

Factors Motivating the Village Level Entrepreneurs to render e-Governance Services: An empirical study of the CSCs of Rayagada District

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Abstract- Every Government is now more concerned about that, how quickly and effectively the government services and benefits can reach out to the public by using Information and Communication Technology (ICT). With the use of ICT, e-Governance is the way to reach out people easily, and the very objective of e-governance is to bridge the gap between the government and the public for providing effective, interactive and transparent governance. Hence in the year 2006, India adopted the national e-governance plan (NeGP) to expedite the delivery of government services to citizens at nearby places. So under the National e-Governance Plan (NeGP), a decision was made that, 100,000 telecenters popularly known as Common Service Center (CSC) in India to be established in Public-Private Partnership (PPP) mode and the number of CSCs increased to 350,000 subsequently. The CSC to be run by local entrepreneurs with Government support and they are to be called as Village Level Entrepreneur (VLE). Earlier studies have highlighted the issues & challenges faced by VLEs to run the CSC to make e-Governance successful. It is almost 12 years now since 2006 and technology & governance both are changing very fast which motivates young and women village entrepreneurs to establish such telecenters to increase their own income and social status too. This article focuses mostly on the factors motivating the VLEs to run the CSCs. The study is based on an empirical study of the selected CSCs of Rayagada district of Odisha state. This district has 84.82 percent rural population (census 2011) and hence, is most suited for the study of VLEs. The main objective of this study is to find out the factors that motivate rural entrepreneurs to start CSCs. The study will help the Government and Non-government agencies to motivate the village youth and women to start the telecenters to render government services and the result of the study will help them to convince more such village level workers to establish more government supported telecenters to render government services and have a better livelihood and a successful e-Governance.

Keywords: ICT, NeGP, E-Governance, CSC, VLE

1. INTRODUCTION AND BACKGROUND

In this age of Internet and Communication technology, e-Governance has become a very popular and common word as almost all state and central Government departments have started all their transactions through online mode. With the digital India movement, all government services are made available to the public through the internet and a result of which the citizens are able to access the services anywhere anytime. With all good efforts from Government and other agencies, the kind of growth India is supposed to witness is yet to be achieved. According to a report published in Times of India on 20th February 2018 by RanJani Ayyar that by June 2018 number of Internet users in India has reached 500 million. So this shows the awareness of people of India has increased to use Internet and hence internet based services. In 2006 the National e-Governance Plan (NeGP) was introduced with the aim of 100,000 CSCs which was increased to 350,000 in the year 2015. With the increase of internet users and Government support more number of village level youths and women shown interest to open one government supported telecenters in Odisha too. The owner of this telecenters popularly known as “Jana Seva Kendra” or Common Service Center is called as Village Level Entrepreneur or VLE. Establishing one CSC is also became a medium of earning a livelihood, financial & social support to the family. Along with financial benefits for many, it also enhances the social status and prestige in his/her locality, as they are rendering all Government and Non-Government services to the public. With the government support now many such VLEs are coming forward to establish the CSC or converting their existing business unit to CSC.

1.1. Information & Communication Technology(ICT)

ICT is information and Communication Technology, all state governments and central government in India have approved e-governance initiatives through the use of ICTs and it is enabling the citizens to use the Internet and use various e-Governance facilities ,which is viewed as ICT-enabled governance. According to Bagga et al., “e-governance is government-to people and people-to-government connections where by citizens obtain direct access to records, rules and information about entitlements that they need or want in their daily lives... It also runs into strong resistance since disintermediation methods eliminate middlemen and others whose livelihoods and incomes depend upon the relative inaccessibility of government documents.”

1.2. National e-Government Plan(NeGP)

In 2006 it was seen that the formation of the National e-Governance plan (NeGP) whose main agenda was to make all the government services accessible to the common man in his locality, through Common Service Centers (CSCs) and ensure efficiency, transparency and reliability of such services at affordable costs to realize the basic

needs of the common man. In the year 2006, under NeGP , 100,000 common service centers were sanctioned with a ratio of one CSC for six revenue villages , which again revised in the year 2015 under NeGP-2 or e-Kranti and the total number of sanctioned CSCs increased to 350,000.

