 lakhs	<input type="checkbox"/>	1 – 3 lakhs	<input type="checkbox"/>
3- 5 lakhs	<input type="checkbox"/>	5 lakhs and above	<input type="checkbox"/>

8. Tick the initial sources of fund/loan to start your business

Own	<input type="checkbox"/>	Family and friends	<input type="checkbox"/>
Bank loan	<input type="checkbox"/>	Government agencies	<input type="checkbox"/>
Private money lender	<input type="checkbox"/>		

9. Annual income/ profit of the respondent

Upto ₹ 50,000	<input type="checkbox"/>	₹ 50,000 - ₹ 1,00,000	<input type="checkbox"/>
₹ 1,00,000 - ₹ 2,00,000	<input type="checkbox"/>	₹ 2,00,000 - ₹ 3,00,000	<input type="checkbox"/>
Above ₹ 3,00,000	<input type="checkbox"/>		

10. Annual sales of your business ranges,

Upto ₹ 50,000	<input type="checkbox"/>	₹ 50,000 - ₹ 1,00,000	<input type="checkbox"/>
₹ 1,00,000 - ₹ 2,00,000	<input type="checkbox"/>	₹ 2,00,000 - ₹ 3,00,000	<input type="checkbox"/>
₹ 3,00,000- ₹ 4,00,000	<input type="checkbox"/>	Above ₹ 4,00,000	<input type="checkbox"/>

11. Employment opportunities created by your business.

NIL	<input type="checkbox"/>	1 person	<input type="checkbox"/>
2 persons	<input type="checkbox"/>	3 persons	<input type="checkbox"/>
4 persons	<input type="checkbox"/>	5 person and above	<input type="checkbox"/>

12. Does your business supply your products to other districts/states

Yes	No	<input type="checkbox"/>	<input type="checkbox"/>
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Please mention where you do the supply\_\_\_\_\_

**PART – C:**  
**PERCEPTIONS AND CHALLENGES OF RURAL ENTREPRENEURS**

1. Kindly rate the following **challenges and problems** in 5 point scale (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree), that are faced by your business.

<b>PROBLEMS AND CHALLENGES</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
<b>Financial problems</b>					
1. Insufficiency of capital					
2. Insufficient banking facilities					
3. Non availability of credit					
4. Fear of taking financial risk					
5. Problem in debt collection from the customers					
<b>Manufacturing problems</b>					
1. Lack of trained and technical staff					
2. Non availability of workers					
3. Scarcity of raw material in and around the manufacturing unit					
4. Non availability of material and equipment					
5. Obsolete machinery					
6. Up gradation with technological changes					
7. Non availability of resources					
8. Scarcity and fluctuation of electricity					
9. High cost of production					
10. Location disadvantages					
<b>Marketing problems</b>					
1. Marketing the good/ services					

2. Competition in the market					
3. Market related issues					
4. Non availability of market information					
5. Lack of demand					
6. Lack of quality packaging					
7. Improper facilities of storage					
8. Improper facilities of transportation					
9. Problem of credit sale					
10. Poor bargaining of credit sale					
<b>Personal problems</b>					
1. Lack of experience					
2. Lack of managerial skills					
3. Lack of education and training					
4. Lack of help at home					
5. Lack of support from family members					
6. Fear of taking risk in expansion of business					
<b>Other problems</b>					
1. Getting community / social support					
2. Changes around the location of business unit/ village					
3. Problems in availing training in business and allied activities					
4. Lack of government policies / regulations / schemes					
5. Difficulties in availing government schemes					

2. Kindly rate the following **Motivational factors** in 5 point scale (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree), which inspired you to become Entrepreneur.

<b>MOTIVATIONAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Circumstance/ situations were encouraging to become entrepreneur					
2. Opportunity to create own fortune (Achievement motivation)					
3. I was having better exposure/ infortune, so I thought of seizing that opportunity					
4. I was having the ability to organize and administer factor of Production					
5. I was having innovative motive					
6. I was having business expertise					
7. I was having specialized expertise in technical know-how					
8. I had economic/ financial stability					
9. To have self-dependent life					
10. To continue family tradition					
11. Responsibility to family					
12. Impressive profit attraction					
13. Ample opportunities were available					
14. Market was less competitive					
15. Technological development/ advancements					
16. Possession required qualification/ education.					
17. Passion for work (motivation to do the business)					
18. Previous experience					
19. Encouragement from friends and family.					
20. This was my last option/ resort in life					
21. Need for social security					
22. Opportunity to utilized the profit for agricultural purpose					
23. This is one among different employment opportunity					
24. Encouraging from Govt. policy/ schemes					
25. Support and encouragement from NGO's					

3. Kindly rate the following **social, political and economic factors** in order of preference in 5 point scale (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree).

