



The impact of *Samurdhi* development program on self-employment motivation of women (A study on self-employed *Samurdhi* recipient women in Matara district, Sri Lanka)

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Abstract

This paper attempts to study the impact of the Samurdhi development program on the motivation of women for self-employment. The research was conducted by selecting 156 self-employed Samurdhi recipient women in 14 Grama Niladhari Divisions of Kirinda and Hakmana Divisional Secretariats in the Matara District of Sri Lanka using cluster sampling. A structured questionnaire was used to collect the primary data. Data analysis was performed using SmartPLS based on the Partial Least Squares Structural Equation Model (PLS-SEM). The results revealed that microcredit, vocational training programs, and livelihood development activities have a significant positive impact on the motivation of women for self-employment while entrepreneurship training and infrastructure development have positive and negative relationships, respectively, with women's motivation for self-employment, those relationships were not statistically significant. The study concluded that microcredit, vocational training programs, and livelihood development activities under the Samurdhi development program have a significant impact on the motivation of women for self-employment. Therefore, it is appropriate to design the Samurdhi activities to improve further the motivation of women for self-employment.

Keywords: *Microcredit, motivation, Samurdhi development program, Samurdhi recipient, women Self-employment.*

1. Introduction

Sri Lanka is a country rich in natural and human resources. However, it still is challenging to promote economic development as commonly in the Asian region. Entrepreneurship development is an essential and better solution to face this challenge since it leads to accelerates economic growth, generates employment, and reduces poverty (Bernard, Kevin & Khin, 2017). Nearly one billion people live on less than the US \$ 1.3 a day, and seventy percent of them are women (Chant, 2016). One way to eradicate poverty among women is to empower them economically (Fadhl, 2018). In particular, women could be encouraged to engage in entrepreneurial income-generating activities through poverty alleviation programs (Ismail, Shamsudin & Chowdhury, 2012). Women can obtain important career opportunities by starting their businesses (Arenius & Kovalainen, 2006). According to Cavada, Bobek and Maček (2017), women are generally less involved than men concerning entrepreneurship. Women will be equally responsible for economic growth and per capita income, and in the future (Fadhl, 2018).

Similarly, it will also give women in Sri Lanka the opportunity to develop their potential by empowering them to generate family income and contribute dynamically to the economic development of the country (Yogendrarajah & Semasinghe, 2015). With the recent growth, women have been encouraged for self-employment as a strategy to achieve employment and living balance (Bögenhold & Klinglmair, 2015). Women have to meet their income-generating needs and deal with the new responsibilities and changes rapidly taking place in the economy (Fadhl, 2018). It can also enhance the living standards of women through entrepreneurial activities by providing them with essential career opportunities such as starting their businesses (Arenius & Kovalainen, 2006). It empowers women for self-employment and empowers women to make decisions, participate actively and identify their abilities and skills in implementing different policies and programs. Accordingly, the key feature of the empowerment process is related to the promotion of welfare, community participation, and poverty alleviation (Panampitiya, 2019). Accordingly, the Samurdhi development program in Sri Lanka can be described as an important mechanism for reducing the poverty of women and empowering them for self-employment.

The Samurdhi development program was launched at the expense of the government as the most extensive poverty alleviation program in Sri Lanka, and presently it covers a large portion of the population (Kesavarajah, 2011). This program was the Janasaviya program from 1989 to 1994 and was renamed the Samurdhi development program in 1995 (Kesavarajah, 2011). About 1 percent of Sri Lanka's gross domestic product (GDP) is allocated to the Samurdhi program, which accounts for nearly half of the government's welfare expenditure, excluding education and health. The Samurdhi development program is currently the most extensive welfare program in Sri Lanka in

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operation, covering all the districts. This program covers almost 30 percent of the Sri Lankan population, and it contains three main strategies: a). Poverty alleviation through livelihood development, b). Welfare components through subsidies, and c). Integrated rural development. Consumption grants to eligible households will be provided as the first component is the savings and loan programs implemented through *Samurdhi* Banks, which provide loans to entrepreneurs and project development. The second component of this program is an account for about 80 percent of the budget. The third is the rehabilitation and development of community infrastructure through human development programs, including community empowerment and benefits participation (Bandara & Hwang, 2013).

