

A Unique Training Methodology of RUDSETIs in Promoting Self Employment among Unemployed Youth

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Abstract: Training programs with emphasis on practical learning, targeted at the unemployed youth, who make a proactive beginning to learn the chosen-skill, play a crucial role in their skills and economic development. Such skill (technical) trainings, offered as a capsule, along with and adequate focus on motivational, managerial and financial literacy inputs bring the desired change in the unemployed youth which reflects in their taking up self-employment ventures for their own economic prosperity and their respective areas as well. The very fact was proved beyond doubt by the establishment and spread of Rural Development and Self Employment Training Institutes (RUDSETIs) in 1982 and thereafter in select locations across the country. The success of the model culminated in replication of it with the name Rural Self Employment Training Institutes (RSETIs) across India at the behest of Government of India with the support of respective State Governments. This vividly tells that the qualitative short-term crash training courses (Entrepreneurship Development Programs-EDPs) of these RUDSETIs, ranging from one week to six weeks' duration, offered under a congenial learning ambience leads to rich value-addition among the unemployed youth which results in their going back to their respective areas after the training with high self-confidence and starting small business enterprises either on their own or with some bank finance. While the paper examines, in general, the role being played by the RUDSETIs with their unique training methodology in promoting self-employment among the unemployed youth, it does so, in particular, to understand in detail the activities of one of its units located at Vetapalem (now shifted to Ongole) in Prakasam District of Andhra Pradesh, India.

Keywords: Bank linkages, EDPs, Financial Literacy, Inclusive Growth, Skill development.

I. Introduction

"What I Hear, I Forget; What I See, I Remember; What I Do, I Understand."- Confucius

Youth unemployment and under-employment is prevalent around the world because young people lack skills, work experience, job search abilities and the financial resources to find employment (United Nations, 2003; ILO, 2006; Matsumoto et al., 2012). This situation is aggravated by poverty and the competitive pressures in developing countries that result from a rapidly growing labour force. Moreover, the inadequacy of social protection schemes and active labour market policies mean that the young people in such economies have little support outside their family and friends. Globally, young people are, therefore, more likely to be unemployed or employed on more precarious contracts or in the informal sector. According to ILO's Global Trends Report 2012 on Youth, nearly 75 million young people are unemployed across the world, which represents an increase of more than 4 million since 2007 (ILO, 2012).

These challenges are evident in India, which has the largest youth population in the world with around 66 per cent of the total population under the age of 35. According to 2010 population figures, one in five young people in the world is an Indian [1]. In this context, much is often said about a 'demographic dividend'; that is, the share of the working-age population increases resulting in a fall in the dependency ratio (the number of children and elderly being supported by workers). However, failing to provide opportunities for this bulge of young people as they enter the labour market risks a 'demographic disaster'. In this regard, governments are rightly concerned about rising levels of youth unemployment and under-employment not only because of the direct economic costs, but also due to the social impact of joblessness which manifests in increased crime, mental health problems, violence, drug-taking and social exclusion [2]. Recognizing the importance of youth employment challenge in the country, India felt that the youth employment can happen only when the young people are equipped with skills that are required to meet the demands of the rapidly growing economy.

II. Need for the Study

"Employment to all" slogan still seems to be miles away from becoming a reality across the globe and in a thickly populated country like India the said slogan or the hope it connotes remains to be a luring fruit beyond reach. The opportunities for getting employment in Government Organizations continue to be less, while the same in private sectors remain to be limited as ever. Unarguably, the major challenge India has been facing in the process of its development is "Unemployment". Lakhs of youth are entering the job market every year after completing their school and/or collegiate education. Technological advancements leading to

automation and mechanization of every sphere of commerce and administration have further heightened the problem. Large scale migration of manpower from rural areas to urban areas due to the unpredictable agricultural economy has been adding pressure to the already over strained civic infrastructure. Millions of unemployed youth particularly from rural and semi-urban background, who could not access higher or professional education and secure employment, are driven to despair for not finding jobs. This has led to such an important segment of population getting attracted to antisocial activities for their livelihood. Thus, the enormous waste of human resources and mismatch of potentiality with productive deployment has baffled the planners and administrators. All these clearly indicate that there is an imperative need to find out some alternative ways to tackle this burning problem; “*Self Employment*” seems to be the only effective solution in such grim situations. It implies that people, with inherent talents and having inner urge to fine-tune them in order to make them sources of their livelihood, indeed need some encouragement and help to develop their skills, which can feed them lifelong when practiced with dedication and commitment.

III. Review of Literature

According to Banerji, G.D. (2011), NABARD has been supporting RUDSETI type of institutions being promoted by various banks in the country. Escort/handholding/follow up services offered by various agencies differed widely. While the escort services are quite effective in case of services offered by RUDSETIs and Entrepreneurship Development Institutes (EDIs), the same is not the case with NGOs/VAs. This must be strengthened. As a corporate strategy, NABARD decided to train one lakh potential entrepreneurs under REDPs over a period of five years from 1999-2000 to 2003-04 by institutionalization of REDPs and supporting select VAs/ NGOs and RUDSETI type of institutions [3].

As per Dilip Chenoy (2012), special skills training initiatives of the National Skill Development Corporation (NSDC) have been helping youth in restive parts of India, Jammu and Kashmir and the North-East to join the mainstream, and participate in and contribute to the process of economic growth [4].

The reports of Ministry of Rural Development, Government of India (2010) observed that RSETI concept and model envisage transforming unemployed youth into confident self-employed entrepreneurs through a short duration experiential learning program followed by systematic long duration hand holding support. The trainings are executed in such a way that they build entrepreneurship qualities improve self-confidence, reduce risk of failure and develop them into change agents [5].

