

EFFECTIVENESS OF RURAL SKILLS TRAINING INSTITUTES (RSETIS) IN KARNATAKA, INDIA

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<http://Doie.org/10.65985/AS.2025262621>

Abstract

Rural skills training institutes (RSETIs) play a pivotal role in elevating the caliber of young entrepreneurs in terms of improvement in their communication skills, accounting traits, basic financial management skills, and knowledge about government facilities. Though many studies through light on effectiveness of these rural skills Training Institutes, some of the dimensions are still untouched, the present study tries to show other dimensions of the same. The present work has considered 10 districts of Karnatak state for its study (Viz., Uttara Kannada, Belagavi, Vijayapur, Bagalkot, Gadag, Dharwad, Haveri, Bellary, Raichur and Koppal districts). Effectiveness of Skills training institutes is measured in terms of success rate of beneficiaries of respective RSETIs: total 500 beneficiaries were responded the survey out of which 454 were finally considered for our research work (excluding incomplete and incomplete responses). In this analytical type of research, many statistical tools including Standard deviation, Karl Pearson's and spearman's rank correlation, Anova tests, Post hoc tests (Turkey HSD), mean plots and descriptive statistical tools have been employed to (i) see whether the skills training institutes have an impact on income level of the beneficiaries (ii) To check is there any significant difference in the perception with reference to the component of banking services as enabler to rural skills training with change in the response of the beneficiary (iii) To test is there any significant difference in the perception with reference to the effectiveness of the component of EDP training services as enabler to rural skills training with change in the response of the beneficiary (iv) To see is there any significant difference in the perception with reference to the component of economic empowerment through rural skills training with change in the response of the beneficiary. The results were incorporated.

Keywords: RSETIs, Skills training, Indian skills training, EDP, Empowerment.

Introduction:

RSETIs stand for Rural Self Employment Training Institutes. RSETIs are managed by Banks with active co-operation from the Government of India and State Government. Dedicated institutions designed as to ensure necessary skill training and skill up gradation of the rural BPL youth to mitigate the unemployment problem. These are promoted and managed by banks with active cooperation from state governments. RSETI concept is based on RUDSETI (Rural Development and Self Employment Training Institute), a society established jointly by three agencies i.e. Syndicate Bank, Canara Bank and Sri Manjunatheswara Trust

based at Ujire in Karnataka. One RSETI is established in every district in the country. Concerned bank is the lead bank in the district takes responsibility for creating and managing it. Government of India will provide one - time grant assistance, up to a maximum of Rs. 1 crore for meeting the expenditure on construction of building and other infrastructure. After successful completion of the training, they will be provided with credit linkage assistance by the banks to start their own entrepreneurial ventures.

With the aim of mitigating the unemployment problem among the youth, a new initiative was tried jointly by Sri Dharmasthala Manjunatheshwara Educational Trust, Syndicate Bank and Canara Bank in 1982 which was the setting up of the “Rural Development and Self Employment Training Institute” with its acronym RUDSETI near Dharmasthala in Karnataka. Several centers of the RUDSETI are already operating successfully now.

Objectives:

1. To comprehend the concept of RSETIs in India
2. To analyze the success rate of beneficiaries of Rural Skills Training Institutes (RSETIs).
3. To assess the economic empowerment component of beneficiaries after availing the benefits of RSETIs.
4. To assess the EDP training component of beneficiaries after availing the benefits of RSETIs.

Research Methodology:

To achieve this purpose, the researcher employed analytical research methodology, with secondary sources as instruments of data collection. The present study began with the literature search. The researcher referred leading regional, national and international journals and books published regarding to RSETIs. Primary data has collected from RSETIs websites, PMEGP Website, survey and interview wherever necessary to furnish the theoretical framework for the study through the survey method. Survey based study has been conducted through 33% (10 district selected among 30 district in Karnataka) i.e. covering 500 beneficiaries over the 10 district.

Data analysis and Interpretation:

One of the prominent features of social entrepreneurship is the application of innovation. The RSETIs can be seen as an innovation of institutional structure of good public delivery. From the perspective of efficacy, the banking system is a well-established one, having branches all over the country, which endow bank utilizable potential to be an efficient intermediary agency of social service delivery and a powerful organization platform. Some of the hypothesis made by the author are undergone through the statistical test and interpreted.

Hypotheses 1

There is no difference in the before and after availing income of RSETIs.

