

An Economic Analysis of Rural Women Entrepreneurs in Thoothukudi District

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ABSTRACT

Entrepreneurship development among rural women can be considered a possible approach to economic empowerment of women. This study has been conducted the economic impact of rural women entrepreneurs in and around Thoothukudi District. The study indicates the number of units registered in Small & Medium Enterprises in Thoothukudi District relating to the year 2011-12. The Compound Growth Rate for the number of registered units was 1.05. Average and Standard Deviation values were 51.33 and 40.22 respectively. The Compound Growth Rate for employment in Small & Medium Enterprises in Thoothukudi District was 12.92. Average and Standard Deviation values were 713.75 and 721.74 respectively over a study period. The Compound Growth Rate of investment in Small & Medium Enterprises in Thoothukudi District was 3.29. Average and Standard Deviation values were 63.37 and 65.41 in that particular period. This clearly reveals that there is a positive and stable growth in 2011-12. It is clearly that in the study area, 14.67 percent of the respondents are engaged in Xerox, DTP and STD Booth, 14.00 percent are tailors, 13.00 percent of sample women have petty shop business, 9.67 percent are involved in fish/vegetable stores, 7.33 percent are engaged in sales of palm products and running grocery shop respectively. Moreover, 7.00 percent of the respondents are engaged in cloth business, 6.00 percent of the respondents are involved in dairy and animal husbandry, 5.00 percent are engaged in computer centre business, and 4.67 percent of the respondents are engaged in beauty parlour and tuition centres, 4.00 percent are involved in manufacturing and sales of pickles, jams and squashes and only 2.67 percent of the respondents are running medical stores respectively. The estimated values of Gini ratio before and after starting enterprise indicate that there is no perfect equality among the women's household income. However, the decrease in the value of Gini ratio from 0.31506 to 0.16589 shows that the income inequality between the rural women entrepreneur has decreased after starting an enterprise.

Key words: women entrepreneurs, economic empowerment, economic independence, small and medium enterprises, motivation

INTRODUCTION

Traditionally, women's occupational status has always closely associated with the home and the family¹. At present women are more conscious of their rights and are ready to work outside their homes and their contact with the public has broadened their outlook and mental horizon². For many women, work regarded as an unfortunate economic necessity or that seen as very much a secondary activity to the primary business of running a home and looking after children³.

Economic independence makes women conscious of their rights. Till recently a woman was considered unfit for roles other than that of a housewife, nurse, primary school teacher, sales girl, telephone operator, stenographer and receptionist⁴. Microenterprises have emerged as a real boon for the poor. Besides solving the problem of poverty, it helps to generate additional income for families in both rural and urban sectors. Tailoring, embroidery work, pickle making, fruit canning, bookbinding, incense stick making etc. provide ample prospects for illiterate and reduced women to make a livelihood⁵.

The women entrepreneurs have to approach the nearby commercial banks, institutions and co-operatives to know the different schemes and to take benefit of this programme of assistance⁶. Women use their savings to start their business⁷. It involves taking risks and

¹ Mary Bellington, F., Women in India, New Delhi: Airmarks Book Agency, 1978, p.9.

² Margret Cormark, The Hindu Women, Bombay: Asia Publishing House, 1976, p.12.

³ Pramila Kapur, Marriage and Working Women in India, New Delhi, Vikas Publication House Private Limited, 1970, p.72.

⁴ Cousine, M.E, Indian Women Hood Today, Allahabad: Kittabistan, 1947, p.34.

⁵ Poverty, credit and Micro enterprises - A gender study by Dr. S.Sundari and Dr. N.Geetha, Kurukshetra Nov 2000, Vol 49: No: 2.

⁶ Indira J. parikh, A Reflection of the Indian Women in Entrepreneurial World, Indian Institute of Management, Ahmedabad, India, August 2005, pp.4-12.

making the necessary investments under conditions of uncertainty and innovating, planning and taking decisions to increase production in agriculture business and industry⁸. Too often, entrepreneurial efforts by women have gone unnoticed, and their contributions have underappreciated. Lack of recognition or attention, however, does not negate either the significant contribution made by the women's entrepreneurs or increasing standard of living of women in the society⁹.