Awasthi, Dinesh (2011) studied that Prof. David C. McClelland during the mid 1960s postulated that (i) the need for high achievement (n-ach) was an essential ingredient for the emergence of entrepreneurs; and, (ii) that it could be developed. The results of the hypothesis tested by him in a few training programs in Kakinada, Hyderabad, and Bombay in India and Barcelona in Spain indicated that it was possible to develop even the poor, illiterate, disadvantaged, and other non-business communities into entrepreneurs and help them set up and operate their own enterprises with appropriate training and counselling interventions. However, his intervention was confined to only achievement motivation training. Following the success of the Kakinada experiment, a more comprehensive approach (that is still in vogue in India) was evolved by Gujarat Industrial Investment Corporation (GIIC) and other state agencies in Gujarat, in the late 60s. A 3-month training approach known as Entrepreneurship Development Program (EDP) that laid emphasis on (i) setting up a small venture; (ii) managing it; and (iii) making profits out of it, was evolved in Gujarat, during 1969-70. Though the initial programs were oriented towards business knowledge and skills, behavioral inputs (especially, Achievement Motivation Training - AMT) were also made a regular feature of the training package. The program was meant for new and selected entrepreneurs who had latent entrepreneurial potential. The EDPs which began as an experiment by Gujarat State Industrial Corporation started gaining momentum at the national level in the early seventies [6].

The report developed by Ernst & Young Pvt. Ltd. for FICCI, (2012) observed that training for self-employment/entrepreneurial development happens to be one of the key features of the National Skill Development policy which lays down special emphasis on skill development for the unorganized sector. The policy provides for having a separate institutional mechanism to plan, implement and monitor the skill development for the unorganized sector. It focuses on having target groups within the unorganized sector, literacy and soft skills, recognition of prior learning, and skill development for self-employment [7].

In the era of liberalisation, privatisation and globalisation along with ongoing IT revolution, capable entrepreneurs are making use of the opportunities emerging from the evolving scenario. However, a large segment of the population, particularly in the industrially backward regions/rural areas generally lags behind in taking advantage of these opportunities. Therefore, there is a need to provide skill development and entrepreneurship development training to such people in order to mainstream them in the ongoing process of economic growth [11].

Naveen Kumar and Anjali Kulkarni (2013) observed that majority of the Indian banks are delivering the face-to-face training to the rural communities on various aspects of farm and non-farm management. The

RUDSETI type of training interventions by some of the public sector commercial banks and NGOs in India have made considerable reach by way of training programs for the rural youth. As RUDSETI has become a replicable model, the Ministry of Rural Development, Government of India, has suggested establishment of the 'Bank-led Training Center' at each district and named it as Rural Self Employment Training Institute (RSETI). These new institutions played very important roles in enhancing the farm and non-farm entrepreneurial skills of the youths [8].

Sairam, Shwetambara (2014) observed in their article that banks are mandated to set up Financial Literacy Centres (FLCs) and are instructed to scale up their financial literacy initiatives through FLCs and rural branches. Later in 2013, through its circular RPCD.GSSD.CO.No 81/09.01.03/2012-13, RBI advised setting up of RSETIs for strengthening National Rural Livelihood Mission (NRLM) which in turn acts as a key driver in catalyzing rural credit demand. Financial Literacy Programs have been rolled out as an integral part of RSETI courses in Udaipur and Jodhpur of Rajasthan State [9].

IV. Scope of the Study

The present study examines the important role being played by the RUDSETI Unit at Vetapalem in Prakasam District of Andhra Pradesh in promoting entrepreneurial qualities among the unemployed youth and encouraging them to establish their own small business enterprises by relying on self-employment. The study also makes an attempt to evaluate of training programs, participation or share of weaker sections in the training programs conducted and financial assistance facilitated by the RUDSETI Unit.

V. Objectives of the Study

The objectives of the study undertaken at RUDSETI, Vetapalem are -

- To appreciate the different training programs offered to unemployed youth with a view to promote entrepreneurship among them and encourage them to take up self-employment ventures;
- To analyze the share of weaker sections in the various training programs organized;
- To draw attention to the role being played by financial institutions in developing entrepreneurs;
- To record and report the feedback (in the form of success stories) from some of the alumni on the training received at the institute; and
- To put forward suggestions based on the study undertaken.

VI. Methodology of the Study

The current study is based on the data gathered from the primary sources (interactions with the Institute, State Coordinator of RSETIs and some of the alumni of the institute in and around Vetapalem who established their business ventures after the training programs) and secondary sources such as looking into the annual reports, brochures of RUDSETI, Vetapalem and various other documents available in the internet. According to the data collected from the annual reports of the institute, the beneficiary-trainees account to 14,216 since inception. In consonance with the objectives of the research undertaken, the study is divided into the following components -

- 1) Various types of EDPs conducted including the skill up-gradation programs to the established entrepreneurs;
- 2) Share of Weaker Sections in the total EDPs offered;
- 3) Settlement of the trained youth with and without bank-finance; and
- 4) Details of financial assistance extended by Syndicate Bank, Canara Bank and Other Banks.

The analysis of the data and the conclusions drawn speak of the development of entrepreneurs under various EDPs and the services rendered by the Institute in the process.

VII. About RUDSETIs

Rural Development and Self Employment Training Institute (RUDSETI), a unique initiative in mitigating the problem of unemployment, was taken-up in a small village Ujire near Dharmasthala in Karnataka way back in 1982 jointly by Sri Dharmasthala Manjunatheshwara Educational (SDME) Trust and two nationalized banks viz., Syndicate Bank and Canara Bank under the visionary leadership of Padmabhushan Dr. D. Veerendra Heggade, Dharmadhikari of Dharmasthala. The collective thinking had led to giving a shape and an institutional framework to the initiative taken-up in the form of RUDSETI in 1982, which was registered under Karnataka Societies Registration Act 1960. Encouraged by the success of Ujire experiment, RUDSETI has now established 27 units in 16 States.

RUDSETI Unit at Vetapalem, Prakasam District, Andhra Pradesh was established in 1988 in Mandal Praja Parishath Complex with the special efforts of the then District Collector. In order to speed up the process of establishment of the Unit, the District Administration gave five government quarters on rent-free accommodation to the institute for an initial period of ten years which was renewed later from time to time till June 2014 when the Unit was shifted to Ongole, the headquarters of Prakasam District.

