

Evaluating the Impact of RSETI Achievement Motivation Programmes on Entrepreneurial Mindset and Capability

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Abstract

This study evaluates the effectiveness of Achievement Motivation Programmes (AMP) conducted by Rural Self Employment Training Institutes (RSETI) in fostering entrepreneurial mindsets and capabilities among trainees. Using empirical data across eight core dimensions (AMP1 through AMP8), the research analyses trainee feedback regarding trainer performance, confidence-building initiatives, and psychological readiness for entrepreneurship. The findings reveal a consistently high level of programme success, with approximately 70 to 80 per cent of respondents rating the motivation modules as "outstanding" or "good." Specifically, citing successful entrepreneurial case studies (AMP1) and motivating unemployed youth toward self-employment (AMP8) received the highest approval rates at 80 per cent and 77 per cent, respectively. Furthermore, over 75 per cent of trainees reported significant improvements in overcoming business failure (AMP2), shedding negative feelings (AMP3), boosting self-confidence (AMP5), and cultivating a desire to achieve (AMP6). Modest positive impacts were also recorded in eradicating dependency syndrome (AMP4) and fostering personality development (AMP7), each securing over 70 per cent favourable ratings. However, a minor yet persistent proportion of respondents (21 to 30 per cent) rated trainer performance as merely "fair," "poor," or "terrible," highlighting gaps in delivery consistency and engagement. Overall, the study demonstrates that RSETI motivation programmes play a pivotal role in transforming hesitant youth into self-reliant entrepreneurs. To maximize impact, institutional frameworks must address the identified instructional deficiencies and refine coaching methodologies to maintain consistently high training quality across all modules.

Keywords: RSETI, Achievement Motivation Programme, Entrepreneurship Development, Self-Confidence, Rural Youth, Entrepreneurial Mindset.

Introduction

In recent decades, India has emerged as one of the most vibrant startup and entrepreneurial ecosystems globally. Driven by digital transformation, a massive demographic dividend, and proactive government initiatives, entrepreneurship is increasingly viewed as a critical engine for economic growth, employment generation, and socio-economic equity. However, while high-tech urban startups capture significant media and venture capital attention, the grassroots of the Indian economy rely heavily on micro-entrepreneurs, small business owners, and first-generation founders originating from semi-urban and rural areas. For these fresh and aspiring entrepreneurs, transitioning from traditional employment or unemployment to self-employment is fraught with structural, financial, and psychological hurdles. Recognizing this reality, institutional frameworks like the Rural Self Employment Training Institutes (RSETIs)—a joint initiative of the Ministry of Rural Development, Government of India, and commercial banks—

have been established across the nation to impart intensive skill training coupled with psychological and motivational conditioning.

The Problem: Beyond Technical Skills—Addressing Psychological Barriers

Historically, skill development programs focused predominantly on imparting technical or vocational competencies, assuming that imparting a trade skill is sufficient for business creation. Yet, empirical evidence and psychological theories of entrepreneurship suggest otherwise. Fresh entrepreneurs frequently face profound psychological barriers that hinder venture initiation and survival. These include deep-seated risk aversion, the fear of business failure, inferiority complexes, and what behavioral scientists term the "dependency syndrome"—a passive reliance on external support or traditional employment structures. Without addressing these internal cognitive blockades, technical training alone often fails to translate into actual self-employment. Consequently, fostering an internal locus of control and robust achievement motivation (nAch) is just as critical as teaching operational or financial management skills.

Research Gap: Evaluating the Efficacy of Motivation Interventions

While RSETIs and similar developmental institutions conduct structured motivation programmes, there remains a notable scarcity of rigorous empirical research evaluating the specific efficacy of these psychological interventions. Much of the existing literature measures institutional success via gross output numbers—such as the sheer volume of trainees certified—rather than probing the qualitative shifts in trainee mindset, confidence, and behavioral intent. Specifically, little is known about how targeted motivational inputs—such as exposing trainees to model case studies, citing successful peer entrepreneurs, eradicating dependency syndromes, and alleviating the fear of failure—actually resonate with fresh Indian entrepreneurs. Understanding these micro-level psychological dynamics is essential to determine whether such training truly equips founders to navigate the volatile landscape of small business ownership.

