

Socio-Economic Empowerment Program

Swami Vivekananda Youth Movement

Functions of Group Entrepreneurship

Developing micro-enterprise for rural and tribal communities

July 2018



Functions of Group Entrepreneurship

SEEP Objective

To increase the socio-economic status of marginalized groups and vulnerable communities, with particular attention to women and youth, through a series of trainings and activities to promote tribal empowerment and group entrepreneurship.

Keys to Success

Inspire increased tribal enrollment in SVYM vocational training programs.

Provide pathways for tribals to commute and partake in these trainings.

Maintain high-retention among the micro-enterprise sector

Create alternative sales channels and introduce an online sales platform to reach a greater market

Table of Contents

SEEP Objective	2
Keys to Success	2
Community Mobilization	3
Choosing the Ideal Tribal Area	3
Use of Testimonials.....	5
Maintaining Group Entrepreneurship	6
Traditional Theories of Motivation	6
Hertzberg’s Two Factor Theory	6
Hawthorne Effect	8
Expectancy Theory.....	9
Marketing Tribal Products	10

Functions of Group Entrepreneurship

Community Mobilization

Choosing the Ideal Tribal Area

Based on speaking with the women from the village of Basavanagirihadi, it is best not to choose villages that will have other financial obligations. For example, villages with farmland will place priority on agricultural work during the rainy season and neglect attending vocational training or quit micro-enterprise sites.

In addition, the following psychology theory “Maslow’s Hierarchy of Needs” provides a framework of what basic needs most humans would need fulfilled before pursuing economic empowerment activities.

Maslow’s Hierarchy of Needs: The basis of the theory is that individual’s most basic needs must be met before they become motivated to achieve higher level need. The hierarchy is made of 5 levels...

1. Physiological: these needs must be met in order for a person to survive (i.e. food, water, shelter)
2. Safety: including personal and financial security, and health and wellbeing
3. Love/belonging: the need for friendships, relationships, and family or family relations (varies from culture to culture)
4. Esteem: the need to feel confident and be respected by others
5. Self-actualization: the desire to achieve everything you possibly can and become the most that you can be



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In most instances, tribal people will not seek vocational training if they are struggling to keep their family taken care of. When most villages don't have access to reasonably clean water within their proximity, they won't consider completing a training they have to pay for and takes up valuable time. So, highest odds of success will be in villages with most of the bottom bases satisfies.

Applied to a tribal population:

Physiological: Villages with access to clean water, access to free or subsidized food from the government, and a home relatively protected from weather.

Safety: Access to government or non-profit hospitals to ensure adequate health, disposable income or access to loans (perhaps through an SHG) to fund the vocational training.

Love/Belonging: Translated into familial relationships for tribal cultures. This can be translated into the role of tribal women in their families and their level of autonomy. A tribal woman's husband must support her partaking in the training given the power structure in most of the families.

Esteem/Self-Actualization: These two levels aren't necessarily applicable to a tribal population.

Essentially, tribal women, for example, must have food to eat/water to drink, a means to pay for the vocational training, and the permission from their husband to do attend. According to this theory, SVYM's outreach to these communities will be ineffective unless these three bases are sufficiently addressed.



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Use of Testimonials

Testimonials build trust and credibility with social proof. Buyers naturally want to know a business or product is trustworthy and credible before they pay for it. So, tribal people will want to be convinced that these trainings will improve their lives in some way *before* they pay the fee for training. This is called “Social Proof” and it’s one of the most powerful persuasion tools at a marketer’s disposal. When people see someone else trying/buying/enjoying something, they are more likely to imitate that behavior and do the same—especially if they trust the person they’re seeing and see themselves in that person. So it’s wise to use a testimonial from a person who resembles the audience you’re trying to market the training to (e.g. a tribal woman).



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Maintaining Group Entrepreneurship

Traditional Theories of Motivation

Once specific tribal areas have been chosen and micro-enterprise units have been established (i.e. tailoring or file-making sites), then employee vigor must be maintained.

