



## POST TRAINING SUPPORT EFFICACY OF ENTREPRENEURSHIP TRAINING INSTITUTES IN KARNATAKA—AN ANALYSIS

**Dr. Venkataram Bhat**

Assistant Professor, Department of Commerce, SKVMS Government First Grade College, Koteshwara, Kundapura, Pin – 576 222, Udupi District, Karnataka State, India.

### ABSTRACT

DOI No: 10.36713/epra13363

Article DOI: <https://doi.org/10.36713/epra13363>

*Marketing is an important process in meeting out the needs of a target market by exploring, creating and delivering the values Education and training provide suitable ground for economic development and especially the creation of entrepreneurs is the key to growth. Entrepreneurs are the wealth and job creators as well as play a major role in the ecosystem of development. Governments in India have established many such institutions to motivate, train, orient, and develop entrepreneurs. Rural development and self-employment training institutions originated during the 1980s in Karnataka State and the Ministry of Rural Development has replicated the same all over the country under the sponsorship of District lead Banks. These institutes offer training on various entrepreneurial skills and help the trainees to be successful entrepreneurs. The major objective of the study is to measure and suggest the training institutes regarding the post-training follow-up activities performed by the institutes as received by the trainees. The study was conducted in Karnataka State with the responses collected from 356 trained entrepreneurs who have established businesses and operating them at good or moderate levels. The results were analyzed using percentages and found that the majority have not received any support from the institute. It is suggested to make follow-up genuine to get the real outcomes of training received at the institute.*

**KEY TERMS:** Entrepreneurship Training, Follow Up, Post Training Support, Training Institute

### INTRODUCTION

The challenges of the economic system are multi-facet and the struggle of policy makers and governments to resolve them is a never-ending process. The problems of poverty and unemployment are deep-rooted and need strong and strategic measures to find a sustainable solution. Education and training provide suitable ground for economic development and especially the creation of entrepreneurs is the key to growth. Entrepreneurs are the wealth and job creators playing a major role in the ecosystem of development. Governments in India have established many institutions

to motivate, orient, train, and develop entrepreneurs. Rural development and self-employment training institutes originated in the 1980s in the South Canara district of Karnataka State and the Ministry of Rural Development has replicated the same all over the country under the sponsorship of District lead Banks. Such Institutes are called RSETIs or Rural Self Employment Training institutes presently operational in each district of the country. RSETIs offer training on 61 modules approved by National Skills Quality Framework freely to prospective entrepreneurs. The courses are classified under Product, Process, Agriculture, and General EDPs. They are short-term

training programs ranging from 6 to 45 days. Pre and Post training support make the training much more beneficial to the trainees.

### **Training Support of Rural Self Employment Training Institutes (RSETIs): An Overview**

Established and managed by different banks RSETIs is operating with common objectives of identifying, training, motivating, and facilitating unemployed youth to take up self-employment. This model has been considered an effective model for the creation of sustainable livelihoods through self-employment. The State Government in consultation with the banks in State Level Bankers Committee assigns districts in the states to set up RSETIs preferably to the respective Lead Banks. RSETIs are sponsored by the banks and hence ownership of RSETIs vests with the sponsoring bank.

We have 586 functional RSETIs in the country and 32 in Karnataka state as of 13-06-2022. RSETIs transform unemployed rural youths of the districts into confident self-employed entrepreneurs through need-based training programs followed by systematic follow-up and handholding support and bank linkage.

### **Need for Post-Training Support**

A formal system of follow-up is adopted to extend handholding support services to the trained persons. RSETI model of training post-training interventions has the following objectives:

- To sustain the level of motivation of trained candidates
- To link them for self-employment by encouraging them to use the skills acquired during training
- To assist them in mobilizing resources for the launching of microenterprises
- To facilitate them for bank credit linkage
- To give them a network of similar activity and marketing support.

### **Guidelines for Follow Up**

- Every person trained by RSETI is followed up for a period of two years, after the training by the institute
- Each trainee is followed up at least once in 60 days during the first 6 months after the training and at least once in three months thereafter or till settlement of the trainee whichever happens earlier
- A follow-up calendar is prepared before the start of each month and submitted to the controlling office of the concerned RSETI for information and sanction under copy to the State Director for RSETIs

- The follow-up visits/meets are carried out in an organized and focused manner by Director, Faculty members, and Office Assistants
- The Director, Faculty members, and Office Assistants undertake post-training follow-up and visit for a minimum of 5 full days in a month
- On average more than 10 trained candidates are contacted in each follow-up visit/day
- After the follow-up visit, observations and counselling provided are recorded in the prescribed documents and uploaded in MIS.

