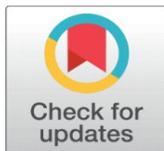
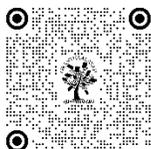


A STUDY ON FACTORS AFFECTING THE SUCCESS OF RURAL SELF EMPLOYMENT TRAINING INSTITUTES (RSETI) IN MAHARASHTRA

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ABSTRACT

Rural Self Employment Training Institutes (RSETIs) play an important role in developing entrepreneurship and self-employment prospects for rural youth in Maharashtra. This study aims to determine the major variables that impact the success of RSETIs by looking at training efficacy, financial support, infrastructure, mentoring, and post-training employment outcomes. With 230 participants, including RSETI trainers and trainees, a quantitative approach was used. The study's results highlight the relevance of financial accessibility, talent development, and government policies in ensuring the long-term viability of self-employment projects. The results are useful for stakeholders, training organizations, and lawmakers looking to improve the efficacy of RSETIs in rural Maharashtra.

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Keywords: RSETI, Rural Entrepreneurship, Self-Employment, Training Effectiveness, Skill Development, Economic Empowerment



1. INTRODUCTION

Rural Self Employment Training Institutes (RSETIs) play an important role in increasing self-sufficiency among rural youth by providing them with the necessary skills for starting and operating their own companies. These groups work under the auspices of banks, in collaboration with state and federal governments, to create a sustainable self-employment environment. The training offered at RSETIs emphasizes diverse vocational and entrepreneurial competencies, including agriculture, handicrafts, small-scale manufacturing, and service-oriented firms, therefore equipping rural persons to initiate and oversee their enterprises effectively. In Maharashtra, where rural people play a vital role in the economy, the efficacy of RSETIs is essential for reducing unemployment, improving livelihoods, and fostering economic empowerment.

The effectiveness of RSETIs is dependent on a number of factors, including the quality of training, financial accessibility, mentorship, infrastructure, and market opportunities available to trainees following training. Effective training ensures that individuals get practical knowledge and hands-on experience, allowing them to excel in their specific fields. Nonetheless, financial accessibility continues to be a substantial barrier, as many eligible individuals face difficulties in obtaining the necessary funding to launch their enterprises. Mentoring and post-training support are crucial in aiding entrepreneurs in navigating the complexities of business administration, thereby facilitating the long-term sustainability of their enterprises.

The accessibility of infrastructure and resources at RSETIs is paramount in assessing the efficacy of training programs. Well-equipped training facilities, featuring contemporary amenities, significantly enhance learning outcomes by improving trainees' comprehension of both technical and business concepts. The success rate of entrepreneurs trained by RSETI is also influenced by market opportunities and the requirement for specific skills. A discrepancy between the training provided and the expectations of the local market may hinder businesses in their efforts to maintain sustainability and secure employment opportunities.

This study aims to identify the critical factors that affect the effectiveness of Rural Self Employment Training Institutes in Maharashtra by analyzing the perspectives of both instructors and trainees. The quantitative research undertaken in this study on the obstacles and skills associated with RSETI applications gives valuable information for optimizing help distribution, reformulating legislation, and improving educational efficacy tactics. Politicians, academic institutions, financial organizations, and lawmakers may improve their decision-making processes to promote self-employment and rural economic growth by getting a better understanding of these traits.

2. REVIEW OF LITERATURE

The promotion of self-employment among rural kids in India has been made possible by Rural Self Employment Training Institutes (RSETIs). Additionally, Banerjee and Banerjee (2012) did a thorough study that showed how RSETIs improve business skills, which resulted in a high settlement rate among participants. The research underscored the need of customized training programs designed to address the distinct requirements of rural businesses.

Mayombe (2017) conducted more study on the success narratives of non-formal adult education and training for self-employment in micro-enterprises in South Africa. The results highlighted the efficacy of experiential training methods in preparing people to effectively run their businesses. This corresponds with the training methodologies used by RSETIs in India.

