

The Role of Strategic Management and Strategic Leadership In Promoting Inclusive Rural Development

Jyothi A N¹, Dr. Ambily A S², Dr. Sridhara Murthy L³

¹Lecturer. Amrita Vishwa Vidyapeetham,
Mysore Campus

²Vice Chair Person, Asst. Professor
Amrita Vishwa Vidyapeetham. Kochi Campus

³Professor. Amrita Vishwa Vidyapeetham,
Mysore Campus

ABSTRACT

The purpose of this Paper is to study and analyze how Strategic Management and Strategic Leadership play a vital role and act as catalysts in achieving rapid Rural Development and Inclusive Growth. Strategic Management provides the tools for a strategic leader to create a necessary game plan. These tools include strategic analysis, strategic formulation, strategic implementation and strategic evaluation, bringing about a metamorphosis in the economy and the rural development scenario. The Rural Development and Inclusive Growth are possible by Strategic Leadership when first, the situations are analyzed, alternative plans are formulated, and the feasibility is explored. Thereafter, once these parameters are satisfied, such a strategy could be implemented. The actual are then reviewed and evaluated according to the strategic formulation. Thus this preliminary hypothesis indicates that there is a close and correlated connection between Strategic Management, Strategic Leadership and Rural development with its emphasis on Inclusive Growth. The authors have taken a major Rural Development programme namely Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) for analysis and to examine how far this programme satisfies all the parameters. Based on the analyses the authors make certain observations and suggestions.

Keywords:- Situational Analysis, Strategic Formulation, Strategic Implementation, Strategic Evaluation, Strategic Management, Strategic Leadership, Rural Development, Inclusive Growth, MNREGA.

1. INTRODUCTION

Strategic Management and Strategic Leadership are the most important factors to create a game plan in order to change the scenario of a country like India. The Government after Independence has taken several steps to improve rural areas to keep up the words of Mahatma Gandhi who has rightly said that "The future of India lies in its Villages". Thus, there is a need to develop and implement strategies as would promote Inclusive Growth and Rural Development. The data for this Paper is collected through secondary sources. The data has been analyzed to know the impact of MNREGA on providing the employment to the poor. Earlier in India, there was no programme to improve rural areas so, many from rural areas migrated to cities. The Government to improve the conditions in rural areas introduced NREGA which provides employment to the rural people to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. Since 1960, the government has been merging old schemes to introduce new ones retaining the objective of providing additional wage employment. It took 30 years of government experimentation to launch major schemes like Jawahar Rozgar Yojana, Employment Assurance Scheme, Jawahar Gram Samridhi Yojana and sampoorna Grameen Rogar Yojana which were forerunners to Mahatma Gandhi NREGA. NREGA exemplifies the features of a "mature democracy", which provides "the poor with the right to demand, the right to know and the right to dignity and not the right to beg." The problem during the implementation gave the way to decentralize by providing financial and functional autonomy to the local self- government institutions or Panchayati Raj Institutions in order to fight corruption.

This Paper has the following main objectives:

- a) To review the origin and planning of NREGA.
- b) To study the correlation between the Strategic Management, Strategic Leadership and MNREGA.
- c) To draw suitable inferences based on the available data.

Milestones of the Indian Journey towards MGNREGA

1952 Community Development Programme (CDP)

1960 Rural Manpower Programme (RMP).
1971 Crash Scheme for Rural Employment (CSRE).
1972 Intensive Rural Employment Programme (IREP) on Pilot basis.
1973 Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labour Scheme (MFAL).
1977 Food for Work Programme (FWP).
1980 National Rural Employment Programme (NREP).
1983 Rural Landless Employment Guarantee Programme (RLEGP).
1993 Jawahar Rozgar Yojana (JRY) and Employment Assurance Scheme (EAS).
1999 Jawahar Gram Samridhi Yojana (JGSY).
2001 Sampoorna Grameen Rozgar Yojana (SGRY).
2004 National Food for Work (NFFWP).
2005 Notification of NREGA.
2006 Implementation of Phase I-NREGA in 200 districts of India.
2007 Extension of Phase II- NREGA to additional 130 Districts. 2008 NREGA Phase III-Extended to cover all districts of India.
2009 NREGA renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and extended whole country.