<b>SOCIAL FACTORS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Able to motivate others to do the business					
2. Feel confident when I interact with community					
3. Improvement in quality of life					
4. Expecting to provide / ability to provide better education to my children					
5. Expecting/already getting sound marriage proposals to me/ for my children					
6. Confidence of leading my family					
7. My family members are financially independent					
8. Have equal opportunities in my business activities					
9. Capable of providing quality medical facilities to my family members					
10. People recognize me in social gatherings					
11. Interest to provide education/ higher education to child/youth					
12. Interest in sending child/youth for employment					
13. Control on my habits (tobacco, gambling, alcohol)					
<b>POLITICAL FACTORS</b>					
1. Capable of taking independent political decisions					
2. I cast my vote as per my wish					
3. I play vital role in selecting a candidate for selection					
4. I influence indirectly in all elections of my village					
5. my vote is for development					
6. I encourage everyone to participate in elections					
7. My family members are independent in casting their votes					
8. I cast my vote based on caste and religion					

9. I look for personal benefits in elections					
<b>ECONOMIC FACTORS</b>					
1. Developed financially					
2. Increase in expenditure					
3. Quality of life changed/improved					
4. I got freedom to take financial decisions					
5. I got financial stability					
6. I do not depend on hand loans for celebrating festivals					
7. I got financial strength for my marriage/my children's marriage					
8. Capable of saving for my next generations					
9. Good and stable domicile facilities					
10. Capable of fulfilling my day to day requirements					
11. I found increase in my expenses towards family living standard.					

**PART - D**  
**TRAINING AND DEVELOPMENT BY GOVERNMENT AND NGO**

1. Have you participated/ undergone any training Programme sponsored by government/NGOs or private organization?

Yes ☐ No ☐  
If yes, please mention \_\_\_\_\_

2. How you came to know about the Entrepreneurial development (ED) training Programme?

From friend(s) and Relatives ☐ From Advertisement in Newspaper, T.V, Radio ☐  
Through self-initiative ☐ Directly through ED Organization ☐

3. If you haven't attended any training, please give **reason for not attending training Programme** (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree)

REASONS	CA	A	N	D	CD
1. Not aware of the training Programme					
2. Did not find time to take the training					
3. Duration not convenient					
4. Inconvenient place					
5. Felt not necessary					
6. Course not relevant					

4. Is there any assistance you are availing from the Government/ NGO

Yes ☐ No ☐

If yes, what type of assistance/ nature of support received?

Financial ☐ Information ☐  
Promotional ☐ Technical ☐  
Training ☐ Raw-materials ☐  
Other, please mention \_\_\_\_\_

5. Have you avail any subsidy/ funds from the government/ NGOs in running your business

Yes ☐ No ☐

If yes, under which scheme of finance

PMEGP ☐ PMKSY ☐  
NSRLM ☐ KVIC ☐  
MSME ☐  
Other, please mention \_\_\_\_\_

6. To what extent are you satisfied with the role of supporting agencies in sustenance of your business. (Tick whichever is applicable)

Completely satisfied ☐ Satisfied ☐  
Neither satisfied nor unsatisfied ☐ Unsatisfied ☐  
Completely unsatisfied ☐

7. Mention the extent to which the Entrepreneurial Development Programme (EDP) training had benefited in initiating the business in 5 scale point (highly benefited, moderate, neutral, less benefited, not benefited)



<b>HELP/ BENEFIT</b>	<b>HB</b>	<b>M</b>	<b>N</b>	<b>LB</b>	<b>NB</b>
1. Motivate to change the mindset to start an enterprise instead of searching for job					
2. Expected knowledge about MSME					
3. Proper knowledge on how to manage an enterprise successfully					
4. Increase the awareness about various Government schemes of loans and financial assistance.					
5. Got information about various Government department and their schemes.					
6. Helped to imbibe more confidence and handle serious risk.					
7. Helps to choose opportunity for life as a source of income.					
8. Developed the skill for preparation of a viable project.					
9. Helps in getting bank loans and subsidy.					
10. Expected knowledge of technical know-how					
11. Helped to imbibe more knowledge on marketing					

12. According to your view what are the **causes for slow growth of entrepreneurship in Nagaland** (CA= Completely Agree, A= Agree, N=Neutral, D=Disagree and CD=Completely Disagree)

<b>CAUSES/ REASONS</b>	<b>CA</b>	<b>A</b>	<b>N</b>	<b>D</b>	<b>CD</b>
1. Lack of idea about how to start an enterprise					
2. Lack of sufficient fund					
3. Fear to take risk					
4. Lack of proper infrastructure					
5. Working in other enterprises to gather knowledge					
6. Laziness for hard working					
7. Ignorance of the available resources					
8. Ignorance about the opportunity available					

Signature of the Respondent