1.3. e-Governance

According to Cambridge Business English Dictionary the use of internet by governments to make it possible for people to use government services and be involved in making decisions. The wiki books defines e-Governance as “the use of information technology to free movement of information to overcome the physical bounds of traditional paper and physical based systems” to “the use of technology to enhance the access to and delivery of government services to benefit citizens, business partners and employees.” Further Satyanarayana, J. (2004) defines that, e-government is the modernization of processes and functions of the government by inculcating ICT tools whereas citizens are treated as passive recipients of digital information and services. Nevertheless e-governance is a decisional process which involves ICT in governance with the objective of wider participation and deeper involvement of citizens, institution, NGOs and other companies. It also defined by Kalam, A. P. (2008) “A transparent smart e-Governance with seamless access, secure and authentic flow of information crossing the interdepartmental barrier and providing a fair and unbiased service to the citizen.”

1.4. Common Service Center(CSC)

Common Services Centers (CSC) CSCs, which are broadband-enabled computer facilities, offer a range of government-to-citizen and business-to-customer services, besides promoting basic access to the Internet. Information management systems are designed to ensure that relevant information is available anywhere, anytime, and in any way for government-to-government (G2G), government-to-citizen (G2C), and government-to-business (G2B) interactions. The scheme creates a conducive environment for the private sector and NGOs to play an active role in implementation of the CSCs and to become partners of the government in the development of rural India. The public/private partnership model of the CSC scheme envisages a three-tier structure consisting of the CSC operator (called Village Level Entrepreneur or VLE); the Service Centre Agency (SCA), which is responsible for a division of 500-1000 CSCs; and a State Designated Agency (SDA), identified by the state government responsible for managing the implementation over the entire state. The CSCs are aimed at providing high-quality and cost-effective video, voice, and data content and services in the areas of e-governance, education, health, telemedicine, entertainment, and other private services. CSCs also offer web-enabled e-governance services in rural areas, including application forms, certificates, and utility payments such as electricity, telephone, and water bills.

1.5 Village Level Entrepreneur (VLE)

A VLE is Village Level Entrepreneur who delivers various government and non-government services to the end consumers from the CSC Center. It is the responsibility of VLE to provide a place with safety and convenience, deliver services of e-seva portal to public of local area as per the scheduled rate for each service by government.

2. METHODOLOGY

The research methodology used is based on both primary and secondary research. Primary data was gathered by interviews & questionnaire from 55(5 VLEs per block from 11 blocks except Chandrapur block) VLEs of the district under study. Secondary data was gathered from various websites of Government departments, state Government, District administration websites, Service Center Agency (SCA) and related research and thesis papers.

3. FINDINGS OF THE STUDY

3.1. The e-Governance framework of Rayagada District

The various components of the e-Governance structure of Rayagada district is as shown in Figure-1, which shows the hierarchy of different agency involved in implementing e-Governance services through CSCs.