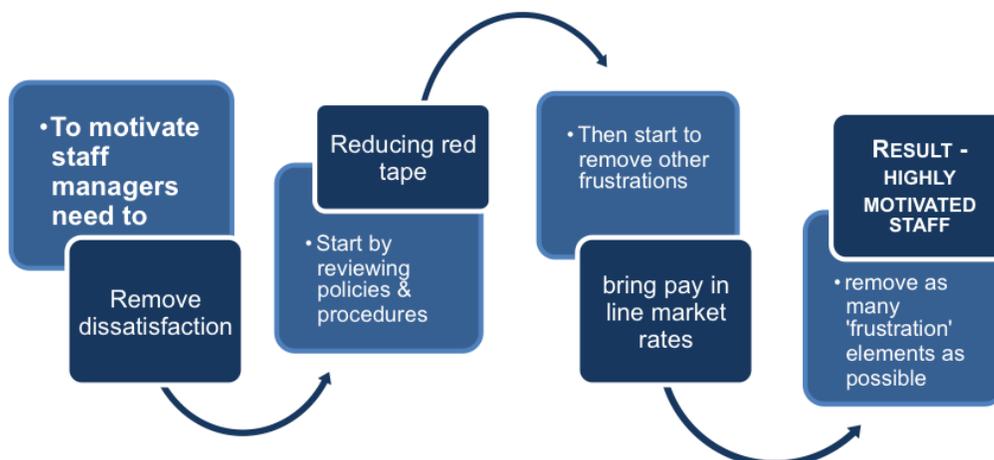
Hertzberg's Two Factor Theory

There are two factors that influence employee motivation and satisfaction...

- Motivator Factors: Factors that lead to satisfaction and motivate employees to work harder (i.e. enjoying your work, feeling recognized, and career progression)
- Hygiene Factors: These factors can lead to dissatisfaction and a lack of motivation if they are absent (i.e. salary, company policies, benefits, relationships with co-workers)

According to Herzberg's findings, **motivator factors** increased employee satisfaction and motivation, but the absence of these factors didn't necessarily cause dissatisfaction. On the other hand, the presence of **hygiene factors** didn't appear to increase satisfaction and motivation, but their absence caused dissatisfaction.

Eliminating Job Dissatisfaction: Ensure the workers are receiving a fair share of profit on the product they produce (aka, salary). Perhaps, explain the cost of materials and distribution, and then collectively come up with a fair profit for the workers. Salary, supervision, workplace policies, job security, and relationships with supervisors/other employees may provoke dissatisfaction.



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Promoting Employee Satisfaction: Removing dissatisfaction and increasing satisfaction in their work are both vital factors in promoting and maintaining group entrepreneurship. A simple step is to regularly recognize the efforts of specific team members when they go above and beyond their standard expectations (such as finding more efficient ways to stitch, making more files than required per day, etc). Feeling like your hard work and effort is recognized is vital to motivation. To do so, perhaps instill a system of “employee of the month” where the workers vote on who has done exceptionally well for the month.



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Hawthorne Effect

This psychology phenomenon is the tendency for some people to work harder and perform better when researchers were observing them. The Hawthorne Effect is named after a series of social experiments on the influence of physical conditions on productivity in the 1920's. Researchers changed a number of physical conditions over the course of the experiments including lighting, working hours, and breaks. In all cases, employee productivity increased when a change was made. It was concluded that employees became motivated to work harder as a response to attention being paid to them, rather than the actual physical changes themselves.

Various experiments have been done, but the conclusions of these Hawthorne experiments are as follows...

1. Social and psychological factors are responsible for workers' productivity and job satisfaction. Only good physical working conditions are not enough to increase productivity.
2. The informal relations among workers influence the workers' behavior and performance more than the formal relations in the organization
3. Employees will perform better if they are allowed to participate in decision-making affecting their interests
4. Employees will work more efficiently when they believe that the management is interested in their welfare
5. Financial incentives alone cannot increase performance. Social and Psychological needs must also be satisfied in order to increase productivity.

Applied to a Tribal Population:

The Hawthorne Effect studies suggest that employees will work harder if they know they're being observed. While it's not recommended to hover over employees all day, providing regular feedback and consistent check-ups may increase motivation and productivity. Once file-making units are established, consistent check-ins are encouraged. During these check-ins, feedback about their work and production (both positive and negative) should be provided. Involving the employees' voices in decision-making will make them feel important and valued, inspiring them to work harder.