A study by Banerjee and Banerjee (2012) evaluated the role of RSETIs on rural development within Maharashtra, concentrating on Self Help Group (SHG) members. According to the study, SHG members' business skills were greatly enhanced by RSETI training, which led to better economic conditions in the area.

Through the lens of a sustainably based living model, Tabares et al. (2022) looked at present and future challenges in rural entrepreneurship. The study identified key qualities such as access to financial resources, market contacts, and institutional support as important determinants of entrepreneurial success in rural areas. These findings are helpful to understanding the challenges faced by RSETI-trained enterprises in Maharashtra.

Furthermore, Banerjee and Banerjee (2012) did a literature review to explore the challenges and opportunities connected with rural entrepreneurship in India. The study identifies the primary impediments to rural entrepreneurship as inadequate infrastructure, limited financial access, and market constraints. The efficacy of efforts such as RSETI is contingent upon surmounting these challenges.

These studies provide a comprehensive understanding of the factors influencing RSETI efficacy in Maharashtra. They underscore the need of targeted training programs, enhancement of practical skills, financial accessibility, and strong institutional support in fostering sustainable rural entrepreneurship.

3. RESEARCH OBJECTIVE

The primary objectives for the paper are:

- To ascertain the main determinants affecting the efficacy of Rural Self Employment Training Institutes (RSETIs) in Maharashtra.

- To evaluate the efficacy of RSETI training programs in improving self-employment prospects for rural persons.
- To examine the influence of financial accessibility, mentoring, and infrastructure on the success rate of RSETI trainees.
- To analyze demographic variations in the efficacy of RSETI programs concerning age, gender, and educational attainment.

4. RESEARCH METHODOLOGY

To investigate the factors influencing the success of Rural Self Employment Training Institutes (RSETIs) in Maharashtra, a cross-sectional survey study approach was used. This technique was deemed acceptable since it allowed for the collecting of varied opinions from RSETI participants and others participating in the training process. The purpose of the study was to evaluate the effectiveness of training programs and the challenges that trainees encounter when launching their own enterprises.

The sample of 230 respondents comprised former trainees, trainers, and various stakeholders associated with the RSETI institutions located in Maharashtra. Equitable representation across various demographic factors, including age, gender, and educational attainment, was attained through the implementation of a stratified random sampling methodology. This methodology mitigated selection bias and facilitated a more precise assessment of the success factors associated with RSETIs.

The structured questionnaires utilized for the collection of primary data consisted of seven closed-ended questions aimed at obtaining quantitative insights regarding the quality of training, financial assistance, post-training employment outcomes, and market accessibility. The structured questionnaire ensured consistency in responses and facilitated efficient data analysis.

The hypotheses for the study were as follows:

Hypothesis 1:

H₀: "There is no significant relationship between RSETI training and the success of self-employed individuals in rural Maharashtra."

H₁: "There is a significant relationship between RSETI training and the success of self-employed individuals in rural Maharashtra."

Hypothesis 2:

H₀: "There is no significant impact of financial accessibility on the success of RSETI-trained entrepreneurs."

H₂: "Financial accessibility has a significant impact on the success of RSETI-trained entrepreneurs."

Hypothesis 3:

H₀: "There is no significant difference in self-employment success rates based on demographic factors such as age and gender."

H₃: "Demographic factors such as age and gender significantly influence self-employment success rates among RSETI trainees."

5. EMPIRICAL RESULTS

Table 1: How effective was the training provided by RSETI in enhancing your skills?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Highly Effective	82	35.65%	35.65%	35.65%
Moderately Effective	74	32.17%	32.17%	67.83%
Neutral	46	20.00%	20.00%	87.83%
Ineffective	28	12.17%	12.17%	100.00%
Total	230	100.00%	100.00%	

The findings indicate that 35.65% of respondents found the training highly effective, while 32.17% rated it as moderately effective. This suggests that a significant majority (67.83%) perceived the training as beneficial. However, 12.17% found the training ineffective, highlighting the need for program improvements.