Statistics

		Before income	After income
N	Valid	454	454
	Missing	0	0
Mean		2.8247	3.4481
Std. Deviation		1.07334	.90779

Symmetric measures

		Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Interval by Pearson's r	interval	.343	.072	4.498	.000 ^c
Ordinal by Spearman	ordinal correlation	.355	.073	4.675	.000 ^c
N of valid cases		454			

A. Not assuming the null hypothesis.

B. Using the asymptotic standard error assuming the null hypothesis.

C. Based on normal approximation.

From the coefficient of correlation analysis by Karl Pearson's and Spearman's rank correlation tool for income before and after availing the rural skills training benefit, it is found that the value 0.343 and 0.355 respectively, which values are near to zero or not highly positive, which indicates that, there is a variation in the data of after availing rural skills training benefit (if it is same coefficient of correlation would be perfectly positive i.e. +1). And the data is varied significantly ($p=0.000$), therefore the null hypothesis is rejected at 5% level of significance (LOS).

Hypotheses 2

There is no significant difference in the perception with reference to the component of banking services as enabler to rural skills training with change in the response of the beneficiary.

Anova

	Sum of squares	Df	Mean square	F	Sig.
Between groups	159.652	18	8.870	6.685	.000
Within groups	3856.948	2907	1.327		
Total	4016.600	2925			

Factor1	N	Subset for alpha = 0.05			
		1	2	3	4
Procedure involved in getting loan is easy	454	2.43			
Banker gives you good guidance about having loan under rural skills training	454	2.57			
You save money frequently and use it for reinvestment in business	454	2.82			
You are using banking services, on advance is economical than charged by the money lenders	454	2.84			
The bank manager promptly redresses your problems	454	2.86			
Advance schemes of bank are frequently used by you	454	2.86			
Documents to be needed to secure the loan were to the right extent	454		2.91		
You do make repayment of loan regularly	454		2.92		

You are using bank for the payment of insurance premium	454		2.92		
New cheque or passbook are issued as & when asked for	454		2.94		
Loan is available within time limit	454		2.95		
Overall, you visit regularly to bank for saving, withdrawing, borrowing and repayment etc.	454		3.03		
You are using bank for depositing money	454			3.08	
Banks do help you by suggesting suitable way of payment	454			3.10	
Bank follows quick problem-solving approach	454			3.15	
You save money frequently and use it for loan repayment	454			3.23	
Bank is easily approachable in case of emergencies	454				3.32
You are using bank for the repayment of loan	454				3.32
You frequently use credit facilities of the bank	454				3.34
Sig.		.109	.060	.142	.109

Means for groups in homogeneous subsets are displayed.

A. Uses harmonic mean sample size = 454.000.

The analysis of variance is used for testing significant difference between group of means. It is found from the Anova table that the significance value is 0.000 (i.e., $p = 0.000$), which is lesser than 0.05. That is the factors means are differing at 5% LOS and null hypothesis (H_0) is rejected. To verify which of the specific groups differ significantly the Tukey's post hoc test is tested, it gives the multiple **comparisons** table which contains the p values of each pair and homogeneous groups of non-significant variables. The Tukey's post hoc test is generally preferred test for conducting post hoc tests on a one-way Anova, but there are many other tests in the post hoc tests. It can be seen from the above given homogeneous subsets first subset is having factor procedure involved in getting loan is easy, banker gives you good guidance about having loan under rural skills training , you save money frequently and use it for reinvestment in business, you are using banking services, on advance is economical than charged by the money lenders, the bank manager promptly redress your problems and advance schemes of bank are frequently used by you, second subset includes the

factors documents to be needed to secure the loan were to the right extent, you do make repayment of loan regularly, you are using bank for the payment of insurance premium, new cheque or passbook are issued as & when asked for, loan is available within time limit and overall, you visit regularly to bank for saving, withdrawing, borrowing and repayment etc. Third subset contains the factors you are using bank for depositing money, banks do help you by suggesting suitable way of payment, bank follows quick problem solving approach, you save money frequently and use it for loan repayment and last subset contains bank is easily approachable in case of emergencies, you are using bank for the repayment of loan and you frequently use credit facilities of the bank with the non-significant p value 0.109,0.060, 0.142 and 0.109 respectively. These sunsets are significantly differing between the subsets and non-significant within the set. From the means plot it is observed that for many statements of banking service respondents' response is uncertain i.e. Mean value of response is very near to scale 3 and for the factors bank is easily approachable in case of emergencies, you are using bank for the repayment of loan and you frequently use credit facilities of the bank, respondents' response is almost agree i.e. Average crossing the scale 3.