According to Kariyawasam, Silva, and Shivakumaran (2012), the main objective of the *Samurdhi* development program is to improve the economic and social conditions of the youth, women, and disadvantaged groups in the Sri Lankan society. Their study further explained short-term strategies of the *Samurdhi* development program include income assistance, social insurance, social development programs, and long-term strategies consist of social mobilization, empowerment, and poverty alleviation through integrated rural development. According to Kesavarajah (2011), the purpose of the *Samurdhi* development program is to provide financial assistance to low-income families to maintain a sustainable standard of living, improve their income, and encourage them to engage in economic activities. The study by Narmata (2019) states that the support of this program can increase employment opportunities, increase income levels, raise education levels as well as improve the health and nutrition of the country. One of its approaches is the empowerment of rural women through microfinance which helps alleviate poverty in rural areas (Yogendrarajah & Semasinghe, 2015). However, scholars have not given adequate attention to study the impact of the *Samurdhi* development program on the motivation of women for self-employment. The current study attempts to explore the impact of the *Samurdhi* development program on the motivation of women for self-employment.

2. Literature review

The desire to be self-employed is a phenomenon that contributes to the world's economic growth and directly influences the emergence of new and innovative businesses. Self-employed entrepreneurs developed the idea of this new and innovative business (Ayalew & Zeleke, 2018). Fox (1999) also defined the motivation to start and maintain a successful business or social enterprise as the motivation for self-employment. According to Roy and Manna (2014), the most important motivating reasons for women entrepreneurs are assisting their husbands and family in sharing the financial problems of the family and self-motivation. He further explained several other factors, such as regional needs, low capital requirements, market availability of products and services, interest, training, and the emerging market for products/services. Accordingly, the need for self-employment, the need to earn wealth, employment, and

creating a new business for the family's welfare is what he calls the motivation for self-employment. Minola, Criaco, and Obschonka (2016), Maes, Leroy, and Sels (2014), and Kolvereid (2016) have used the Theory of Planned Behavior on Entrepreneurship to explain self-employment motivation for their researches. Theory of Planned Behavior is a widely used theoretical framework for self-employment motivation, as it is considered both the intentional and external plan to start a new business (Mijoč, Stanić & Horvat, 2016). However, Douglas and Shepherd (2002) said such economic theories have not been used more effectively in explaining entrepreneurship or self-employment motivation.

Entrepreneurship is an essential component of job creation as well as economic development as the success of generating income for the unemployed rural and urban population who financed without a recognized wage system (Obaji & Olugu, 2014). Wu, Fu, Gu, and Shi (2018) noted that the incentive for self-employment has the potential to stimulate the local economy by creating jobs, producing, providing services as well as improving the overall living standards of the local people. According to the research conducted by Cavada et al. (2017), Ismail et al. (2013), Jesurajan and Gnanadhas (2011), Hani (2015) and Fox (1999), unemployment, dissatisfaction with current employment, the need for independence, family background, and insufficient family income are some of the factors that influence women's motivation for self-employment. According to some other studies, factors such as individual's willingness to exert particular efforts towards their objective, while committing themselves for a particular time to working towards a predetermined objective, personal governance, self-esteem, innovation, success, family background, etc., influence motivation for self-employment (Ayalew & Zeleke, 2018; Ismail et al., 2013).

Many pieces of literature show that poverty alleviation and livelihood development programs targeting low-income groups have a significant impact on the motivation of self-employment. Fields (2014) explained that most people in a low-income group can be motivated for self-employment because they do not have another alternative. They could be motivated by improving earning opportunities by providing microcredits, training, technology and developing networks. Yoonyoung, et al., (2016) highlighted that livelihood development programs need to address the individual constraints of low-income groups (such as personality, non-cognitive skills, technical and business skills, financial capability, social capital, network and association) to motivate them for self-employment. Environmental factors such as access to credits, regulatory and legal environment, infrastructure and attitudes and norms are highly discouraged the self-employment motivation and poverty alleviation programs are required to address these constraints to motivate self-employment of the low-income group (Yoonyoung, et al., 2016; Fields, 2014).

