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Performance analysis of Entrepreneurs in the implementation of SVEP at Chumukedima and Jakhama blocks of Nagaland

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Abstract:

The study highlights that education, income and the support provided by the Startup Village Entrepreneurship Programme (SVEP) ecosystem were the significant factors influencing the performance of entrepreneurs. Those enrolled in the program outperformed pre-SVEP entrepreneurs. Continuous support in the form of mentorship, access to finance and marketing linkages and capacity-building training played crucial roles in enhancing entrepreneurs' performance and income. Nevertheless, overall, there has been growth in income, fixed assets, and employment opportunities in sectors such as manufacturing, trading, and services. Furthermore, the introduction of technological interventions for monitoring, bookkeeping and online platforms tailored for SVEP entrepreneurs, as well as marketing consortiums and scheme convergence is expected to have a significant impact on the scheme and rural entrepreneurs.

Key words: SVEP, Ecosystem. Manufacturing, Trading and Services.

Introduction:

Rural communities have traditionally had agriculture as one of the main economic drivers, with a significant portion of the population working for themselves in rural areas. However, agriculture does not provide income for landless households. It has been observed that impoverished households require three to four diverse sources of income to overcome poverty. Income can be obtained from non-farm livelihoods, skill-based labour, and small businesses. Many rural people specifically women’s have to rely on daily wage labour for sustenance due to the lack of employment opportunities, inadequate infrastructure, poverty, and other factors. The role of women entrepreneurs in local economies is crucial and they are involved in many micro-enterprises in developing countries (Sharma, A et al., 2012). The SVEP ecosystem has played a pivotal role in addressing several pressing societal issues, such as inequality, poverty reduction, women's empowerment, accessibility to banking and financial institutions, marketability of products, and digital literacy through capacity building. By focusing on these critical areas, the program has significantly impacted the lives of entrepreneurs and their communities, helping them thrive and contribute to the economy in meaningful ways.

For many rural families, financial freedom is still a distant dream, as they work to make ends meet and meet their basic needs. The Startup Village Entrepreneurship Program (SVEP) is the sole recipient of all credit. Rural communities in India are now experiencing a glimmer of hope. Enhancing rural entrepreneurship involves proper skill development, market support, hand-holding support, strengthening extension services, and building up competencies (Kumar, S.,2012). Rural youth are being empowered by this government-led initiative by having the necessary tools, resources, and support to start their own businesses and embark on entrepreneurship. By giving rural

youth the tools to shape their futures and become self-reliant, SVEP is transforming their lives. Krishna Dixit and Debashish Sakunia (2022) provided an explanation of SVEP by measuring its impact on various categories. The trading sector has the highest overall impact among new ventures, according to their findings.

Materials and Methods:

Study area: The study was done at Chumukedima and Jakhama blocks of Nagaland, India

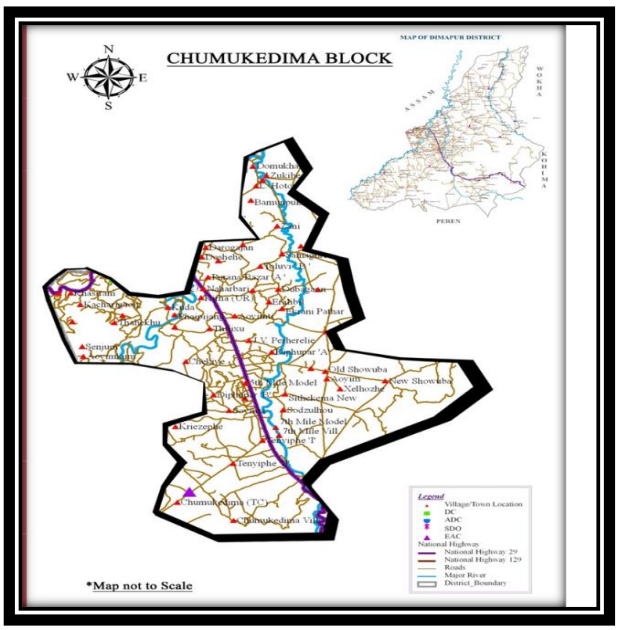
Objectives:

1. Measure the establishment and growth of micro and small enterprises, job creation and income generation resulting from SVEP in the local community.
2. Analysing the effectiveness of training, mentorship, access to capital and the role of technology in empowering rural entrepreneurs
3. To understand the performance of Entrepreneurs to operate and manage rural enterprises.