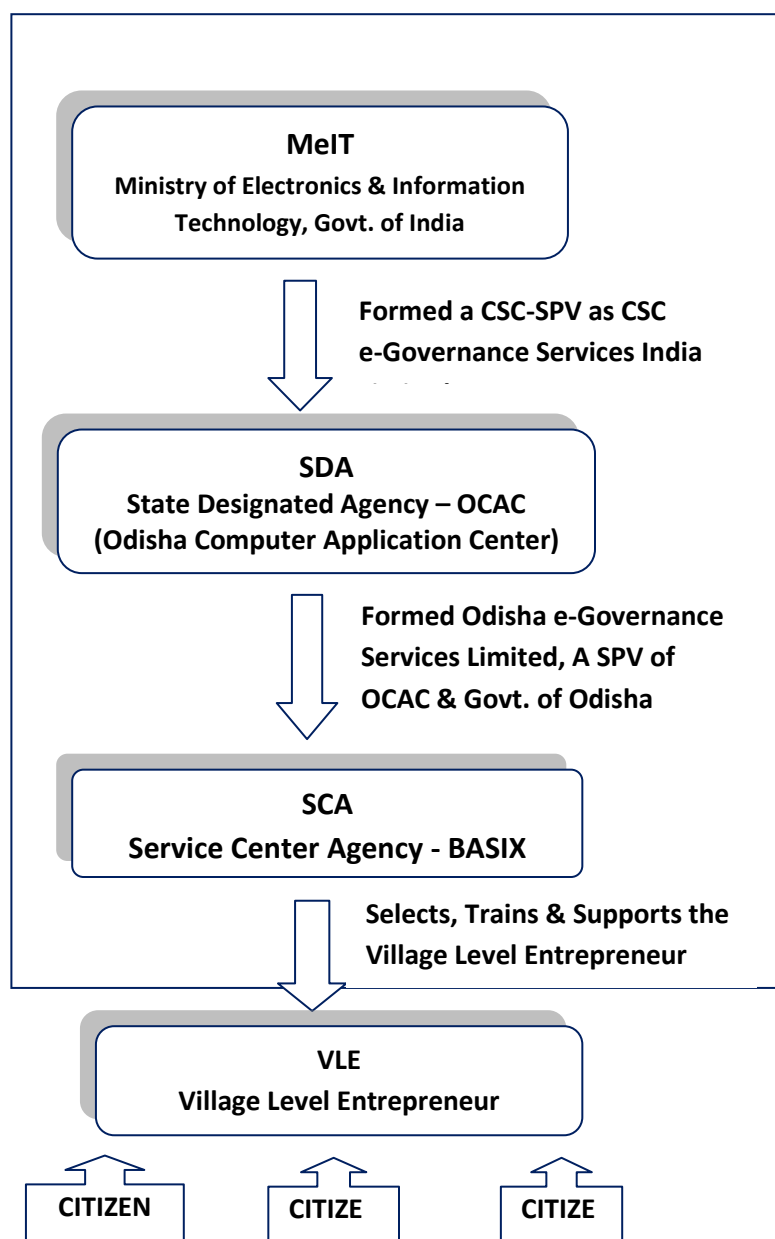


Figure 1. E-Governance Structure

The above figure (Figure-1) shows that the VLEs are selected by the service center agencies (SCA) , which is a private player selected by the state designated agency(SDA) a state government organization and which is controlled by CSC-SPV a central government agency. And this mode of operation is known as Public Private Partnership (PPP).

3.2. CSCs rolled out and Survey conducted details of Rayagada District

The Rayagada district of Odisha spread over 7,073 Square Kilometers with a population of 9.68 lakhs (as per census 2011) which is only 2.31 % population of Odisha. The average literacy ratio is 49.76 out of which male literacy is 61.4 and female literacy is 39.19%. Further according to census 2011, 84.82% population of Rayagada district lives in rural areas of villages. Which is in fact a inspiring factor for us to conduct the study on this district.

Table 1. CSCs Working in Rayagada District as on March 2018

S erial No	Name of the Block	No of Grama Panchayats	No of Revenue Villages	No. of Sanctioned CSCs	Total nos. of rolled out CSCs	Nos of CSCs included in the survey
1	Muniguda	16	416	69	28	5
2	Bisam Cuttack	20	308	51	23	6
3	Gunupur	18	129	22	28	6
4	Rayagada	28	294	49	21	6
5	Kolnara	15	199	33	14	5
6	Kalyansingh pur	13	254	42	13	5
7	Padmapur	13	125	21	22	5
8	Ramnaguda	12	119	20	18	5
9	Kashipur	20	449	75	17	5
10	Chandrapur	7	219	37	3	2
11	Gudari	9	159	27	10	5
<i>Total</i>		<i>171</i>	<i>2671</i>	<i>445</i>	<i>197</i>	<i>55</i>

With the above facts to ensure that the governance must reach out the people, the only solution is penetration of more Common Service Centers which is now only 44.26% where as the national rollout percentage is 70%(Dass, Rajanish & Bhattacharjee), so in comparison to other part of the country the progress of CSCs is very less. In this

study we have attempted to interact with the VLEs and find out what motivated them to open the CSCs and the same can be communicated to government and non government agencies.

3.3. Analysis of Primary Data

3.3.1. Demographic Data of VLEs under Survey

Despite of lot of issues and challenges to run the CSCs to render citizen centric services some motivating factors are also encouraging rural entrepreneurs to establish a CSC. Some existing Desktop Publishing (DTP) houses are converting to CSC and gradually few women also coming into picture as entrepreneur. During our survey out of 55 VLEs we have interacted with 9 such women VLEs. The factors can be listed by analyzing the survey data from 55 different VLEs across all 11 blocks of Rayagada. In the survey we have included 76 different questions relating to the day to day operations of CSCs but out of 76 questions we are including 27 pertinent questions relating to motivation for this study and analyze the same to know how motivated the VLEs are in the district and the factors of motivation.

Some demographic figures are given in the *Table 2* which includes the number of VLEs under study.

