



A FUNCTIONAL PERSPECTIVE ON THE ESTABLISHMENT OF A RURAL SOCIAL ENTERPRISE

AkellaSabitriRagini¹,
SumirDevaguptapu², Prof. Shalini
Nigam³, Prof. Sunita Malhotra⁴

*Dayalbagh Educational Institute (Deemed to
be University), Dayalbagh, Agra-282005*

Abstract

Undoubtedly, the chronicles of human history are abundant with individuals who exhibit a great profusion of creativity and innovation. This assertion remains particularly true, and may even be more pronounced, when considering a certain subset of persons commonly referred to as social innovators. These exceptional individuals have committed themselves to the challenging endeavour of initiating transformative social movements in rural regions, motivated by the overarching objective of bringing about significant change within these communities. These advocates for societal transformation have

demonstrated their willingness to confront a diverse range of longstanding difficulties faced by marginalized communities, encompassing matters such as healthcare, sanitation, and equitable educational opportunities for the most vulnerable individuals.

The primary aim of this article is to present, promote, and offer a comprehensive plan for the implementation of social enterprises in rural and tribal areas. The formulation of this notion has emerged as a result of extensive information and experience gained through active involvement with the distant tribe of Rajaborari, located in the state of Madhya Pradesh. The knowledge acquired from this distinct setting has provided a basis for developing a comprehensive framework for initiating and fostering social enterprises. Nevertheless, it is imperative to acknowledge that although these measures provide a thorough initial framework, they need to be flexible and amenable to adjustments that consider the specific intricacies of geographical areas, the unique requirements and aspirations of the involved communities, and the specific



industry in which each social enterprise is intended to function.

Keywords: Social Enterprise, Women Empowerment, Sustainable Livelihood, Rural Entrepreneurship.

Introduction

A social enterprise can be defined as a venture initiated by an individual or a collective with the primary intention of achieving certain social objectives. These firms have the dual objective of generating profits while also creating positive impacts on society and the environment. The primary allocation of the revenues generated by a social company is directed towards the provision of assistance to social projects. In essence, a social company possesses the capacity to facilitate social transformation and can be regarded as an investment that yields long-lasting benefits for society.

Social enterprises exhibit certain similarities to traditional businesses, since they provide a diverse array of products or services. Similar to other enterprises, the financial prosperity of the company is contingent upon the caliber and market demand of their products or services, alongside their

proficient execution and price strategies that enable profitability. However, a distinguishing characteristic of social companies is their dedication to utilizing their gains for the advancement of society, as opposed to dividing them among shareholders. Hence, a social enterprise can be defined as a company entity that prioritizes social objectives, rather than just focusing on profit maximization, and strives to achieve social, cultural, economic, or environmental goals as indicated in its mission statement. As a result, social enterprises actively participate in business activities that generate income, afterwards directing those funds towards the advancement of social causes. The imperative to enhance progress, foster growth, and facilitate development in India necessitates a transformation in the status of women. The potential impact of this development will be multifaceted, particularly if it include the economic empowerment of women. Consequently, this would not only foster economic autonomy but also contribute significantly to the reduction of gender disparities. Therefore, the establishment of a social company in a rural region would serve the dual purpose of making an economic contribution to these



communities and mitigating gender disparities.

It is indisputable that social enterprise exhibits significant potential for India. These endeavors possess the capacity to not only produce income but also function as efficacious instruments for mitigating poverty in the locations where they are implemented. The establishment of a clearly delineated social enterprise, together with meticulous execution, has the potential to attain long-term viability and serve as a means of sustenance irrespective of its geographical context.

Objectives

- To explore and identify areas in which interest and skills can be nurtured thus making an impact on the economic status.
- Understand the market and map the skills with the market needs.
- To provide interventions for establishing a social enterprise that can be sustainable.
- To articulate a step-by-step establishment process.