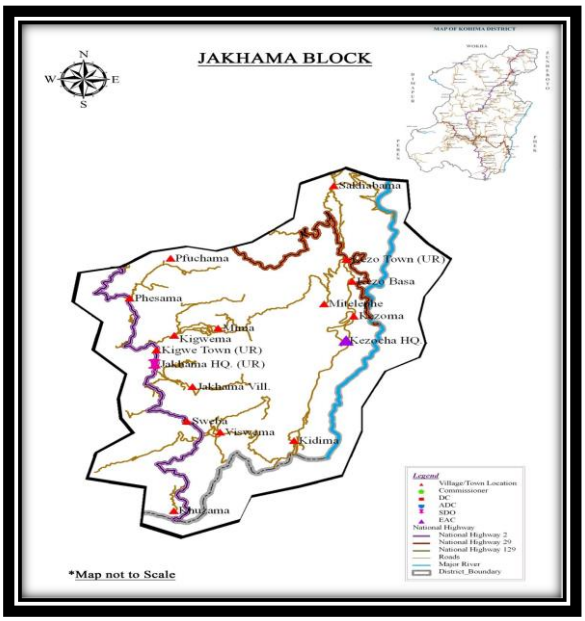
Sample Design: The sample design for the SVEP evaluation study in the Chumukedima and Jakhama block is developed to ensure a representative sample of the enterprises established under the program. The sample design is based on a stratified random sampling method. The enterprises are first stratified into three categories based on their sector of activity - agriculture, non-farm, and micro-enterprises. From each stratum, a random sample of enterprises was selected using a probability proportional to size (PPS) method. The sample design also included selecting key stakeholders, such as Business Resource Centre (BRC) staff, financial institution representatives, and program implementers, to be interviewed for their perspectives on the program's performance and impact.

Result and Discussion:

The SVEP project was implemented in 42 villages out of 50 villages of Chumukedima block which is about 84% of the total. Whereas in Jakhama Block, it encompasses 12 villages, with 3 villages under the Kezocha subdivision and the remaining 9 under the Jakhama subdivision. The division of villages into Kezocha and Jakhama subdivisions within the Jakhama Block is based on geographical considerations.



Map of Chumukedima block



Map of Jakhama block

Categories of enterprises promoted under SVEP:

The surveyed data and interviews were conducted with 490 individuals at Chumukedima block, representing around 20% of the total pool of 2,413 entrepreneurs. The data for the survey was collected through interviews with 321 individuals, representing approximately 20% of the total pool of 1,612 entrepreneurs at Jakhama block. Among the surveyed entrepreneurs, the majority, accounting for 43.1% of the total, operate in the trading sector, including grocery stores, flower shops, gift shops, and pig trading. The manufacturing sector, which comprises businesses such as pickle making, weaving, bakery, and soap making, accounts for 19.2% of the total, while the service sector, which includes businesses such as beauty parlours, laundry services, cyber cafes, photocopy, and printing services, and others, accounts for 37.3% of the total. Finally, the mixed sector has the smallest representation, with only 0.4% of the total entrepreneurs at Chumukedima block. While at Jakhama block, the majority, comprising 53.58% of the total, are involved in the trading sector, running businesses such as grocery stores, flower shops, gift shops, and pig trading. The manufacturing sector, which includes activities like pickle making, weaving, bakery, and soap making, accounts for 14.02% of the total. The service sector, which encompasses businesses like beauty Parlors, laundry services, cyber cafes, photocopying and printing services, and others, accounts for 32.09% of the total. Lastly, the mixed sector has the smallest representation, with only 0.31% of the total entrepreneurs.