Mission and Objectives: While the mission of RUDSETI is to channelize youth power in wealth creation and empower youth to share economic progress equitably the objectives of the institute are to – (1) identify, orient, motivate, train and hand hold the rural youth to take up self-employment ventures; (2) take up research and development activities in Entrepreneurship and Rural Development; and (3) train village level workers to work in rural development.

Approach of RUDSETI: The broad thematic areas that fall under skill and entrepreneurship development programs of RUDSETIs are both farm and non-farm sector activities. The post training follow up for sustained motivation among the trainees happens to be the cutting edge of RUDSETI's approach. The effort to make them rise to peaks of their careers includes: a two-year follow-up through regular correspondence, individual contacts, unit visits, Village/ Taluk/ District/ Branch level meetings etc., and facilitating credit linkage with the banks for setting up of micro enterprises. The approach the RUDSETIs adopt in offering various self-employment or skill building training courses include three important steps viz., (1) A meticulously designed selection process to identify and select only those people (youth) who have proactively learnt some basics of the skill which they want to make it as a life time business activity for their economic development; (2) A well-designed program schedule keeping in view the interest level and future growth opportunities for the candidate; and (3) Use of innovative training methodologies such as - experiential learning, group discussions and field level experience-cum-participation methods to impart training; (4) Effective use of market survey and interface sessions with successful entrepreneurs to familiarize trainees with field level situations; and (5) Close and systematic follow up and monitoring system after the training in the form of escort services (handholding) so as to provide post-training counseling, support and liaison.

Types of Entrepreneurship Development Programs (EDPs): RUDSETI offers around 70 types of Entrepreneurship Development Programs (EDPs) in various areas. All the programs are of short duration intervention ranging from one to six weeks. Mainly they are classified into four categories as shown below:

| (I) For First Generation Entrepreneurs | | | |
|---|--------------------|--|--|
| S. No. | Types of EDPs | Scope / Objective | Examples |
| 1 | Agri. EDPs | Training programs cover both Agri and Allied Sectors | Comprehensive Agriculture & Allied Activities, Dairy Farming, Poultry, Bee Keeping, Horticulture, Plant Nursery etc. |
| 2 | Product EDPs | The focus is on imparting training on those entrepreneurial activities where a product is brought out by the trained youth when they think of making a living by establishing small business enterprises. (Manufacturing). | Dress Designing for Women/Men, Agarabathi making, Candle making, Pickle making, Soft Toys making, Food Processing & Bakery Products, Embroidery & Fabric Painting etc. |
| 3 | Process EDPs | The entrepreneurial activities in which the youth are trained involve a detailed learning process (business activities under Service sector) | Electric Motor rewinding & Pumpset maintenance, Beauty Parlor management, Basic Photography & Videography, Multi Phone servicing, Domestic Electrical Appliances Repair, Two Wheeler Servicing, Computer DTP, Refrigeration & Air conditioning, Computer Tally, Computer Basics etc. |
| 4 | General EDPs | The EDPs promote entrepreneurial qualities among those who are yet to decide as to what line of business activity they need to choose or rely on for their livelihood. | Rural Entrepreneurship Development Program (REDP), EDP for Women, Prime Minister's Employment Generation Program (PMEGP-earlier PMRY-EDP) etc. |
| (II) For the Established Entrepreneurs | | | |
| 1 | Skill Up-gradation | To improve the skills and enhance capability of the settled trainees | |
| 2 | Growth Programs | To aim and achieve high goals in life and business for the settled trainees (A Training-cum-counseling program) | |
| (III) Rural Development and Human Resource Development Training Programs: Training Rural Development workers of NGO's, Training Self Help Group Management, Training Bank Staff in Rural Development Activities, Training Social Animators, and Sensitization Programs to Bank/ Government officers. | | | |
| (IV) Technology Transfer Programs: Launching pad for introduction of cost efficient, environment-friendly technology, collaboration with Research Institutes and other NGO's. Short duration training programs through demonstration, slides and lectures. | | | |

The Distinctive Training Segments of the EDPs: While the technical training under a chosen skill is handled by an expert-practitioner (need not be an academician) in the respective field, the other important areas/elements of training viz., motivational, managerial, financial planning (financial literacy), which account to 30% of the program-duration, are imparted by the in-house faculty, who is none other than the Director himself who comes on deputation from one of the sponsor banks.

➤ **Skill Segment:** RUDSETI developed an exhaustive list of EDPs under the above-described categories where the detailed curricula are available in the form a ready-reckoner (booklet). However, these institutes follow a method of scanning their operational areas/villages across the district on an ongoing basis to identify those areas of training for which there is consistent demand and there are more takers. That way, every

RUDSETI Unit makes it a practice to introduce an innovative program every year to cater to the needs of the aspirants and to broaden/expand the number of their course-offerings.

➤ **Soft Skills Segment:** Topics covered under the soft skills segment are- Developing Entrepreneurial competencies, Motivation, Personality development, Positive attitude, Time management, Leadership qualities, Effective communications skills etc.

➤ **Managerial Inputs Segment:** What is Self-employment, Entrepreneur-An introspection, SWOT analysis, Entrepreneurial competencies, Points to be remembered by the upcoming entrepreneurs, How to inculcate the habit of getting business ideas, Importance of book-keeping, Market survey, Selling and Marketing, Steps in setting up of an enterprise, Flowchart to set up a small scale unit, Whom to contact and for what while launching their self-employment ventures, Management of seven crises, Importance of public relations in entrepreneurship etc.,

➤ **Financial Literacy Segment:** Why to save, Why to budget, Why financial planning, Understanding important banking terminology, Key points to be remembered for getting bank facilities, What is interest? How moneylenders charge very high interest rates? How to be confident while communicating etc.