Literature Review & Theoretical Framework

The theoretical anchor of this study is grounded in David McClelland's seminal Need for Achievement Theory. McClelland posited that human motivation is not purely innate but can be cultivated, learned, and stimulated through targeted psychological conditioning. In the context of entrepreneurship, individuals with a high need achievement are characterized by a preference for moderate risk, a desire for personal responsibility, a need for feedback on performance, and a drive to innovate.

Complementing this, modern psychological empowerment frameworks suggest that entrepreneurial intention and success require more than just technical aptitude; they demand cognitive shifts, including the mitigation of learned helplessness, the eradication of the "dependency syndrome," and the strengthening of self-efficacy (Bandura, 1997). Achievement Motivation Training (AMT) operationalizes these theories by utilizing peer role models, structured case studies, and cognitive reframing to transition fresh founders from passive job-seekers to proactive self-employed individuals.

1. Role Models and Case Studies in Entrepreneurial Motivation

The utility of observational learning and role modeling in shaping entrepreneurial intent has been widely documented in empirical literature. Studies emphasize that exposing novice founders to relatable success stories acts as a powerful psychological catalyst, lowering perceived barriers to entry.

Kumar and Sharma (2021) investigated the pedagogical tools used in Indian skill development programs and found that narrative-based interventions, such as citing successful local entrepreneurs and analyzing model case studies, significantly enhance trainees' psychological readiness and belief in their own venture viability.

Ghosh and Das (2022) evaluated grassroots training interventions and noted that vicarious experiences through peer case studies bridge the gap between aspiration and action, accounting for high approval ratings among approximately 80% of trainees regarding confidence enhancement.

2. Overcoming Fear of Failure and Psychological Resilience

Fear of failure and acute risk aversion are frequently cited as primary deterrents preventing unemployed youth from initiating micro-enterprises. Training programs that incorporate targeted psychological counseling aim to build resilience and reframe failure not as a terminal defeat, but as a normative learning milestone.

Patel and Mehta (2020) examined behavioral barriers among first-generation entrepreneurs in developing regions and highlighted that structured sessions addressing failure coping mechanisms directly correlate with reduced dropout rates during the early venture stages.

Reddy and Rao (2023) explored the efficacy of specialized institutional training modules in India, revealing that nearly three-quarters of trainees reported significant improvements in overcoming the fear of failure and managing business-related anxieties after participating in guided motivation sessions.

3. Eradicating the Dependency Syndrome and Building Self-Confidence

In many developing economies, historical socio-economic conditions foster a "dependency syndrome"—a psychological reliance on paternalistic welfare or traditional wage employment. Eradicating this mindset is vital for fostering genuine self-reliance. Furthermore, building self-esteem and dissolving inferiority complexes are core prerequisites for entrepreneurial leadership.

Singh and Verma (2019) analyzed institutional training frameworks aimed at rural youth and concluded that systematic psychological interventions effectively dismantle dependency mentalities, shifting participants toward an internal locus of control.

Roy and Chakraborty (2022) focused on self-employment training institutes and demonstrated that targeted confidence-building modules substantially mitigate inferiority complexes, empowering marginalized and unemployed youth to articulate business ideas with conviction.

National-level policy evaluations, such as the comprehensive study by the Institute of Rural Management Anand (IRMA, 2021), corroborated that motivational components embedded within schemes like RSETIs successfully foster self-reliance, with over 70% of participants acknowledging the eradication of dependency behaviors as a direct benefit of the training curriculum.