Source: History of Development & Employment Programmes in India: at a Glance. Available at <http://tarunguptaitian.wordpress.com/ias/187-2/>

2. PLANNING OF NREGA BY THE GOVERNMENT

The operational guidelines of National Rural Employment Act is divided into 13 chapters. The following are the chapters:

Chapter 1: Objective of the Act and Formulation of State Employment Guarantee Schemes

Chapter 2: Management

Chapter 3: Planning

Chapter 4: Registration and Employment

Chapter 5: Works and their Execution

Chapter 6: Payment of Wages and Unemployment Allowance

Chapter 7: Funding

Chapter 8: Monitoring and Evaluation of Outcomes

Chapter 9: Management of Data and Maintenance of Records

Chapter 10: Transparency and Accountability: Role of the State

Chapter 11: Transparency and Accountability: Public Vigilance and Social Audits

Chapter 12: Technical Resource Support for Quality

Chapter 13: Convergence

In each of these chapters it explains about the objective of the Act, the basic implementations principles and respective roles at village level, block level, district level, state level and central level, the annual plan, eligibility to register, permissible works, sanctioning of works, the wage-material ratio, engineers accredited, submission of weekly reports on work-sites, payment of wages (daily wages and piece rates), its funding pattern, monitoring at various levels, evaluation and to motivate each district annual ranking of district is also done, maintenance of records, annual reports of the state, social audit as a continuous process, use of technical resources like information technology, website to make aware of to the public about the programme and lastly converging/ dovetailing with social sector programmes. The author takes an example of the job allotted to the villagers according to NREGA in the year 2013.

Mahatma Gandhi NREGA Outcomes (Physical: Employment) for the financial year 2012-13 up to December 2013

S. No.	States	No. of house holds who have demanded employment	No. of house holds provided employment	Persondays In Lakhs							Average persondays per Household	Number of House holds Availd 100 days of Employment	
				Total	SCs	% Age of SC participation	STs	% Age of ST participation	Women	% Age of Women participation			Others
	1	2	3	4	5	6	7	8	9	10	11	12	13
1	ANDAMAN AND NICOBAR	15496	10398	4.97	0	0	0.25	5.03	2.32	46.68	4.72	47.8	1106
2	ANDHRA PRADESH	5816077	5816077	3238.86	755.64	23.33	502.72	15.52	1888.99	58.32	198.05	55.69	995394
3	ARUNACHAL PRADESH	141133	101004	25.63	0	0	21.79	85.02	7.54	29.42	3.84	25.38	4319
4	ASSAM	1229450	1217074	309.65	18.46	5.96	63.79	20.6	80.54	26.01	227.4	25.44	10018
5	BIHAR	2075513	1908555	826.73	199.38	24.12	153.4	1.86	251.8	30.46	612.01	43.32	150207
6	CHANDIGARH	0	0	0	0	0	0	0	0	0	0	0	0
7	CHHATTISGARH	2726377	2626054	1182.9	107.27	9.07	451.56	38.17	555.15	46.93	624.07	45.04	239043
8	DADR A & NAGAR HAVELI	0	0	0	0	0	0	0	0	0	0	0	0
9	DAMAN & DIU	0	0	0	0	0	0	0	0	0	0	0	0
10	GOA	4443	4384	0.57	0.02	3.51	0.11	19.3	0.45	78.95	0.44	13	0
11	GUJARAT	749978	678040	280.07	24.14	8.62	107.57	38.41	119.87	42.8	148.36	41.31	52241
12	HARYANA	299339	290849	126.73	64.3	50.74	0.04	0.03	50.54	39.88	62.39	43.57	19534