Women's empowerment is a significant determinant of their health outcomes suggesting that absolute empowerment is an essential determinant of women's welfare in India¹⁰. Women's economic empowerment is not just a women's issue, it is at the very core of national development, and the political and economic empowerment of women is an invaluable contribution to sustainable growth and responsible government¹¹.

Empowering women is not just for summit their economic needs but should aim at holistic social development¹². Economic empowerment of women is the magic potion that

⁷ Andrea E. Hunter, S., and Boyd, Applying Theories of Entrepreneurship to a Comparative Analysis of White and Minority Women Business Owners, *Women in Management Review*, 19(1): 2004, pp.18-20.

⁸ Vasanth Desai, *Small Scale Industries and Entrepreneurship*, Himalaya Publishing House, 2000, p.337.

⁹ De Bruin, A., Brush, C., and Welter, F. (2006), Towards building cumulative knowledge on women's entrepreneurship, *Entrepreneurship theory and Practice*, 30(5): 585-594.

¹⁰ Basu, A.M. and Koolwal, G.B. (2005), 'Two Concepts of Female Empowerment: Some leads from DHS data on Women's Status and Reproductive Health', in (Kishor, S, ed.), *A Focus on Gender: Collected Papers on Gender Using DHS Data*. Calverton, Maryland, USA: ORC Macro.

¹¹ Women's economic empowerment as smart economics; A dialogue on policy options, call for action, berlin, February, 2007.

¹² BharathiKollan and Indira. J. Parekh,2005. A reflection on the Indian Women on the entrepreneurial world, WPno. 2005-08-07August 2005.IIMA Working Series.

boosts both gender equality and wealth and well-being of a nation¹³. Economic empowerment of women is the ability to make and act upon economic decisions which will result in their sustained living standards and the potential for advancing economically¹⁴. Keeping this in mind, this study has been conducted the economic impact of rural women entrepreneurs in and around Thoothukudi District.

Small and Medium Enterprises in Thoothukudi District

The details of blocks, investment pattern, and working capital and employment potentials in Thoothukudi District in 2011-12 presented in table.

SMALL AND MEDIUM ENTERPRISES IN THOOTHUKUDI DISTRICT

Sl. No.	Name of Block	No. of Units	Investment (Rs.in lakhs)	Working capital (Rs.in lakhs)	Employment	Total (Rs.in lakhs)
1.	Alwarthirunagari	33	27.48	26.28	246	53.76
2.	Karungulam	29	34.35	33.10	285	67.45
3.	Kayathar	56	69.07	78.27	800	147.34
4.	Kovilpatti	143	208.11	200.35	2701	408.46
5.	Ottapidaram	34	37.23	42.85	524	80.08
6.	Pudur	23	21.30	25.30	338	46.60
7.	Srivaikundam	31	36.90	32.30	377	69.20
8.	Sattankulam	34	31.62	38.24	273	69.86
9.	Toothukkudi	127	193.55	174.35	1427	367.90
10.	Tiruchendur	45	39.09	42.00	455	81.09
11.	Udangudi	24	22.47	24.70	203	47.17
12.	Vilathikulam	37	39.22	47.18	936	86.40
	Total	614	760.92	764.92	8565	1525.31

¹³ Blumberg,R.L.(2005). Women Economic Empowerment as the magic Potion of Development? In 100th , Annual Meeting of the American Sociological Association, August, Philadelphia.

¹⁴ Golla, A.M.,Malhotra, A., Nanda,P.,andMehra, R.(2011).Understanding and Measuring Women's Economic Empowerment.

	CGR	1.05	3.29	5.46	12.92	4.41
	Average	51.3333	63.3658	63.7433	713.7500	127.1092
	SD	40.2206	65.41247	59.75235	721.74097	125.03701

Source: District Industries and Commerce Office, Thoothukudi (2011-12)

The table shows 614 SMEs units are functioning in Thoothukudi district as on 2011-12. The nature of units considered for the study grouped as bakery, masala powder (food processing), readymade garments, flour mills, jewellery, match industries, candles, power loom, salt pans, coir fibre, palmyra products, coconut oil, leather goods, dry flower, etc.,

Table indicates the number of units registered in Small & Medium Enterprises in Thoothukudi District relating to the year 2011-12. The Compound Growth Rate for the number of registered units was 1.05. Average and Standard Deviation values were 51.33 and 40.22 respectively.