Evaluation of Training Effectiveness

(A) Success Stories:

Mr. Yugandhar, a resident of Uppugunduru village near Ongole, who had some hobby in Photography, underwent training in the said trade at RUDSETI, Vetapalem. As per him it was only due to the training at RUDSETI, he started looking at the art in a different way which had paved way for his receiving several awards later both at regional and state level. He not only made the hobby a business activity but also became the Resource Person at Vetapalem Unit subsequently.

Ms. Sumitra, a resident of Vetapalem village, underwent training in Modern Dress Designing/Making (Tailoring) at RUDSETI, Vetapalem and Embroidery (Skill Up-gradation program) later on. She started a tailoring unit soon after the training on a modest scale to help her husband who sustained heavy losses in some other business activity. As the time progressed, she went on to make a good business which not only allowed her to employ one or two girls but also enabled her to get her children well-educated. She attributes her success to the timely support given by RUDSETI through its unique training methodology.

Mr. N. Chandrasekhar Reddy, who runs an electronic shop namely Sairam Electronics at Vetapalem, had high regard for the RUDSETI as it had triggered a positive thought process in him to become independent by taking up a self-employment activity (Black and White TV Repairs) soon after the training program he underwent. As per him, it was the focus RUDSETI gave to practical learning of the chosen skill that helped him to start his own business venture in a very short span of time. Not getting disheartened by a theft that took place in his shop on one ill-fated night, he went ahead in sharpening his skills by undergoing a skill up-gradation training program (Colour TV Repairs) and broadening his line of business further by acquiring skills in other related activities like repairs of Cell phones, DVDs etc.

Mr. D. Babu Reddy, who was with RUDSETI for a period of one month to undergo a SIDBI-sponsored training program viz., Multi-purpose Mechanism (Repairs of Electrical Appliances, Gas Stoves etc.) sincerely conveys his gratitude to RUDSETI for giving him inputs not merely on the chosen skills but in the areas of financial literacy, behaviour and management of a small business enterprise also which helped him to run the shop, Surya Servicing Centre, he established at Chirala on sound business lines.

Ms. Mekala Srilakshmi, hailing from a poor agriculture family, started making use of her leisure time by opening a ladies tailor unit in Vetapalem initially. The heavy competition in the chosen trade made her to look for an alternative business activity. Getting attracted by the services of RUDSETI, she came and met the Director for a piece of advice and encouragement. The result was – her enrollment into Beautician course that the institute offered to the aspirants later on. She now runs a beauty parlour in Vetapalem and gets a decent income from it. She conveys her gratitude to RUDSETI's timely advice and support.

(B) Newspaper articles:

- Several reputed newspapers such as Eenadu, Vaartha, Andhra Jyothi, Andhra Bhoomi etc., have been bringing out, through their regional editions, several news articles on an ongoing basis describing the yeomen services being rendered by the Institute to the unemployed youth.
- Some of the senior journalists from national newspapers such as The Hindu visited the Institute, interacted with some of the alumni and highlighted the institute's services through several special articles.

(C) Some Unique Practices:

- As described earlier in this paper, every RUDSETI unit follows a practice of scanning their areas of operation on an ongoing basis and introducing a new kind of training every year which meets the requirement of the aspiring youth or the market demand.

- The annual conferences held at Dharmasthala enable the RUDSETI units to have cross-learning among themselves under various activities. Examples: Getting encouraged to replicate successful programs of some units at other units, initiating innovative and cost-saving follow-up measures during the post-training periods to offer handholding support to the trained-youth, sharing the services of resource persons of one area with the nearby units etc.
- The *crash training courses*, which are residential in nature and conducted in vernacular languages, give trainees the opportunity of having more practice time before and after the scheduled classroom hours.
- The settled alumni of RUDSETI attribute their success to the Institute’s unique method of training system which has the blend of skill, behavioural, managerial and financial literacy segments as mentioned earlier.
- RUDSETIs also encourage the settled alumni, who understand their social responsibility, to become the resource persons and extend their faculty services to the Institute. This measure not only helps the Institutes to strengthen their panel of resource persons but also motivate the trainees to emulate their teachers who not only showed them the way to settle as entrepreneurs but also contributed to the institute and in turn to the society as a resource person.
- The model, being a noble attempt of a great philanthropist who has a well-defined vision and mission and ably supported by two responsible public sector banks, triggers a positive process among the trained youth and promotes internal motivation in them to settle on their own after the training process.
- The unique system of extending “*Escort Services or the Handholding Support*” for two years after the training period leaves its impact on the settlement among the trained.
- The special features of the training programs of RUDSETIs such as – the provision of free food and accommodation, hand-holding support for bank-linkages for the early settlement of the trainees, the word of mouth of the alumni and resource persons about the model and the support received from the local and regional editions of reputed newspapers in popularizing the services of the institutes, come handy for the institutes in their marketing efforts to have more and more enrollments into their new programs.
- In addition to the skill training offered with the other components as explained earlier, the clean and green activities taken up to keep the campus tidy and the yoga training given to all the batches in the early hours of a day inculcate good living habits among the trainees.

(D) National Academy of RUDSETIs: The concept of RUDSETI has been accepted with open hands by none other than Government of India (GoI) as a replicable model throughout the country. MoRD, GoI, New Delhi has directed (1) all the nationalized Banks with lead bank responsibilities to open RUDSETI type institutes i.e., RSETIs in all the 600 plus districts of the country and (2) RUDSETI to shoulder the responsibility of giving suggestions to MoRD in taking up this herculean task. This very fact in itself is a highly satisfying and a motivating factor for the Sponsors of RUDSETI. Commemorating Silver Jubilee of RUDSETI during 2008, National Academy of RUDSETI was launched at Bengaluru, Karnataka during December 2008 with the objectives of - Organizing Train the Trainers Program for new RUDSETI / RSETI Directors; Working as a National level resource organization for RUDSETIs / RSETIs; Conducting research and development work in the field of Entrepreneurship Development; and Designing and conducting training programs and Undertaking projects in the field of enterprise promotion, Rural Development and HRD.

