

# Mahatma Gandhi National Rural Employment Guarantee Act [MGNREGA]: A Catalyst of Socio Economic Development in Rural Area

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**Abstract - This study focuses around ramifications of MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) program on positive changes on socio-economic aspects of rural unskilled workers. The motivation behind this investigation is to understand the effect of above said program in KARMUDI village of GADAG region in Karnataka State. The study was conducted in the month of November 2018. In MGNREGA program, Grama panchayat assumes a vital role in observing, executing and actualizing the plan according to rules issued by the administration of Karnataka State Government. Further Gram Panchayat conducts Gramasabha, readies the work plan, job card enlistment for the unskilled workers, issuing job card, creating awareness for work demand, apportioning work to job card holder, payment of wages and keeping up pertinent records. During the study, the standard questionnaire was utilized to gather the essential data from the respondents of the KARMUDI village in Gadag District. The respondents were the job card holders issued by Gram panchayat and have worked at least once under the MGNREGA program in the KARMUDI village panchayat. The investigation was concluded with the noteworthy effect of MGNREGA program on enhancement of financial status and positive influence on socio-economic development of unskilled workers in the village.**

**IndexTerms— MGNREGA, Socio-Economic Development, Impact of MGNREGA etc**

## I. INTRODUCTION

The majority of the Indian population lives in rural area. Agriculture is fundamental occupation of the rural work force. Agriculture is seasonal in nature because of expansive measure of land subject to rain in India. People don't get work in all days of the year. The seasonal work in rural areas advances relocation of rural unskilled individuals to urban territories. To lessen movement among rural individuals to urban zones, Government of India has been actualizing MGNREGA program as act to give unskilled employment to the rural community. Thus MGNREGA is the government's aspiring project for rural community. The principle target of the program is to enhance the quality of life by giving work to rural community and reinforce employments by making long term sustainable assets. This investigation is mainly concentrating on effect of MGNREGA program on socio-economic development of rural unskilled workers.

## II. OBJECTIVE OF THE STUDY

To study the implications of MGNREGA on socio-economic development on rural unskilled workforce.

### *Hypothesis of the study*

**H0:** MGNREGA program has a no significant positive influence on socio-economic development on rural unskilled worker.

**H1:** MGNREGA program has a significant positive influence on socio-economic development on rural unskilled worker.

## III. SCOPE OF THE STUDY

The study was undertaken in 'KARMUDI' village of GADAG district in Karnataka State. The scope of this study is limited to Grama Panchayat of KARMUDI village in GADAG district.

## IV. METHODOLOGY AND DATA COLLECTION

In this empirical study the primary and secondary sources of data are collected from the different sources such as, questionnaire, books, journals and websites. Further Structured questioner was administered to collect the primary data.

**Primary Data:** During the study primary data was collected by interaction with MGNREGA job card holders in KARMUDI village of GADAG district.

**Secondary Data:** Secondary data has been collected from the MGNREGA brochures, relevant articles, journals, websites and magazines.

**Sample Size:** The population for this study is selected from KARMUDI village of GADAG district in Karnataka state. The respondents for the study are having the job card from Gram Panchayat and worked at least one time under MGNREGA scheme in KARMUDI Village Gram Panchayat limits. During the study 80 samples are collected from the respondents.

**Questionnaire:** A questioner consisting of 11 items including the factors like ‘Improvement of socio-economic statuses, ‘Payment of wages on time’ etc was self administered and filled during the interaction with the respondents of the KARMUDI village.

**Description of the tool:**

Part I- Personal details of the respondents.

Part II- Improvement of socio-economic development.

**Statistical Analysis:** A data collected from the questionnaire was analyzed using SPSS tool. A simple statistical analysis tests such as Z-test and cumulative frequency etc has been used in this study.

