

## **A CRITICAL ANALYSIS OF RURAL DEVELOPMENT INTERVENTIONS FOR INCLUSIVE GROWTH (A CASE OF UTTARAKHAND, INDIA)**

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### **ABSTRACT**

The present study about the critical analysis of rural development interventions has revealed various factors which are required to be modified and changed for achievement of its objectives for inclusive growth of the region. Rural development interventions create a healthy ground for the upliftment of the rural people by yielding various employment opportunities and infrastructure facilities. Although the roles of these organizations are highly pro-people, the extent of benefits to the beneficiaries is not as effective as it is required. It requires a strict monitoring of the programmes implemented by the rural development interventions. The Employment opportunities provided by rural development programmes and schemes are helpful to alleviate poverty but the sustainability of this employment through skill development should be ensured through management of these rural development organizations. Therefore, a strict plan for execution and monitoring of the programmes initiated by these organizations is required so as to benefit the rural people from top to lower level management to disperse a smooth inter and intra communication among the employees and beneficiaries.

**Keywords:** *Inclusive growth, Sustainable development, Synergy, Equity*

### **INTRODUCTION**

The concept of rural development is not new in India and requires no universally accepted approach. It is a choice which is influenced by factors like time, space and culture. The existence of rural development is found in India since old times, but serious efforts approximating to what is today known as 'rural development' were made only in the 19<sup>th</sup> century. Through its various efforts and resources, India is committed to bring a rapid and sustainable development in rural India through a number of programmes. In order to be effective, rural development requires establishment of transparent policies to help rural development organizations to demonstrate, both internally and externally to meet the requirements of the community in which it operates.

The term "rural development", in its broad sense connotes overall development of rural areas to improve the quality of life of rural people. In this sense, it is a comprehensive and multidimensional concept, which includes the development of agriculture related activities, village and cottage industries and crafts, socio-economic infrastructure, community services and facilities and, above all, human resources in rural areas. As a phenomenon, rural development is the result of interactions between factors of development like physical, technological, economic, social, cultural and institutional factors. Rural development as a strategy is designed to improve the economic and social well-being of rural people. As a

discipline, it is multi-disciplinary in nature, and represents a combination of agriculture, social, behavioural, engineering and management sciences. In the Indian context, rural development assumes greater significance as 68.84% (according to 2011 census) of its population live in rural areas (Table 1). The last decade has witnessed for the first time since Independence, the absolute increase in population in urban areas than that in rural areas. Rural – Urban distribution was recorded as 68.84% and 31.16% respectively and the level of urbanization increased from 27.81% in 2001 Census to 31.16% in 2011 Census. The proportion of rural population declined from 72.19% to 68.84% .The larger chunk of population in India is occupied by the rural population which draws livelihood from agriculture and allied sectors. Accordingly, from the very beginning, the planned strategy emphasized rural development to improve the economic and social conditions of the underprivileged sections of rural society. Thus, India adopted economic growth with social justice as the proclaimed objective of the planning process under rural development. It began with an emphasis on agricultural production and found its expansion to promote productive employment opportunities for rural masses, especially the poor, by integrating production, infrastructure, human resource and institutional development measures.

Table1: Distribution of population in India (in Crore)

	2001	2011	Difference
India	102.97	121.0	18.1
Rural	74.3	83.3	9.0
Urban	28.6	37.7	9.1

*Source: Census of India 2011*

Almost 90% of the total geographical area of Uttarakh and is composed of hills, and is still to be developed. Because of being hilly and having tough terrains, some of the areas of the newly formed state are less developed compared to Non-hilly areas. Therefore it is the need of the hour to formulate a well thought-out development strategy to reduce this development gap between the two regions. A development vision for the rural areas should include human and economic aspects along with keeping in mind the environmental conservation. It is also important that the development should include social aspects, which primarily includes development of women, youth and children. Therefore, to transform the situation of economic and social backwardness in the hilly areas of Uttarakh and in general, and the Garhwal region in particular, it is vital to adopt a well thought strategy that on the one hand pursues a clearly stated vision and works effectively for society and its people and on the other hand offers practical suggestions to move forward in the context of employees working for the sake of better resource mobilization as well as utilization but at the same time their own welfare which is to be addressed by these organizations. Considering various aspects of rural development in the state of Uttarakhand, it has been seen as a development inequality between the hills and the plain areas. The hill districts are underdeveloped and need to be developed with a sound strategy as compared to the plains. Therefore, it is required that the development strategy should work positively to reduce the gap between the two regions. A development vision for hills should include both human and economic aspects without neglecting environmental conservation. Therefore, to change the situation of economic and social backwardness in the hill districts of Uttarakhand, it is required to have a balanced development which include the development of women, youth and children on the one hand and also focus on the environment concerns of the region on the other hand.