### **Methods of Follow-up**

The various methods of post training follow up adopted by the RSETIs are detailed as below.

#### **1. Personal Contact**

RSETI staff undertakes a personal visit to the trainees' places, as part of follow-up. This is apart from group follow-up meets at block/district level. This is done to find out the exact status of the settlement, business started by the trainee, status of the venture and problems if any, in running it and support required from RSETI. The fact of visit and observations are recorded in the trainee follow-up card.

#### **2. Correspondences**

The institute sends the first letter to all trainees after one month of the completion of training. If the letters do not receive the expected response, messages are sent to the cell phone or email or both reminding the candidate on the above lines. However, communication made with trainees through letters, messages, telephone calls, etc. are not considered as follow-up visits of RSETI staff since they are only methods to collect necessary information about the trainees.

#### **3. Follow up Meetings of trainees at Taluk Level**

In villages where the number of past trainees is less and are scattered all over, then group meetings are held at the Hobli or Taluk. Group meetings are organized at convenient locations like Banks, Block Development offices, Lead Bank offices etc. Officers of the support system like LDM, local Branch Heads of all Banks, officials from the local Banks, etc. are involved in the meetings. Intimation of the meeting is sent to the trained candidates and the officials in advance about the time and venue of the meeting.

#### **4. Cluster Follow up Meeting at the Institute**

Follow-up meetings are also organized at the institute rarely by calling the trainees of particular batches. This will be useful to the institute for ascertaining the business potential/prospects in that particular activity and also challenges affecting the type of business. The occasion is also used to give guidance to the candidates.

### 5. Other methods of Follow up

Business Correspondents will be visiting different villages in the course of discharging their duties. RSETIs also make use of other social media like Whatsapp and Facebook to keep in contact with the trained candidates.

## LITERATURE REVIEW

**Roy, Avishek (2019)** assessed the performance of Rural Self Employment Training Institutes in West Bengal and found that RSETIs need to be set up in to leverage their efficiency in settlement trainees. Further, it is stressed that measures should be taken to remove disparities existing among the performance of RSETIs which in turn requires evaluation of the performance of these institutes. The study compared an aggregate number of trainees trained with settled trainees and trainees from women and weaker sections to evaluate the performance of the institute. The result showed that there exists a difference in the performance of institutes.

**Saritha K.R and Dileep A.S. (2018)** studies the barriers faced by beneficiaries of RSETIs at the post-training stage to start their own businesses. The study identifies that a high rate of rent and lack of infrastructural facilities due to lack of bank finance, high labor cost lack of family support, and corruption by government officials are the major barriers faced by an entrepreneur after attending the training program from RSETIs. In this stage, as concluded, the follow-up support or post-training support is much more important for the trainees.

**Ramakrishna and Sudhakar (2015)** conducted a study on EDPs organized by RUDSETIs in state of Andhra Pradesh specifically for women empowerment. The study was conducted with the objective of analyzing the reasons behind success of such programmes. The major findings of the study reflected that the training programmes helped woman to establish and run businesses successfully. They had background of their trade and they could even generate employment. Here, the major success factor was dependent on managerial and motivational aspects of training and the post training support emerged as the key in establishing business.

**Jayakumar (2012)** made an attempt to understand the key support structure and identify the success factors for creating, developing and sustaining group enterprises and specifically women led enterprises. Article identified that Shri Kshetra Dharmasthala Rural Development Programme has promoted highly effective group enterprises in the state of Karnataka. It suggested that individual focus on training and hand holding support after training would bring sustainability in the enterprises.

## SIGNIFICANCE OF THE STUDY

From the literature, it is observed that training is inevitable for the development of prospective entrepreneurs. Support and handholding activities of the training institute play much more important role beyond training activities in realizing the dreams of the trainees. In this background, the present study is an effort to measure and analyze the importance and extent of post-training support of RSETIs in Karnataka State on the basis of data collected from trained entrepreneurs who have established businesses. No such previous studies have been conducted making the present study highly necessary.

### Study Objectives

The study was undertaken with the following objectives

- To understand the post-training support mechanism of Entrepreneurship Training Institutes in Karnataka
- To measure the extent of post-training support received by the trained entrepreneurs and
- To suggest measures to enhance the post-training support provided by the institutes under study

### Scope of the Study

The study covers concepts taken from various research studies and empirical interpretations drawn on the basis of survey data collected from trained entrepreneurs of 29 bank sponsored Rural Self Employment Training Institutes in Karnataka.