According to Kesavarajah (2011), Gunasekara, Premaratne and Priyanath (2017), Lakshika and Priyanath (2018), Priyanath and Habaragamuwa (2020), microcredit,

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vocational and entrepreneurship training, livelihood development activities, and infrastructure are the main activities relating to the *Samurdhi* development program which are the determinants of the motivational factors of self-employment of women. Some scholars (Ayalew & Zeleke, 2018; Ismail et al., 2013, Bach, Aleksic & Merkač-Skok, 2018) explained that the motivation of women for self-employment is reflected by a willingness to exert particular efforts towards their objective, committing themselves for a particular time to working towards a predetermined objective, innovation, self-esteem, and personal control. Based on the *Samurdhi* development activities (independent variable of this study) and the motivation of self-employment of a woman (dependent variable of this study), the following hypotheses are suggested to study the effect of *Samurdhi* development activities on self-employment motivation of women.

Microcredit and motivation of women for self-employment: According to the research by Lakmali and Mallika (2019) on the impact of micro-credit on women's empowerment, micro-credit has a positive effect on women's empowerment. Hironori, Reiji, and Norihiko (2016) conducted a study to find the impact of microfinance on women's entrepreneurship development in rural Sri Lanka. They noted that microfinance has a positive relationship with women's entrepreneurship. Yogendrarajah and Semasinghe (2015) found that microfinance has the potential to improve the lives of the poor by improving women's businesses. They further revealed that the development of microcredit leads to the empowerment of women through self-employment generation, and access to credit can enable women to start and expand small businesses and help them access the market. Microfinance has helped the poor and marginalized in Sri Lanka to access development finance (Badullahewage, 2020). Rathirane and Semasinghe (2014) found that using microfinance credit facilities creates more employment opportunities and various economic activities and improves home education, family well-being, and women empowerment. Eniola (2021) revealed that microcredit is positively associate with entrepreneurship motivation and start a new small business. Microfinance programs and community-based organizations encourage new entrepreneurs to provide loan facilities since lack of finance is a significant hindrance to new enterprise development (Eniola, 2021). Blattman, Fiala and Martinez (2014) explained that entrepreneurial loans provide a solution for lack of finance in rural areas and have a positive impact on the motivation of new entrepreneurial activities. Accordingly, the study assumes that micro-credit has a positive effect on the motivation of women for self-employment.

H₁: There is a positive relationship between microcredit and the motivation of women for self-employment.

Entrepreneurship training and motivation of women for self-employment: Botha, Nieman and Vuuren (2006) explained that entrepreneurship training highly impacts new skills and knowledge relevant to running a business and increased their confidence in

their entrepreneurial abilities which improve the self-employment motivation. Mahendra, Djatmika and Hermawan (2017) highlighted that entrepreneurial training and education improve self-employment intention, motivation and attitude. Research findings of Kim-Sun, Ahmad and Ibrahim (2016) showed that attending in entrepreneurship training has a positive effect on the entrepreneurial motivation of university students. Hussain and Norashidah (2015) revealed that entrepreneurship training and education have a significant impact on self-employment motivation. Entrepreneurial skills and competency of the participant can develop participating entrepreneurship training program and knowledge skills acquired through training sessions are provided a positive impact on entrepreneurial motivation (Farhangmehr, Goncalves & Sarmiento 2016; Jakubiak & Buchta, 2016). Gavigan, Ciprikis and Cooney (2020) revealed that entrepreneurship training affects the motivation of self-employment at a significant level of rural women in Uganda. Thus, scholars emphasized that the motivation of self-employment of participants can be achieved through entrepreneurship training. Therefore, the study predicts that entrepreneurship training has a positive effect on the motivation of women for self-employment.

H₂: There is a positive relationship between entrepreneurship training and the motivation of women for self-employment.