13	HIMACHAL PRADESH	541472	491848	239.37	68.4	28.58	16.31	6.81	145.14	60.63	154.66	48.67	32748
14	JAMMU AND KASHMIR	528748	492191	240.82	14.06	5.84	38.66	16.05	49.37	20.5	188.1	48.93	32541
15	JHARKHAND	1412272	1394426	550.76	68.54	12.44	224.18	40.7	179.79	32.64	258.04	39.5	81885
16	KARNATAKA	1470650	1337882	621.91	104.89	16.87	55.6	8.94	287.62	46.25	461.42	46.48	109145
17	KERALA	1693885	1525486	836.44	127.81	15.28	21.37	2.55	777.84	92.99	687.26	54.83	339865
18	LAKSHADWEEP	1963	1807	0.47	0	0	0.46	97.87	0.14	29.79	0.01	26.01	52
19	MADHYA PRADESH	3109868	3080587	1111.99	213.55	19.2	307.14	27.62	472.22	42.47	591.3	36.1	120059
20	MAHARASHTRA	1581989	1548667	815.59	56.95	6.98	119.05	14.6	362.77	44.48	639.59	52.66	212463
21	MANIPUR	444894	427856	158.85	1.8	1.13	85.21	53.64	57.46	36.17	71.84	37.13	628
22	MEGHALAYA	303447	300297	134.43	0.66	0.49	128.29	95.43	56.37	41.93	5.48	44.77	30395
23	MIZORAM	174782	173967	127.41	0.01	0.01	127.08	99.74	29.97	23.52	0.32	73.24	3945
24	NAGALAND	377615	375740	131.88	1.32	1	121.95	92.47	33.19	25.17	8.61	35.1	35
25	ODISHA	1766554	1598097	545.18	95.9	17.59	205.21	37.64	196.05	35.96	244.07	34.11	76152
26	PUDUCHERRY	41443	41281	8.68	3.03	34.91	0.01	0.12	7.29	83.99	5.64	21.03	4
27	PUNJAB	242965	234838	63.59	50.02	78.66	0.02	0.03	29.68	46.67	13.55	27.08	3653
28	RAJASTHAN	4536095	4201386	2180.58	402.6	18.46	520.44	23.87	1504.45	68.99	1257.5	51.9	408664

29	SIKKIM	55596	54536	33.15	1.49	4.49	12.43	37.5	14.8	44.65	19.23	60.79	9233
30	TAMIL NADU	7098688	7054997	4079.46	1139.88	27.94	54.12	1.33	3025.62	74.17	2885.5	57.82	1352534
31	TRIPURA	597416	596465	517.61	90.66	17.52	220.44	42.59	212.68	41.09	206.51	86.78	235978
32	UTTAR PRADESH	5219398	4880862	1376.36	461.26	33.51	14.25	1.04	270.7	19.67	900.85	28.2	65118
33	UTTARAKHAND	407845	401748	160.55	28.92	18.01	4.32	2.69	73.84	45.99	127.31	39.96	12633
34	WEST BENGAL	5746064	5693870	1916.81	625.79	32.65	188.1	9.81	644.32	33.61	1102.9	33.66	226462
	Grand Total	50411455	48561267	21848	4726.75	21.63	3627.81	16.6	11388.51	52.13	13493	44.99	4826054

Following is the Table arranged in an ascending order according to the Number of households who have been provided employment through NREGA:

Sl.No.	States	have demanded employment	No.of households provided employment	Persondays In Lakhs							Average persondays per Household	Number of Households Availed 100 days of Employment	Overall Percentage (column number 2 and 3)	
				Total	SCs	% Age of SC participation	STs	% Age of ST participation	Women	% Age of Women participation				Others
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1.	ANDHRA PRADESH	5816077	5816077	3238.86	755.64	23.33	502.72	15.52	1888.99	58.32	1980.5	55.69	995394	100.00
2.	TRIPURA	597416	596465	517.61	90.66	17.52	220.44	42.59	212.68	41.09	206.51	86.78	235978	99.84
3.	PUDUCHERRY	41443	41281	8.68	3.03	34.91	0.01	0.12	7.29	83.99	5.64	21.03	4	99.61
4.	MIZORAM	174782	173967	127.41	0.01	0.01	127.08	99.74	29.97	23.52	0.32	73.24	3945	99.53
5.	NAGALAND	377615	375740	131.88	1.32	1	121.95	92.47	33.19	25.17	8.61	35.1	35	99.50
6.	TAMIL NADU	7098688	7054997	4079.46	1139.88	27.94	54.12	1.33	3025.62	74.17	2885.5	57.82	1352534	99.38