The Compound Growth Rate for employment in Small & Medium Enterprises in Thoothukudi District was 12.92. Average and Standard Deviation values were 713.75 and 721.74 respectively over a study period. The Compound Growth Rate of investment in Small & Medium Enterprises in Thoothukudi District was 3.29. Average and Standard Deviation values were 63.37 and 65.41 in that particular period. The Compound Growth Rate of working capital in Small & Medium Enterprises in Thoothukudi District was 5.46. Average and Standard Deviation values were 63.74 and 59.75 in 2011-12.

This clearly reveals that there is a positive and stable growth in 2011-12. Though there is variation in the growth rate of employment, it is also growing positively. This clearly indicates that the public is interested in these types of Small & Medium Enterprises.

OBJECTIVES OF THE STUDY

The study was conducted with the following specific objectives

1. To study the socio economic conditions of women entrepreneurs in Thoothukudi District
2. To find out the growth of Small and Medium Enterprises in Thoothukudi District
3. To assess the nature of enterprises of the women entrepreneurs
4. To know the motivational factors for starting enterprise
5. To find out the relationship between monthly family income and marital status of the rural women entrepreneur

RESEARCH METHODOLOGY

The present study is based on both primary and secondary data. Thoothukudi district is one of the most significant industrial areas in Tamilnadu, India. Women entrepreneurs are a vital role in this district. The women entrepreneurs are spread all over in the district. More than thousands of women entrepreneurs are registering their business and got a licence from the various government offices and panchayat offices. The sample business enterprises have been selected randomly from 300 women entrepreneurs engaged in various types of activities. The study does not cover the growth of women entrepreneurs in Self Help Groups and Mahalir Thittam schemes. Secondary data have collected from books, journals, magazines, newspapers, periodicals, reports, internet, unpublished PhD thesis and unpublished records of District Industrial Centre, Thoothukudi, Directorate of Industries and Commerce, Chennai, the annual reports of the Department of Ministry of Micro, Small and Medium Enterprises, District Industries Centre (DIC), Thoothukudi, Mahalirthittam Thoothukudi, District Statistics Office Thoothukudi and Lead bank office Thoothukudi. Percentage analysis, averages, standard deviation, chi square test, Garrett ranking, Gini ratio and probability analysis were used. The data relates to the month of February 2018.

Analysis and interpretation

DISTRIBUTION OF SAMPLE WOMEN ACCORDING TO THEIR AGE

S. No.	Age	No. of Respondents	Percentage
1.	Below 25 years	22	7.33
2.	26 – 35 years	34	11.33
3.	36 – 45 years	121	40.33
4.	46-55 years	104	34.67
5.	Above 55 years	19	6.34
Total		300	100

Source: Primary data.

Note: Mean age of rural women entrepreneurs 42.63 years

From Table the age distribution of the 300 sample respondents shows that 7.33 percent of the defendants are in the age group of below 25 years and 11.33 percent are in the age group 26 to 35 years 40.33 percent of the total respondents constitute the age group of 36 to 45, 34.67 percent of the total respondents constitute the age group of 46-55years and those above 55 years constitutes 6.34 percent. It observed from the Table that majority of the respondents belongs to the age group of 46-55 years who are more active change prone,

liberal and innovative. The mean age of rural women entrepreneurs worked out to be 42.63 years.

DISTRIBUTION OF SAMPLE WOMEN ACCORDING TO THEIR EDUCATIONAL LEVEL

Sl. No.	Educational level	No. of Respondents	Percentage
1.	Illiterate	21	7.00
2.	Primary	44	14.67
3.	High school	114	38.00
4.	Higher secondary	65	21.67
5.	Degree and above	56	18.66
Total		300	100

Source: Primary data.

It has inferred that out of 300 samples, 7.00 percent of the sample women are illiterate, 14.67 percent have studied up to primary level, 38.00 percent have completed high school level, and 21.67 percent have completed higher secondary. 18.66 percent of the rural women entrepreneurs have studied to a degree and above.