Vocational training and motivation of women for self-employment: A study conducted by Cho, Robalino and Watson (2016) confirmed that there is a positive link between training and the development of women entrepreneurship and that training courses and short-term training classes are important for the development of women entrepreneurship. Michaelides and Benus (2012) also revealed in their study that vocational training programs are effective in helping the unemployed to find employment and accelerate the process of starting a new business. Research conducted by Balkin (1990) states that self-employment training and training programs help to motivate self-employment which leads to alleviating poverty and developing human capital. Entrepreneurship training provides opportunities for women to acquire skills and create their own jobs in economies with low labor demand and high rates of women unemployment (Cho, et al., 2016). Providing vocational training leads to self-development and enhances the quality of self-entrepreneurship (Pandey & Nema, 2017). Research conducted Wang, Prieto and Hinrichs (2010) has found that training programs can improve the skills of new business start-ups. Thus, vocational training programs have a positive effect on the motivation of women for self-employment.

H₃: There is a positive relationship between vocational training programs and the motivation of women for self-employment.

Livelihood activities and motivation of women for self-employment: According to the research conducted by Hettiarachchi (2011), the Gemidiriya community development and Livelihoods Project in the Matara District has improved the domestic

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livelihoods of the rural people. A study by Samaraweera (2010) also found that the Gemidiriya Livelihoods Project has improved the rural community's economy by enabling the poor to start self-employment and generate income. Priyanath and Habaragamuwa (2020) explained that *Samurdhi* program implements different livelihood development projects targeting low-income groups by empowering and strengthening them for production. These programs encourage having credit facilities and savings via *Samurdhi* Banks, improving livelihood skills and technological know-how through training development and providing related equipment to carry out specific livelihood activities. Therefore, it can be mentioned that there is a positive link between the livelihood projects implemented through the *Samurdhi* development program and the motivation of women for self-employment.

H₄: There is a positive relationship between livelihoods activities and the motivation of women for self-employment.

Infrastructure and motivation of women for self-employment: Calderón and Servén (2004) have shown that infrastructure development effectively contributes to the motivation of self-employment. Further, they explained that infrastructure development could be an essential component of livelihood development that affects poverty alleviation. In addition to raising the overall income level of society, it would also help increase the income of the poor by dividing it proportionately. An advanced transportation system in rural areas reduces transportation costs and stimulates product marketing (Samantha, 2015). Shiferaw, et al., (2015) notes that improved road infrastructure positively impacts the motivation of small businesses and self-employment in Ethiopia. In addition to creating employment opportunities, Mashiri, Chakwizira and Nhemachena (2008) point out that rural infrastructure development has a positive impact on increasing women's livelihoods and incomes, increasing productivity and empowerment. Thus, it can be noted that the motivation for women to self-employment and infrastructure has a positive relationship.

H₅: There is a positive relationship between infrastructure and the motivation of women for self-employment.

Thus, as shown in Figure 1, the conceptual research model is based on previous literature and it shows the impact of the independent variable (*Samurdhi* development program) through five activities of *Samurdhi* development program (Microcredits, Entrepreneurship training, Vocational training, Livelihood activities and Infrastructure) on the motivation of women for self-employment (the dependent variable).

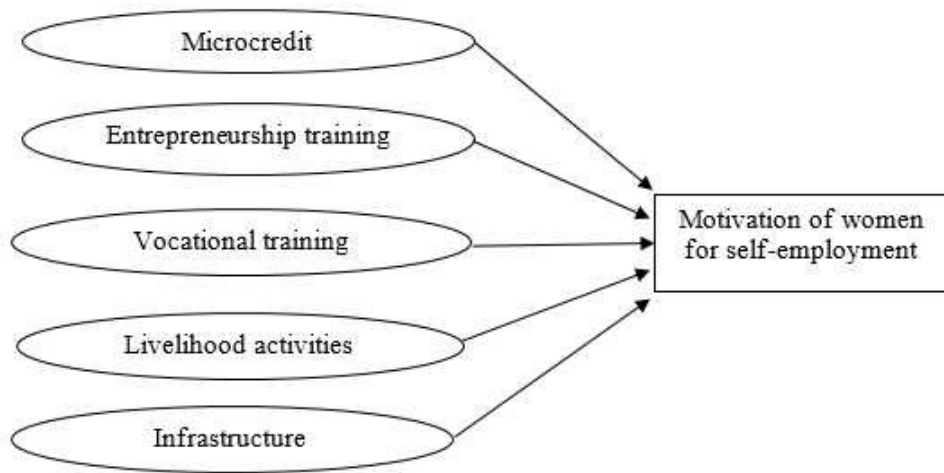


Figure 1 Conceptual research model

Source: Developed by researchers (2020).