7.	WEST BENGAL	5746064	3109868	3080587	1111.99	213.55	1916.81	625.79	32.65	188.1	9.81	644.32	33.61	1102.9	33.66	226462	99.09
8.	MADHYA PRADESH	1229450	1217074	309.65	18.46	5.96	63.79	20.6	80.54	26.01	42.47	591.3	25.44	10018	98.99	99.06	99.06
9.	ASSAM	303447	300297	134.43	0.66	0.49	128.29	95.43	56.37	41.93	5.48	44.77	30395	98.96	98.96	98.96	98.96
10.	MEGHALAYA	1412272	1394426	550.76	68.54	12.44	224.18	40.7	179.79	32.64	258.04	39.5	81885	98.74	98.74	98.74	98.74
11.	JHARKHAND	4443	4384	0.57	0.02	3.51	0.11	19.3	0.45	78.95	0.44	13	0	98.67	98.67	98.67	98.67
12.	GOA	407845	401748	160.55	28.92	18.01	4.32	2.69	73.84	45.99	127.31	39.96	12633	98.51	98.51	98.51	98.51
13.	UTTARAKHAND	55596	54536	33.15	1.49	4.49	12.43	37.5	14.8	44.65	19.23	60.79	9233	98.09	98.09	98.09	98.09
14.	SIKKIM	1581989	1548667	815.59	56.95	6.98	119.05	14.6	362.77	44.48	639.59	52.66	212463	97.89	97.89	97.89	97.89
15.	MAHARASHTRA	299339	290849	126.73	64.3	50.74	0.04	0.03	50.54	39.88	62.39	43.57	19534	97.16	97.16	97.16	97.16
16.	HARYANA	242965	234838	63.59	50.02	78.66	0.02	0.03	29.08	46.67	13.55	27.08	3653	96.66	96.66	96.66	96.66
17.	PUNJAB	2726377	2626054	1182.9	107.27	9.07	451.56	38.17	555.15	46.93	624.07	45.04	239043	96.32	96.32	96.32	96.32
18.	CHHATTISGARH																

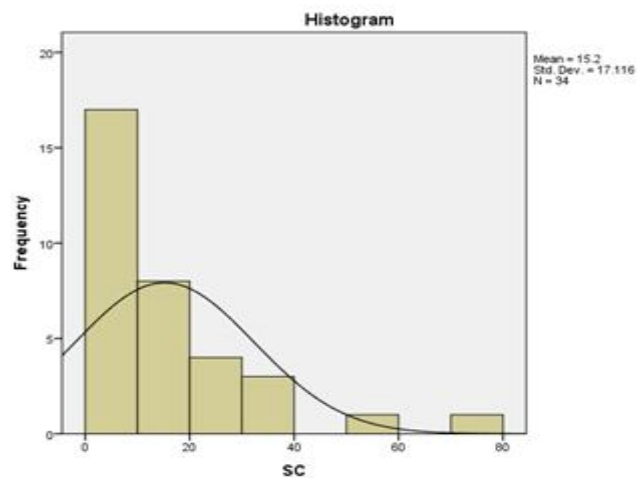
19.	MANIPUR							444894	
20.	UTTAR PRADESH								
21.	JAMMU AND KASHMIR								
22.	RAJASTHAN								
23.	LAKSHADWEEP								
24.	BIHAR								
25.	KARNATAKA								
26.	HIMACHAL PRADESH								
27.	ODISHA								
28.	GUJARAT								
29.	KERALA								
30.	ARUNACHAL PRADESH								

31.	ANDAMAN AND NICOBAR	15496	10398	4.97	0	0	0.25	5.03	2.32	46.68	4.72	47.8	1106	67.10
32.	DAMAN & DIU	0	0	0	0	0	0	0	0	0	0	0	0	0
33.	DADRA & NAGAR HAVELI	0	0	0	0	0	0	0	0	0	0	0	0	0
34.	CHANDIGARH	0	0	0	0	0	0	0	0	0	0	0	0	0
	Grand Total	50411455	48561267	21848	4726.75	21.63	3627.81	16.6	11388.5	52.13	13493	44.99	4826054	96.33

The following are the analysis of the above table:

Statistics

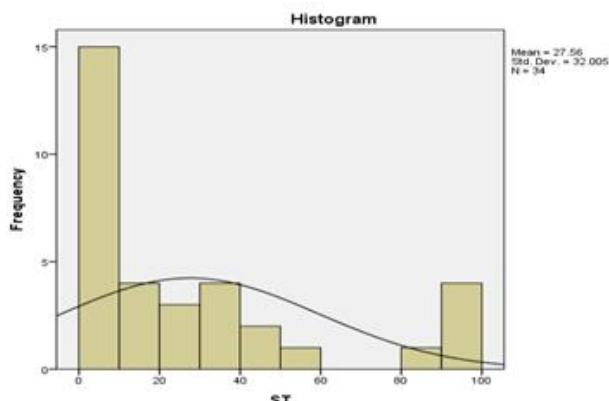
SC		
N	Valid	34
	Missing	0
Mean		15.20
Median		10.76
Mode		0
Std. Deviation		17.116
Skewness		1.839
Std. Error of Skewness		.403
Kurtosis		4.666
Std. Error of Kurtosis		.788