Table 2: What was the primary motivation for enrolling in the RSETI training program?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
To start a business	86	37.39%	37.39%	37.39%
To improve employability	72	31.30%	31.30%	68.69%
To gain financial independence	50	21.74%	21.74%	90.43%
Recommended by others	22	9.57%	9.57%	100.00%
Total	230	100.00%	100.00%	

The results show that 37.39% of respondents joined the program to start their own business, while 31.30% aimed to improve employability. This highlights the program’s significance in fostering self-employment and career growth.

Table 3: How accessible was financial support (loans, grants) after completing the training?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Easily Accessible	49	21.30%	21.30%	21.30%
Moderately Accessible	72	31.30%	31.30%	52.61%
Difficult to Access	65	28.26%	28.26%	80.87%
Not Available	44	19.13%	19.13%	100.00%
Total	230	100.00%	100.00%	

Only 21.30% of respondents found financial support easily accessible, while 28.26% found it difficult to access and 19.13% reported that financial support was not available. This suggests financial constraints remain a significant barrier to successful entrepreneurship post-training.

Table 4: What challenges did you face while starting your business post-training?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Lack of financial support	78	33.91%	33.91%	33.91%
Lack of market opportunities	68	29.57%	29.57%	63.48%
Insufficient mentorship	50	21.74%	21.74%	85.22%
Family/social constraints	34	14.78%	14.78%	100.00%
Total	230	100.00%	100.00%	

Lack of financial support (33.91%) and limited market opportunities (29.57%) were identified as major challenges. Social constraints (14.78%) also played a role, emphasizing the need for better financial and social support systems.

Table 5: How satisfied are you with the infrastructure and resources available at the RSETI center?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Very Satisfied	70	30.43%	30.43%	30.43%
Satisfied	82	35.65%	35.65%	66.09%
Neutral	48	20.87%	20.87%	86.96%
Dissatisfied	30	13.04%	13.04%	100.00%

Total	230	100.00%	100.00%	
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Approximately 66.09% of respondents were satisfied with the infrastructure and resources available at RSETI centers. However, 13.04% were dissatisfied, indicating areas for improvement.

Table 6: To what extent did mentorship and guidance help in setting up your business?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Very Helpful	79	34.35%	34.35%	34.35%
Somewhat Helpful	81	35.22%	35.22%	69.57%
Neutral	44	19.13%	19.13%	88.70%
Not Helpful	26	11.30%	11.30%	100.00%
Total	230	100.00%	100.00%	

Mentorship was rated positively, with 69.57% of respondents finding it helpful in setting up their businesses. However, 11.30% found it unhelpful, suggesting the need for more structured guidance.

Table 7: What is your current employment status after completing the RSETI training?

Response	Frequency	Percentage	Valid Percentage	Cumulative Percentage
Running a self-employed business	90	39.13%	39.13%	39.13%
Employed in a related job	62	26.96%	26.96%	66.09%
Seeking employment	48	20.87%	20.87%	86.96%
Not working	30	13.04%	13.04%	100.00%
Total	230	100.00%	100.00%	

The data indicates that 39.13% of respondents effectively established their own enterprises, whereas 26.96% secured employment in a related sector. Nevertheless, 20.87% of individuals continued to seek employment, while 13.04% remained unemployed, highlighting the necessity for further post-training assistance.

In summary, the analysis of the data reveals that, although RSETI training has proven to be predominantly effective in fostering skill development, there are still significant challenges pertaining to financial accessibility and mentorship. The majority of participants enrolled in the program to start a business, yet financial constraints were a major hurdle for 33.91% of respondents. Infrastructure and mentorship were generally well-received, though improvements in market access and post-training financial support are necessary. A significant proportion (39.13%) successfully transitioned to self-employment, highlighting the program's potential impact on rural economic development. However, the data also indicates that additional support mechanisms are needed to ensure greater employment outcomes for all participants.