3. Methodology

The study attempts to explore the effect of the Samurdhi development activities on the motivation of women for self-employment through testing hypotheses. Therefore, the study has been conducted under the quantitative approach. The relevant population (the unit of analysis) for this study is Samurdhi recipient self-employed women in Matara District which consists of 16 Divisional Secretariats. Kirinda and Hakmana Divisional Secretariats were selected using simple random sampling techniques to select the sample. There are 59 Grama Niladhari Divisions in these two Divisional Secretariat Divisions and out of them seven Grama Niladhari Divisions were randomly selected from each Divisional Secretariat (altogether 14 Grama Niladhari Divisions). Then, all the self-employed women who are among Samurdhi recipients were selected for the survey applying the cluster sampling technique. Thus 156 Samurdhi recipient self-employed women were selected for the survey for this study. Primary data were collected for a structured questionnaire which was developed based on the past literature and confirmatory variables. The questionnaire consisted of three parts. In Part I, personal information was included. In Part 2, sub-questions were comprised of five items related to the Samurdhi Development Program. Under Part 3, five questions related to the motivation of women for self-employment were included.

Measurements: The motivation of women was assessed using questionnaire items employed by Ayalew and Zeleke (2018); Ismail, et al., (2013); Maina and Nyambura (2019) as individual's willingness to exert particular efforts towards their objective, committing themselves for a particular time to working towards a predetermined

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objective, innovation, self-esteem, and personal control to measure the motivation of women for self-employment. Self-esteem has been measured using four items, and innovation has been measured using another five items, while personal control has been measured using another four items, as mentioned by Ismail, et al., (2013).

Five items were used to measure microcredit, which is one component of the *Samurdhi* Development Program. These include the self-employed women's eligibility for loans, the number of loans available, the steps to obtain a loan, the ease of repayment of a loan, and the interest rate on the loan. These items are based on research by Hironori et al. (2016). Five items were used to measure the effectiveness of entrepreneurship training. These include the ability to quiring knowledge and skills relating to entrepreneurship, business handling, finance handling, risk and uncertainty handling and network development (Mahendra et al., 2017; Farhangmehr et al., 2016; Jakubiak & Buchta, 2016).

Vocational Training was measured using items such as the ability to receive training, the opportunities gained from the training program, the ability to participate in training programs, the costs involved in participating in those programs, the ease of access to the training site, the quality of the training instructors, and the ability to develop skills through those programs are employed in the questionnaire. These items were empirically tested by Sonfield and Lussier (2009). Measuring livelihood considered several facts such as satisfaction with the annual and festival markets held through livelihood activities, participation in those markets, opportunities to sell their products through those markets, availability of self-employment equipment, such equipment depending on the steps taken and how to pay for it (Gunasekara, et al., 2017; Lakshika & Priyanath, 2018; Priyanath & Habaragamuwa, 2020). Based on the research has done by Mujeri (2002), infrastructure was measured using the following items. The advanced infrastructure uses the ease of exchanging products to customers, satisfaction with the transportation facilities in their area, road development in their area, water availability, and irrigation. All the questions related to key variables were measured using a 7-point Likert scale as 1- Most Unsatisfied, 2- Slightly Unsatisfied, 3- Unsatisfied, 5- Slightly Satisfied, 6- Satisfied, 7- highly satisfied.

The data analysis is mainly carried out applying Partial Least Square Structural Equation Model (PLS-SEM). The smart PLS (version 2.0) data analysis software was used to analyze the primary data. The structural equation model consists of two main sub-models, the inner model and the outer model. The inner model looks for the relationship between the independent and dependent variables. In contrast, the outer model looks for the relationship between the variables and the indices used to construct those variables. The measurement model is assessed by examining the validity and reliability of each of the indicators. The efficiency of the structural model is also evaluated using R square (R²), Effect size (f²), and Predictive Relevance (Q²).