### Limitation of the Study

The study is limited to perceptions of sample 356 trained entrepreneurs regarding the importance of management areas of training provided at 29 ETIs of Karnataka State.

### Data Sources

Primary data were collected through a systematic field survey for the study purpose and the research paper has referred relevant secondary data sources from books, journal articles and online sources.

### Sample Size

A total of 356 trained entrepreneurs from Entrepreneurship Training Institutes of Karnataka State who could commence their business after completion of the training.

### Method of Sampling

Simple Random Sampling is used for the purpose of study

### Survey Period

This paper is based on survey data conducted during the year 2021-22

### Research Instrument

A structured questionnaire was used to survey the respondents trained from Entrepreneurship Training Institutes of Karnataka state and the questions were pertained to the post training support as received by prospective entrepreneurs.

### DATA ANALYSIS

Simple Percentages were used for analysis of the collected data. The data analysis has been presented as under:

**Table 1: Time of Contacting Institute for help by Trainees**

Time of Contact	No (%)	Yes (%)	Per cent
At the time of setting up a unit	82.2	17.8	100.0
Obtaining loan	76.4	23.6	100.0
Obtaining permission	75.1	24.9	100.0
At the time of expansion of unit	76.4	23.6	100.0

Source: Survey Results

The training institutes contact the learners to inquire about the state of business and its starting process which makes it easier to maintain the track of learners after they have completed their training. Because it is a required procedure, trainers contact trainees after training, as

shown in Table. As a result, less than one-fifth approached institute for assistance while establishing their business units, one-fourth when getting bank loan and the same percentage of respondents while expanding their units.

**Table 2: Post Training Contact of Trainees by Institute**

Response	No. of Respondents	Per cent
Yes	695	96.1
No	28	3.9
Total	723	100.0

Source: Survey Results

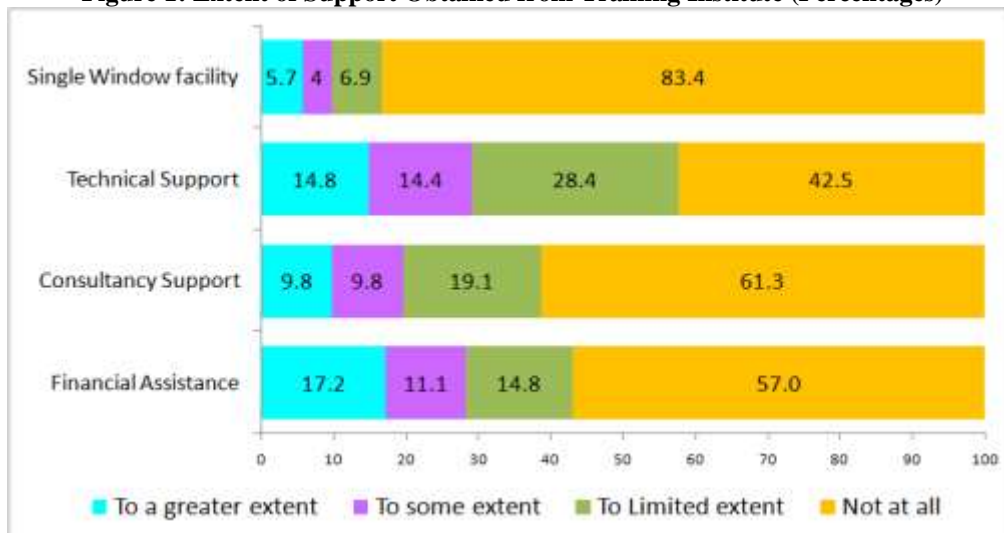
Typically, follow-up begins when the training is completed and lasts for two years. The most crucial activity after training is follow-up through several forms including personal visits, phone calls and group

meetings. When asked if any trainers approached trained entrepreneurs after the training, majority 96.1 per cent respondents reported that they were contacted by training institute staff as part of post-training follow-up.

**Table 3: Extent of Support obtained from Training Institute after Training**

Nature of Support	To a greater extent per cent (%)	To some extent (%)	To Limited extent (%)	Not at all (%)	Total (%)
Financial Assistance	17.2	11.1	14.8	57.0	100.0
Consultancy Support	9.8	9.8	19.1	61.3	100.0
Technical Support	14.8	14.4	28.4	42.5	100.0
Single Window facility	5.7	4.0	6.9	83.4	100.0

Source: Survey Results

**Figure 1: Extent of Support Obtained from Training Institute (Percentages)**

Source: Survey Results

Majority (83 per cent) of respondents could not get single window facility while starting their businesses. Sixty one per cent didn't receive even consultancy support from the training institute. Fifty seven per cent were not at all received any assistance while getting the finance for their businesses. At last, 29 per cent received support with reference to technical aspects. In terms of the training institutes' level of support for single window facility, technical support, consultancy support, and financial assistance it is observed that on an average, more than 60 per cent state that they have received absolutely no support. Very few acknowledged that they have received the support system to a greater level across all four dimensions. The practicality of training is hampered by a variety of internal characteristics as well as environmental factors. During the course, it was stated that the trainees would be eligible for bank loans with incentives if they had a certificate of training.

