

IMPACT OF GOVERNMENT SCHEMES ON RURAL ENTREPRENEURSHIP

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ABSTRACT

This study attempts to create a paradigm that analyses how government policy affects entrepreneurship and economic development in rural regions. As India aspires to grow its economy and create jobs, understanding the nuances of performing government funding schemes for entrepreneurial activities is critical. Government policies in any country encourage entrepreneurial activity, which in turn serves to generate numerous employment possibilities, alleviate poverty, improve technology, and innovativeness, and strive towards improving financial inclusion. Diverse financial efforts include facilities such as credit, subsidies, incentives, and so on, which not only provide enough capital assistance for start-ups but also provide awareness and fostering of the business landscape. The government's positive approach towards entrepreneurial activities contributes to developing entrepreneurs' perceptions of innovativeness, which inevitably increases the engagement of diverse segments of society in such enterprises. However, some particular problems associated with bureaucracy, finances, and capital impede the smooth operation of the nation's entrepreneurial sectors. By doing research and extensively analysing the varied character of the government's role in the entrepreneurship sector, useful insights can be gained for building an effective government intervention in various domains, thereby advancing a sustainable entrepreneurial environment. This study helps in understanding the characteristics of entrepreneurship, government policy, and economic development and their potential relationships.

Keywords: Entrepreneurship, rural development, government, finance, policies, economics

INTRODUCTION

Entrepreneurship refers to the process of transforming ideas into economic products through invention, money, and business skills. The issue is unbalanced development, when one region is developed at the expense of another, leading to underdevelopment issues. Rural entrepreneurship refers to new business ventures in rural locations. Establishing industries in rural regions is known as rural entrepreneurship. Rural entrepreneurship and industrialization are synonymous.

Entrepreneurial development emerges as one of the most important answers for any nation seeking to ensure long-term economic growth and increased job possibilities. In a country like India, where the goal is to provide more employment opportunities while also reducing poverty and developing the economy, strengthening the entrepreneurial sector is critical. Recognizing the importance of the entrepreneurship sector in improving the overall dynamics of a country's economy, the Indian government has launched a number of financial schemes and policies to assist both small and large-scale businesses in performing their operations.

Government financial schemes provide a variety of services such as subsidies, credit guarantee programs, incentives, and so on, with the goal of reducing entrepreneurs' financial troubles by providing them with the required resources to run their businesses. These schemes not only assist entrepreneurs in meeting their financial restrictions, but they also strive to change entrepreneurial perceptions and behaviours in relation to government assistance for similar activity. The government's constructive attitude toward entrepreneurial activity boosts the trust and awareness of entrepreneurs, which results in producing more employment possibilities and long-term economic growth.

Furthermore, the government's financing schemes, together with assistance for R&D activities, encourage entrepreneurs to use highly advanced and cutting-edge technology in their businesses. Furthermore, government financial programs that give funding and support to small and medium-sized businesses help to advance sectors recognized as vital to the nation's economic diversification by assuring financial inclusion.

Despite the enormous influence that government policies have on the growth of entrepreneurial activity, there are some distinct problems that come with it, notably in terms of funding, bureaucracy, and administration. Understanding these obstacles is critical for policymakers and stakeholders to provide a supportive climate for a variety of entrepreneurial activities. Only through thorough study that centres around essential topics such as access to money, bureaucratic efficiency, administration, innovation, and so on can one develop strategies of successful intervention that help build a good environment for entrepreneurial activities.

OBJECTIVES

- To study the impact of rural entrepreneurship on economic growth.
- Understand the benefits of rural entrepreneurship.
- To examine the problems that rural entrepreneurs in India face.
- To analyse government interventions in promoting rural entrepreneurial growth.