4. Data presentation and analysis

According to the characteristics of the respondent in the sample, the majority (51 percent) of self-employed Samurdhi recipients surveyed were between the ages of 46 - 55. About less percentage, 15 percent of self-employed women surveyed were over 65 years of age. Considering the marital status of the respondents who answered the questionnaire, 67 percent of the self-employed Samurdhi recipients were married women, and 4 percent are married but living separately. Accordingly, most of the self-employed Samurdhi recipients are married. Also, considering the number of members working in the household, it is shown that if two or more persons are employed in the home, the number of women who are tempted to self-employ is less. That's a small percentage, like 13 percent.

Based on the PLS-SEM measurement model, the dependent variable in the research is evaluated using indicator reliability and internal consistency reliability. According to Hair, Sarstedt, Ringle, and Mena (2014), the outer loading value for each item used to construct each variable should be greater than 0.7, and corresponding t-values should be greater than 1.96 to obtain 95 percent high statistical significance. Hence, Table 1 shows that more reliable items have been used to construct the variables. In addition, the study presented that the other factors that confirm the reliability of the items are internal consistency reliability by using Cronbach's α and composite reliability. All the indicators are above the threshold 0.7 of both measures. Therefore, all the indicators confirmed the internal consistency reliability. The subsequent evaluation is the validity test on all indicators, consisting of two tests: convergent validity and discriminant validity. The convergent validity of the first-order constructs was evaluated by using Average Variance Extracted (AVE) values. According to Table 1, all the AVE values obtained by the indicators are above the threshold of 0.5. Thus, the first-order indicators satisfy the convergent validity.

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Table 1
The reliability and validity in the first-order measurement model

Construct	Loading	T statistics	CR	CA	AVE
1. Efforts towards the objective			0.868	0.702	0.768
Intention towards to reach the objective	0.904	65.678			
Working towards a predetermined target	0.847	20.897			
2. Dissatisfaction with current jobs			0.866	0.768	0.683
Looking for a job for a long time but not obtaining a job	0.848	24.850			
Lack of job vacancies	0.777	11.792			
Training expenditure	0.852	23.233			
3. Self-esteem			0.835	0.707	0.628
Can run any business very well	0.800	23.675			
Ability to solve future business problems	0.802	19.798			
Ability to identify business opportunities	0.776	18.895			
4. Innovations			0.869	0.700	0.769
Stimulation to start new businesses	0.886	47.380			
Having the creative ability to develop new products and services	0.867	30.956			
5. Personal Control			0.911	0.806	0.837
Being able to spend a lot of time planning a business	0.914	3.380			
Trying to make more money	0.916	3.306			

The last evaluation of the measurement model is the evaluation of discriminant validity. According to Fornell and Larcker (1981), the square root of AVE \sqrt{AVE} & each latent variable is used to examine the discriminant validity. According to Table 2, these values are shown in the diagonal and should be larger than other correlation values below each latent variable. As mentioned in Table 2, all the inter-construct correlation values are lower than the square root of the AVE and hence, satisfy the criterion of the discriminant validity of first-order constructs and show the first-order is acceptable to interpret the relationships among constructs.

Table 2
Discriminant validity of first order constructs

	AVE	Efforts towards the objective	Dissatisfaction with current jobs	Self-esteem	Innovations	Personal Control
Efforts towards the objective	0.768	0.876				
Dissatisfaction with current jobs	0.683	0.222	0.826			
Self-esteem	0.628	0.822	0.253	0.792		
Innovations	0.769	0.727	0.305	0.773	0.877	
Personal control	0.837	0.116	0.133	0.130	0.123	0.915

The latent variable scores of the first-order constructs have been used to develop the second-order constructs. The second step is to measure the reliability of the items used to measure the latent variables under the indicator reliability by considering the outer loading value and statistical values for each item, and the outer loading values should be greater than 0.7, and t values should be higher than 1.96 to obtain the 95 percent of statistical significance. Table 3 shows that the items with outer loading values greater than 0.7 items used to construct latent variables in the model can be verified as reliable items at 95 percent statistically significant levels. Hence, the indicator reliability was achieved. Next, both Cronbach's α and composite reliability values are higher than the recommended value of 0.7 on all the second-order constructs. Accordingly, all the second-order constructs were created using reliable methods and reached internal consistency reliability. As shown in Table 3, all the AVE values are greater than 0.5. Therefore, the results endorsed the convergent validity of the second-order construct used in the model.