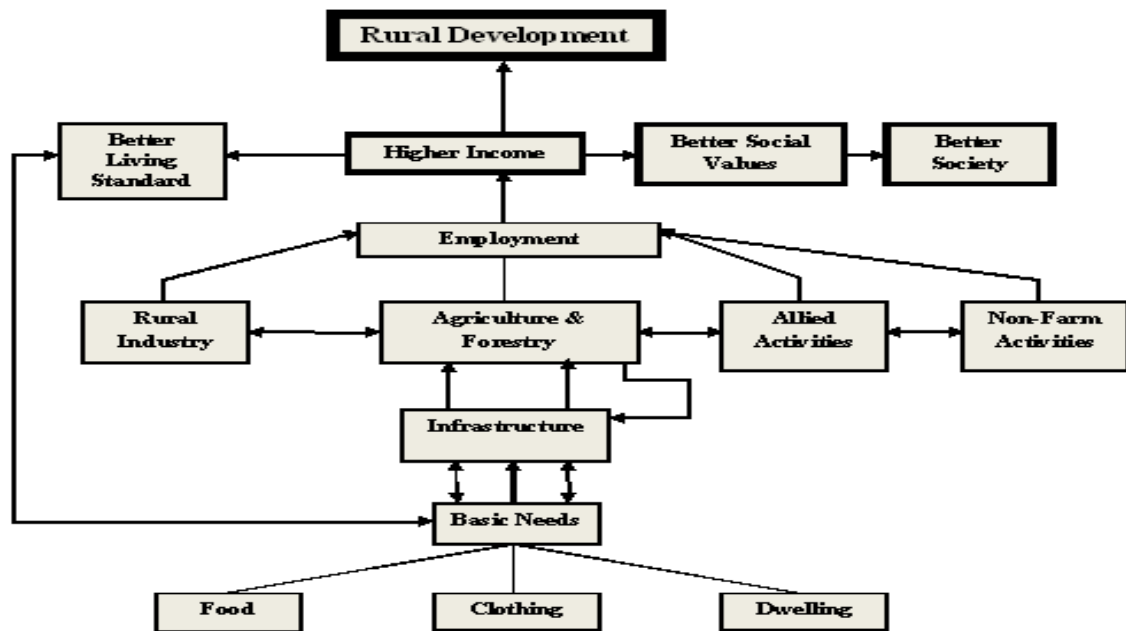


Figure 1: Conceptual Framework of Rural Development

Source: *Rural Development in India*. Vasant Desai, pp.571, HPH (2008)

In the context of problems in the area development approach, as discussed above, and the government policy to tackle the problem of rural poverty, a new strategy of rural development, i.e. the integrated rural development approach, has been developed because the area development approach, by and large, failed to address the question of inequalities in the distribution of employment, income and assets. A mere geographical emphasis, as is the case with the area development approach, has been found to be inadequate in solving the problem. Target groups have to be identified for a more direct approach to alleviate the problems faced by specific sections of the population having specific identifiable problems.

## LITERATURE REVIEW

Rietveld (1992) reviewed the issues of spatial versus non spatial aspects, the importance of transport, and the role of equity considerations. Special attention has been paid to the nature of linkage effects between agricultural and non-agricultural activities in rural areas. Extending the rural development process Bandyopadhyay (1996) compared the income from dairy farming in dairy villages of Amul and Himul which showed that the income of dairy villages and dairy farmings of Himulis proportionately higher than that of Amul. Dairy farming has remarkably made an impact on the agriculture of Amul Villages and Himul also has done the same though its role is not so remarkable. Himul has contributed to the betterment of economic status of the people of dairy villages, especially in hill areas. To reduce the poverty in rural areas Datt & Ravallion (1997) explained the deviations from the trend rates of progress in reducing rural poverty. It revealed that the rural poor were adversely affected in the short-term by inflation. According to study, these areas were also affected by fluctuations in average farm yields and in per capita nonfarm output. In explaining the cross-state differences in the trend rates of poverty reduction, it was found that differences in the trend growth rate of average farm