**V. ANALYSIS OF THE DATA**

Table 1.1: Frequency distribution of the response for the statement “I have awareness about MGNREGA Programme/ Scheme?” (V1).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	27	33.8	33.8
Strongly Agree	53	66.2	100

Table 1.2: Frequency distribution of the response for the statement “Concern officer/Official provided knowledge/ awareness about MGNREGA Programme in our village/Gram Sabah” (V2).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	12	15	15
Strongly Agree	68	85	100

Table 1.3: Frequency distribution of the response for the statement “My Job card is been created under the MGNREGA scheme by Gram Panchayat” (V3).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	2	2.5	2.5
Strongly Agree	78	97.5	100

Table 1.4: Frequency distribution of the response for the statement “I have applied for providing of employment under MGNREGA Programme” (V4).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	2	2.5	2.5
Strongly Agree	78	97.5	100

Table 1.5: Frequency distribution of the response for the statement “I have got 100 days work under MGNREGA Programme” (V5).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	3	3.8	3.8
Strongly Agree	77	96.2	100

Table 1.6: Frequency distribution of the response for the statement “I have got the wages for the work done under MGNREGA Programme within two weeks” (V6).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	56	70	70
Strongly Agree	24	30	100

Table 1.7: Frequency distribution of the response for the statement “Socio economic status of my family has improved after implementation of MGNREGA Programme.” (V7).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	5	6.2	6.2
Strongly Agree	75	93.8	100

Table 1.8: Frequency distribution of the response for the statement “I believe MGNREGA Programme is good for providing employment.” (V8).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	2	2.5	2.5
Strongly Agree	78	97.5	100

Table 1.9: Frequency distribution of the response for the statement “I will not prefer to go to urban areas in search of work, due to implementation of MGNREGA programme in our village.” (V9).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	6	7.5	7.5
Strongly Agree	74	92.5	100

Table 1.10: Frequency distribution of the response for the statement “MGNREGA Programme has improved living standard of my family” (V10).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	0	0	0
Agree	2	2.5	2.5
Strongly Agree	78	97.5	100

Table 1.11: Frequency distribution of the response for the statement “I will recommend MGNREGA Programme for other non skilled workers in my village” (V11).

Responses	Frequency	Percent %	Cumulative percent
Strongly Disagree	0	0	0
Disagree	0	0	0
Neutral	1	1.2	1.2
Agree	3	3.8	5
Strongly Agree	76	95	100

**H0:** MGNREGA program has a no significant positive influence on socio-economic development on rural unskilled worker.

Hypothesis H0 testing is carried out as, if probability value Z-test is less than five percent level of significance then alternate hypothesis will be accepted. Otherwise null hypothesis can be accepted, that is population mean is equal to sample mean. The hypothesis tested in this study using Z- test as shown in the following table 1.1.

Table 1.1: Z-test for “Socio-economic development on rural unskilled worker.”

**Descriptive Statistics of Z test**

	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
V1	80	1	4	5	4.66	.053	.476	.226
V2	80	1	4	5	4.85	.040	.359	.129
V3	80	1	4	5	4.98	.018	.157	.025
V4	80	1	4	5	4.98	.018	.157	.025
V5	80	1	4	5	4.96	.021	.191	.037
V6	80	1	4	5	4.30	.052	.461	.213
V7	80	1	4	5	4.94	.027	.244	.059
V8	80	1	4	5	4.98	.018	.157	.025
V9	80	1	4	5	4.92	.030	.265	.070
V10	80	1	4	5	4.98	.018	.157	.025
V11	80	2	3	5	4.94	.033	.291	.085
Z score(V1)	80	2.10155	-1.39227	.70927	2.9807970 E-15	.11180340	1.00000000	1.000
Z score(V2)	80	2.78300	-2.36555	.41745	.0000000	.11180340	1.00000000	1.000
Z score(V3)	80	6.36497	-6.20584	.15912	.0000000	.11180340	1.00000000	1.000
Z score(V4)	80	6.36497	-6.20584	.15912	.0000000	.11180340	1.00000000	1.000
Z score(V5)	80	5.23061	-5.03446	.19615	.0000000	.11180340	1.00000000	1.000
Z score(V6)	80	2.16850	-.65055	1.51795	.0000000	.11180340	1.00000000	1.000
Z score(V7)	80	4.10528	-3.84870	.25658	.0000000	.11180340	1.00000000	1.000
Z score(V8)	80	6.36497	-6.20584	.15912	.0000000	.11180340	1.00000000	1.000
Z score(V9)	80	3.77283	-3.48987	.28296	.0000000	.11180340	1.00000000	1.000
Z score(V10)	80	6.36497	-6.20584	.15912	.0000000	.11180340	1.00000000	1.000
Z score(V11)	80	6.87403	-6.65922	.21481	3.0269135 E-15	.11180340	1.00000000	1.000
Valid N (list wise)	80							

