

# Backcountry Entrepreneurs

*Information technology goes to villages...*

Charu Bahri

There is a call centre life apart from the hype and cool hoopla of *One Night @ the Call Centre*, and it is one that young Daryll Khongrymmai knows well. In 2005, Khongrymmai relocated to Delhi from Bhoirymbong in Meghalaya to advance his prospects. Like many people from the Indian northeast, he spoke reasonably good English, and bagged a call centre job that paid about Rs 15,000 a month.

“My salary seemed a princely sum considering that I had no economic opportunities back home,” says Khongrymmai. And he had brought some serious responsibilities along, unlike many of his young colleagues who were freewheeling their way through life on the back of sudden, if eventually fickle, IT largesse. It didn’t take Khongrymmai long to realise that the only way he could save to repatriate money back home was to scrimp in the here and now.

Khongrymmai soon woke up to the truth that the grass was a lot less greener in Delhi than he had thought. Finally, ready to grasp at any straw to move back to a more homey genteelness, he heard that Basix, a leading microfinance and livelihood promotion institution, was shortlisting village-level entrepreneurs for the 2,000 Common Service Centres (CSCs) to be set up in Meghalaya and Orissa. He promptly applied for a position.

Although it was ostensibly a retrograde step back from the usually urban-based, smart-talking, high-speed information technology entre-

preneurships, it was a smart move. Today, with an average monthly income of Rs 4,000 back home where living costs are a fraction of those in Delhi, Khongrymmai earns a seventh higher than the minimum Rs 3,500 Basix pays to entrepreneurs. He is optimistic about soon expanding his venture to top the Rs 5,000 mark and, in time, further still. On his way there, he is lapping up any advice – all the more important in the cash-strapped rural areas – that he is given by Basix trainers, such as the need to price services according to the clientele’s ability to pay.

Khongrymmai is the face of a new India – literally. It is a tired, old phrase that has been churned through almost every demographic study done in the country since the last decade of the previous century. Nonetheless, it speaks of, and to, that section of educated Indian youth who would probably have been employed as underpaid workers prior to 1990.

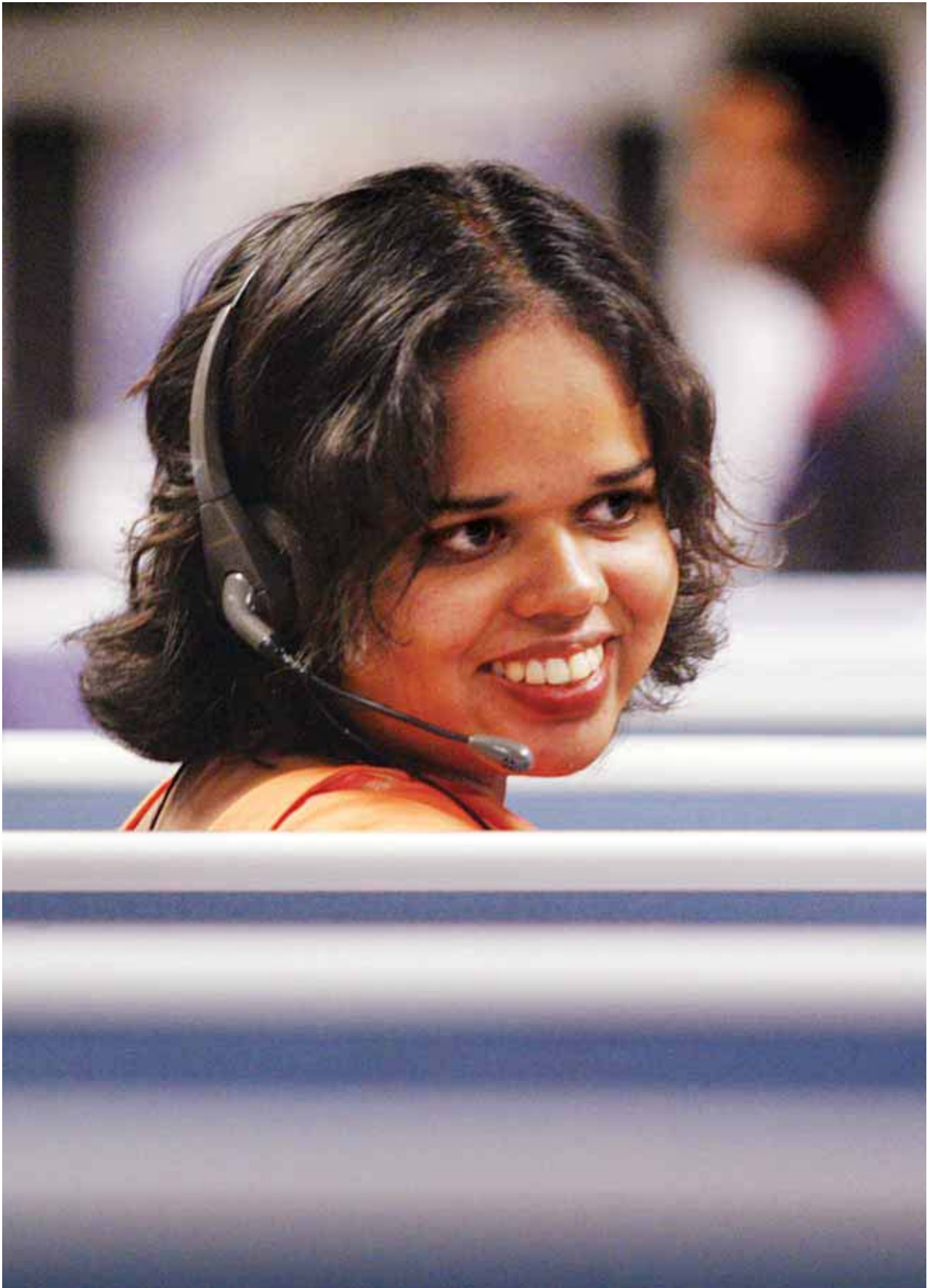
Since the turn of the millennium, these youth have had a place to flock to – the sunrise IT-enabled BPO sector. Scores of pundits hailed even the most basic units of this sector, the so-called call centres, as harbingers of an economic revolution.