yields were important. Jha (2000) advocated poverty, particularly rural poverty, one of the enduring policy challenges in India. The most important objective of the reforms process would have been to make a significant dent on rural poverty. Hoddinotts, John(2002)aimed at individuals in multilateral or bilateral aid agencies, nongovernmental organization (NGOs),developing-country governments and other development practitioners who are actively engaged in food security or nutrition issues. These practitioners often are knowledgeable about general development issues and have substantial managerial prowess, but lack materials that could provide a bridge between the academic literature on these issues and the operational concerns associated with designing, implementing, monitoring, and evaluating projects. This study helped to bridge this gap between theory and practice. Chandrasekra (2002) examined the role of local communities and institutions in IRD. It emphasized on the role of two major actors, local government and community organizations and institutions under the category of “*local communities*”. In addition, the role of NGOs and the organized private sector was examined briefly. Effective IRD, which cuts across multiple sectors, is a multidisciplinary affair and it is difficult to separate the roles of different stakeholders. Srinivas, Nidhi (2006) studied ‘NGO Advocacy and Marketing: Handloom weavers in India’ and concluded that the handlooms policies from the start mandated the establishment of cooperative societies as an implementation mechanism. The logic for their creation was a dual one, representation and efficiency. Joachin et al. (2006) suggested five areas for action to put rural India on a higher growth trajectory that would cut hunger, malnutrition, and unemployment at a much faster pace than has been the case so far. It concludes that India should increase investments in rural infrastructure (including transport and information technology that connects villages) and agricultural R&D and should reorient its social safety nets to create more employment in rural areas. Moreover, Indian agriculture faces promising opportunities in the production and marketing of high-value livestock products. Asadi, Ali et.al.(2008)concluded that social capital enhancement appears to have direct links with farmer education in that community development is generally defined as a social learning process which serves to empower people and to involve them as citizens in collective activities aimed at socio-economic development to enhancing security to reduce poverty and to achieve economic development, poverty alleviation and sustainable development. There is a need to offer these strategies such as promoting opportunity, facilitating empowerment and enhancing security to reduce poverty and to achieve sustainable development. K. Sathibama (2010) stressed on the empowerment of women which has emerged as an important issue in recent times. The economic empowerment of women is being regarded these days as a Sine-quo-non of progress for a country, hence, the issue of economic empowerment of women is of paramount importance to political thinkers, social scientists and reformers. The Self Help Groups (SHGs) have paved the way for economic independence of rural women. The members of SHGs are involved in Micro–Entrepreneurships leading to women empowerment. Rashidpour, Loghman, et.al., (2011) focussed on community-based management which is basically the involvement of the beneficiary communities in the management of sustainable rural development facilities. Study indicated that latent variable such as “Stakeholder’s Role” and “Affecting Factors” have positive effect and “Obstacles” latent variable has a negative role in designing CBM. Pandey, A.C. & Soodan V. (2012) elaborated the role of leadership in rural intervention. The study compared the leadership styles of the two NGO’s HIFEED and HESCO from Uttarakhand (India) through an empirical study conducted on employees of these NGO’s. As per the study, ever changing and ever challenging world, there is a requirement of effective leadership in implementation of strategies. To implement and change the strategies, there is a need of people who lead the way in order to guide others as ‘transformational leader’.Pandey, A.C.et.al. (2012) expanded their study

towards marketing practices adopted by rural intervention organisations. The study focuses on the various rural intervention organizations operating in Uttarakhand engaged in promotion of products manufactured by various unorganised people and NGOs. The NGO's under study were AT India and HARC. The study has shown the five factors driving the level of marketing effectiveness that marketer can achieve are marketing strategy, marketing creative, marketing execution ,marketing infrastructure and external factors like seasonality, interest or the regulatory environment which can help marketers to improve their marketing effectiveness. Neelima Kumari (2013) studied the role of NGO's in socio-economic development of Jharkhand. The study was undertaken to understand the various processes and methods applied by the NGOs for the purpose of social mobilization in the context of SGSY, and its impact on the promotion of SHGs and growth of SGSY, The study tried to explore various methods used for Social Mobilization for the promotion of SGSY and SHGs and the various impacts made out of Social Mobilization. The study in the end suggested and advocated the successful processes and methods of Social Mobilization for those involved in the promotion of SHGs and implementation of SGSY. Ramakrishna et al. (2014) propounded that similar to several agricultural economies, India is prone to erratic rainfall in some of its regions. Apart from scanty rainfall; heavy rains leading to unexpected floods is common in this country. The study revealed that the floods had a negative impact on food security by reducing the purchasing power, wage income, resulting in food shortages, increasing borrowing and altering the food habits and resulting in sickness among households. In view of these findings some policy interventions have been suggested.

### **Rural development programmes under study**

**[1] Mahatma Gandhi National Rural Employment Guarantee Act** -aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The Mahatma Gandhi NREGA has become a powerful instrument for inclusive growth in rural India through its impact on social protection, livelihood security and democratic governance. The Act came into force on February 2, 2006 and was implemented in a phased manner. In Phase I, it was introduced in 200 of the most backward districts of the country. It was implemented in an additional 130 districts in Phase II 2007-2008. The Act was notified in the remaining rural districts of the country from April 1, 2008 in Phase III. All rural districts are covered under Mahatma Gandhi NREGA.