Methodology

The tribal region in village Rajaborari, situated in the steep terrain of district

Harda in Madhya Pradesh, was carefully surveyed and selected for a unique endeavor. It is characterized by its lush bamboo and teak woods. The major issue in this domain pertained to the establishment of a viable and enduring means of financial support for women. As a result, it has been determined that the establishment of either a garment manufacturing or a food processing enterprise in this region would enable women to produce money.

In order to initiate this undertaking, an initial cohort of 100 women was furnished with training. After a period of only six months following the commencement of this training program, it became apparent that these female participants not only exhibited the requisite aptitude but also had a strong inclination, readiness, and fervor towards adopting sewing as a viable source of income.

Following this, a comprehensive intervention strategy was carefully developed to build a clothing manufacturing firm in the selected region. In addition to the provision of skills training, complete support encompassed technical aspects, organizational management, and



financial handling. Moreover, additional support in the form of marketing help was provided. Within a very short span of time, a social enterprise materialized, concomitant with the establishment of multiple Self-Help Groups (SHGs). The insights and knowledge gained from this endeavor have established a framework that may be replicated and applied in many geographical areas throughout the nation.

Results and Discussion

Various interventions were developed in order to address the issues faced by the women living in the tribal region of Rajaborari. The process encompassed the sensitization of a cohort consisting of 100 female individuals to the existing market demands, providing them with knowledge about sewing technology, and fostering an understanding of the significance of producing outputs of superior quality. Comprehensive instructions for the succeeding phase of intervention have also been outlined.

Principles for the implementation of the intervention

- For optimal results, it is imperative that the intervention be carefully organized and

consistently implemented without any disruptions.

- Although shorter interventions may address immediate requirements for individuals, organizations, or government bodies, it is crucial to acknowledge that substantial community outcomes can only be attained by long-term initiatives lasting a minimum duration of 36 months (equivalent to 3 years).
- In the context of a social company, it is crucial to recognize that in addition to the transmission of trade-specific skills, the provision of training in managerial, organizational, financial, and technological domains is of equal importance. This assertion is valid even in the case of women possessing inadequate reading skills residing in rural or metropolitan regions. The essential factors for success lie in the cultivation of patience and the implementation of repetitive training.
- In order to have a significant influence while initiating a business venture in either rural or



urban regions, it is advantageous to possess an initial cash investment commonly known as "seed money." Nevertheless, the initial capital expenditure does not always have to be too high.

- Women who possess fundamental skills may have a deficiency in their capacity and consciousness to effectively translate those skills into a sustainable means of earning a livelihood. Hence, it is imperative to offer supplementary assistance that extends beyond the development of skills. Literate women residing in both rural and urban regions may find it necessary to increase or upgrade their talents in order to effectively convert their current or acquired abilities into a viable means of sustaining their livelihoods.
- Given the multitude of daily obligations that women typically undertake, including childcare and eldercare, it is imperative for social entrepreneurs to carefully consider the proximity of the social enterprise to their residences.
- It is imperative that training activities adhere to a methodical methodology. Following the completion of initial training, it is imperative to incorporate intermittent reorientation training modules, commonly referred to as workshops, in order to ensure alignment with the ever-evolving market demands.
- The social company should take into account both the local market demand and the evolving dynamics of product preferences when selecting products for production.
- In order to ensure the efficient functioning of a social company, it is imperative to establish and maintain positive relationships among its participants.
- For the social enterprise to achieve success, it is imperative that every member of the group demonstrates attributes such as dedication, accountability, and a strong sense of affiliation.
- The presence of effective organizational skills, specifically emphasizing product quality and adherence to timetables, is



crucial for the long-term viability of social companies.

- Merely establishing women's groups such as Self-Help Groups (SHGs) is insufficient to achieve comprehensive societal reform. In order to develop a social enterprise, it is important to ensure the inclusion of supplementary factors, such as skills enhancement initiatives and the implementation of a zero-defect acceptance policy.
- The incorporation of technology inputs not only serves to improve the quality of products, but also has the potential to promote the confidence and self-esteem of individuals involved.
- The attainment of sustainability within a social enterprise can be realized by employing systematic and gradual initiatives, which are continuously and transparently applied.
- The promotion of women's empowerment can be efficiently accomplished by forming a business and implementing a range of activities and campaigns, while also capitalizing on the existing

knowledge and experiences within the global community.