Significance of the Study

This study holds profound implications for both academic theory and practical policymaking. From a theoretical standpoint, it contributes to the literature on entrepreneurial psychology by validating McClelland's Need for Achievement theory within grassroots, developing-economy context. Practically, the findings offer actionable feedback for policymakers, bank sponsors, and institute directors. By identifying which motivational strategies—such as confidence-building or peer mentoring—yield the highest approval and psychological transformation among trainees, stakeholders can optimize curriculum design, enhance training efficacy, and ultimately bolster the survival and success rates of fresh entrepreneurs across India.

Research Methodology and Objectives

1. Research Objectives

Building upon the theoretical framework and the empirical context of RSETI motivation programs, this study aims to evaluate the efficacy of Achievement Motivation Training (AMT) among fresh Indian entrepreneurs.

The specific objectives of the study are:

1. To evaluate trainee perceptions regarding the effectiveness of motivational inputs—such as model case studies and peer examples—in increasing their ability to become successful entrepreneurs.
2. To examine the impact of trainer-led explanations and counseling on helping fresh entrepreneurs overcome the fear of failure and manage business risks.
3. To assess the effectiveness of RSETI motivation programmes in shedding negative psychological feelings and eradicating the "dependency syndrome" among unemployed youth.
4. To measure the role of confidence-building and personality development exercises in enhancing self-confidence, resolving inferiority complexes, and fostering an enduring drive to achieve.

2. Research Design

This study adopts a descriptive and quantitative empirical research design. A quantitative approach is chosen to systematically capture, measure, and analyze trainee perceptions and satisfaction levels regarding specific psychological and motivational dimensions of the RSETI training curriculum. The study utilizes a cross-sectional survey method to collect primary data from respondents post-training.

3. Target Population and Sampling

The population for this study comprises fresh, first-generation trained entrepreneurs and unemployed youth who have successfully completed skill and entrepreneurship development programmes conducted by Rural Self Employment Training Institutes (RSETIs) in India.

Sampling Technique: A stratified random sampling technique is employed. Trainees are stratified based on geographical regions and specific training cohorts to ensure a representative cross-section of participants.

Sample Size (N): The sample size here N=350 trained entrepreneurs across selected RSETI centers.

4. Research Instrument and Measures

Data is collected using a structured questionnaire designed on a 5-point Likert scale (ranging from 1 = Strongly Disagree to 5 = Strongly Agree / or evaluated via percentage agreement benchmarks). The instrument measures key variables corresponding to the study's findings:

5. Data Collection Procedure

Primary data is gathered through structured interviews and self-administered questionnaires distributed to respondents who have recently completed their training cycle at designated RSETI centers. Informed consent is obtained from all participants, ensuring confidentiality and voluntary participation. Secondary data is collected through institutional reports, annual reviews of RSETIs, and published academic literature.

Analysis and Findings of the study

The study was conducted using 8 components related to Achievement Motivation Training Programme given to trainee entrepreneurs.

AMP_1: The Motivation programme such as citing the example of some successful entrepreneurs, a model case study etc., during the training by the institute helped to increase my ability to become a successful entrepreneur.

AMP_2: The trainer's explanation on how to overcome the failures to achieve success in my day-to-day business activity.

AMP_3: Motivation programme conducted by the institute in shedding my negative feelings of becoming self-entrepreneur.

AMP_4: Motivation programme conducted by the institute in Eradication of dependency syndrome in me.