And so it was, promising and delivering enormous disposable incomes, which led to a cascading economy with *arriviste* bars and dance floors, foreign FMCG labels and weekend boisterousness, American street fashion and electronic goods as its most visible

signs. The current economic downturn has led to this lifestyle showing some signs of flagging, but that’s largely in the urban areas. In rural and mofussil India, a parvenu lifestyle is usually given a reality check by tradition, so the changes were not particularly cataclysmic. For all practical purposes, Khongrymmai is safe from the transnational avalanche of dismissals.

The IT sector in India has come a long way since 1985, when it employed only about 6,800 people. According to NASSCOM, the numbers grew to 280,000 in 1997 and to 650,000 by the end of 2002. The IT industry has been growing at a yearly average of 38 percent over 2005, the base in terms of headcount. At present, India has an impressive 63 percent share of the offshore component of the US\$ 120-150 billion global BPO industry. NASSCOM also predicted in 2003 that the demand for IT professionals would shoot up to 1.1 million by 2008 if the growth trends held. The growth trends, especially in the urban areas, haven’t held. While that’s not to say that the sector is in reverse gear, upwards of 50,000 IT professionals were pink-slipped from September to December 2008. With an estimated half-million jobs under a guillotine poised to fall if growth doesn’t perk up by end-2009, a serious slide could be in the offing.

One way out of the mess is through the back door that is always open to but rarely used by Indian IT corporates. The IT sector is showing



AP Images

---

increasing interest in basing its enterprises in the rural and mofussil areas, where costs – in terms of overheads, salaries and infrastructure – are reputedly between a quarter and a half of costs in the urban areas, and where the target clientele is expanding, even if it does not yet have deep and endlessly reliable pockets. On its part, the government has long had a sturdy rural component in its IT policy, even though its largely hands-off regimen vis-à-vis the IT sector has meant – till now – that IT entrepreneurs have played it safe and unadventurous in the metros.

**T**he virtual return to the grassroots is imbued with irony. Technology-driven call centres touch the lives of a relative handful of privileged urbanites (80 percent of IT professionals are from the metros), a fact that has led social commentators to speak of the urgent need to level the playing ground – and offset the economic downturn – by propelling information technology to rural India.

Although the rural areas house 70 percent of the national population, the agricultural sector's contribution to the GDP, at only a fifth of the total, is diminutive. Out-migration of farming families to cities, and the ensuing pauperisation of migrants in the urban areas, is leading to a money drain out of the rural areas. Prodigal sons like Khongrymmai can help reverse the trend and check the haemorrhaging of money.

In recent years, having acknowledged that information access was vital to the betterment of socio-economic conditions in rural India, the government sought to proactively use information and communication technologies through Community Information Centres (CICs) in the villages. But the urban-rural divide is a vast chasm bridged with precarious structures, and CICs failed to take off. Simply put, CIC staff were

neither motivated to reach out to villagers nor equipped to deliver the services. Moreover, the government unrealistically planned to run these technology-driven 'socialistic' ventures on subsidies, financial input that is unsustainable in the long term in a market economy.