The primary goal of the present effort was to provide rural women with a sustainable means of supporting themselves. As an ancillary consequence of this endeavor, it also led to the empowerment of women. Furthermore, the social enterprise yielded other benefits for the women in the region, in addition to earning cash for the collective.

A few of these **outcomes** are outlined below:

- As a result of this initiative, women have attained a state of financial autonomy, owing to the economic benefits they have acquired from the firm. The individual's monthly earnings have experienced a substantial increase, rising from a negligible amount to about Rs 4000 to 8000 per month.
- A total of five Self-Help Groups (SHGs), each consisting of ten members, have been formally registered with the National Rural Livelihood Mission (NRLM).



- Women are actively engaged in sewing and other similar activities, displaying excitement and carefully fulfilling orders received by Self-Help Groups (SHGs).
- These ladies have initiated a practice of publicly disclosing their personal concerns and have exhibited an increased inclination towards vocalizing their thoughts and emotions. The individual's ability to communicate has shown a significant improvement. In the past, individuals would exhibit reticence in receiving visitors or dignitaries. However, presently, they exhibit a newfound sense of assurance as they actively participate in interactions and provide prompt responses to enquiries.
- The level of opposition encountered by family members, particularly the husbands of the participants, has decreased, and in certain instances, they have begun to actively support the projects.
- The significance of social issues, particularly girls' education, has experienced a notable surge in relevance within the female population.
- Several members of the community have utilized their income to enhance their traditional thatched (kutcha) dwellings by transforming them into more durable cemented (pukka) constructions. Certain individuals have earmarked financial resources for the purpose of financing their daughters' matrimonial ceremonies, while others have chosen to get motorcycles for their boys.
- Women are actively pursuing supplementary employment alternatives during their leisure time.
- These women have initiated the process of establishing and currently manage their individual bank accounts autonomously.
- The productivity of participants' sewing machines in their homes has been enhanced with the installation of electric motors.
- The members of the group have developed and refined their abilities in several aspects of



garment production, including sewing, designing, and finishing. Additionally, certain individuals within the group have also learned supplementary talents such as block printing.

- There has been a notable improvement in the overall health and education levels throughout the community.
- There has been a discernible rise in the level of self-assurance among women, accompanied with an enhanced recognition of their rights as individuals of the feminine gender.
- Efforts have been undertaken to promote dairy processing, food preservation, and agro ecology, wherein women and their families have actively participated and provided their support.
- There has been a little increase in the inclination to engage in community decision-making, as well as in the execution, oversight, and administration of development initiatives.

The entire process of developing the firm spanned a duration of four to five years. The following stages for developing and ensuring the sustainability of a social company are derived from the knowledge and practical experience gained in the tribal region of Rajaborari in the Harda district of Madhya Pradesh. There may be some instances of overlapping phases; nevertheless, an effort has been made to present them in a sequential order of operations.

Steps in Establishing a Rural-Social Enterprise

The process of establishing an enterprise involves several sequential steps that are crucial for its successful establishment and operation. These steps can be outlined as follows:

1. Commence by undertaking an extensive survey and completing an area evaluation, encompassing both rural and urban environments. Design a systematic timetable for gathering data pertaining to demographic characteristics, localized requirements, communal