Table No. 1: EDPs for First Generation Entrepreneurs

| S. No. | Training Program | During 2013-14 | | | Since Inception | | |
|--------|--------------------------------------|----------------|---------------------------|---------------------------|-----------------|---------------------------|---------------------------|
| | | A | B | C | A | B | C |
| 1 | Agriculture EDPs | No. of Batches | No. of candidates trained | No. of candidates settled | No. of Batches | No. of candidates trained | No. of candidates settled |
| | 1. Dairy Farming | -- | -- | 04 | 98 | 3699 | 3122 |
| | 2. Sheep Rearing | -- | -- | -- | 03 | 116 | 100 |
| | 3. Agrl., & Allied Activities | -- | -- | -- | 22 | 749 | 603 |
| | 4. Mushroom Cultivation | -- | -- | -- | 02 | 69 | 20 |
| | 5. Sprinkler Irrigation | -- | -- | -- | 02 | 53 | 56 |
| | 6. Vermi composting | -- | -- | -- | 05 | 137 | 33 |
| | 7. Cultivation of Medicinal Plants | -- | -- | -- | 01 | 21 | 04 |
| | 8. Organic Farming | -- | -- | -- | 01 | 25 | 16 |
| | 9. Nursery Management & Horticulture | -- | -- | -- | 01 | 25 | 10 |
| | 10. Emu Farming | -- | -- | -- | 01 | 25 | 01 |
| | 11. Comprehensive Horticulture | -- | -- | 06 | 01 | 31 | 12 |
| | Total | -- | -- | 10 | 137 | 4950 | 3977 |
| 2 | Product EDPs | | | | | | |
| | 1. Dress Designing for Women | 05 | 171 | 133 | 47 | 1546 | 1002 |
| | 2. Dress Designing for Men | -- | -- | -- | 09 | 224 | 172 |
| | 3. Free Hand Painting | 01 | 30 | 26 | 05 | 147 | 72 |

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| | | | | | | | |
|---|--|-----------|------------|------------|------------|--------------|-------------|
| | 4. Fruit preservation & pickle making | -- | -- | -- | 03 | 67 | 35 |
| | 5. Cane chair making | -- | -- | -- | 01 | 29 | 29 |
| | 6. Leaf plate making | -- | -- | -- | 02 | 65 | 34 |
| | 7. Chappal making | -- | -- | -- | 01 | 45 | 44 |
| | 8. Bag making | -- | -- | -- | 01 | 36 | 17 |
| | 9. Agarbathi making | -- | -- | -- | 04 | 126 | 99 |
| | 10. Phenyl preparation | -- | -- | -- | 01 | 35 | 35 |
| | 11. Multiproduct Manufacturing for Women | -- | -- | -- | 01 | 23 | 09 |
| | 12. Jordosi & Maggam Work | -- | -- | -- | 01 | 26 | 13 |
| | 13. Textile Fabric & Screen Printing | -- | -- | -- | 02 | 55 | 21 |
| | 14. Bamboo Gift Article Making | -- | -- | -- | 01 | 25 | -- |
| | Total | 06 | 201 | 159 | 79 | 2449 | 1582 |
| 3 | Process EDPs | | | | | | |
| | 1. Computer Tally | -- | -- | 01 | 02 | 55 | 14 |
| | 2. Free Hand Painting | -- | -- | -- | 01 | 31 | 15 |
| | 3. Radio & T.V Repairs | -- | -- | -- | 16 | 463 | 318 |
| | 4. Basic Photography & Videography | 01 | 31 | 19 | 15 | 409 | 263 |
| | 5. Digital Photography | -- | -- | -- | 02 | 50 | 20 |
| | 6. Screen printing & Photo lamination | -- | -- | -- | 02 | 56 | 24 |
| | 7. Pumpset Repairs & Motor Rewinding | 01 | 19 | 04 | 18 | 523 | 332 |
| | 8. Multipurpose Mechanism/DEAR | -- | -- | -- | 17 | 485 | 325 |
| | 9. Beauty Parlour Management | 01 | 37 | 23 | 06 | 177 | 80 |
| | 10. A/c & Refrigerator Repairs | -- | -- | -- | 03 | 91 | 56 |
| | 11. Multi Phones Service | 03 | 78 | 67 | 12 | 365 | 205 |
| | 12. Sari Rolling & Fabric Painting | -- | -- | -- | 01 | 37 | 17 |
| | 13. Computer Hardware | -- | -- | 16 | 07 | 216 | 95 |
| | 14. Fabric Painting & Maggam Work | -- | -- | -- | 02 | 61 | 35 |
| | 15. Zardosi | -- | -- | 03 | 03 | 94 | 57 |
| | 16. Computer DTP | -- | -- | -- | 03 | 89 | 33 |
| | 17. Watch Repairs | -- | -- | -- | 01 | 20 | 04 |
| | 18. Umbrella Repairs | -- | -- | -- | 01 | 29 | 29 |
| | 19. Car Driving | -- | -- | -- | 01 | 46 | 03 |
| | 20. Two Wheeler Mechanism | -- | -- | -- | 02 | 57 | 17 |
| | 21. Fabric Painting | -- | -- | 04 | 06 | 216 | 116 |
| | 22. Generator Repairs | -- | -- | -- | 02 | 46 | 14 |
| | 23. Hand Embroidery | -- | -- | -- | 02 | 56 | 18 |
| | 24. Computer Basics | 01 | 35 | -- | 02 | 63 | 20 |
| | 25. Light Motor Vehicle Driving (LMV) | 01 | 42 | -- | 01 | 42 | -- |
| | Total | 08 | 242 | 137 | 128 | 3777 | 2110 |
| 4 | General EDPs | | | | | | |
| | 1. PMRY EDPs | -- | -- | -- | 40 | 1179 | 936 |
| | 2. REDPs | 01 | 25 | 09 | 4 | 102 | 44 |
| | 3. ISB (Bank sponsored) | -- | -- | -- | 54 | 1759 | 1098 |
| | Total | 01 | 25 | 09 | 98 | 3040 | 2078 |
| | Grand Total | 15 | 468 | 315 | 442 | 14216 | 9747 |