**[2] Swarnjayanti Gram Swarozgar Yojana (SGSY)**-The Swarnjayanti Gram Swarozgar Yojana (SGSY) is a major on-going programme for the self-employment of the rural poor in India. It was started on 01.04.1999 after restructuring and merging the erstwhile Integrated Rural Development Programme (IRDP) and its allied programmes, namely Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Toolkits in Rural Areas (SITRA) and Ganga Kalyan Yojana (GKY), besides Million Wells Scheme (MWS). It was started on 1st April, 1999, to bring the assisted BPL family above the poverty line by ensuring appreciable increase in income over a period of time.

**[3] Indira Awaas Yojana (IAY)**-Shelter is a basic need of a citizen which is critical for determining the quality of human life. A roof over the head endows a shelter less person, with an essential asset and improves his physical and mental well-being. Hence, fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as part of the poverty alleviation efforts of the government. IAY is a flagship scheme of the Ministry of Rural Development to provide houses to the Below Poverty Line (BPL) families in the rural areas. It has been in operation since 1985-86.

**[4] District Rural Development Agency (DRDA)**-On 2nd October 1952, Govt of India embarked on the historic Community Development Programme for which a new administrative unit, viz. the Block was created. It was intended to be distinct from old administrative units like Tehsils/Talukas which carried connotations of revenue collection or law and order. The Block Development office was envisaged as an umbrella arrangement within the fold of which, different departments like agriculture, animal husbandry, cooperation, public health, education, etc., were to function and provide their services to the people through public service minded village level workers. By the end of the Second Five Year Plan, 5000 National Extension Service (NES) Blocks were in existence. At the beginning of the Fourth Five Year Plan, it was realized that the benefits of the Green Revolution were not percolating to the small and marginal farmers and the agricultural labourers who constituted the bulk of the rural poor. So pilots were launched in selected districts in 1969 by setting up agencies namely Small Farmers Development Agency (SFDA) and Marginal Farmers and Agricultural Labourer Development Agency (MFALA), focusing on the primary sector. This was expanded in the mid-seventies. A more integrated approach was advocated and the Integrated Rural Development Programme (IRDP) was launched in 1978 in selected blocks. This was universalized on 2nd October, 1980. District Rural Development Agencies (DRDAs) were set up as registered societies to coordinate the implementation of the new programme and they subsumed the existing SFDAs. Over the years, different self-employment and wage employment schemes as well as minimum needs infrastructure schemes for the households and the community were entrusted to the DRDAs. Since then DRDAs are the principal organ at the district level to oversee the implementation of different anti-poverty programmes of the Ministry of Rural Development. Since its inception, the administrative cost of the DRDAs was met by way of setting apart a certain percentage of the allocation for each programme.

**[5] Himalayan Action Research Centre (HARC)** is an autonomous voluntary development organization, HARC was registered in 1989, under the societies registration act, 1860 which aims to help the mountain people by working for their holistic, integrated and sustainable development based on the indigenous knowledge, cultural values, and local resources. It was established in 1988. HARC has been serving the cause of people-centered, people-managed, people-controlled and people-owned development process. It believes that sustainable development and good governance can be ensured only through active and effective involvement of the local community irrespective of caste, class or gender. It strives for empowering the people in ways such that they can take their own decisions regarding their progress and build a stable society that is free of social, economic and gender inequity.

HARC has a special focus on women and other marginalized section of the society what makes a significant contribution to the socio-economic and cultural development of their family, community and nation and yet do not get their due.

**[6] *Appropriate Technology India***-is a non-government organization that works with mountain communities of Uttarakhand, offering them innovative alternatives to subsistence agriculture. Its broad mission is to assist village communities in the Western Himalayan eco-region to conserve their natural resources while utilizing non-timber forest products (NTFPs) in a socially equitable, economically efficient and ecologically sustainable manner. The organization operates under the premise that attaining economic and managerial control over their natural resources will instinctively provide local communities the impetus to support long-term biodiversity conservation goals.

**[7] *Uttarakhand Parvatiya Aajeevika Sanvardhan Company (UPASaC)*** -is an Uttarakhand state-initiated Venture Capital Company formed under the aegis of Uttaranchal Gramya Vikas Samiti constituted by the state to implement the IFAD funded Uttaranchal Livelihoods Improvement Project for the Himalaya (ULIPH) popularly known as Aajeevika project. The primary objective of UPASaC is to identify, scout, support and nurture entrepreneurship of the bottom of the pyramid in a manner that it alleviates poverty, create innovative financial tools that will support community institutions in developing networks with the formal financial institution to organize profitable, equitable and sustainable business with positive social, gender and environmental impact in the project area. The reach of the Company is spread over 17 development blocks of five districts of Uttarakhand targeting 42690 households in 959 villages under Aajeevika. The company provides equity and near equity financing for promotion of micro & small enterprises/services sector for providing services to micro enterprises. It develops innovative financial tools including flexible micro insurance products to suit the needs of the rural entrepreneurs best.