Ashwanth G, a founding member of DesiCrew Solutions, a rural BPO venture, says, "No venture can be sustained on subsidies or free-funding. If the venture is to be taken seriously by the stakeholders, it must be drawn on commercial lines. This brings accountability to the activity as well as enables loopholes to be covered to ensure efficiency."

This observation emphasises the merits of private enterprise, but the profit-oriented private sector has long been loath to invest in rural India, where the low purchasing power of villagers prolongs the gestation period of service providers and makes nonsense of the market calculus of turnaround times and breakeven intervals. There is one way to break this trepidation: private-public sector partnerships, which Ashwanth endorses. "Tying up with the local administration to provide e-governance services assures a rural business of a low yet steady demand for its services," he says.

These ground realities led to CICs being remodelled to make CSCs. Explaining the new prototype and the rationale behind it, PS Gunaranjan, associate vice-president (Operations – North East), Basix, says, "The CSC model was conceptualised because the absence of commercial enterprise in the public model translated into insufficient motivation to run the centres and draw village-folk to access the information services. The public approach was converted into a partnership between private and public enterprise. Consequently, each CSC is intended to offer much more than the government-to-citizen (GTC) information services planned to be delivered from a CIC."

Doing away with the concept of paid employees, the new model has a village-level entrepreneur (VLE) setting up a CSC and functioning as a storehouse of information that is usually obtained from district and block-level government offices. A CSC will also offer the village hosting it and surrounding villages a range of Internet-enabled desktop publishing (DTP), educational, financial and health services.

For instance, a villager who wants to open a bank account no longer has to trek for a day to a nearby town to have her or his photograph taken and to struggle to fill a mountain of application forms, losing a day's wage in the process. A trained rural entrepreneur now facilitates this process at the village CSC for about a fourth the usual cost.

Gunaranjan explains that while there is no doubt that a demand for the inexpensive services that CSCs deliver exists, entrepreneurs must take into account the villagers' ability to pay. Otherwise, he says, "They will simply forgo the experience (service)."

But it's not easy to ignore the future at your doorstep. The 1,500-strong farming community in village Thirukuvalai in Tamil Nadu lived in a state of information deprivation for decades. Now, however, thanks to Chennai-based DesiCrew Solutions, the community is looking forward to more solvency. The women in the village are spearheading this upgrading of ways and means.

Like other DesiCrew centres across Tamil Nadu, the Thirukuvalai centre echoes the organisation's founding premise that there is no big hurdle to teaching a rural workforce new skills and turning it into service providers at rural BPOs, modifying, according to need and ground reality, the business model of city-based BPOs. DesiCrew – a company incubated by the Telecommunications and Computer



Networking Group (TeNet) of IIT-Madras – has successfully created, through rigorous training, screening and testing, a network of rural service providers.

DesiCrew’s rural BPO units, called “rural delivery centres”, train villagers and allot to them various projects, depending on aptitude. So far, DesiCrew has trained rural teams to offer services related to publishing, such as manuscript digitisation (print-to-text and handwriting-to-text), proofreading, formatting and page-setting, and translation services in various Indian languages. DesiCrew’s teams also take on data entry, translation and transcription of data gathered by market research companies to validate research premises. Some of the organisation’s associates have even been trained for jobs in Geographic Information System (GIS) plotting, telecalling and datamining.

During a training period with 25-year-old Sugitha Dhead of the DesiCrew centre in Thirukuvalai, each girl earns a monthly stipend

that is higher than the earnings of her parents, who are usually farmers. On completion of training, the girls become full-time employees of DesiCrew. Staffers located across DesiCrew’s rural BPOs earn anything between the minimum prescribed wage (for Tamil Nadu) and Rs 15,000 a month.

It makes a difference when the beneficiaries of your job are from your own village. It was the opportunity to do local good that motivated Sugitha to drop her job in Chennai and, like Khongrymmai, return home.

“My parents are open-minded and permitted me to live and work in Chennai,” she says. “But, unlike me, most of the young women who work at our centre face many social restrictions. Their families forbid them from relocating to cities. If not for this job, the girls would have no other employment opportunity in their village.”

Absorbing women into its workforce generates considerable goodwill for DesiCrew in the villages.

