

# Impact of Udyogini scheme on employment generation of women beneficiaries

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## Abstract

**Objectives:** The study analyses the impact of Udyogini scheme on employment generation of rural women beneficiaries.

**Methods and statistical analysis:** The study is based on primary data collected from 120 rural women beneficiaries of Udyogini scheme. The collected data was analyzed using mean, percentage, Zero order correlation test and paired 't' test.

**Findings:** The study findings revealed that there is an increase of man days of employment among rural women beneficiaries by 46.72 per cent after joining Udyogini scheme. The data subjected for statistical test reveals the enhancement of man days of employment among beneficiaries before (546 man days) and after (745 man days) joining Udyogini scheme was found to be highly significant at one per cent level of probability.

**Application/Improvements:** Udyogini scheme is an innovative scheme which has created adequate employment opportunities to the rural women through establishing micro enterprises.

**Key words:** Empowerment, Beneficiaries, Characteristics, Agriculture, Business

## 1. Introduction

Women's task is perceived as more challenging and in view of her enormous roles and responsibilities, it is essential to strengthen her position in the family as well as in the society. Keeping this in view, a number of innovative schemes have been launched for the upliftment of women in our country, since independence. The reduction of poverty, unemployment and inequality has been the motto of our planners from the very beginning. From this line of thinking, attempts were made in the country beginning from the IV and V year plan periods to formulate programmes of development which would help to improve the condition of poorest of the poor. Both Central and State governments with the assistance of the local institutions emphasized the need for developing rural women in particular and their participation in developing activities.

Udyogini is an innovative scheme implemented by the Government of Karnataka during the year 1997-98. Karnataka State Women Development Corporation (KSWDC) has been established by the Government of Karnataka for implementing the Udyogini scheme. The scheme assists the women in gaining self-reliance through self employment especially in the trade and service sector. It empowers by providing loans through banks and other financial institutions; it also provides a subsidy from the corporation for undertaking business activities/micro-enterprises. Loans are arranged through financial institutions like commercial banks, direct co-operative banks and Regional Rural Banks (RRBs). The scheme has helped in preventing women entrepreneurs from private borrowing at higher rate of interest. The scheme has the definite aim of improving the family incomes of rural poor and at the same time, providing for flexibility of design at the grass-root level to suit the local need and resources. The objective of the reconstructing is to make the scheme more effective in providing sustainable income generation through micro-enterprise development, both lands based and otherwise. The major entrepreneurial activities for which the loan is provided under Udyogini scheme include agriculture and allied activities, ice cream parlour, tea stall, sweets shops, fair-price shops, tailoring, pottery, crèche, wet grinding, eat-outs, dry fish trade, vegetable and fruit vending,

mat weaving, dry cleaning, saree business, stationary shops, provision shop etc. In this backdrop, the present study is undertaken with the following specific objectives:

1. To know the personal, socio-economic, psychological and communication profile of the women beneficiaries of Udyogini scheme
2. To analyze the impact of Udyogini scheme on employment generation of rural women beneficiaries.
3. To find out the relationship between personal, socio-economic, psychological and communication characteristics of beneficiaries with the impact on employment generation.

## 2. Materials and methods

The study is carried out in Kolar, Bangarpet, Srinivaspura and Malur taluks of Kolar district in Karnataka state during 2014-15. Five villages were selected from each of four sampled taluks following purposive random sampling technique. From each village, six women beneficiaries were randomly selected for the study. Thus, the total sample constituted 120 women beneficiaries from 20 villages of four taluks in Kolar district. The details of the number of taluks, villages and beneficiaries sampled for the study are as follows:

Name of taluks, villages and beneficiaries sampled for the study

Sl. No.	Taluks	Number of villages	No. of beneficiaries
1	Kolar	5	30
2	Bangarpet	5	30
3	Srinivaspura	5	30
4	Malur	5	30
Total		20	120

Ex-post-facto (before and after) research design was followed in the present study to know the impact of Udyogini Scheme on employment generation of women beneficiaries. Data was collected from 120 women beneficiaries using a pre-structured schedule.

**Employment generation (dependent variable):** In the present study, the employment generation refers to the number of man days of employment generated annually to the beneficiary as a result of Udyogini scheme. Based on the mean and standard deviation, the beneficiaries were classified as detailed.

Category	Criteria	Employment generation (Man days)	
		Before	After
Low	< Mean-1/2 SD	< 380	< 539
Medium	Mean $\pm$ 1/2 SD	380 to 713	539 to 951
High	>Mean + 1/2 SD	> 713	> 951

The rate of enhancement in employment generation of each of the sampled beneficiary was worked out using the following formula:

$$\text{Rate of enhancement (\%)} = \frac{\text{Before} - \text{After}}{\text{After}} \times 100$$

Information regarding the personal, socio-economic, psychological and communication characteristics (independent variables) viz., age, education, marital status, type of family, family size, land holding credit orientation, cosmopolitaness, mass media participation, extension participation, social participation, achievement motivation and decision making ability was collected from women beneficiaries using a structured schedule with suitable scales.