## RESEARCH METHODOLOGY

Total respondents of the study were 200 units, among them were 25 each working in eight rural development programmes and rural interventions. The extent of universe in this study was especially rural and hilly areas of the state. The sampling method is non-probabilistic. The study focussed on the programmes operated by four rural development organizations and four government initiated rural development programmes operating in Pauri, Rudraprayag, Chamoli, Almora, Nainital, Bageshwar, Haridwar & Udham Singh Nagar districts of Uttarakhand state of India have been taken under consideration for the study. The rural development programmes and interventions undertaken for study were as follows-

- The Mahatma Gandhi National Rural Employment Guarantee Programme.
- Swarnjayanti Gram Swarojgar Yojana.
- Indira Avas Yojana.
- National Social Assistance Programme.
- Himalyan Action Research centre(HARC)
- Uttarakhand Parvatiya Aajeevika Sanvardhan Company (UPASaC).
- Appropriate Technology India(ATI)
- District Rural Development Agency.

The selected regions are marked with diversity in the context of language, literacy level, customs, life styles and economic growth therefore, this heterogeneity holds many implications

to the policy makers. Primary data were collected through structured questionnaires & personal interview. The sources of secondary data included Internet, magazines, journals and books from various concerning libraries and offices of NGOs in Uttarakhand. The classification of the data was done according to the attributes of the sample. Appropriate Statistical tools were used with the help of SPSS.

## RESULTS AND DISCUSSIONS

The data were analysed by means of various statistical tools. The relevant hypotheses were framed, examined and tested by using chi square statistics. It was done to check the management of rural development programmes with a special focus on the employee participation, hierarchal communication, productivity, employee motivation and the employment opportunities provided by the rural intervention organizations.

**Reliability Statistics** - Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. A "high" value of alpha is often used (along with substantive arguments and possibly other statistical measures) as evidence that the items measure an underlying (or latent) construct.

### Reliability (Consistency) Analysis

#### Scale: Management Development Programmes Effectiveness

##### Reliability Statistics

Cronbach's Alpha	N of Items
.762	200

Reliability analysis shows the value of Cronbach's alpha as 0.762, which lies between the accepted ranges of .05 to .09. Hence the questionnaire administered has enough reliability to proceed further for analysis.

### Hypothesis testing

**H<sub>0</sub>1: There is no significant relationship between the communication of latest programmes and schemes to middle and lower management and productivity of the organization.**

The relationship between the communication of programmes by higher management to middle and lower management was tested against the achievement of goals by rural interventions. The calculated value of **Pearson Chi-square is=93.594** which is greater than critical value **26.296** at 5% level of significance with DF=16. Therefore null hypothesis is rejected. It was because of the reason that the effective intra- organizational communication provides clear job description and responsibilities which in turn yields productivity in the organization.



Table 2: Chi square statistics

Relationship	Degree of Freedom	Chi-square value	P value (Asymp. Sig. 2-sided)	Result
Intra organizational communication * Organizational productivity	16	93.594 <sup>a</sup>	.000	Rejected
Employment opportunities * Coverage Area of intervention Programme	16	756.247 <sup>a</sup>	.000	Rejected
Salary and Benefits * Employee motivation	16	23.186 <sup>a</sup>	.068	Accepted

**H<sub>0</sub>2: There is no significant relationship between coverage areas of intervention programme and employment opportunities.**

The calculated value of **Pearson Chi-square=756.247** which is greater than critical value 26.296 at 5% level of significance with degree of freedom V=16. Therefore hypothesis is rejected. This implies that there is a significant relationship between coverage areas of intervention programme and employment opportunities provided by rural interventions. It was realized that the employment opportunities were actually increased as the implementation of the programmes extended to more areas.

**H<sub>0</sub>3: There is no significant relationship between the salaries and benefits provided by the organization and the employee motivation towards their work.**

The calculated value of **Pearson Chi-square is =23.186<sup>a</sup>** which is greater than critical value 26.296 at 5% level of significance with degree of freedom V=16. Therefore hypothesis is rejected. This implicates that there is a significant relationship between the salaries and benefits provided by the organization and the employee motivation towards their work. The people living in rural areas have fewer opportunities to sustain their livelihood. Therefore, in spite of the low salary and compensations, some factors like skill development activities and growth of their area also encourage the employees to work without any enticement. Moreover, some of the people also participate voluntarily in the organisations without caring much about the monetary benefits as their sole motive being the upliftment of and upgradation of living standards of the rural people.