A = No. of batches

B = No. of candidates trained

C = No. of candidates settled

Source: Annual Reports, RUDSETI, Vetapalem

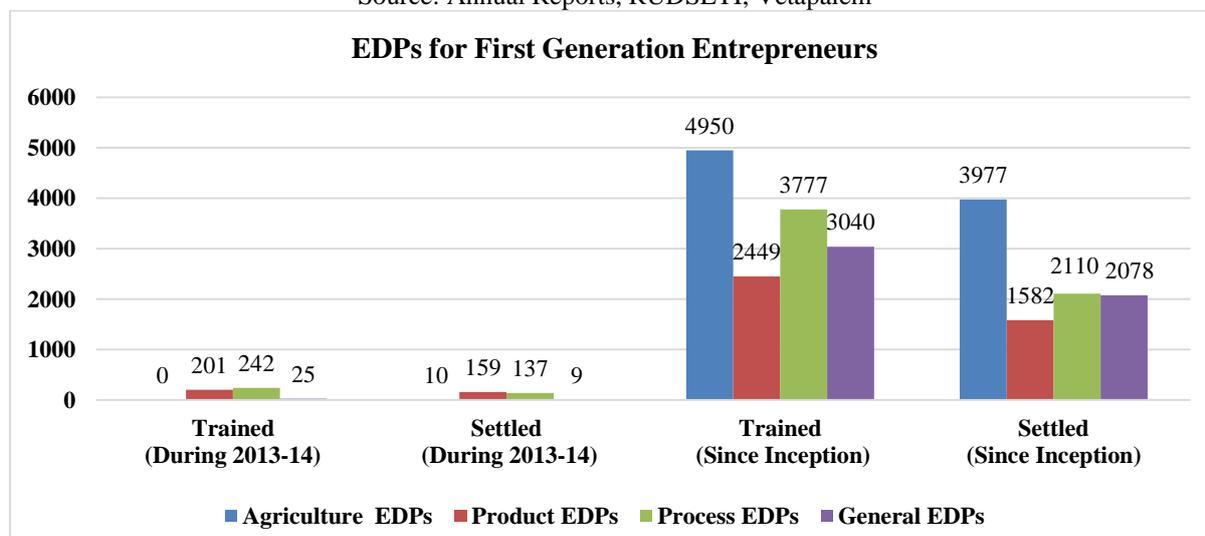


Table No. 1 depicts an overview of different EDPs for the ‘first generation entrepreneurs’ provided by RUDSETI, Vetapalem. Since inception, maximum number of trainees (4950) who underwent training was under the ‘Agri-EDPs Segment’ out of which 80% (3977) had settled; under the ‘Process EDPs’ the trained were 3777 with a settlement rate of 56% (2110). 3040 trainees underwent training in the ‘General EDPs category’ out of which 68% (2078) had settled. ‘Products EDPs’ were the lowest among all categories where 2449 underwent training and had a settlement rate of 65% (1582). During 2013-14, the trainees numbering to 242 underwent training in the ‘Process EDPs category’ out of which 57% (137) had settled, followed by Products EDPs where the trainees’ number and settlement rate were 201 and 79% (159) respectively. Trainees numbering to 10 who settled under the ‘Agri-EDPs category’ belonged to previous years only.

Table No. 2: Programs for Established Entrepreneurs:

| Sl. No. | Training Program | 2013-14 | | Since inception | |
|---------|--------------------------------------|-----------|-----------|-----------------|------------|
| | | A | B | A | B |
| 01 | Skill Up-gradation (Hand Embroidery) | 01 | 17 | 16 | 326 |
| 02 | Growth Programs | -- | -- | 03 | 36 |
| | Total | 01 | 17 | 19 | 362 |

A = No. of batches

B = No. of candidates trained

Source: Annual Reports, RUDSETI, Vetapalem

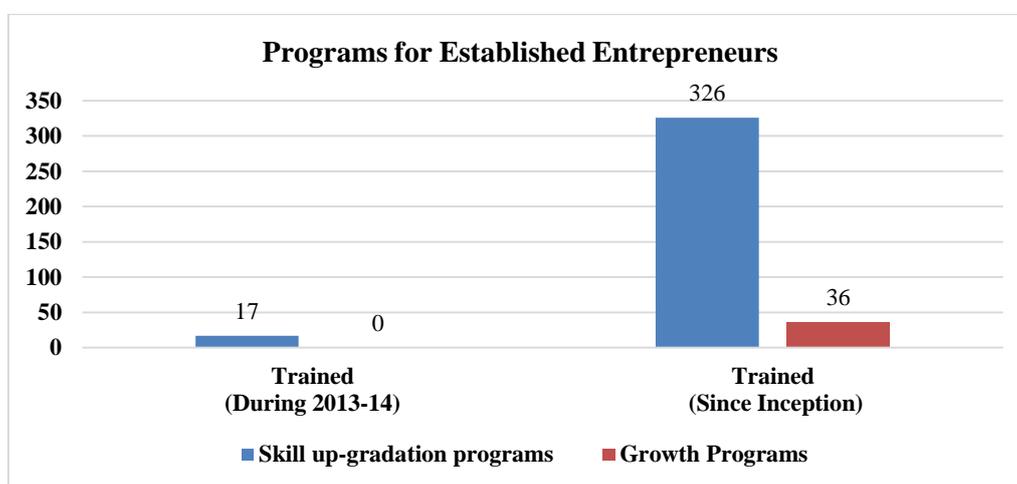


Table No. 2 presents an overview of different programs offered by RUDSETI, Vetapalem for the ‘Established Entrepreneurs’. Since inception trainees who underwent ‘Skill up gradation training’ were 326 only; whereas during 2013-14 this number was 17. The number of trainees under the ‘Growth Programs category’ was 36 and there were no trainees in this category during 2013-14.