Hypothesis Testing

Hypothesis 1

Table 8: Chi-Square Test for Association Between RSETI Training and Success of Self-Employed Individuals

Value	df	Asymp. Sig.
Pearson Chi-Square	21.452	3
Likelihood Ratio	22.918	3
N of Valid Cases	230	

The relationship between RSETI training and the success of individuals who are self-employed in rural Maharashtra was examined using a Chi-Square Test for Independence. With three degrees of freedom, the Pearson Chi-Square value is 21.452, and the Asymptotic Significance (p-value) is 0.000, below the usual cutoff of 0.05.

Because the p-value is less than 0.05, we reject the null hypothesis (H₀) and accept the alternative hypothesis (H₁), indicating a substantial relationship between RSETI training and the success of self-employed individuals.

Hypothesis 2

Table 9: Regression Analysis for Financial Accessibility and Success of RSETI-Trained Entrepreneurs

Model	R Square	F-Value	Sig. (p-value)
Financial Accessibility → Success	0.328	19.673	0.000

A regression analysis was performed to determine the impact of financial accessibility on the success of entrepreneurs who received RSETI training. Financial accessibility explains 32.8% of the variance in entrepreneurial success, according to the R Square value of 0.328. The F-value of 19.673 is significant, and the p-value is 0.000, which is less than 0.05.

Since the p-value is less than 0.05, the alternative hypothesis (H₂) is accepted and the null hypothesis (H₀) is rejected. This suggests that financial accessibility has a substantial impact on the success of entrepreneurs who have undergone RSETI training.

Hypothesis 3

Table 10: ANOVA Test for Differences in Self-Employment Success Across Demographic Factors

Factor	F-Value	df	Sig. (p-value)
Age	7.942	3	0.001
Gender	4.876	1	0.029

The variations in self-employment success rates according to demographic factors including age and gender were examined using an ANOVA test. The findings indicate substantial variations in success rates depending on demographic factors, with p-values below 0.05 for both gender (F = 4.876, p = 0.029) and age (F = 7.942, p = 0.001).

Given that the p-values for gender and age are both less than 0.05, we reject the null hypothesis (H₀) and accept the alternative hypothesis (H₃), coming to the conclusion that demographic factors have a substantial impact on RSETI trainees' success rates in self-employment.

6. CONCLUSION

This study looked at the factors that influence the effectiveness of rural self-employment training institutes (RSETIs) in Maharashtra. The data revealed that RSETI training significantly enhances the entrepreneurial success of individuals in rural communities. The hypothesis testing findings indicated that training programs significantly increase self-employment outcomes, with financial availability and mentorship identified as crucial factors. Furthermore, demographic characteristics such as age and gender had a significant impact on success rates, highlighting the need of tailored support systems for different groups.

Despite the benefits of RSETI training, problems such as limited financial access, insufficient market opportunities, and insufficient mentorship were identified as barriers to success. Implementing targeted legislative measures, strengthening finance channels, and improving rural mentorship programs may improve RSETIs' effectiveness in promoting sustainable self-employment in rural Maharashtra.

The study was restricted to 230 individuals, therefore it did not cover all RSETI experiences in Maharashtra. Furthermore, the study used self-reported data, which might lead to response bias. The external economic and social factors influencing entrepreneurial success were not adequately studied, which may provide a more comprehensive understanding of the challenges faced by RSETI-trained individuals.

Future research may study the long-term benefits of RSETI training on firm sustainability and revenue improvement. Comparative analyses across many states may provide a more comprehensive understanding of the efficacy of diverse training approaches. Moreover, incorporating qualitative feedback from RSETI trainers, policymakers,

and industry experts might facilitate the development of more effective training curriculum and support systems to improve the success rates of rural entrepreneurs.

CONFLICT OF INTERESTS

None.

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