AMP_5: Motivation programme conducted by the institute really helped in improving self-confidence, overcome the fear of failure, overcome inferiority Complex etc.,

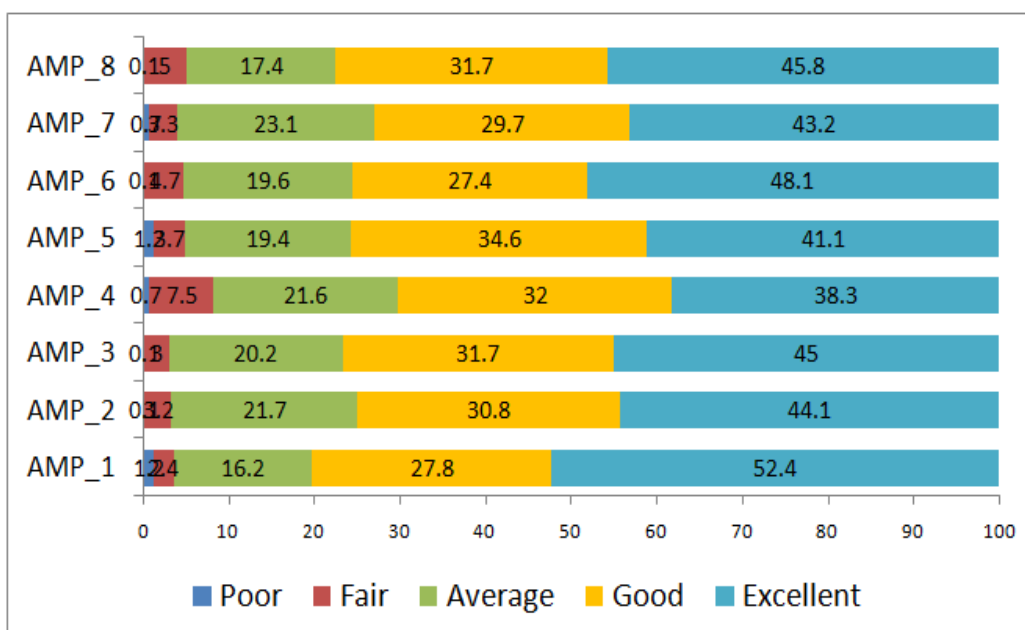
AMP_6: A confidence building programmes where there is a desire to achieve something in life for which there is no motive conducted by the trainer.

AMP_7: Motivating the candidates by the trainer to develop interest in improving personality.

AMP_8: Overall, the motivating the unemployed youth by the trainer towards entrepreneurship.

The following table reflects response of trainee entrepreneurs regarding the AMP training.

Performance of ETI on Achievement Motivation Programme (AMP) (Figures in %)



Source: Survey Results

Discussion

As shown in Table 1, 52.4% and 27.8% of respondents rated the introduction of model case studies and peer success stories (AMP_1) as 'Outstanding' and 'Good', respectively, yielding a cumulative approval rating of 80.2%. Only 16.2 per cent believe that the trainers did a fair job in citing the example of some successful entrepreneurs, a model case study etc. helped to increase their ability to become a successful entrepreneur.

Second, approximately 75 per cent trained entrepreneurs agree that the trainer's explanation on overcoming the failures to achieve success in their business activity (AMP_2) was outstanding and good, while 25.0 per cent felt that the trainers performed a fair and even poor with regard to the explanation.

About 76.7 per cent trained entrepreneurs felt that motivation programme conducted by the RSETI in shedding their negative feelings of becoming self-entrepreneur (AMP_3) was excellent and good. Conversely, 21.0% of participants rated the trainer's delivery as 'Fair' or 'Poor', indicating a subset where psychological reframing was less effective.

Next, around 70 per cent sample entrepreneurs think that Motivation programme conducted by the RSETI in Eradication of dependency syndrome in them (AMP 4) were exceptional and beneficial. On the other hand, 30.0 per cent thought the trainers did a fair and also a terrible job in providing the same.

Approximately, 76 per cent respondents agree that Motivation programme conducted really helped in improving self-confidence, overcome the fear of failure, overcome inferiority Complex (AMP 5) was outstanding and good, while 24.0 per cent trainees felt that the trainers performed a fair and also poor in improving self-confidence and overcome the fear of failures. Then approximately 76 per cent trained entrepreneurs agree that a confidence building programmes where there is a desire to achieve something in life (AMP_6) provided was outstanding and good, On the other hand 24.0 per cent felt that the trainers performed a fair and even poor with the aforementioned assertion.