From the above table 1.1 it is very clear that the population mean is different than the sample mean and is almost equal to zero in all Z score. Hence H0 (MGNREGA program has a no significant positive influence on socio-economic development on rural unskilled worker.) will be rejected and alternative hypothesis H1 will be accepted.

## VI. FINDINGS

1. The findings revealed that there is a significant positive influence of MGNREGA program on socio-economic development in rural areas, that means MGNREGA program is providing good amount of work in rural area for unskilled workers.
2. Secondly the data provided the empirical evidence that MGNERAG Program has positive influence on Socio-Economic Development.

## VII. FUTURE SCOPE OF RESEARCH

The study was restricted to few factors of ‘Socio-Economic Development’. But there are other factors which also influence the Socio-Economic Development, which can be taken for the further study. The study was restricted to KALMADI Grama Panchayat in Gadag district. The future study can be extended to other areas as well.

### VIII. CONCLUSION

The study provided the empirical evidence that a significant positive influence of MGNREGA Program Improved Socio-Economic Status of the non skilled workers in KALMADI village in Gadag District their by showing the socio-economic development in the village.

#### ANNEXURE -1: Questioner used during data collection.

Abbreviations: SA-Strongly agree. A- Agree. N-Neutral. D-Disagree. SD-Strongly Disagree. Please mark your choice.

S.N		SD	D	N	A	SA
1	I have awareness about MGNREGA Programme/ Scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Concern officer/Official provided knowledge/ awareness about MGNREGA Programme in our village/Gram Sabah.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	My Job card is been created under the MGNREGA scheme by Gram Panchayat.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I have applied for providing of employment under MGNREGA Programme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	I have got 100 days work under MGNREGA Programme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	I have got the wages for the work done under MGNREGA Programme within two weeks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	Socio economic status of my family has improved after implementation of MGNREGA Programme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	I believe MGNREGA Programme is good for providing employment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	I will not prefer to go to urban areas in search of work, due to implementation of MGNREGA programme in our village.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	MGNREGA Programme has improved living standard of my family.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	I will recommend MGNREGA Programme for other non skilled workers in my village.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### ANNEXURE -2: Reliability analysis of the data collection tool used in the study

Variable Name	Variable Description	Cronbach's Alpha
V1	I have awareness about MGNREGA Programme/ Scheme.	0.737
V2	Concern officer/Official provided knowledge/ awareness about MGNREGA Programme in our village/Gram Sabah.	0.680
V3	My Job card is been created under the MGNREGA scheme by Gram Panchayat.	0.699
V4	I have applied for providing of employment under MGNREGA Programme.	0.699
V5	I have got 100 days work under MGNREGA Programme.	0.704
V6	I have got the wages for the work done under MGNREGA Programme within two weeks.	0.759
V7	Socio economic status of my family has improved after implementation of MGNREGA Programme.	0.692
V8	I believe MGNREGA Programme is good for providing employment.	0.707
V9	I will not prefer to go to urban areas in search of work, due to implementation of MGNREGA programme in our village.	0.697
V10	MGNREGA Programme has improved living standard of my family.	0.711
V11	I will recommend MGNREGA Programme for other non skilled workers in my village.	0.742

## IX. REFERENCES

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