### **Factor Analysis**

The study looks into the factors that affect the effective management of the rural interventions organizations and therefore, factor analysis was done to investigate the most crucial factors involved in it. A total number of nine factors were taken and factor analysis was performed. The nine factors taken were Working Conditions, Job Responsibility, Grievance Handling Procedure, Salary and Benefits, Training and Development, Employee Retention, Employee Motivation, Workers Participation in management and Intra-organisation communication.

Table 03 : KMO and bnantlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.557
Bartlett's Test of Sphericity	Approx. Chi-Square	159.580
	Df	36
	Sig.	.000

The Kaiser–Meyer–Olkin measure of sampling adequacy tests whether the partial correlations among variables are small. The KMO measures the sampling adequacy which should be greater than 0.5 for satisfactory factor analysis. Here we see that the value of KMO is .557 which is perfectly accepted to go ahead with factor analysis.

Table 04 Total variance explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.955	21.720	21.720	1.955	21.720	21.720	1.670	18.561	18.561
2	1.427	15.861	37.580	1.427	15.861	37.580	1.450	16.115	34.676
3	1.143	12.704	50.284	1.143	12.704	50.284	1.362	15.139	49.815
4	1.064	11.821	62.106	1.064	11.821	62.106	1.106	12.291	62.106
5	.949	10.547	72.653						
6	.715	7.948	80.601						
7	.669	7.431	88.031						
8	.599	6.657	94.688						
9	.478	5.312	100.000						

*Extraction Method: Principal Component Analysis*

The table given above contains the information regarding the nine possible factors and their relative explanatory power as expressed by their Eigen values to assist in selecting the number of factors. In the above table, we see that, out of nine components, 4 components explain 62.106 of the total variance that is acceptable. Also, the 1<sup>st</sup> four factors all have Eigen values greater than 1 which is good factor analysis. For e.g. for the 1<sup>st</sup> component, an Eigen value of 1.955 denotes that it explains variance 1.955 times more than a single variable/factor.

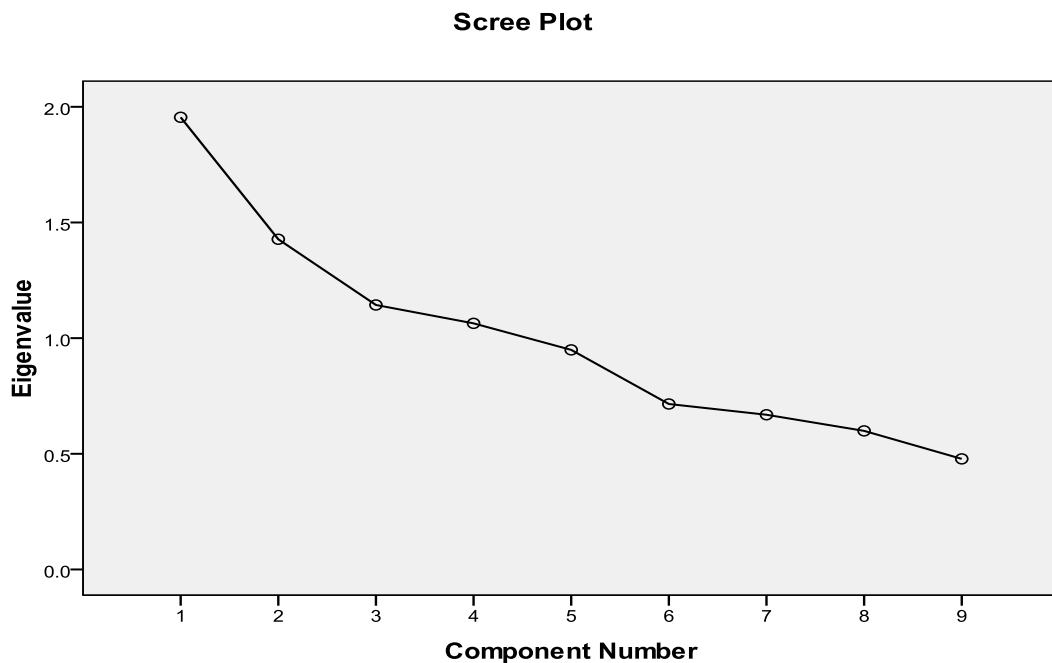


Figure 02 Scree plot

Further, the Scree test is shown in the following table. The exhibit plots the nine factors extracted in this study. Starting with the first factor, the plot slopes steeply downward initially and then slowly becomes an approximately horizontal line. The point at which the curve first begins to straighten out is considered to indicate the maximum number of factors to extract. Therefore we considered the four factors that would qualify.