RESEARCH TECHNIQUE

Creating the research project's design involves defining the research problems. A practical sample technique is used in this investigation. The researcher chose the sample of respondents based on convenience. A variety of data collection techniques are employed for the investigation. Here, two primary categories of data collection techniques are employed. There are two types of data: primary and secondary. This is the initial collection of primary data. A survey using a carefully crafted questionnaire is used to gather primary data for this investigation. Books, journals, and the Internet are the sources of secondary data. A total of 111 samples were gathered from the questionnaire. A straightforward Simple percentage analysis, Chi Square Test and One way Anova.

REVIEW OF LITERATURE

Kurba (2011) Small business enterprises in Botswana played an essential role in creating employment opportunities for the qualified unemployed. About 56000 small enterprises were operating in Botswana with over 125000 employees in the formal and informal sectors. There has been an alarming trend in the ownership of SBEs by foreigners. To fulfil the goals of vision, 2016 has embarked on the citizen economic empowerment programme to enable the citizens of Botswana to meaningfully participate in every aspect of the economy in the fulfilment of social justice. SBEs had proved to be the best option in making a livelihood.

Rajesh Kumar.(2011) A study was conducted to Today's knowledge-based economy is fertile ground for entrepreneurs, in India. It is rightly believed that India has an extraordinary talent pool with virtually limitless potential to become entrepreneurs. Therefore, it is important to get committed to creating the right environment to develop successful entrepreneurs.

Parveen Kumari (2014) the study was conducted on Women Entrepreneurship- Probs & Prospects The growth of the proportion of women entrepreneurs in developing countries has drawn the attention of both the academic and the development sector. Donors, international public institutions, national and local governments, NGOs, private companies, charities, knowledge institutes and business associations have initiated programs or policies to promote and develop women's entrepreneurship. Women entrepreneurs have been designated as the new engines for growth and the rising stars of the economies in developing countries to bring prosperity and welfare. A variety of stakeholders has pointed at them as an important „untapped source“ of economic growth and development (Minniti and Naudé, 2010). The World Economic Forum identified women entrepreneurs as “the way forward” at their annual meeting in 2012 (WEF, 2012).

STATEMENT OF PROBLEM

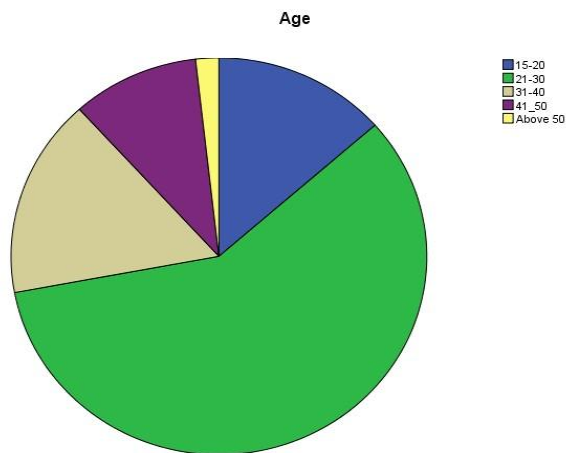
- What role do subsidies play in influencing rural entrepreneurs' achievements, and how successful are they in meeting the distinctive needs of rural businesses?
- How do targeted government policies affect the growth and sustainability of women-led rural firms, and what loopholes exist that threaten their success?
- What difficulties do rural entrepreneurs experience in getting government assistance, and how do these challenges influence their capacity to successfully use available schemes?

RESULTS AND FINDINGS

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15-20	15	13.5	13.5	13.5
	21-30	65	58.6	58.6	72.1
	31-40	18	16.2	16.2	88.3
	41_50	11	9.9	9.9	98.2
	Above 50	2	1.8	1.8	100.0
	Total	111	100.0	100.0	

(Source: Primary data)



ANOVA					
State our level of awareness on government schemes supporting rural entrepreneurs					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	13.162	4	3.291	3.220	.015
Within Groups	108.315	106	1.022		
Total	121.477	110			