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Expectancy Theory

This theory proposes that people will choose how to behave depending on the outcomes they expect as a result of their behavior. For example, we may work longer hours because we expect a pay raise. However, Expectancy Theory also suggests that the process by which we decide our behaviors is also influenced by how likely we perceive those rewards to be. For example, we may work harder if we were promised a pay raise, than if we had only assumed our pay raise.

It has 3 elements....

1. Expectancy: the belief that your effort will result in your desired goal. This is based on your past experience, your self-confidence and how difficult you think the goal is to achieve.
2. Instrumentality: the belief that you will receive a reward if you meet performance expectations.
3. Valence: the value you place on a reward

Therefore, people are most motivated if they believe that they will receive a desired reward if they hit an achievable target. They are least motivated if they don't want the reward or they don't believe that their efforts will result in the reward.



Applied to a Tribal Population:

Once file-making units or tailoring production centers are established, the workers may perform better if given incremental incentives. Whoever is in charge of the unit must announce these incentives to ensure that they will be guaranteed if certain checkpoints are met. These incentives must be attainable, not too hard to reach. The incentive must be something of value to the employee. This could be announcing that if employees make __ files each month for 6 months, they get a __ increase in their profit per file.

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Marketing Tribal Products

An effective way to market a product is to advertise it as supporting a certain cause. Buyers love to feel like they are using their consumer buying power to make a difference. This is why many companies will market their products in a certain philanthropic way. This could be along the lines of “10% of proceeds will go towards UNICEF” or “buying this product help a child in need.”

Showing the buyers who is making their products and how it is changing their lives for the better will encourage them to purchase the product. Currently, the items that are produced at M.G. Halli and Basavanagirihadi (files and bags) are only sold through one channel: a store in Handpost. Creating an online market for the products that the tribals produce may increase orders. Within this online market, buyers should be able to see the faces and stories of the tribal people they are purchasing from. In addition, seeing their facilities/villages may also add a personal touch and encourage more people to buy the items.

On the following page, I have attached pictures of an example portion of the SVYM website where the products could be sold.





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- CAREER
- MEDICAL ELECTIVE
- VOLUNTEER
- PROMOTE US
- VISIT US
- BUY OUR PRODUCTS



H.D. Kote Tribal Area

Many women have completed SVYM's Level One Tailoring Course and are now pursuing micro-enterprise endeavors with their newly acquired skills. The enrollment in this course comes from tribal and rural communities who are seeking to increase their socio-economic level and adjacently, their autonomy. These women use their additional income to financially support their families, expand their agricultural activities, or fund their children's education.

Meet our Producers



Nazlma.
She is a first batch tailoring student at Kenchanahalli and from the village Moorband. She currently stitches school uniforms at the Kenchanahalli site.



Manjula.
She attended Level 1 training at a unit within her village, M.G. Halli. She now works within her local unit sewing bags and files.



Swaroopaa.
She is a third batch tailoring student from Sagare. Recently finishing her Level 1 tailoring training at Kenchanahalli, she hopes to work from home or the Kenchanahalli site.



Geetha.
She is a first batch tailoring student at Kenchanahalli. She currently works within the Kenchanahalli site tailoring uniforms for the local schools.



Shivamma.
She learned Level 1 tailoring at her local site in Basavanagiri Hadi and is completing Level 2 training (embroidery). She also works within the site tailoring items for profit.



Veena.
She's a third batch tailoring student at the Kenchanahalli site. After recently finishing her Level 1 training, she plans to tailor within her home or at Kenchanahalli.



Jayalakshmi.
She's a third batch tailoring student at the Kenchanahalli site. She recently finished Level 1 tailoring training and hopes to work at home or in the Kenchanahalli production site.



Chikkamani.
She is currently completing Level 2 tailoring training, learning to embroider, at a unit in her village, Basavanagiri Hadi. She also works at the unit tailoring for orders.



Folder with Zipper Closure

\$5.99

Product Description:

The ideal folder to bring with you to school, to the office, or on the go. With multiple pockets and zipper-closure, it's set to hold laptops, reports, and notebooks. For additional convenience, there's even places for your pens and pencils

Features:

- 9x18 in
- 4 large pockets
- Pen/pencil pocket
- Zipper closure