- preferences, accessible assets, and other relevant factors.
2. This study aims to identify a cohort of approximately 30 persons, encompassing both genders, who exhibit a strong drive to ensure their sustenance and are dedicated to enhancing the financial welfare of their families through diligent efforts.
3. It is imperative to formally enroll all individuals involved in either one or two distinct areas of expertise. Perform market surveys in the surrounding and adjacent regions to assess the accessibility of resources pertaining to these skills.
4. Generate a comprehensive inventory of goods that can be manufactured, taking into account the level of proficiency and intricacy of the necessary abilities. It is recommended to commence with less complex products and gradually advance to more elaborate ones.
5. The primary objective is to procure an appropriate venue and infrastructure for the production process, with a focus on ensuring accessible for all members of the group.
6. Examine the supply chain pertaining to essential raw materials and ancillary components.
7. It is crucial to identify a mentor or trainer who possesses the necessary skills and expertise to properly lead training activities.
8. The participants will be categorized into groups according to their individual skills and areas of interest. Subsequently, training sessions will be organized, specifically designed to cater to the unique skill sets and areas of focus of the female participants. Employ demonstrative tactics, potentially supported by audio-visual aids. Place a strong emphasis on cultivating a sense of quality consciousness during the training program.
9. Develop a proficiency assessment system that utilizes a skill-based rating scale to evaluate the aptitude of each individual. It is advisable to implement a practice of conducting weekly evaluations throughout the duration of the training program.
10. Conduct an investigation and examine technologies that are appropriate for the manufacturing of items. It is advisable to seek



guidance or counsel from industries engaged in the production of similar goods. The possibility of engaging in collaboration with industrial partners may be explored as a means of obtaining funding.

11. Examine prospective investors, commencing with investments of a modest amount. Conduct an inquiry of governmental initiatives aimed at providing supplementary financial opportunities.
12. Developing an efficient logistics system for the supply chain of raw materials, while taking into account the most cost-effective production methods and market price.
13. Establish and nurture connections within prospective markets in order to commence the sale of the manufactured goods.
14. Establish infrastructure for the collecting of information and provision of essential equipment for conducting quality testing on both products and raw materials. It is recommended to provide comprehensive training programs for women to engage in product inspection with a 100% completion rate.
15. Developing quality parameters for items throughout the production phase is essential to ensure the development of high-quality products. These parameters serve as benchmarks to evaluate the performance and characteristics of the items being produced. By establishing clear and measurable quality standards, manufacturers can effectively monitor and control the production process, identify any deviations or defects, and take corrective actions promptly. This systematic approach helps to enhance the overall quality of the items and ensures Create a comprehensive checklist for conducting inspections, initially advocating for a 100% inspection approach.
16. To achieve uniformity in manufacturing, it is essential to establish and enforce Standard Operating Procedures (SOPs). Standard Operating Procedures (SOPs) must to be presented in the native language to facilitate comprehension and utilization by both male and female individuals engaged in the process.



17. Organize a training session focused on the processes of finishing, packaging, and storage of items, taking into account various shipping modalities and associated costs.
18. Identify individuals who possess proficient organizational skills among the respective groups and administer training sessions focused on enterprise-level organization. Develop preliminary strategies for monthly and annual production schedules in accordance with market demand.
19. As manufacturing expands up, it is advisable to gradually delegate managerial tasks to individuals of both genders.
20. To ensure continuous production, it is recommended to implement intermittent training sessions conducted by subject matter experts to effectively resolve any operational concerns that may arise.
21. It is imperative to promote the transition of women's organizations towards the establishment of Self-Help organizations (SHGs), hence facilitating the advancement and prosperity of diverse groups throughout India.
22. This response will elucidate the advantages and aims associated with the establishment of Self-Help Groups (SHGs), as well as the process of gathering the requisite paperwork and completing the registration procedure. Assist the groups in the process of initiating bank account establishment.
23. It is recommended to initiate the process of opening a bank account for each Self-Help Group (SHG) with a nearby government bank, with the account being registered under the name of the respective SHG.
24. It is imperative to consistently observe and provide assistance for the participation of both women and men in management, organizational, and record-keeping responsibilities. Offer supplementary instruction and implement appropriate measures for remediation, as required.
25. Developing a comprehensive inventory of manufactured goods, wherein distinct codes are allocated to each item, accompanied with visually appealing and meticulously captured photos, to facilitate future retrieval and examination.