Table 2. VLEs Demographic Details under Survey

DESCRIPTION	OPTIONS	NO OF VLEs	% OF VLEs(Out of 55)
GENDER	MALE	46	84
	FEMALE	9	16
QUALIFICATION	UNDER GRADUATE	20	36
	GRADUATE	32	58
	POST GRADUATE	3	5
AGE	<30 YRS	17	31
	>= 30 YRS	38	69
OPERATING CSC SINCE	1 TO 2 YEARS	13	24
	>2 TO 3 YEARS	24	44
	> 3 YEARS	18	33

3.3.2. Survey Findings about Internet Users in India

As per the survey conducted by IMAI – Internet And Mobile Association of India and KANTAR IMRB which is a market research, survey and business consultancy firm, some interesting facts about the Indian internet user is found.

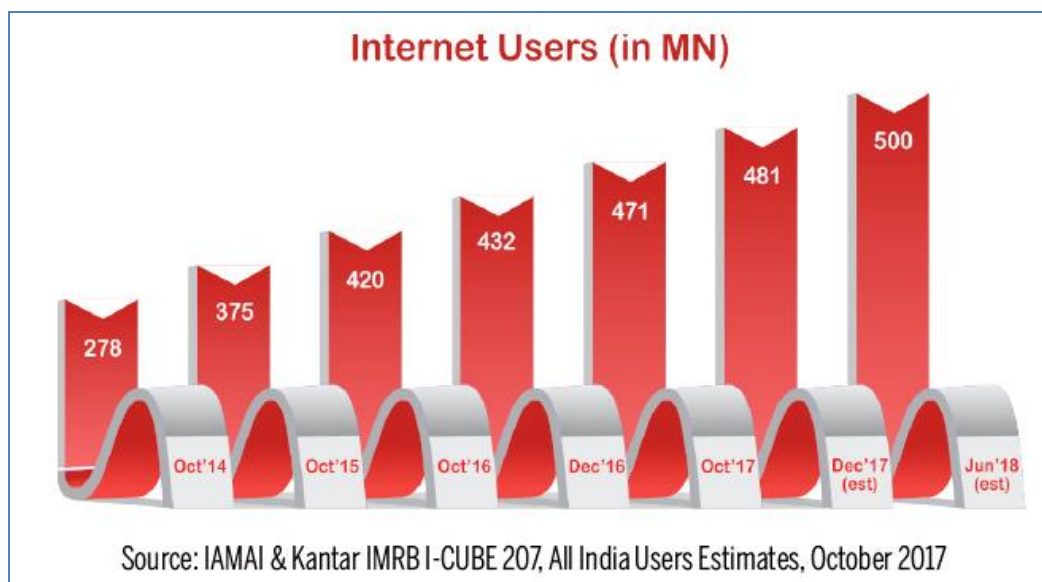


Figure 2. Internet Users in Million

Further, it was explored from the same survey conducted by IMAI & Kantar IMRB I-CUBE that 59% internet users are either youth or college goers and remaining 41% can be targeted as the prospective customers at CSCs to get e-Governance facilities.

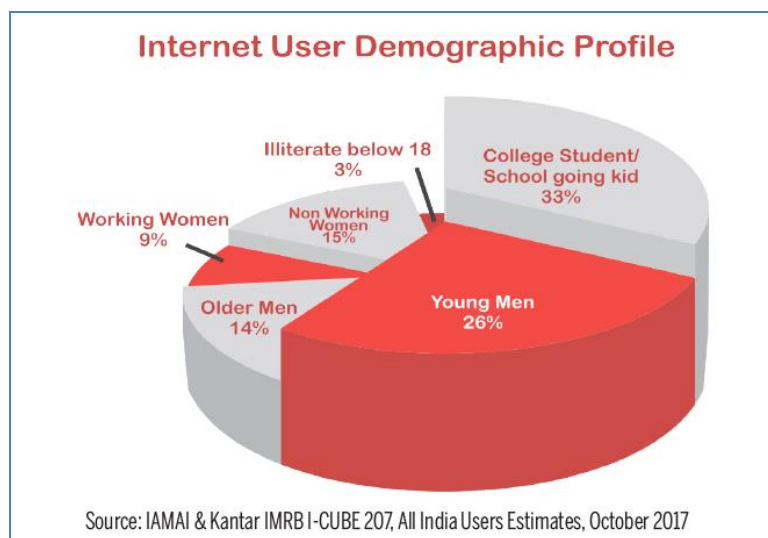


Figure-3 – Internet user's

Demographic Profile

The driving force: what motivates Indian entrepreneurs	
Motivator	% mentioning
I - Rewards of entrepreneurship	
Autonomy	57
Making money/financial independence	43
Saw business opportunity/impact on industry	27
Recognition of self and/or organisation	23
Desire to create something new/innovate	20
Build something important/make a difference	17
Grow a business from scratch	17
Desire to be entrepreneur/excitement of entrepreneurship	3
II- Personal qualities	
Intellectual challenge/achieve potential	27
Instinct	10
Others	10
III- Career	
Career growth/diversification/satisfaction	13
Others	3
IV- Experience	

Utilize previous experience	6
Had technology/industry vision	3
V- Non-monetary factors	
Help India in various ways	23
Non-monetary success/personal satisfaction	7
Create value/jobs/wealth in society	3

The survey again says that the male rural users are more in percentage to use the internet and hence they are more aware about the various government services and more to access CSCs.