Multiple Comparisons						
State our level of awareness on government schemes supporting rural entrepreneurs						
(I) Age	(J) Age	Mean Difference (IJ)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
15-20	21-30	.88718*	.28956	.023	.0836	1.6908
	31-40	.85556	.35340	.118	-.1252	1.8363
	41_50	.22424	.40127	.981	-.8894	1.3379
	Above 50	.13333	.76095	1.000	-1.9785	2.2452
21-30	15-20	-.88718*	.28956	.023	-1.6908	-.0836
	31-40	-.03162	.26924	1.000	-.7788	.7156
	41_50	-.66294	.32957	.268	-1.5776	.2517

	Above 50	-.75385	.72570	.837	-2.7679	1.2602
31-40	15-20	-.85556	.35340	.118	-1.8363	.1252
	21-30	.03162	.26924	1.000	-.7156	.7788
	41_50	-.63131	.38686	.481	-1.7050	.4423
	Above 50	-.72222	.75345	.873	-2.8133	1.3688
41_50	15-20	-.22424	.40127	.981	-1.3379	.8894
	21-30	.66294	.32957	.268	-.2517	1.5776
	31-40	.63131	.38686	.481	-.4423	1.7050
	Above 50	-.09091	.77706	1.000	-2.2475	2.0656
Above 50	15-20	-.13333	.76095	1.000	-2.2452	1.9785
	21-30	.75385	.72570	.837	-1.2602	2.7679
	31-40	.72222	.75345	.873	-1.3688	2.8133
	41_50	.09091	.77706	1.000	-2.0656	2.2475
*. The mean difference is significant at the 0.05 level.						

(Source: Primary data)

			Crosstab				
		Lack of funding or capital	High competition in market	Poor infrastructure (roads, electricity, internet)	Difficulty in accessing raw materials	Others	
Age	15-20	3	3	3	1	5	15
	21-30	32	22	6	3	2	65
	31-40	9	6	1	1	1	18
	41_50	4	4	2	0	1	11
	Above 50	1	0	0	0	1	2
	Total	49	35	12	5	10	111

(Source: Primary data)

Chi-Square Tests			
	Value	df	Asymp. Sig. (2sided)
Pearson Chi-Square	23.838 ^a	16	.093
Likelihood Ratio	20.520	16	.198
Linear-by-Linear Association	1.139	1	.286

N of Valid Cases	111		
a. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .09.			

(Source: Primary data)

INTERPETATION:

H0 (Null Hypothesis): There is no significant association between age group and the difficulties faced in running the business.

H1(Alternative Hypothesis): There is a significant association between age group and the difficulties faced in running the business.

FINDINGS:

1.AGE: The majority of the respondents are from the age group of 21-30 (i.e., 58.6%).

2.STATE OUR LEVEL OF AWARENESS ON GOVERNMENT SCHEMES SUPPORTING RURAL ENTREPRENEURS.

HYPOTHESIS:

H0: There is significant relationship between Age vsState our level of awareness on government schemes supporting rural entrepreneurs.

H1: There is no significant relationship between Age vsState our level of awareness on government schemes supporting rural entrepreneurs.

INTERPRETATION:

From the table, the significance value of the anova test is 0.15, which is greater than 0.05. Since the p-value exceeds the standard significance level of 0.05, we accept the null hypothesis (H0) and reject the alternative hypothesis (H1).

This implies that there is no significant difference between age groups and level of awareness on government schemes supporting rural entrepreneurs.

3.STATE OUR LEVEL OF AWARENESS ON GOVERNMENT SCHEMES SUPPORTING RURAL ENTREPRENEURS

INTERPETATION:

H0 (Null Hypothesis): There is no significant association between age group and the difficulties faced in running the business.

H1(Alternative Hypothesis): There is a significant association between age group and the difficulties faced in running the business.

CONCLUSION

The study successfully examines the core aspects of the subject, providing valuable insights into the current scenario. While significant progress has been observed, there remain areas requiring focused attention to maximize effectiveness. By addressing the identified challenges and leveraging the opportunities highlighted, stakeholders can work towards meaningful improvements. Future efforts should emphasize continuous evaluation and adaptation to ensure sustainable success in the field.

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