26. One potential strategy to consider is the organization of regional or statewide exhibitions, displays, and sales of the items.
27. This study aims to investigate potential avenues for obtaining large-scale orders from retail establishments, storage facilities, commercial marketplaces, and governmental entities responsible for facilitating sales.
28. The acquisition of essential registrations, including as the Permanent Account Number (PAN), Goods and Services Tax (GST) registration, bill books, and Taxpayer Identification Numbers (TIN), is required for each Self-Help Group (SHG). It is advisable to actively seek quality certifications that align with the specific criteria of the given sector.
29. Promote the establishment of networking opportunities between Self-Help Groups (SHGs) and other organizations that operate within similar geographical regions or sectors.
30. Utilize social media platforms as a means to disseminate success narratives, foster networking opportunities, and broaden market penetration.
31. In a progressive manner, transfer the tasks of production and management to groups consisting of women, subsequent to the acquisition of small orders, while offering necessary guidance and feedback. Promote the development of self-sufficiency within the context of the social enterprise.
32. The primary objective should be to secure large-scale orders, while concurrently prioritizing punctual delivery schedules. The proposal entails providing specialized training to a specific cohort of women within the group, focusing on enhancing their financial literacy and skills in conducting financial transactions. The objective is to empower these women to effectively manage and facilitate orders that are advantageous to the established Self-Help Groups (SHGs).
33. To guarantee punctual delivery and maintain product quality amidst escalating orders. Provide ongoing assistance by assigning responsibilities to members of the Self-Help Group (SHG).



34. This study aims to investigate novel interventions, including product diversification, creative alterations, and value-added services, while ensuring the maintenance of product quality.
35. Organize a modest celebration with the team to commemorate accomplished order fulfillment's and recent procurement achievements.
36. During the course of production deliberations, it is imperative to engage in discourse pertaining to familial matters, health concerns, and other pertinent subjects of a social nature.
37. It is recommended to promote the inclusion of topics such as community welfare, gender equality, female empowerment, and local issues that stimulate critical thinking among women in Self-Help Group (SHG) sessions. Encourage the facilitation of constructive dialogue.
38. Implement a systematic and phased disengagement procedure, ensuring continuous assistance and direction during the delegation of tasks to members of the collective.
39. The objective is to establish and enhance links between women and ordering parties, so enabling them to autonomously manage multiple orders or production cycles. Provide individualized assistance as required.
40. Provide reassurance to the collective that they possess the requisite competencies to autonomously handle matters, while also ensuring that ongoing assistance is accessible in times of emergencies or difficulties.
41. Perform further assessments to ensure the long-term viability and advancement of the project, offering advice on potential expansion if deemed appropriate.
42. The replication of the entire process in new locations, incorporating improvements derived from lessons learnt from prior experiences, is vital.

Conclusion

The utilization of a social enterprise as a powerful tool for promoting economic empowerment in India has not been fully realized. The country exhibits a substantial endowment of resources, a proficient labor force, and a reservoir of



youthful and inventive intellects. India possesses a culturally significant lineage, which is reflected in its wide-ranging repertoire of abilities. Considering the extensive prevalence of governmental policies and educational establishments across the nation, the process of transferring these sets of skills ought to be a feasible undertaking.

Non-governmental organizations, educational institutions, social activists, and business entities are essential stakeholders in the establishment and long-term viability of social enterprises. Corporations possess the capacity to offer significant non-financial assistance, including useful guidance, mentorship, and access to business networks. This assistance has the potential to offer the necessary momentum needed for Social Enterprises to achieve genuine and comprehensive development in India.

Nevertheless, the pivotal element is in the proactive position adopted by the younger cohort, institutions, and educators, who are required to assume the responsibility and establish a trajectory for advancement. In the words of Nelson Mandela, "It always seems impossible until it's done." Straying

from the conventional path may appear unconventional, but it is precisely where all revolutions commence.

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