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Table 3
The reliability and validity in the second-order measurement model

Construct	Loading	T statistics	CR	CA	AVE
1 Motivation of women for self-employment			0.944	0.911	0.849
Efforts towards the objective	0.921	67.372			
Self-esteem	0.940	96.227			
Innovations	0.902	61.228			
2 Microcredit			0.910	0.812	0.836
Eligibility for obtaining credit	0.949	210.026			
Steps to obtaining credit	0.877	17.882			
3 Entrepreneurship training			0.957	0.934	0.883
Gained entrepreneurship knowledge	0.973	131.065			
Acquired knowledge of fence handling	0.974	125.971			
Network development	0.868	18.030			
4 Training programs			0.850	0.735	0.653
Opportunities received from the training program	0.825	24.540			
Expenses incurred while participating in training programs	0.787	25.809			
Quality level of training instructors	0.813	17.688			
5. Livelihood Activities			0.936	0.863	0.880
Satisfaction with Festival Markets and Annual Markets through Livelihood Projects	0.937	57.340			
Steps to obtain self-employment equipment	0.938	50.536			
6 Infrastructure			0.927	0.881	0.809
Facilitate the transfer of products to customers through advanced infrastructure	0.942	9.814			
Water supply	0.851	5.213			
Irrigation	0.902	8.989			

As shown in Table 4, it can be seen that in the second-order measurement model, the correlation values below the square roots of the AVE values in the diagonal are less than what indicates the model obtained the discriminant validity.

Table 4
Discriminant validity of the second-order measurement model

	AVE	The motivation of women for self-employment	Microcredit	Entrepreneurship Training	Training programs	Livelihood Projects	Infrastructure
Motivation of women for self-employment	0.849	0.921					
Microcredit	0.836	0.823	0.914				
Entrepreneurship Training	0.883	0.292	0.255	0.939			
Training programs	0.653	0.863	0.825	0.250	0.818		
Livelihood Activities	0.880	0.903	0.696	0.268	0.817	0.938	
Infrastructure	0.809	0.127	0.211	0.096	0.196	0.118	0.899

Hair et al. (2014) have guided to assess the inner model in five steps. The first step is assessing the collinearity issues. According to Table 5, VIF values range from 1.058 to 4.905. The analysis does not depict any collinearity issues since VIF values are lower than the threshold five and the tolerance levels range from 0.204 to 0.945, which exceeded the threshold value of 0.2. Therefore, the inner model has not any multicollinearity issues between the independent and dependent constructs.

Table 5
Multi-collinearity among variables

Variable	VIF Value	Tolerance
Microcredit	3.189	0.314
Entrepreneurship training	1.091	0.917
Training programs	4.905	0.204
Livelihood Activities	3.078	0.325
Infrastructure	1.058	0.945

Second, the research should identify the relationship between the dependent variable and the independent variable included in the research model and the significance of those relationships to achieve the research objectives. According to the criteria given by Hair et al. (2014), the path coefficient should be higher than 0.1 to demonstrate its significance. The probability values also provided, such as the t-value is 1.65 for a confidence interval of 90 percent, 1.96 for a confidence interval of 95 percent, and 2.58 for a confidence interval of 99 percent in the two-tailed t-test. Table 6 demonstrates the analysis result, and it depicted that the five hypothetical relationships have been considered in the structural model, and three relationships were statistically significant and accepted.

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Table 6
Path coefficient and significance

Hypotheses	Relationship	Beta (Path)	T Statistics	Decision
H ₁	Microcredit -> Motivation of women for self-employment	0.308	6.989	Accepted
H ₂	Entrepreneurship training -> Motivation of women for self-employment	0.029	1.160	Not Accepted
H ₃	Training programs -> Motivation of women for self-employment	0.148	2.357	Accepted
H ₄	Livelihood Activities -> Motivation of women for self-employment	0.562	11.931	Accepted
H ₅	Infrastructure -> Motivation of women for self-employment	0.036	1.762	Not Accepted

As shown in Table 6, it can be identified with 95 percent confidence that there is a statistically significant relationship between the independent variables of motivation of women for self-employment, such as micro-credit, vocational training program, and livelihood project, excluding entrepreneurship loans. The R² for this research model is 0.894. It means that 89 percent of the total variability in the motivation of women for self-employment has been explained by the independent variables microcredit, entrepreneurship credit, vocational training, livelihood projects, and infrastructure in the model.