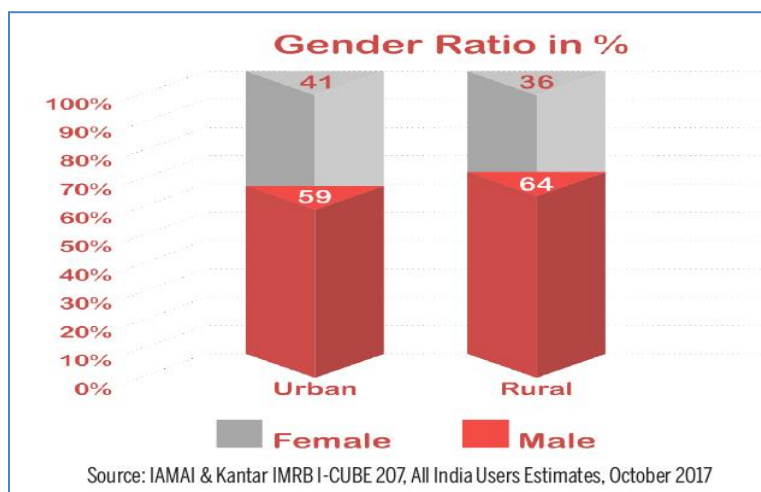


Figure -4 – Indian Internet users – Gender Ratio

3.3.3. Motivational factor to be an Entrepreneur

According to a study conducted by Subodh Bhat and Richard McCline of San Francisco State University, Indian youths are motivated to have their own business setup due to various reasons and the result is analyzed here in the table no-3. The result shows that 57% of the Indian youth want autonomy where as 43% are for making money or financial independence.

Through our study we have tried to map these motivating factors with the rural entrepreneurs (VLEs) and got some conclusions.

Table 3. What Motivates Indian to be Entrepreneur

3.3.4. Survey Findings

We are including the questions asked in the questionnaire to the VLEs and the option chosen by most of the VLEs for the question and the percentage of VLEs choosing the same option.

Table 4. VLE Survey Question and Compiled Answer

Q NO	Question asked	Option Chosen by most of the VLEs	% of VLEs Opted for This Answer
1	What is the motivation behind starting the CSC?	Generate Income	100%
2	Is it your primary business: Yes / No	Yes	80%
3	The premise of CSC is	Owned By You	62%
4	Who operates the CSC every day?	Self	92%
5	Investment made to setup the CSC	Rs.100,000	80%
6	The average monthly income you had before setting up CSC	Up to Rs.3000	85%
7	The total capital for your business?	Extension of Existing Business	65%
8	What is the average number of transactions per day?	20-40	76
9	Average monthly income of the VLE from CSC operations without considering government (revenue) support (In Rs.)?	5,000-10,000	72%
10	Out of the above amount, average monthly income of the VLE from offline operations only	3,001- 5,000	69%
11	Average monthly revenue support to the VLE given by the SDA/SCA Rs	Up to Rs. 1000	65%
12	Operating expenses of the CSC per month:	3,000	89%
13	Time taken by the SCA Call Centre / Help Desk generally take to fix problems or provide solutions?	Within 24 Hours	86%

14	To Open CSC which are the agencies from whom the permissions had to be sought?	I. District Administration / Revenue Officials II. Village Panchayat III. Police Dept. IV. Electricity Dept. V. Telephone Dept. / Agency VI. Internet Service Provider VII. Other Service Providers	ALL
15	Did the SCA help the VLE in the above?	YES	70%
16	How long did it take to set up the CSC after applying to the SCA?	Up to 2 Months	78%
17	Was the VLE trained on CSC operations? Yes ?No	Yes	100%
18	What was the nature of this training?	a. Induction training (at the beginning of setting up CSC) b. Later training (when new services are launched)	Both
19	What is the level of satisfaction of the VLE with the trainings provided?		90%
20	Did the SCA provide advertising material like posters, leaflets, displays, flyers, stickers, signs, notices etc.?	Yes	72%
21	Does the SCA undertake promotional campaigns for popularizing the CSC	Yes	64%