### 3. Results and discussion

#### Personal, socio-economic, psychological and communication profile of the women beneficiaries of Udyogini scheme

Table 1 presents the data on the personal, socio-economic, psychological and communication profile of the women beneficiaries of Udyogini scheme. The table reveals that a greater proportion of the beneficiaries were of middle age (54.17%), studied up to middle school (46.67%), married (98.34%), marginal farmers (75.00%), having nuclear family (81.67%) with less than five family members in a family (81.67%). Forty five per cent of the beneficiaries were having low level of credit orientation, whereas more number of beneficiaries was having medium levels of cosmopolitanness (45.83%), mass media participation (41.67%), extension participation (42.50%), social participation (55.83%), achievement motivation (61.67%) and decision making ability (66.66%).

Table 1. Personal, socio-economic, psychological and communication profile of the women beneficiaries of Udyogini scheme

(n=120)

Sl. No.	Characteristics	Category	Women beneficiaries	
			Number	Per cent
1	Age	Young	20	16.67
		Middle	65	54.17
		Old	35	29.16
2	Education	Up to middle school	56	46.67
		High school	28	23.33
		PUC/diploma	22	18.33
		Graduate	14	11.67
3	Marital status	Married	118	98.34
		Unmarried	1	0.83
		Widow	1	0.83
4	Type of family	Nuclear	98	81.67
		Joint	22	18.33
5	Family size (members)	<5	60	50.00
		5-8	47	39.17
		>8	13	10.83
6	Land holding	Marginal	90	75.00
		Small	26	21.67
		Big	4	3.33
7	Credit orientation	Low	54	45.00
		Medium	46	38.33
		High	20	16.67
8	Cosmo politeness	Low	39	32.50
		Medium	55	45.83
		High	26	21.67
9	Mass media participation	Low	43	35.83
		Medium	50	41.67
		High	27	22.50
10	Extension participation	Low	38	31.67
		Medium	51	42.50
		High	31	25.83
11	Social participation	Low	30	25.00
		Medium	67	55.83
		High	23	19.17
12	Achievement motivation	Low	24	20.00
		Medium	74	61.67
		High	22	18.33
13	Decision making ability	Low	26	21.67
		Medium	80	66.66
		High	14	11.67

### Categorization of Udyogini scheme beneficiaries based on Employment generation

It is evident from the findings depicted from Table 2 that before the participation in Udyogini Scheme 46.67 per cent of beneficiaries belonged to medium employment generation category, followed by low (36.66%) and high (16.67%) employment generation category. Whereas, after the participation in Udyogini scheme, 43.33 per cent of the beneficiaries belonged to medium level employment generation category, followed by high (31.67%) and low (25.00%) employment generation category. Chi square value of 8.38 was found to be significant at five per cent level of significance. Udyogini scheme has helped the beneficiaries to take up various income generating activities which has created employment to them. Hence, after the enrollment of the beneficiaries to the scheme the number of beneficiaries in the low employment category has decreased and the number of beneficiaries in the high employment category has increased. It is evident from the study results that the Udyogini scheme has created employment opportunities to the women beneficiaries. The findings are in line with the study of [1].

Table 2. Categorization of Udyogini scheme beneficiaries based on employment generation

(n=120)

Employment generation (man days)	Women beneficiaries				X <sup>2</sup> value
	Before		After		
	Number	Percentage	Number	Percentage	
Low	44	36.66	30	25.00	8.38*
Medium	56	46.67	52	43.33	
High	20	16.67	38	31.67	
Total	120	100.00	120	100.00	

\* Significant at 5% level

### Impact of Udyogini scheme on Employment generation of the beneficiaries

The data in Table 3 reveals that the mean annual employment generation of beneficiaries before their participation in Udyogini scheme was 546 man days and after their participation in Udyogini scheme the annual employment generation was 745 man days. There is an increase of man days of employment of Udyogini scheme beneficiaries by 46.72 per cent. The paired 't' value of 26.57 was found to be significant at one per cent level of probability. The results indicate that the Udyogini scheme is successful in creating additional employment opportunities for its beneficiaries by motivating its beneficiaries to start micro-enterprises. The results are in conformity with the findings of [2], [1], [3] [4].

Table 3. Impact of Udyogini scheme on employment generation of the beneficiaries

(n=120)

Details	Employment generation (Man days)		Rate of Enhancement (%)	Paired 't' value
	Before	After		
Mean	546	745	46.72	26.57**
Standard deviation	333	412	19.26	

\*\* Significant at 1% level

### Activity-wise employment generation of Udyogini scheme beneficiaries

A cursory look into the Table 4 reveals the activity-wise employment generation of the Udyogini scheme beneficiaries.