Social Impact:

Inclusion of Weaker sections

Category-wise

One of the objectives of this project is to uplift marginalized communities, including SC, ST, OBC, Minorities, and the economically disadvantaged, by promoting entrepreneurship. It has been observed that entrepreneurs from these marginalized communities in the Chumukedima block have shown a keen interest in starting their own businesses. The study included entrepreneurs from various social groups, including general, SC, ST, and minorities, with a total

sample size of 490 entrepreneurs. Of these, 488 (or 99.6%) were from the ST category, while only 2 (or 0.4%) were from the SC category. There were no entrepreneurs from the OBC or General categories. These findings indicate that the SVEP program has predominantly focused on engaging with entrepreneurs from the ST category. Women are the torchbearers of this program. The study has observed a strong interest among entrepreneurs from these marginalized communities in the Jakhama block of Kohima district to start their businesses. The study included entrepreneurs from various social groups, including general, SC, ST, and minorities, with a total sample size of 321 entrepreneurs. Out of the total sample, all 321 entrepreneurs (100%) belonged to the ST category, while no entrepreneurs were from the SC, OBC, or General categories. These findings highlight that the SVEP program has predominantly focused on engaging entrepreneurs from the ST category, and it recognizes women as the torchbearers of this program.

Empowering Women through SVEP

Women have emerged as the leading participants in the SVEP initiative, serving as torchbearers for the program. Impressively, women account for 86% of the total participation in SVEP, while men account for only 14% in Chumukedima. It is truly impressive that women constitute a remarkable 84% of the total participation in SVEP, while men account for a mere 16% at Jakhama block. This high level of women's participation is indicative of the program's success in promoting gender equality and empowering women to become active members of society. By actively participating in the program, women are sending a positive message to male-dominated communities that they are capable of and committed to entering the mainstream and contributing to society's progress and development.

Inclusion of Educationally Backward

This study reveals that the majority of entrepreneurs have attained primary education up to the post-graduation level. The largest group of participants have completed Class IX to X (156 participants or 31.84%), followed by Class VI to VIII (102 participants or 20.82%) and Graduate (102 participants or 20.82%). The smallest number of participants are Postgraduate (10 participants or 2.04%) and Illiterate (14 participants or 2.86%) at Chumukedima block. The education breakdown reveals that 13.08% of participants have attained education up to Class I to V, while 16.82% each fall into the categories of Class VI to VIII and Class IX to X. Entrepreneurs in the Class XI to XII category account for 13.40% of the group. Additionally, 16.82% of entrepreneurs hold a graduate degree, while 19.31% are illiterate. A smaller percentage of 3.74% possess postgraduate degrees at Jakhama block.These findings indicate that education is essential to entrepreneurship and that most entrepreneurs have at least a basic education.

Furthermore, the study found that 81% of new enterprises are promoted under the SVEP scheme, while only 19% of existing enterprises are promoted as per the program's guidelines at Chumukedima block. Moreover, the study revealed that 62% of the enterprises supported by the SVEP scheme were new ventures, while only 38% were existing businesses that received promotion at Jakhama block. This suggests that the SVEP program has successfully promoted the creation of new enterprises and supported entrepreneurs who are starting fresh. Covering all sections of society, irrespective of their educational backgrounds, is a significant achievement.

Economic Impact

The implementation of SVEP has led to notable economic and social benefits for entrepreneurs, including income enhancement, employment generation, increased business assets, and capital funding. Survey data reveals significant income improvements among entrepreneurs after joining SVEP. The number of families at Chumukedima block with income in the range of Rs. 1,000 to Rs. 5,000 decreased from 170 to 14, indicating a substantial increase in income. Similarly, there was a positive impact on income in higher ranges, with increased numbers of families earning Rs. 10,000 to Rs. 30,000. The implementation of the SVEP program has had significant positive effects on entrepreneurs, leading to economic and social benefits such as increased income, job creation, business asset growth, and access to

capital. The survey data reveals a notable change in income distribution among families participating in the program, with a decrease in lower income ranges (1000 - 5000) and an increase in higher income ranges (5000 - 10000, 10000 - 20000, 20000 - 30000, and 30000 - 50000) at Jakhama block.