Sponsorship and Finance

The sponsoring Banks (Syndicate Bank and Canara Bank) branches coming under the operational area of RUDSETI, Vetapalem have been taking interest in sponsoring the candidates for various training programs and also helping the trainees in setting up of their self-employment ventures by providing financial assistance. The following table gives a clear picture of the above.

Table No. 3: Sponsorship and Finance

| Bank | Sponsorship | | Finance (Amount. in lakhs. Rs.) | | | |
|----------------|---------------------------|-------------|---------------------------------|--------------|-------------|----------------|
| | During the Year (2013-14) | Cumulative | During the Year (2013-14) | | Cumulative | |
| | | | No. | Amount | No. | Amount |
| Syndicate Bank | -- | 4340 | 03 | 0.80 | 2748 | 410.88 |
| Canara Bank | -- | 2026 | 04 | 1.00 | 1152 | 140.29 |
| Other Banks | -- | 3383 | 10 | 2.30 | 1445 | 462.41 |
| Total | -- | 9749 | 17 | 04.10 | 5345 | 1013.58 |

Source: Annual Reports, RUDSETI, Vetapalem

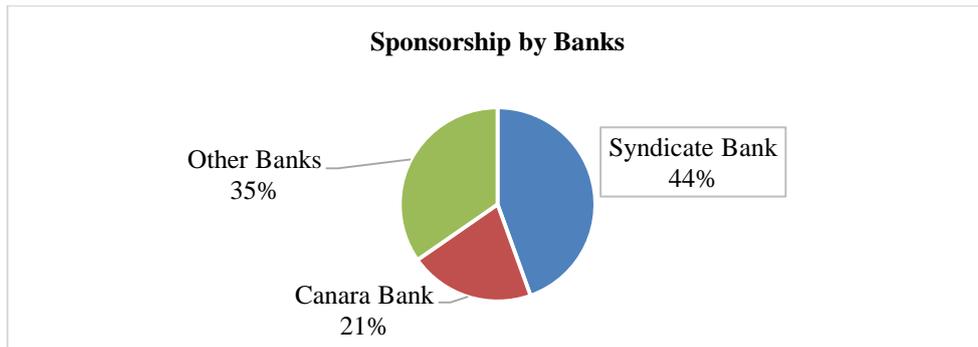


Table No: 3, under the ‘Sponsorship column’, gives an overview of training programs and sponsorship share of different banks to the trained youth of RUDSETIs. Since inception 44% (4340) of the sponsored trainees were from ‘Syndicate bank’ followed by 35% (3383) from ‘other banks’. 21% of the trainees, numbering to 2026, were sponsored by ‘Canara bank’. During 2013-14 there were no trainees sponsored by banks.

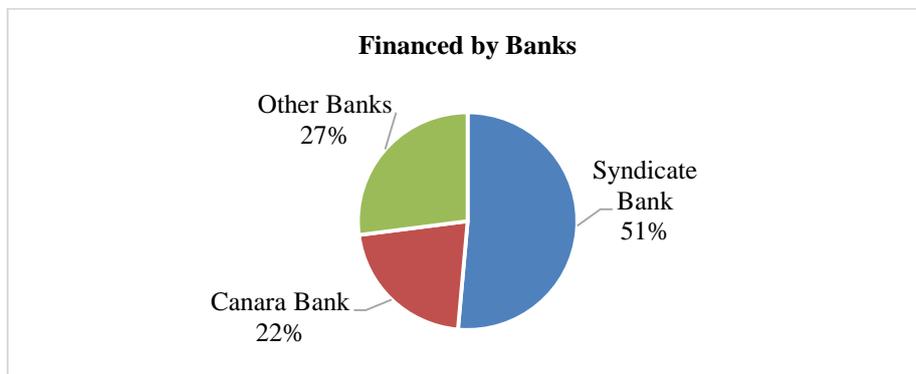


Table No: 3, under the ‘Finance column’, depicts an overview of different banks’ share in providing financial assistance to trainees for setting up their own ventures. Since inception 51% (2748) of the financed trainees were from ‘Syndicate bank’ followed by 27% (1445) from ‘other banks’. About 22% numbering to 1152 were financed by ‘Canara bank’. During 2013-14, trainees financed were 10 by ‘Other Banks’, 4 by ‘Canara Bank’ and 3 by ‘Syndicate Bank’.

Table No. 4: Settlement of Entrepreneurs

| | During the year (2013-14) | Since Inception |
|---------------------------------|---------------------------|-----------------|
| Candidates financed by banks | 17 | 5345 |
| Candidates through self-finance | 298 | 4402 |

Source: Annual Reports, RUDSETI, Vetapalem

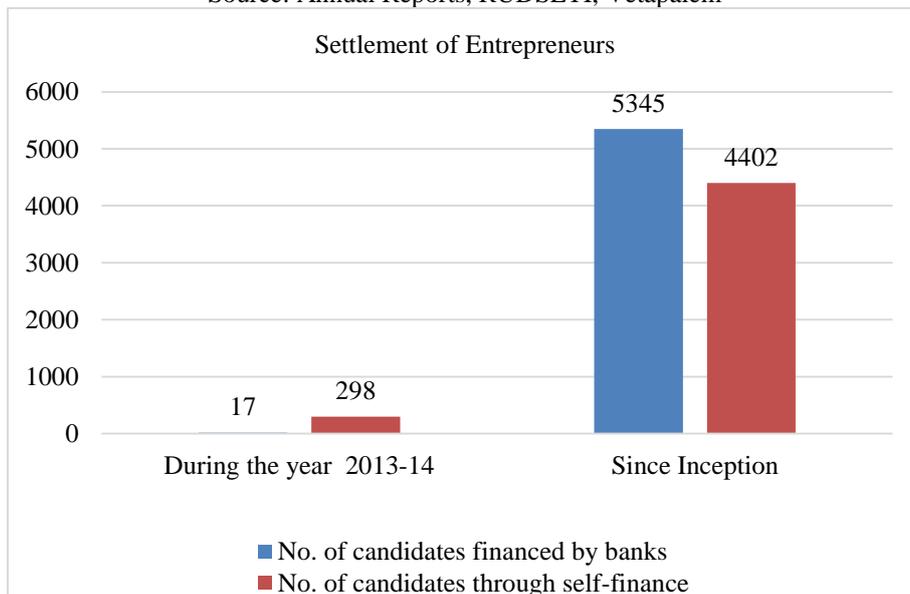


Table No. 4 depicts an overview of trainees who had settled as entrepreneurs. Since inception, the number of trainees financed by banks to setup their enterprise was 5345; whereas as the same during 2013-14 was 17. During the same period the number of trainees who established their enterprises with self-finance was 4402 and the number under this category during 2013-14 was 298.