Hypotheses 3

There is no significant difference in the perception with reference to the effectiveness of the component of EDP training services as enabler to rural skills training with change in the response of the beneficiary.

Anova

	Sum of squares	Df	Mean square	F	Sig.
Between groups	174.242	20	8.712	6.766	.000
Within groups	4137.442	3213	1.288		
Total	4311.683	3233			

Factor2	N	Subset for alpha = 0.05			
		1	2	3	4
My decision taking skill improved during EDP training	454	2.71			
The training is necessary	454	2.75			
The areas of training are relevant	454	2.79			
EDP training enhances your communication skills	454	2.79			
You have improved in terms of logic because of training	454	2.80			
Syllabus is adequate in terms of our requirements	454	2.84			
There was no discrimination among trainees in any form	454	2.91			
The duration of EDP training is ideal.	454	2.93			
Number of experts called were meeting your requirements in	454		2.95		
Terms knowledge and adequate skills set					
The financial management skills taught at training are useful	454		2.97		
EDP training enhances your technical skills	454		2.98		
Overall, your opinion about need and good impact o	454		3.05		
F EDP training programme.					
The classes were regular and punctual	454		3.14		
No of trainees per batch was ideal	454			3.21	

The no of tutors were ideal	454			3.22	
I found a positive change in me after undergoing the training	454			3.23	
Special lectures were given by experts were helpful	454			3.23	
The training enhances your soft skills	454			3.27	
Your level of comprehension improved during training	454			3.40	
Selection of experts from different sectors is done wisely	454				3.45
Overall, your opinion about need and good impact of EDP training programme.	454				3.45
Sig.		.110	.095	.060	.189

Means for groups in homogeneous subsets are displayed.

A. Uses harmonic mean sample size = 454.000.

One-way analysis of variance is found to be significant at 5% level of significance. That is the null hypothesis (h_0) is rejected. By exact test or post hoc test (Tukey's), it is found the homogeneous subsets of non-significant factors group. Here we found three homogeneous subsets, first subset contains the factors my decision taking skill improved during EDP training, the training is necessary, the areas of training are relevant, EDP training enhances your communication skills, you have improved in terms of logic because of training, syllabus is adequate in terms of our requirements, there was no discrimination among trainees in any form and the duration of EDP training is ideal second subset contains the factors number of experts called were meeting your requirements in terms knowledge and adequate skills set, the financial management skills taught at training are useful, EDP training enhances your technical skills, overall, your opinion about need and good impact of EDP training programme and the classes were regular and punctual, third subset contains the factors no of trainees per batch was ideal, the no of tutors were ideal, i found a positive change in me after undergoing the training, special lectures were given by experts were helpful, the training enhances your soft skills and your level of comprehension improved during training and the last subset contains the factors selection of experts from different sectors is done wisely and overall, your opinion about need and good impact of EDP training programme with non-significant p value 0.110, 0.095, 0.060 and 0.189 respectively. These factors are non-significant within the subsets and significant between the subsets. From the means it is clearly observed that, for the factors your level of comprehension improved during training, selection of

experts from different sectors is done wisely and overall, your opinion about need and good impact of EDP training programme are having the response agree from the beneficiaries.

Other Findings and Suggestions:

- i. The study reveals that the mean response was poor for ‘procedure involved in getting loan is easy’. Thus, the banks and financial institutions need to simplify the procedure involved in availing the subsidized loan facility to the different scheme beneficiaries. Moreover, the finance facilitators must ensure adequate and timely credit to the respective scheme beneficiaries. Extending timely loan facility would alleviate poverty and also contribute towards economic development. While doing so, adequate care must be taken regarding safety/security aspects.
- ii. The mean score of post hoc tests for item ‘You have improved in terms of logic because of training’ and ‘My decision making skill improved during EDP training’ were arrived comparatively low, so it could be concluded that either the teachers (trainers) are not equipped with adequate knowledge which is the basic need or the content of syllabus need to be redrafted to meet the utter needs and requirements of the beneficiaries of different schemes to which RSETIs are imparting training facility.
- iii. In the present research work, mean responses were below the average for the statements ‘EDP training enhances your communication skills’ and ‘syllabus is adequate in terms of our requirements’ which deduced that the purpose is not really served to the extent required and as aspired by the government of India. To elevate the effectiveness of training in imparting good communication skills the training centers need to identify and select right resource persons. Offering them suitable honorarium is one of the things that need to be adapted by the RSETIs in attracting the suitable resource persons for imparting skills development training.

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