	services? Yes / No		
22	If Yes, what is the nature of these campaigns?		I. Posters II. Leaflets III. Flex banners
23	What are the services that SCA provides to the VLE?		I. Providing help in obtaining loan II. Providing surety / guarantee for loan taken III. Providing help in equipment maintenance, trouble shooting etc. IV. Providing help in obtaining / maintaining internet connection V. Providing help in obtaining permissions, approvals etc. VI. Providing pre-printed stationery VII. Providing training VIII. Providing help in promotional campaigns IX. Providing / identifying manpower for running the CSC X. Providing

			help in accounting of transactions, cash management
24	Does the VLE receive its share of revenue from the SCA on time? Yes / No	Yes	85%
25	Does the VLE think that the usage of CSC services will pick up (further) in future? Yes / No	Yes	100%
26	Would the VLE like to continue with the CSC business in the future? Yes / No	Yes	100%
27	Has CSC business earned VLE more respect?	Yes	95%

4. DISCUSSION

Analysis was made regarding the percentage of VLEs responding to each question asked (Table – 4) and the results which can be mapped with (Table -3) for drawing some conclusion.

- I. The answer to question no-1 to 6 here is mapped with rewards of entrepreneurship and question no 8 to 12 also mapped with making money or financial independence, which says people are highly motivated to have their own business with autonomy and make money to support family and can get recognition.
- II. Question no 7 says that 65% of VLEs have extended their existing business to CSC, which shows that they have utilize their previous experience and technology.
- III. Question no 13 to 23 is about the assistance and support the VLEs are getting from SCA and SDA which helps them to have their career growth, diversification and satisfaction.
- IV. Question no 24 is again relating to making money and utilization of previous experience which will leads to industry vision also.
- V. Question no 25 is all about the future growth and vision of the CSCs which can be mapped with desire to create something new, saw business opportunity, career growth and autonomy too.

- VI. Question no 26 is about the continuing the CSE business where 100% VLEs said yes which leads to some personal qualities like intellectual challenge or achieve potential , career growth , satisfaction, autonomy , making money , saw business opportunity etc.
- VII. Question no 27 is very interesting which is not linked with financial benefits and it's like the CSC business earned respect for the VLEs so it can be easily mapped with non-monetary factors like personal satisfaction and creating jobs and wealth in society.

5. CONCLUSION

After a detailed study certain facts about CSC business, which improves the financial status of the VLEs and the study says that making money or financial independence is the most important motivating factor. Some of the facts are as follows.

- I. The VLE gets more income when CSC is the only source of income.
- II. Higher educated VLEs are able to generate more Income.
- III. Those VLEs are having prior computer knowledge and data processing experiences have more income.
- IV. Income is more If the SCA helps the VLE, time taken to set up CSC is less. Else, more.
- V. Suitable training to VLE by SCA increases the chances of raising income by VLEs.
- VI. Income is higher, if promotional campaigns by SCA are higher and
- VII. More is the income of VLE , if promotional campaigns by VLE are higher

Hence, it can be concluded that though there are lots of challenges in starting and running of CSCs, there are also some motivating factors which motivates VLEs in Rayagada District. Some motivating factors as per the findings of the study are as follows.

- I. The economic benefits the VLEs are earning.
- II. The autonomy or independence of doing business and earning the livelihood.
- III. The Government and other agencies (SCA , SDA) support to run the business.
- IV. Technical knowhow transferred from the agencies and which is also a continues activities.
- V. Guaranteed business as it is associated with government activities and it caters the people's need.
- VI. Advertisement and promotional support from Government and SCAs.
- VII. Training on operations of CSC is free and provided by SCA (90% VLEs are satisfied).
- VIII. Maintenance of software, hardware, internet etc is taken care by SCAs.
- IX. More business opportunity is there if the VLE includes more facilities.
- X. The VLE can be the employer to some employees working under him/her.
- XI. IF the VLE is already literate in computer more scope is there to earn more even.

- XII. The VLE does not have to leave home for earnings as most of the VLEs (62%) established CSCs in their own house.
- XIII. Many VLEs (65%) can convert the old business setup to a CSC with less investment.
- XIV. The investment (Rs100000) is less in comparison to start a guaranteed business with quick return of investment.
- XV. Finally and most importantly this business of CSCs brings respect and social prestige to the VLEs which 95% VLE agreed.

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