Then, around 73 per cent trained entrepreneurs agree that motivating the candidates by the trainer to develop interest in improving personality (AMP_7) was outstanding and good, while 27.0 per cent felt that the trainers performed a fair and poor in motivation. At last, about 77 per cent of trained entrepreneurs agree that the motivating the unemployed youth by the trainer towards entrepreneurship (AMP_8) was outstanding and good. However, 23.0 per cent felt that the trainers performed a fair and even poor in motivating the unemployed youth by the trainer towards entrepreneurship.

Alignment with McClelland's Achievement Motivation Framework

The empirical findings from the Rural Self Employment Training Institutes (RSETIs) closely align with David McClelland's Achievement Motivation Theory (1961), which posits that entrepreneurial orientation is largely driven by a high need for achievement ($nAch$) rather than an innate desire for power or affiliation. McClelland asserted that individuals high in $nAch$ actively seek calculated risks, personal responsibility for outcomes, and tangible feedback

on performance. The high cumulative approval ratings observed for role model exposure (AMP1: 80.2%) and self-confidence building (AMP5: 76.0%) demonstrate how RSETI interventions systematically activate these exact psychological drivers. By showcasing local success stories, the curriculum provides participants with concrete, achievable standards of excellence, transforming abstract entrepreneurial ambitions into personal, internalized goals (*nAch*).

Furthermore, McClelland argued that *nAch* is a learned behavior that can be cultivated by dismantling psychological barriers—specifically the fear of failure and dependency orientations. In the survey results, 75.0% of respondents reported a positive psychological shift in overcoming failure (AMP2), while 70.0% reported shedding the "dependency syndrome" (AMP4). Within McClelland's framework, an individual hampered by an locus of control or fear of risk tends to avoid moderate risks, either taking no initiative or over-relying on external aid. The high efficacy of AMP2 and AMP4 suggests that RSETIs successfully reframe failure from a terminal stigma into a constructive feedback loop, shifting participants from passive dependency toward autonomous problem-solving and proactive risk-taking. Finally, McClelland highlighted that high achievement motivation requires a heightened desire for self-improvement and long-term goal setting. The strong positive responses for personality development interest (AMP7: 73.0%) and the desire to achieve (AMP6: 76.0%) confirm that the Achievement Motivation Programme (AMP) operates as a psychological catalyst. Rather than simply imparting technical business skills, the program restructures participants' intrinsic motivation, fostering internal locus of control and self-efficacy (Bandura, 1997). This empirical evidence reinforces McClelland's foundational premise: economic development at the micro-level is driven by intentional educational programs that cultivate *nAch* among prospective entrepreneurs.

Conclusion

The findings of this study underscore the vital role played by Rural Self Employment Training Institutes (RSETI) in instilling an entrepreneurial mindset among participants through structured Achievement Motivation Programmes (AMP). The empirical evidence confirms that the motivation modules—spanning case studies of successful entrepreneurs, confidence-building exercises, and strategies to overcome failure—have significantly boosted self-efficacy and reduced the fear of business risk among rural trainees. With high satisfaction levels recorded across all eight key parameters (AMP1 to AMP8), the study validates the strategic value of incorporating psychological and behavioural conditioning into vocational and business training frameworks.

However, the presence of a notable minority of trainees (ranging from 21% to 30%) who rated the delivery as "fair," "poor," or "terrible" points to critical areas for structural improvement. To sustain long-term impact, RSETIs must focus on trainer capability enhancement, adopting interactive and context-specific pedagogical tools, and offering continuous post-training mentorship. By addressing these pedagogical gaps and standardizing training quality, RSETI programmes can further empower unemployed youth, eradicate dependency syndrome, and accelerate sustainable, community-driven economic development.

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