The Percentage of participation of SC in NREGA when analyzed shows a positively skewed distribution which says that still the programme has to put more effort in attracting more number of people because the skewness is 1.839 and standard error of skewness is 0.403, the z value will be $[1.839/0.403]$ 4.56 which is greater than 1.96. This shows that this is the time to rethink about the planning of NREGA programme by evaluating the present situation in INDIA.

Statistics
ST

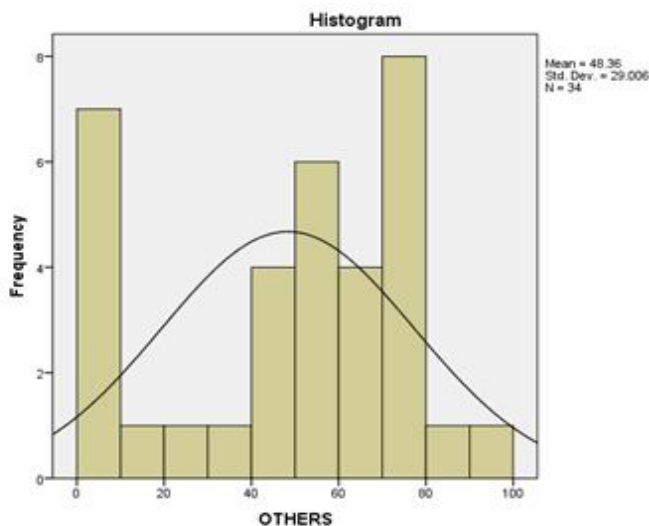
N	Valid	34
	Missing	0
Mean		27.56
Median		15.79
Mode		0
Std. Deviation		32.005
Skewness		1.256
Std. Error of Skewness		.403
Kurtosis		.463
Std. Error of Kurtosis		.788



In the above table, the percentage of ST participation when analyzed showed positively skewed where its skewness is 1.256 and standard error of skewness is 0.403 therefore the z value will be $[1.256/0.403]$ 3.12 which is greater than 1.96. This shows that the participation is not satisfactory in this programme so it is the time to rethink about the planning of NREGA programme by evaluating the present situation in INDIA.

Statistics
OTHERS

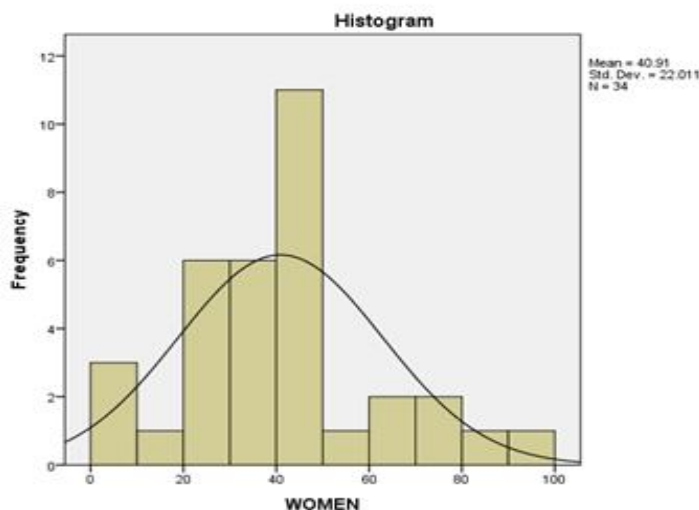
N	Valid	34
	Missing	0
Mean		48.36
Median		55.36
Mode		0
Std. Deviation		29.006
Skewness		-.585
Std. Error of Skewness		.403
Kurtosis		-.924
Std. Error of Kurtosis		.788



In the above table, the percentage of OTHERS participation when analyzed showed negatively skewed where its skewness is -0.585 and standard error of skewness is 0.403 therefore the z value will be $[-0.585/0.403]$ -1.45 which is within -1.96. So this shows that the participation of Others in NREGA is satisfactory in this programme. Now it is the time to evaluate and plan to attract more number of people so that this will arrest migration of people from rural to urban.