DISTRIBUTION OF SAMPLE WOMEN ACCORDING TO THE TYPE OF FAMILY

Sl. No.	Type of Family	No. of Respondents	Percentage
1.	Nuclear family	236	78.67
2.	Joint family	64	21.33
Total		300	100

Source: Primary data.

Table reveals that out of 300 sample women respondents, 78.67 percent have a nuclear family system and only 21.33 percent have a joint family system. It can infer that majority of the sample respondents have a nuclear family system in the study area.

DISTRIBUTION OF SAMPLE WOMEN ACCORDING TO THEIR FAMILY SIZE

Sl. No.	Family Size	No. of Respondents	Percentage
1.	Below 3	54	18.00
2.	3 – 5	211	70.33
3.	5 and above	35	11.67
Total		300	100.00

Source: Primary data.

Note: Average family size 3.87.

A maximum of 211 (70.33 percent) of rural women entrepreneurs have a family size of 3 to 5 members, followed by 54 (18.00 percent) having a family size of below 3. 35 (11.67 percent) have a family size of 5 and above. It observed from Table 4.6 that majority of them have a family size of 3 to 5 members. The average size of the family worked out to be 3.87.

NATURE OF ENTERPRISES OF THE WOMEN ENTREPRENEURS

Sl. No.	Nature of Enterprises	No. of Respondents	Percentage
1	Xerox, DTP and STD Booth	44	14.67
2	Tailoring	42	14.00
3	Petty shop Business	39	13.00
4	Fish/vegetables stores	29	9.67
5	Sales of Palm products	22	7.33
6	Running Grocery Shop	22	7.33
7	Cloth Business	21	7.00
8	Dairy, Animal husbandry	18	6.00
9	Computer Centre	15	5.00
10	Beauty Parlour	14	4.67
11	Tuition Centres	14	4.67
12	Manufacturing and Sales of Pickles, Jams and Squashes	12	4.00
13	Medical Stores	8	2.67
Total		300	100

Source: Primary data.

It is clearly evident that in the study area, 14.67 percent of the respondents are engaged in Xerox, DTP and STD Booth, 14.00 percent are tailors, 13.00 percent of sample women have petty shop business, 9.67 percent are involved in fish/ vegetable stores, 7.33 percent are engaged in sales of palm products and running grocery shop respectively. Moreover, 7.00 percent of the respondents are engaged in cloth business, 6.00 percent of the respondents are involved in dairy and animal husbandry, 5.00 percent are engaged in computer centre business, and 4.67 percent of the respondents are engaged in beauty parlour and tuition centres, 4.00 percent are involved in manufacturing and sales of pickles, jams and squashes and only 2.67 percent of the respondents are running medical stores respectively.

MOTIVATIONAL FACTORS TO START ENTERPRISE

Sl. No.	Motivational factors	Average Score	Rank
1.	Dream Desire/Career Goal	39.11	IX
2.	Profit / making money	61.79	III
3.	To get recognition in the family/ society	54.86	V
4.	To meet emergencies	58.55	IV
5.	Feeling of security	50.18	VI
6.	Economic Independence	46.22	VII
7.	Economic requirement	67.37	I
8.	For the better standard of living	63.41	II
9.	Self-satisfaction	43.07	VIII
10.	Self - attainment	28.13	XI
11.	Implementation of ideas	33.17	X
12.	Challenge	23.54	XII

Source: Computed from Primary Data

It is evident from Table the prioritised motivational factors for starting enterprise by the sample respondents. It is inferred that by using Garrett's score. In the case of Thoothukudi district, the first rank for starting enterprise assigned to Economic requirement followed by better standard of living. Third and fourth ranks were given to Profit / making money and to meet emergencies respectively. To get recognition in the family/ society and feeling of security and were ranked fifth and sixth respectively. The seventh rank is given to economic independence followed by self-satisfaction, dream desire/career goal, implementation of ideas, self – attainment and challenge respectively.