Table 05 VARIMAX-rotated component analysis factor matrix

Rotated Component Matrix<sup>a</sup>

	Component				Communalities
	1	2	3	4	
Working Conditions	.019	.004	.099	<b>.913</b>	.843
Job Responsibility	-.227	-.022	<b>-.814</b>	-.074	.721
Grievance Handling Procedure	.087	<b>.809</b>	.061	-.113	.679
Salary and Benefits	<b>.573</b>	.015	-.103	.381	.485
Training and Development	-.351	-.138	<b>.700</b>	.013	.632
Employee Retention	<b>.447</b>	.411	.297	-.139	.476
Employee Motivation	-.009	<b>.762</b>	-.235	.195	.674
Employee Participation	<b>.644</b>	.150	-.128	.122	.468

Intra-organisation communication	<b>.738</b>	-.059	.160	-.193	.612
					<b>Total</b>
Sum of Squares( Eigen Values)	1.670	1.450	1.362	1.106	5.558
Percentage of Trace*	18.561	16.115	15.139	12.291	62.106

*Extraction Method: Principal Component Analysis, Rotation Method: Varimax with Kaiser Normalization.*

a.4 Components extracted, rotation converged in 5 iterations, \*Trace=9(Sum of Ei

The table represents the components matrix that contains the loading of the nine tests on the four factors extracted. These factor loadings are the correlation coefficients between the variables and the factors. It measures how closely the variables in the factors are associated, which is indicated by their factor loading values.

**Component Plot in Rotated Space**

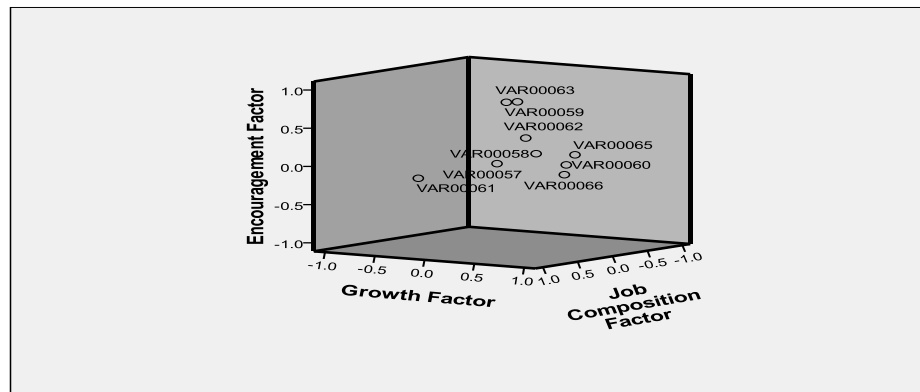


Figure 03 Identical factors

We have noted that in the rotated factor solution, variables 7,8 and 9 load significantly on factor 1; variables 4 and 5 load significantly on factor 2; variables 1 and 3 load significantly on factor 3 whereas variables 2 and 6 load significantly on factor 4.