Statistics
WOMEN

N	Valid	34
	Missing	0
Mean		40.91
Median		41.51
Mode		0
Std. Deviation		22.011
Skewness		.327
Std. Error of Skewness		.403
Kurtosis		.427
Std. Error of Kurtosis		.788

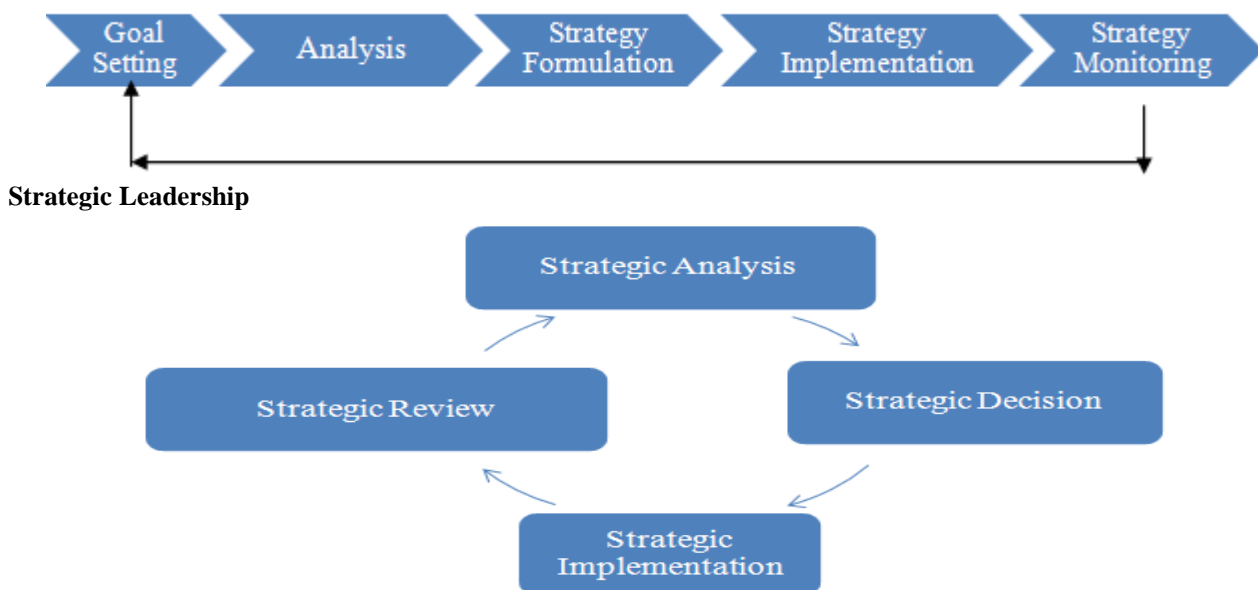


In the above table, the percentage of Women participation when analyzed showed positively skewed where its skewness is 0.327 and standard error of skewness is 0.403 therefore the z value will be $[0.327/0.403]$ 0.811 which is less than 1.96. So this shows that the participation of women in NREGA is satisfactory in this programme. NREGA programme should be evaluated and it should be compared to the earlier plan, to attract more number of people so that this will arrest migration of people from rural to urban. So by this it is clear that in some states, the participation of people is very less and in few it is nil. Therefore we can know that there is very less awareness of this programme in India. So the Government should spread the awareness of the program before they introduce in such areas and assure the people that they will get the remuneration from government to earn their livelihood and arrest migration from rural to urban areas.

The second example is that the implementation problem:

According to Bigi Thomas and Ruby Bhatia, Senior faculty member of Department of Social Work, Sardar Patel University, V.V. Nagar, Gujarat and Project Fellow in UGC's Major Research Project, Department of Social Work, Sardar Patel University V.V. Nagar, Gujarat respectively the Paper titled "Impact of NREGA Scheme: A Study on the overall Quality of Life of Its Beneficiaries (A Study Undertaken among beneficiaries of 3 districts of Gujarat State) published in Asia-Pacific Journal of Social Sciences, Vol IV(2), July-December 2012, pp.213-227 has concluded that: "Even though NREGA has brought changes in the Quality of life of beneficiaries especially from economically and socially backward communities, a lot more has to do to achieve the expectations of the society at large. People are still not empowered to use their right to demand and ensure transparency in the implementation of this scheme. It calls for intervention by authorities to ensure smooth functioning of this programme, free from malpractices and corruption so that it can act as a tool to rejuvenate the otherwise unproductive and under productive areas of our country." These problems can be overcome by carrying strategic Management and Strategic Leadership at the Management Level.