MONTHLY PERSONAL INCOME OF THE WOMEN ENTREPRENEURS

Sl. No.	Monthly Personal Income (in Rs.)	No. of Respondents	Percentage
1.	Less than Rs.5,000	54	18.00
2.	Rs.5,001 – Rs.10,000	67	22.33
3.	Rs.10,001 – Rs.15,000	114	38.00
4.	Rs.15,001 and above	65	21.67
Total		300	100.00

Source: Primary data.

Note: Mean monthly personal income Rs.10667.17.

Table displays that out of 300 rural women entrepreneurs a majority of 114 (38.00 percent) earn a monthly income of Rs.10,001 to Rs.15,000 followed by 67 (22.33 percent)

earning Rs.5001-10000. 65(21.67 percent) of the rural women entrepreneurs earn Rs.15001 and above, 54 (18.00 percent) earn less than Rs.5 000. The mean monthly personal income worked out to be Rs. 10667.17.

Gini Ratio

Gini coefficient of concentration ratio was used to measure the extent of inequalities in the distribution of income in the households of rural women entrepreneur before and after joining starting enterprise in the case of those affianced in different activities in the study area. The range of Gini ratio would be from 0 to 1. Gini ratio of 0 would mean that every individual would reserve precisely that same income, i.e., perfect equality in distribution. Gini ratio of one mean that an individual would reserve the different income, i.e., perfect inequality in income. Gini ratio calculated by using the formula.

$$G = 1 - \frac{\sum_{k=1}^N (P_k - P_{k-1})(Q_k + Q_{k-1})}{10,000}$$

Where,

G = Gini coefficient of concentration

P_k = Cumulative percent of the frequency of rural women entrepreneur

Q_k = Cumulative percent of income

N = Number of classes used in the analysis

Gini coefficient ratio	Before starting enterprise	After starting enterprise
G	0.31506	0.16589

The Gini ratio was estimated to analyse the distribution of household income of the rural women entrepreneur before and after starting an enterprise in the study area. The estimated values of Gini ratio before and after starting enterprise indicate that there is no perfect equality among the women's household income. However, the decrease in the value of Gini ratio from 0.31506 to 0.16589 shows that the income inequality between the rural women entrepreneur has decreased after starting an enterprise.

Marital Status and Income Levels of Respondents

The association between the marital status of the respondents and the monthly family income has been tested employing chi-square test.

ASSOCIATION BETWEEN MARITAL STATUS OF THE RESPONDENTS AND THEIR FAMILY MONTHLY INCOME

Marital Status	Monthly family income					Percentage of Respondents
	Less than Rs.10000	Rs.10001 – 15000	Rs.15001 – 20000	Rs.20001 –25000	Above Rs.25001	
Married	11.11	44.61	81.32	90.48	94.44	71.33
Unmarried	66.67	52.31	16.48	7.94	3.70	24.67
Widow	22.22	3.08	2.20	1.58	1.86	4.00
Percentage of Respondents	100	100	100	100	100	100

Source: Computed from Primary Data.

Table shows the relationship between marital status and family income of the respondents. To find out whether there is any correlation between the marital status and monthly family income of respondents, chi-square test has applied. The results of the Chi-square test are furnished below.

Calculated value = 112
Table value at 1 percent level = 20.090
Degrees of freedom = 8

As the calculated value is superior to the table value at 1 percent level, there is a connection between the marital status of the respondents and their family income.

As the calculated value of Chi-square is higher than the table value at 1 percent level of significance, there is a relationship between monthly family income and marital status of the rural women entrepreneur.

CONCLUSION

The present study delivers sufficient evidence to the fact that the life of the rural women entrepreneurs tends to be better economically after starting an enterprise in the study area. For those families involved in entrepreneurship, there have been improvements in their economic status and quality of life. In the study area, entrepreneurship improves income of the sample respondents after starting an enterprise. The study has proved that entrepreneurship has reduced the incidence of poverty through an increase in income, empowered women by enhancing their contribution to household income and increasing the value of their assets. Thus, entrepreneurship no doubt empowered the women and contributed



significantly to the socio-economic development of rural women. The government and non-governmental organisations should give incentives and subsidies to encourage and motivate the rural women entrepreneurs in the study area.