Table No. 5: Share of Weaker Sections

The institute, being very much concerned about the welfare of the weaker sections of the society, had taken care to see that there was an adequate representation of the weaker sections in various training programs. The following table shows the importance given to them.

| | Category | Total No. of candidates trained during 2013-14 | Total No. of candidates trained since inception |
|----|-----------------------|--|---|
| 01 | Schedule Caste | 147 | 3766 |
| 02 | Schedule Tribe | 17 | 498 |
| 03 | Backward Caste | 176 | 4639 |
| 04 | Minorities | -- | 570 |
| 05 | Others | 128 | 4743 |
| | Total | 468 | 14216 |
| | of which | | |
| 06 | Women | 286 | 6617 |
| 07 | Physically challenged | 05 | 183 |

Source: Annual Reports, RUDSETI, Vetapalem

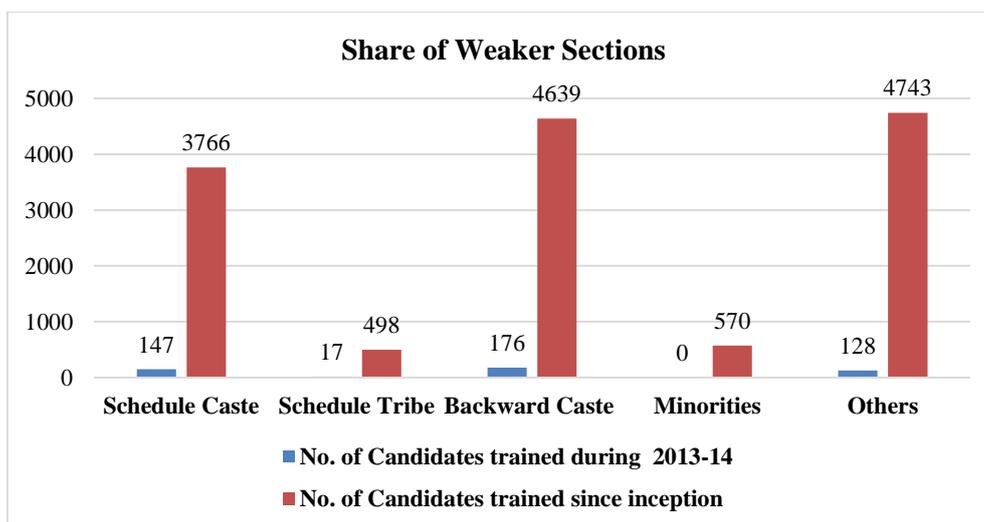


Table No. 5 depicts an overview of representation of the weaker sections in various training programs and the importance given to them by the RUDSETI, Vetapalem. Since inception majority of the trainees, 33.36% numbering to 4743 were from ‘others’ category, followed by ‘backward castes’ with 32.63% (4639), ‘Schedule castes’ with 26.49% (3766), minorities with 4% (570) and the least share of 3.5% (498) seen under the ‘schedule tribes category’. These figures include 47% women and 1% physically challenged trainees. During 2013-14, the trainees’ representation was as follows, 38% (176) were from ‘backward castes’, 31% (147) from ‘schedule castes’, 27% (128) from ‘others’ and 4% (17) from ‘schedule tribes.’ There was no representation from ‘minorities.’ These figures include 61% women and 1% physically challenged trainees.

VIII. Findings and Recommendations

The major findings of the study undertaken are -

- Among the EDPs, topping the list was Agri-EDPs where the total trainees were 4950 and settled among them were 3977.
- The RUDSETI Unit helped as many as 5345 trainees to settle in their chosen lines of business activity with the support of bank finance;
- The sponsor banks viz., Syndicate Bank and Canara Bank had a share of 73% in the total bank finance extended to the trained youth and the remaining 27% came from other banks of the region.
- The trainees who could start their enterprises on their own (self-finance) were 4402 since inception;
- The number of trainees under the category of SC/ST stood at 4264 (30%) whereas trainees belonging to OBCs’ category and minorities were to the extent of 4639 (33%) and 570 (4%) respectively.

Recommendations: As the Government of India has already initiated steps to replicate the model in the form of RSETIs at every district headquarters across the country, it is suggested that the sponsor banks of these RUDSETIs and RSETIs have to focus not only on introducing market-driven innovative programs (EDPs) but also on encouraging the trained youth through their financial literacy initiatives and flexible lending policies to enable them to launch their small business enterprises after the skill-training with competence and confidence.

IX. Conclusion

The economic growth and social development of a country, which are essential for translating a country's vision of inclusive growth into a reality, depends on the rich knowledge base and the skills it has which act as the driving forces. However, poverty and unemployment are the twin problems faced by rural India. Creation of job opportunities and development of entrepreneurship in rural areas is therefore the priority of the country to ensure the wellbeing of the rural communities and also the development of the rural economy. As RUDSETIs or RSETIs alone cannot cater to the requirements of the unemployed youth, the corporate sector, the NGOs and other stakeholders of the society should come forward to lend their supporting hand towards this cause so that the population of India, which is once considered as a curse, can effectively be turned into a desirable demographic dividend in the years to follow.

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