Facets of Strategic Management



In order to evaluate the implementation of MNREGA from a management point of view, it would be desirable to analyze the same by applying Strategic Management and Strategic Leadership in terms of the following:

- a) Strategic Analysis
- b) Strategy Formulation
- c) Implementation of the Strategy.

Strategic Analysis: According to many authors, Strategic Analysis is concerned with the strategic situation of the organization. The organization looks into issues such as changes in the organizational environment and its likely impact on the organization, assessment of its resources and strengths and weaknesses in the light of changes in environment. A vigilant and proactive organization always tries to get ahead of competition through a constant reexamination of its position in the marketplace in terms of its products, services, strategies etc. In any organization, the strategic leader at first will analyze the internal factors like the functional areas (production, human resource, finance, research and development, marketing, selling and distribution etc.) to know the strength and weaknesses and then analyzes the external factors like political factors, legal factors, demographic factors, cultural factors, social factors etc., to know the opportunities and threats of the company. The experiments were conducted for decades from 1960 to 1990 by developing various programmes to change the scenario in the rural areas and remove poverty in India. The latter part of the 1990s witnessed total rural employment growing at the rate of only 0.58% per year, at a time when the rural population was growing at around 1.7 per cent per year.

Rural poverty is inextricably linked with low rural productivity and unemployment, including under-employment. Government has initiated employment opportunities, sustained and refined many rural development programmes under different five year plans. Government on this basis launched major schemes like Food for Work Programme, Jawahar Rozgar Yojana, Employment Assurance Scheme, Jawahar Gram Samridhi Yojana and Sampoorna Grameena Rozgar Yojana was forerunners to Mahatma Gandhi NREGA.

The government faced problems while implementing the programmes, so they had to decentralize the schemes and reduce bureaucracy, the schemes were merged with Mahatma Gandhi NREGA. But still when we look at the annual reports of each of the states, we will come to know the situations pertaining to each district. The Government should first analyze the situation internally in each of the district or state, match to the external environment and then to take necessary action.

a) **Strategy Formulation and MGNREGA:** Strategy formulation is the process of determining appropriate courses of action for achieving organizational objectives and thereby accomplishing organizational purpose.

The following are the current goals of the Act:

- i. Social protection for the most vulnerable people living in rural India by providing employment opportunities.
- ii. Livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity.
- iii. Drought-proofing and flood management in rural India
- iv. Empowerment of the socially disadvantaged, especially women, Scheduled Castes (SCs) and Schedules Tribes (STs), through the processes of a rights-based legislation
- v. Strengthening decentralized, participatory planning through convergence of various anti-poverty and livelihoods initiatives
- vi. Deepening democracy at the grass-roots by strengthening Panchayati Raj Institutions
- vii. Effecting greater transparency and accountability in governance.

The Government should analyze the long term goals and should prepare short term or annual goals ultimately the objectives will be achieved.

Now, after analyzing the yearly situation in each district in India, as they prepare the report, the Government is not taking care of refining the problem which is formed.

b) **Strategy Implementation and MGNREGA:** According to authors, Strategy Implementation is the process of translation of strategies and policies into action through the development of programmes, budgets and procedures.

After formulation of the goals, the next process is to implement the plan. Under NREGA, the maintenance and computerization of records is an important means of promoting accountability and transparency in the generation of guaranteed employment. To have the transparency and accountability the gram panchayat has to maintain the register to whom the employment is given during the period. The district program coordinator will always consolidate the plan proposals of the taluk panchayat along with the time frame and the full cost of each project which should be carried out.

3.CONCLUSION

Implementation of NREGA in India to improve rural areas has been success to certain extent helping people to improve their standard of living and arrest migration from rural areas to urban areas. Still the programme has to be analysed forecasting the future problems. So, the study can state that there is a correlation between the Strategic Management and Strategic Leadership and NREGA because if strategic Management and Strategic Leadership is adopted NREGA can be a success.

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