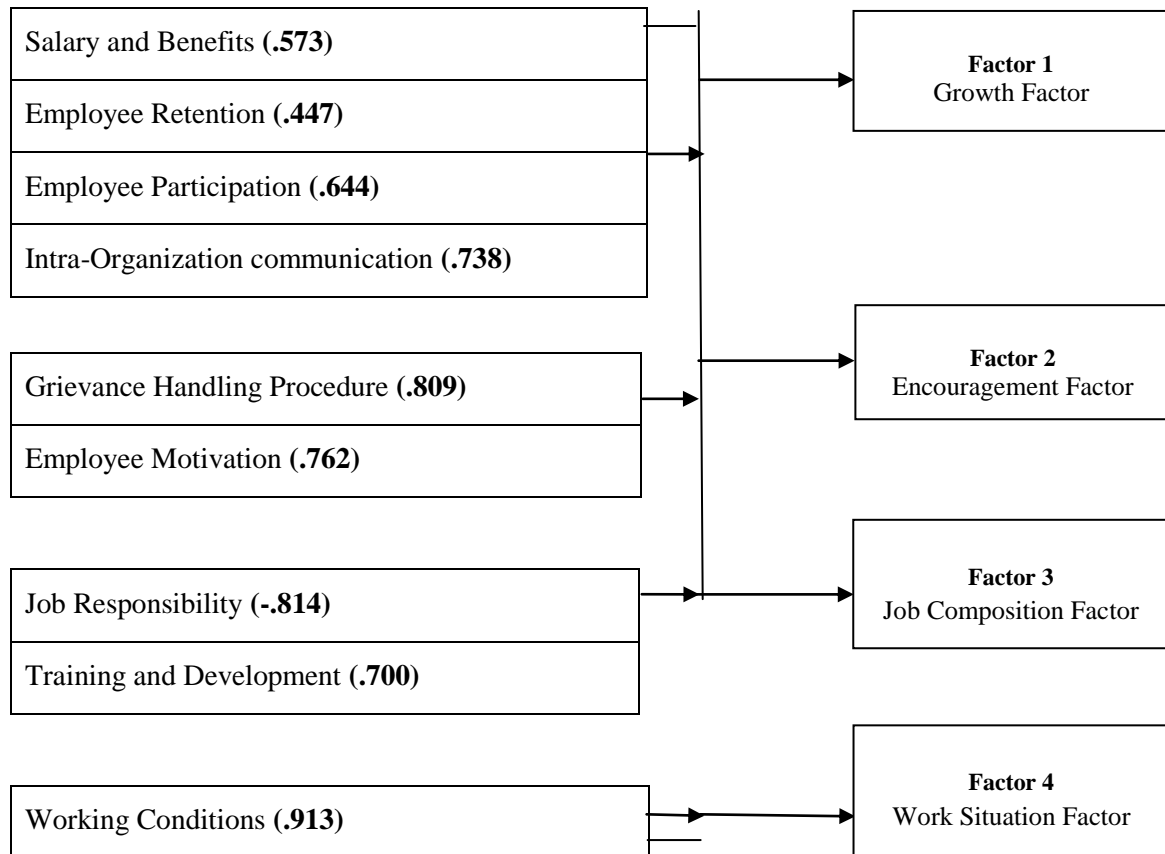


Figure 04 Factor solution

**Factor1:** The attributes like Salary and Benefits, employee participation, employee retention and intra-organizational communication accounts for the factors which are responsible for growth of the employees in the organisation. The factor was therefore termed as “Growth Factor”.

**Factor2:** It was a grouping of attributes that encouraged the employees to work in the organisation. The variables of Employee Motivation and grievance handling procedure represent encouragement of the employees to be in the organisation. Therefore, the factor was termed as “Encouragement Factor”.

**Factor3:** It was decided to name the grouping of attributes like job responsibility and training and development together as these both factors are an essential component in performing at the job. Therefore the factors were termed “Job Composition Factor”.

**Factor4:** The factor working conditions represent the environment faced by people working in the organization and in different programmes. Therefore it was termed “Work Conditions Factor”.

## CONCLUSIONS AND SUGGESTIONS

The present study has revealed various factors about the management of rural development programmes which are required to be modified and changed for achievement of its objectives for inclusive growth in India. The following suggestions are recommended for making these organisations more effective-

- The structure is an integral component of the organization. It provides guidelines on division of work and linkage between various functions. The study reveals that less than half of employees have the knowledge about the hierarchical structure of the organization in the context of government rural interventions but the employees of the non-government interventions are well informed about the hierarchical structure of the organizations. There is a need to explain the structure and objectives to all the people involved in the process of rural development, similarly the employees from non-government interventions are more aware about the mission of the organization as compared to government organizations.
- For better implementation of the organizational objectives, it is imperative to have smooth and quick decision making. The hierarchy of the organizations in rural interventions are a hindrance to decision making and it is suggested that the autonomy of decision making of the programme should be more with the lower level of the structure. This will help to take better decisions considering the specific context and requirements.
- Job responsibilities are not taken with accountability. It is suggested that more accountability and performance oriented policies should be made in these organizations.
- There is a lack of clear-cut organizational communication towards their employees which in turn make these personnel unaware about the significance of their jobs. So the communication about the goal and strategies should be shared at all levels with the employees in the organization. Communication within the organization is to some extent better in case of non- government interventions which shows its better productivity. Working conditions and stress level in the employees go hand in hand. The improvement in working conditions leads to reduce the stress level of the employees so there is a need to reduce stress arising due to task or role ambiguity.
- The working conditions and salary with other benefits are one of the important factors in employee retention. In non-government interventions, the salary and other benefits given to them are average and retention policies are not in favour of the employees which need to be improved.
- Employee participation in the organizations always helps to improve the effectiveness of the organization. It is suggested that non-government interventions, organization should always look for new programmes and schemes for its effective productivity.
- The Coverage areas of the rural intervention programmes are satisfactory but it is required to review the same with the advent of time and context.
- The workforce should be more professional in their orientation. They should have an understanding about the profile of their work with a missionary zeal. This may help to attain the real objective of development in the country.
- The framing of development programmes should not be done on the basis of some already thought level of capabilities of local people; rather it should be planned on the actual potential of the local people. It is suggested that the plans should not be standard rather tailor-made to the actual need, capabilities, available local resources and interests of the local people.

There is need of transparency in all the aspects of its operations. Moreover, it should be visible to all the stakeholders of the rural development organizations. The livelihood programmes may be made to address the issues of the local community and the local resources may also be used for its sustenance.

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