The SVEP program facilitated loans and successfully supported repayment for a large number of enterprises while also assisting with market and bank linkages. The study found that businesses that started during the second and third years of SVEP accounted for a significant portion of new ventures, indicating a progressive growth trend. Employment opportunities for the local population were also created, with an average employment rate of 11%.

Statistical analysis on support provided by the CRP-Eps to Entrepreneurs

Descriptive Statistics

Descriptive Statistics			
	Mean	**Std. Deviation**	**N**
No. of entrepreneurs under the CRP-EP receiving SVEP loan	112.5	30.34199	12
Number of enterprises successfully running	52.83333	35.60856	12

Table1: Descriptive analysis of entrepreneurs receiving SVEP loans and enterprise successfully operated at Chumukedima block

Based on the Descriptive Statistics analysis, the mean number of entrepreneurs receiving SVEP loans under the CRP-EP is 112.5, with a standard deviation of 30.34199 and a sample size of 12. This indicates that, on average, the program has reached out to a significant number of entrepreneurs. However, there is still some variation in the number of loans disbursed among the participants. The mean number of enterprises successfully running is 52.83333, with a standard deviation of 35.60856 and a sample size of 12. This suggests that while the program has helped many entrepreneurs start their own businesses, there is still some scope for improvement in ensuring their long-term sustainability. In general, the Descriptive Statistics highlight the effectiveness of the SVEP program in supporting entrepreneurship and creating new business opportunities. However, there is still room for improvement in terms of ensuring the long-term success and sustainability of these businesses. Further analysis and evaluation of the program's impact can help identify areas for improvement and optimize the program's effectiveness in promoting entrepreneurship and economic growth.

Descriptive Statistics			
	Mean	**Std. Deviation**	**N**
No. of entrepreneurs under the CRP-EP receiving SVEP loan	162	32.3213	7
Number of enterprises successfully running	110.7143	21.0453	7

Table 2: Descriptive analysis of entrepreneurs receiving SVEP loans and enterprise successfully operated at Chumukedima block at Jakhama block

The data tabulated in the above table (Table no. 2) provides descriptive statistics for two variables: the number of entrepreneurs under the CRP-EP receiving SVEP loans and the number of enterprises successfully running. For the

variable "No. of entrepreneurs under the CRP-EP receiving SVEP loan," the average number of entrepreneurs is 162, with a moderate amount of variation indicated by a standard deviation of 32.3213. The sample size for this variable is relatively small, consisting of 7 observations. Regarding the variable "Number of enterprises successfully running," the average number of such enterprises is 110.7143, and the standard deviation is 21.0453, indicating a moderate level of variability. Again, the sample size for this variable is 7. Based on the data, it can conclude that, on average, 162 entrepreneurs are receiving SVEP loans, and approximately 110.7143 enterprises are successfully running. However, it's important to note that these findings are based on a small sample size, and caution should be exercised when generalizing these results to a larger population.

Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.620[a]	0.384	0.322	29.314
a. Predictors: (Constant), SVEP Loan				

Table 3: Regression analysis between SVEP Loan and successful running enterprise at Chumukedima Block

The Regression Model indicates a moderate positive correlation (R=0.620) between the predictor variable, SVEP Loan, and the dependent variable, the number of enterprises successfully running. The R-squared value of 0.384 indicates that approximately 38.4% of the variance in the number of enterprises successfully running can be explained by the SVEP loan. However, the adjusted R-squared value of 0.322 suggests that the model may not be the best fit for the data. The standard error of the estimate of 29.314 indicates the average distance that the observed values are from the predicted values in the regression line. Altogether, the results suggest that the SVEP loan may positively impact the number of enterprises successfully running.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.848[a]	.720	.663	12.209
a. Predictors: (Constant), SVEP Loan				

Table 4: Regression analysis between SVEP Loan and successful running enterprise at Jakhama Block

The regression analysis based on the above table (Table No. 4) reveals that there is a strong positive relationship between the predictor variable, No. of entrepreneurs under the CRP-EP receiving SVEP loan, and the outcome variable Number of enterprises successfully running. As the SVEP Loan increases, we can expect a corresponding increase in the outcome variable. The SVEP Loan is a significant predictor in determining the outcome variable, explaining about 72% of its variability. However, considering the complexity of the model, the predictive power slightly decreases, indicating the possibility of other influential factors not included in the analysis. The standard error of the estimate is 12.209, indicating the average amount of error in the predictions made by the model.