Table 4. Activity-wise employment generation of Udyogini scheme beneficiaries

(n=120)

Sl. No.	Activity	Employment generation (Man days)				Rate of Enhancement (%)		Paired 't' value
		Before		After		Mean	SD	
		Mean	SD	Mean	SD			
1	Agriculture Activities	393	346	446	418	51.47	18.24	30.91**
2	Subsidiary activities	39	52	113	153	44.27	26.52	18.29**
3	Business	142	164	213	239	87.47	39.17	24.46**

\*\* Significant at 1% level

The mean annual employment generation of beneficiaries from agriculture source was 393 man days before their participation in Udyogini scheme and after their participation in Udyogini scheme it was 446 man days. There is an increase of man days of employment to the tune of 51.47 per cent. The paired't' value of 30.91 was found to be significant at one per cent level of probability.

The mean annual employment generation of beneficiaries from subsidiary activities (dairy, sheep rearing, poultry and production of vermicompost) was 39 man days before their participation in Udyogini scheme and after their participation in Udyogini scheme it was 113 man days. There is an increase of man days of employment of Udyogini scheme beneficiaries by 44.27 per cent. The paired't' value of 18.29 was found to be significant at one per cent level of probability.

The mean annual employment generation of beneficiaries from business (wet grinding, eat-outs, dry fish trade, vegetable and fruit vending, mat weaving, dry cleaning, saree business, stationary shops, provision shop etc.) was 142 man days before their participation in Udyogini scheme and 213 man days after their participation in Udyogini scheme. There is an increase of man days of employment of Udyogini scheme beneficiaries by 87.47 per cent. The paired't' value of 24.46 was found to be significant at one per cent level of probability.

It is observed that the percentage of increase in employment generation of beneficiaries from business (87.47%) is more compared to the employment generation from subsidiary activities (44.27%) and agriculture (44.27%).

**Relationship between personal, socio-economic, psychological and communication characteristics of beneficiaries with the impact on employment generation after participation**

The zero order correlation tests was worked out to find out the nature of relationship between employment generation and personal, socio-economic, psychological and communication characteristics of beneficiaries.

Table 5. Relationship of Independent variables with employment generation of beneficiaries of Udyogini scheme after participation

(n=120)

Sl. No.	Independent variables	Co-rrrelation co-efficient 'r' value
1.	Age	0.0680 <sup>NS</sup>
2.	Education	0.0386 <sup>NS</sup>
3.	Marital status	0.0864 <sup>NS</sup>
4.	Type of family	0.0902 <sup>NS</sup>
5.	Family size	0.2953 *
6.	Land holding	0.0343 <sup>NS</sup>
7.	Credit orientation	-0.2091 <sup>NS</sup>
8.	Cosmopolitaness	0.2643 **
9.	Mass media participation	0.2309 *
10.	Extension participation	0.4079 **
11.	Social participation	0.1943 *
12.	Achievement motivation	0.4172 **
13.	Decision making ability	0.0913 <sup>NS</sup>

\* Significant at 5%; \*\* Significant at 1%; NS-Non significant

Table 5 reveals that age, education, marital status, type of family, land holding, credit orientation and decision making ability of the beneficiaries has no significant relationship with the impact on employment generation. Mass media participation and social participation had significant relationship at five per cent level, whereas cosmopolitaness, extension participation and achievement motivation had significant relationship with the impact on employment generation of the beneficiaries. The explanation for the characteristics having significant to highly significant relationship with the impact on employment generation is presented in the following paragraphs. Similar results were reported by [5], [1],[4].

Individuals from large families will be supported and motivated by other members of the family to participate in the schemes/programmes for taking up micro-enterprises leading to creation of additional employment. An individual who visits semi-urban or urban areas will have an opportunity to visit Development departments whereby acquires more knowledge and start new micro-enterprises leading to increased man days. Higher level of mass media participation would facilitate the beneficiaries to develop habits of gathering more information about programmes/schemes. Such beneficiaries will be self employed by starting business activities under various programmes/schemes. Participation of individuals in social organisations and extension programmes facilitates the individuals to take up benefit under various schemes/programmes to start micro-enterprises that could generate additional employment. An individual who is motivated seeks employment to increase her/his income and social status. Hence, such individuals will try to establish micro-enterprises which provide them both employment and income.

#### 4. Conclusion

It is evident from the results that Udyogini scheme has created employment opportunities to the women beneficiaries through establishing various micro-enterprises. Large scale publicity should be given by Karnataka State Women Development Corporation to popularize the Udyogini scheme through local institutions, extension programmes and mass media among the local people who seek employment by starting micro-enterprises.

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