5. Discussion and conclusion

The study attempts to identify the impact of main functional activities of the *Samurdhi* development program, such as financial facilities, the empowerment program, and the human development program, on the motivation of *Samurdhi* recipient women for self-employment. The study tested five hypotheses and three are statistically accepted while two are rejected. Results showed that microcredit provided by *Samurdhi* banks has a positive impact on the motivation of *Samurdhi* recipient women for self-employment. It means that *Samurdhi* recipient women are more likely to be satisfied with their creditworthiness, availability of credit, steps to borrow, ease of repayment, and interest rates on loans. Previous empirical research conducted by Lakmali and Mallika (2019) as well as Fadhl (2018) also concluded that there is a positive relationship between microcredit and the motivation of women for self-employment and this study provides similar results as compared to the previous studies. The results further shows that there vocational training provided by *Samurdhi* program has a significant influence on the motivation of *Samurdhi* recipient women for self-employment. The opportunities gained from the training program and the ability to develop skills through those programs influence the motivation of *Samurdhi* recipient woman for self-employment. Similar

literature shows that vocational training programs affect the motivation of women for self-employment (Michaelides & Benus, 2012; Pandey & Nema, 2017). The study further showed a significant positive relationship between livelihood activities and the motivation of Samurdhi recipient women for self-employment. Priyanath and Habaragamuwa (2020) explained that the livelihood development activities of Samurdhi program have a significant impact on self-employment motivation. The findings of this study also provide similar results confirming that livelihood activities of Samurdhi program positively affect the motivation of Samurdhi recipient women for self-employment. These empirical results concluded that microcredit, vocational training programs, livelihood projects have significantly affected the motivation of Samurdhi recipient women for self-employment.

The study further revealed that the entrepreneurial training provided by Samurdhi program has a statistically non-significant impact on the motivation of Samurdhi recipient women for self-employment. Although, many scholars highlighted that entrepreneurship education and training have a significant impact on self-employment motivation, the results of this study revealed that entrepreneurship training provided by Samurdhi program does not affect the motivation of Samurdhi recipient women for self-employment. The result revealed that infrastructure developed by Samurdhi program has not a significant impact on the motivation of Samurdhi recipient women for self-employment. Although many scholars found that rural infrastructure positively impacts on women's incomes, productivity and empowerment, sustainable livelihoods and the motivation of self-employment. Nevertheless, the empirical results of this study show a different view than the previous literature. Thus, the study concludes that entrepreneurship training and infrastructure development programs do not have a significant impact on the motivation of Samurdhi recipient women for self-employment.

Prime objective of the Samurdhi development program is to eradicate the poverty, and it can be done by increasing the motivation of women for self-employment. It requires further enhancing the microcredit, vocational training, livelihood projects offered through the Samurdhi development program. Also, to increase the number of start-ups and maximum loans provided through Samurdhi Banks to start self-employment, minimize the delay in issuing loans, and relax the strict conditions imposed on loan waivers to create new products that can cope with the competitive market, and training programs should be implemented. Women are more likely to run a business as self-employed, and their inherent ability to manage finances, raise extra income for the family, and the need to be independent all directly affect the success of women's entrepreneurship. Accordingly, there is an urgent need to focus more on developing women's entrepreneurship in the Samurdhi development program as a poverty alleviation project.

The Samurdhi development program is one of powerful mechanisms in motivating women for self-employment. However, scholars have not given adequate attention to

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study the impact of the Samurdhi development program on the motivation of Samurdhi recipient women for self-employment. Therefore, this research has contributed to the existing literature by providing empirical evidences how Samurdhi program affect the motivation of woman for self-employment. The Samurdhi development program is active throughout Sri Lanka, and this research has been carried out only in the Matara District. Accordingly, the impact of the Samurdhi program on the motivation of women for self-employment may vary from district to district. Future researches can study in other districts with broad geographical coverage and sample.

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