ANOVA analysis

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5354.843	1	5354.843	6.232	.032[b]
	Residual	8592.824	10	859.282		
	Total	13947.667	11			
a. Dependent Variable: Number of enterprises successfully running						
b. Predictors: (Constant), No. of entrepreneurs under the CRP-EP receiving SVEP loan						

Table 5: ANOVA analysis between Number of enterprises successfully running and No. of entrepreneurs under the CRP-EP receiving SVEP loan at Chumukedima Block

Table no 5 interprets that since the P value is greater than equal to 0.05 (P > 0.05), the probability that the null hypothesis is true. The ANOVA table shows the results of the analysis of variance for the regression model, with the dependent variable being the "Number of enterprises successfully running" and the predictor variable being "No. of entrepreneurs under the CRP-EP receiving SVEP loan." The table shows that the regression model is significant ($F(1,10) = 6.232$, $p = .032$), indicating that the predictor variable significantly affects the number of enterprises successfully running. In addition, the model explains 38.4% of the variance in the dependent variable (R Square = 0.384).

The sum of squares for regression is 5354.843, indicating the variation in the dependent variable that can be explained by the predictor variable. The residual sum of squares is 8592.824, indicating the amount of unexplained variation in the dependent variable. The total sum of squares is 13947.667, the sum of the regression sum of squares and the residual sum of squares. The ANOVA table further suggests that the predictor variable, "No. of entrepreneurs under the CRP-EP receiving SVEP loan," is a significant predictor of the "Number of enterprises successfully running."

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1912.164	1	1912.164	12.829	.016[b]
	Residual	745.265	5	149.053		
	Total	2657.429	6			
a. Dependent Variable: Number of enterprises successfully running						
b. Predictors: (Constant), No. of entrepreneurs under the CRP-EP receiving SVEP loan						

Table 6: ANOVA No. of entrepreneurs under the CRP-EP receiving SVEP loan at Jakhama Block

The ANOVA results indicate that the regression model, which includes the predictor variable (No. of entrepreneurs under the CRP-EP receiving SVEP loan), is statistically significant in explaining the variability in the dependent variable (Number of enterprises successfully running). The regression model accounts for 1912.164 units of the total sum of squares. The F-value of 12.829 suggests that the regression model is significant, and that the predictor variable has a statistically significant impact on the outcome variable. The associated p-value (Sig.) of .016 is below the commonly used significance level of .05, indicating that the relationship between the predictor and outcome variables is statistically significant. In other words, the probability of obtaining such a strong relationship by chance alone is

less than 0.016. Therefore, we can reject the null hypothesis that there is no relationship between the predictor variable and the outcome variable. Based on the ANOVA results, we can conclude that the regression model, with the No. of entrepreneurs under the CRP-EP receiving SVEP loan as a predictor significantly explains the variability in the Number of enterprises successfully running.

Coefficients[a]								
Model				Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
				Beta			Lower Bound	Upper Bound
1	(Constant)	-28.973	33.845		-0.856	0.412	-104.385	46.439
	SVEPLOAN	0.727	0.291	0.620	2.496	0.032	0.078	1.376
a. Dependent Variable: SUCCESS								

Correlations			
		Successful Enterprises	SVEP LOAN
Pearson Correlation	Number of enterprises successfully running	1.000	0.620
	No. of entrepreneurs under the CRP-EP receiving SVEP loan	0.620	1.000
Sig. (1-tailed)	Number of enterprises successfully running		0.016
	No. of entrepreneurs under the CRP-EP receiving SVEP loan	0.016	
N	Number of enterprises successfully running	12	12
	No. of entrepreneurs under the CRP-EP receiving SVEP loan	12	12

Table 7: Correlation analysis between "Number of enterprises successfully running" and "No. of entrepreneurs under the CRP-EP receiving SVEP loan" of Chumukedima block

The correlation table shows the correlation coefficients between "Number of enterprises successfully running" and "No. of entrepreneurs under the CRP-EP receiving SVEP loan." The Pearson correlation coefficient between these two variables is 0.620, indicating a moderate positive correlation. Furthermore, the correlation coefficient is significant at the 0.05 level (one-tailed), which suggests that the correlation is statistically significant.