More important, though, is the business horse sense that philanthropy makes: the company’s innovative rural IT business model has given it a cost advantage by permitting it to circumvent the high rentals, salaries and attrition rates that plague Indian urban BPOs. Going the extra mile into the boondocks has resulted in a win-win commercial situation for DesiCrew, its urban clients and its rural workforce.

DesiCrew’s Kollumangudi centre, where 25 of the 28 associates are young women, represents not only a reverse brain drain but also women power. The centre’s head, Kasinathan Narayanan, says, “Most of these qualified (Class 12 pass) young girls are not permitted to move to the cities. But even if they found employment in Chennai, they would not be earning more than Rs 6,000 a month. In the city, they would have to rent a room and pay so many overheads. It makes sense to stay at home.” Some young staffers at Kollumangudi say that while in the cities they were saving only 20

percent of their salary, they now spend 20 percent and save the rest.

Far from Tamil Nadu, in Bihar, Drishtee has set up a rural BPO in village Saurath, district Madhubani. The organisation's seven employees and 20 freelance workers in this village of 2,500 people use the latest information and communications technologies to provide services such as call centre support and digitisation to clients in India and America.

**B**ut Bihar is not Tamil Nadu – at the very least, it is harder here to integrate women into the mainstream workforce. Asha Jha, the only woman among the six associates at the Saurath centre, is a 38-year-old homemaker and mother of two. A high school graduate from Madhubani, she had never imagined that she would be part of the BPO industry. The centre is a mere two km from her home, a distance she can safely traverse alone. Speaking of how the centre has impacted her life, she says, “My husband always supported the idea of me working, but the society we live in would not accept me travelling nine kilometres to the nearest town to work. Thanks to technology and the computer and communications training provided by Drishtee, I work as a call centre representative booking orders for a retail organisation.”

Jha earns Rs 3,000 a month from Drishtee. She acknowledges that employment has altered social equations to her advantage. “In spite of the restrictions it imposes, society respects and listens to women who are financially independent,” she says. “It feels great to have earned this respect in my native village.”

Anita Sharma, who runs a Drishtee kiosk in Sipajhar in Assam, wholeheartedly endorses Jha's optimism. After losing her mother as a child, Sharma resolved to study and make some-

thing of her life. Finishing school, she moved to Guwahati to pursue graduation and learn computers. A confident Sharma subsequently returned to her village with ambitious plans of starting her own business. But, despite encouragement from her husband, she found the going tough. A failed attempt to operate a telecom booth brought depression in its wake. She grew insecure about her capabilities. She was saved by a chance reading of an article on NASA astronaut Kalpana Chawla's journey from India to America and into the space shut-



tle. She decided to take the plunge, partnering with Drishtee to open a village kiosk with an investment of Rs 3,000.

Like Basix, Drishtee perceives a demand for services in rural India. “We estimate that the untapped commercial potential of rural India is a staggering yearly \$40,000 per village service market. We are only targeting a nominal 25 percent of this,” says Drishtee managing director Satyan Mishra.

Sharma offers the same educational, finance and information goods and services as Drishtee's 4,700 rural kiosks in the country.

But her mainstay is a personal predilection – vocational education: she enjoys passing on her skills in computers to the village youth. While the average kiosk owner, a high school passout, earns between Rs 1,500 and Rs 3,000 a month, Sharma has leveraged her education and business skills to make Rs 5,000 a month.

She now dreams of buying a Maruti van. “I will be able to travel from village to village with my husband,” she says. “While I offer computer classes, my husband, who runs an electrical repairs business, can take on repair jobs. It will also be easy to transport my computers for repairs. And, of course, we will be able to take family holidays.”

The list of rural IT entrepreneurs is growing because they see both money and challenge in it. SM Chellapa, who works on map-based activities at DesiCrew's centre at Palladam, dropped an offer to work abroad. Pavitra Shaktivel, also at the Palladam centre, is funding her graduation through her job. Thenmozhi Senthilkumar, who heads an all-girl DesiCrew centre at Apakudal, is one of the few graduates from her community of weavers. Following in her footsteps, several educated girls from her community have taken to working.

“Education,” says DesiCrew's Ashwanth, “is the common characteristic in all these examples. Education is the key to accept change and bring about a willingness to learn the skills needed to work at a service centre. Fortunately, the opportunities presented by DesiCrew reaffirm villagers' faith in education. It makes them believe that schooling will make a difference to their lives, so it is worth the effort to send children to school.”

Happy and back home with his ambitions a little altered but pride intact, Daryll Khongrymmmai would be pleased to know that he is bringing a metaphorical fire to his people. □