### MAJOR STUDY FINDINGS

- The rules and procedures regarding post training support system are exhaustive and help the trainees in establishing their enterprises.
- Only twenty per cent of the trainees contacted the institute for help and guidance when they were in the process of starting the business.
- Ninety per cent of the trainees responded that they were contacted by the institute after training as part of follow up.
- More than 80 per cent of respondents could not get single window facility while starting their businesses.
- Sixty one per cent didn't receive even consultancy support from the training institute.

- Fifty seven per cent not at all receive any assistance while getting the finance for their businesses.

### SUGGESTIONS

- Motivate the trainees to contact institute after training for help and guidance is highly essential
- It is made out that follow up activities are performed for procedure sake. The guidelines stipulate that every trainee should be contacted after training for a period of two years after training. The office staff, training faculty and directors of the institute contact the trainee on various modes and visit them to oversee the process the starting the business which will be recorded by the institute. These records also serve as the basis of performance evaluation and grading of training institute which is also linked to funding of institute. So, the institute performs the follow up in a compulsory manner but the results depicted through the survey of respondents speak opposite view. Therefore, it is suggested to make a genuine follow up of the trainees.
- Majority of the respondents didn't receive any help from follow up which is a major area of concern.

### CONCLUSION

The study concludes that the follow-up forms the basis of the performance of the institute as well as the success of trainees in starting a business. The study is based on the views of trained entrepreneurs who are successful in starting and establishing businesses in spite of the follow-up actions of the training institute. There is a need for genuine and real follow-up by the institutes and to keep a continuous track of each trainee till he achieves success in starting and running a business on

his own. The post-training support system acts as the backbone of the success of trained entrepreneurs. The role of director and staff of the training institute plays a major role in the implementation of these set procedures and rules.

## REFERENCES

### I. Journals

1. *MoRD Guidelines for 'Rural Self Employment Training Institutes' (RSETIs), GOI.*
2. *Amandeep Kaur Makkar and Sukhdeep Kaur Mann. (2020) Impact of RSETI Trainings on Entrepreneurship Development. Int.J.Curr.Microbiol.App.Sci. 9(8): 854-858. doi: <https://doi.org/10.20546/ijcmas.2020.908.092>*
3. *Dr Chatterjee, Shankar., (2017) RSETI: A Great Hope for Rural Unemployed Youths in India, Case from Telangana., International Journal of Research, volume 4*
4. *Jayakumar, V. J. (2012). SKDRDP's Successful Experiment with Group Entrepreneurship. SSRN Electronic Journal, 1-14.*
5. *K Ramakrishna, Sudhakar A Dr, Ramakrishna Dr., (2016) RSETIs as Nurseries for Startups: A Utility Analysis., IOSR Journal Of Humanities And Social Science, volume 21, issue 4, p. 1 – 09.*
6. *Ramakrishna K., (2015). A Unique Training Methodology of RUDSETIs in Promoting Self Employment among Unemployed Youth, IOSR Journal of Business and Management, Volume 17, Issue 1.Ver. II, PP 50-60*
7. *Roy, Avishek, (2019) Rural Self Employment Training Institutes in West Bengal: A Performance Assessment. <https://ssrn.com/abstract=3310856>*
8. *Saritha K.R and Dileep A.S. (2018) Barriers Faced by the Beneficiaries of RSETIs: An Insights, Journal of Social Welfare and Management Volume 10 Number 2, DOI: <http://dx.doi.org/10.21088/jswm.0975.0231.10218.5>*

### II. Books

1. *Khanka S. S. (2014) Entrepreneurial Development, S.Chand and Co. Ltd, New Delhi.*
2. *Desai, Vasant (2013) Dynamics of Entrepreneurial Development and Management, Himalaya Publishing House, New Delhi*

### III. E-SOURCES

- <https://scholar.google.com/>
- <https://papers.ssrn.com/>
- <https://www.researchgate.net/>
- <https://www.nacer.com/>
- <https://ksrtps.karnataka.gov.in/new-page/RSETI/en>