In other words, the number of successful enterprises and the number of entrepreneurs receiving SVEP loans are positively related. Therefore, as the number of entrepreneurs receiving SVEP loans increases, there is a tendency for the number of successful enterprises to increase as well. However, this does not necessarily imply causation, and further analysis is needed to determine the strength and direction of the relationship between these two variables.

Coefficients[a]								
Model				Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
				Beta			Lower Bound	Upper Bound
1	(Constant)	-28.973	33.845		-0.856	0.412	-104.385	46.439
	SVEPLOAN	0.727	0.291	0.620	2.496	0.032	0.078	1.376
a. Dependent Variable: SUCCESS								

Correlations			
		Number of enterprises successfully running Successful	No. of entrepreneurs under the CRP-EP receiving SVEP loan
Number of enterprises successfully running Successful	Pearson Correlation	1	.848*
	Sig. (2-tailed)		.016
	N	7	7
No. of entrepreneurs under the CRP-EP receiving SVEP loan	Pearson Correlation	.848*	1
	Sig. (2-tailed)	.016	
	N	7	7
*. Correlation is significant at the 0.05 level (2-tailed).			

Table 8: Correlation analysis between "Number of enterprises successfully running" and "No. of entrepreneurs under the CRP-EP receiving SVEP loan" of Jakhama block

The tabulated coefficients of above table suggests that the predictor variable No. of entrepreneurs under the CRP-EP receiving SVEP loan has a significant positive effect on the dependent variable Number of enterprises successfully running. For each unit increase in the SVEP Loan variable, we can expect an increase of approximately 0.552 units in the number of successful enterprises while holding other variables constant. The standardized coefficient (Beta) of 0.848 indicates a relatively strong effect of SVEP on Successful. The results are statistically significant, with a p-value of 0.016, indicating that the relationship between No. of entrepreneurs under the CRP-EP receiving SVEP loan and Number of enterprises successfully running is unlikely to have occurred by chance. Overall, the findings suggest that SVEP plays a significant role in predicting and influencing the success of enterprises.

The correlation analysis **Error! Reference source not found.** indicates a strong positive correlation (r = 0.848) between the number of enterprises successfully running and the number of entrepreneurs under the CRP-EP receiving SVEP loans. This suggests that as the number of successful enterprises increases, there is a corresponding increase in the number of entrepreneurs receiving SVEP loans and the success of their enterprises.

The statistically significant correlation indicates that this relationship is unlikely to have occurred by chance. Therefore, the findings provide evidence of a strong association between the number of successful enterprises and

the number of entrepreneurs under the CRP-EP receiving SVEP loans, supporting the idea that SVEP plays an important role in the success of enterprises.

Conclusion:

The evaluation study demonstrates a remarkable enhancement in income levels among families after participating in the SVEP program. Prior to SVEP, the majority of families fell within the lower income ranges, but after joining the program, there was a notable shift towards higher income brackets. Overall, the SVEP program has successfully uplifted the income levels of participating families across various income ranges.

One of the key objectives of SVEP is to promote financial inclusion among entrepreneurs. Financial support has been extended to entrepreneurs through SVEP loans, loans from other financial institutions, and scheme convergence initiatives such as Mudra. This highlights the significant role played by SVEP in providing financial assistance to the majority of entrepreneurs for the sustainability and expansion of their enterprises.

The awareness on SVEP has been effectively communicated to the beneficiaries through trainers, mentors, BPM, CRP-EPs, and other stakeholders. The entrepreneurs have received training in various areas such as business management, marketing, bookkeeping, and procurement of raw materials, among others.

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