

Economic Contribution of Women Entrepreneurs in the Family

5.1 Introduction

In the previous chapter four, the role of entrepreneurship development promoting agencies of both Government and Non-Government Organisations for women entrepreneurship development in Karbi Anglong district have been highlighted, and how far have they achieved their role have also been discussed. The present chapter five deals with the economic contribution of women entrepreneurs in the family.

Economic empowerment is one of the important elements for the overall empowerment of women. Participation in formal economic activities which reflect the productive capacity of women, and their control over their own income are some of the important dimensions of economic empowerment.¹ The economic empowerment of women by the development of entrepreneurship may also lead to empowerment of women in many areas such as socio-economic opportunity, property rights, political representation, social equality, personal right, family development, market development, community development, and finally it contributes an immense size in the overall development of the nation.

¹ Chanu, Ayekpam Ibemcha; Terangpi, Monalisha (2013), "Women Empowerment through Self Help Group in Tribal Areas: A Study in Karbi Anglong District of Assam," in Doley, Satya Ranjan (ed.), *Micro Finance and Inclusive Growth: Dynamics and Challenges*, (D.H.S.K. Commerce College: Dibrugarh), p. 247.

For women empowerment, entrepreneurship is an important tool, and through entrepreneurial activities women can raise their economic contributions to their family. Entrepreneurship as a distinct factor of production, contributes to the economic development of an economy. The wide range of significant contributions that entrepreneurship makes to the economic development include promotion of capital formation by mobilising the idle saving of the public, creation of employment opportunities, and thereby helps the unemployment problem in the country, which would result in the promotion of balanced regional development, effective mobilisation of capital and skill. Entrepreneurship promotion and growth among women may be considered as one of the key components of economic developmental strategy. It is found that economic empowerment of women is one of the most important and valuable needs of the society. To improve the condition of women in every spheres of life, economic empowerment is one of the significant necessities.² Economic empowerment means to ensure income generating activities for women, provisions of training with the ultimate objective of making all women economically independent and self reliant. The status of women in any society is a significant role play and indicator to the level of culture, economic and social development.³ It is believed that economic strength is the basis of social, political and psychological power in the society. Therefore, if women gain economic strength, they gain visibility

² Das, Gita Rani (2013), "Economic Empowerment of the Rural Women through Self Help Group – A Study" in *Women & Environment*, (D.K, college, Mirza) p. 116.

³ Pegu, Bijoo (2013), "Right and Economic Empowerment of women" in *Changing Perspectives of the Socio Economic of the Rural Women of India and Measures for upliftment of their Status with Special Reference to North-Eastern Region*, (Women's Cell, D.K.D. College, Dergaon), pp. 55-57.

and voice.⁴ The promotion of entrepreneurship, particularly among the women and tribal areas helps in generating employment and reduce poverty to a great extent. It may also be mentioned here that women's participation in economic activities makes a significant contribution towards women empowerment.⁵ Women empowerment is highly required for raising socio-economic status of women in the society. For this, entrepreneurship development can be used as a strategy⁶. Entrepreneurship helps women to gain economic independence and improve their social status and leads to integration of nation building and economic development.⁷ Women entrepreneurial activities helped in the household economic contribution, and participate in their family budget to fulfil the family needs and to support their husbands. The economic contribution of women has raised their status in the society.

Malyadri, G. (2014) in "Role of Women Entrepreneurs in the Economic Development of India", states that women entrepreneurial activities contribute to: (i) Capital Formation, (ii) Improvement in Per capita Income and (iii) Employment Generation. It is discussed as:

⁴ Charantimath, Poornima M (2009), *Entrepreneurship Development Small Business Enterprises*, (Dorling Kindersley: New Delhi), p. 111.

⁵ Chanu, Ayekpam Ibemcha; Terangpi, Monalisha (2010), "Women Entrepreneurship: An Effective Means for Women Empowerment," *DGCC's Journal of Commerce*, Vol. 7, No. 1, pp. 97-105.

⁶ Chanu, Ayekpam Ibemcha (2013) "Women Empowerment through Entrepreneurship Development: A Case Study of Women Entrepreneurs of Karbi Anglong District of Assam," *Research Promoter*, Vol. 3, No. 3, pp. 166-177.

⁷ Chanu, Ayekpam Ibemcha; Terangpi, Monalisha (2012) "Women Entrepreneurship Development in Tribal Areas of Assam – An Alternative Approach towards Poverty Alleviation," *The Utkal Business Review*, Vol. 24, pp. 270-277.

(i) Capital Formation: Capital formation is where entrepreneurs mobilises the idle savings of the public through the issue of industrial securities. Investment of public savings in industry results in productive utilisation of national resources, which in turn results in increase in the rate of capital formation increases, which is essential for rapid economic growth.

(ii) Improvement in Per Capita Income: Women entrepreneurs have been exploiting the opportunities. They translate the hidden and idle resources like land, labour and capital into national income and wealth in the form of goods and services. They have helped increase the country's net national product and per capita income, which are important yardsticks for measuring the economic growth.

(iii) Employment Generation: Women entrepreneurs play an important role in generating employment – both directly and indirectly. They generate and offer jobs to people by setting up small scale industries.⁸ Women-owned businesses generate income that support their households and help in their family welfare. This income helps women to start and grow their businesses, which in turn help them to offer employment to others in their community. Job creation, both for the women and others can be a solution for the increasing unemployment rate in the country.

Hence, women entrepreneurship development is an important development agenda for policy makers. However, it needs to be examined properly whether in reality women can improve their income level tremendously and increase their contribution in the family income after becoming an entrepreneur. In this chapter, the researcher attempts to find out the extent of contribution of women entrepreneurs for the economic development of their respective family in Karbi Anglong district of Assam. Further, the working hypothesis is developed that contribution of women

⁸ Malyadri, G (2014), "Role of Women Entrepreneurs in Economic Development of India", in *Indian Journal of Research*, Vol. 3, Issue 3, March, p. 105.

entrepreneurs of Karbi Anglong district for the economic development of their respective families, which is measured in terms of income generated and contributed to the corpus of the total family income is very less.

5.2 Contribution of sample women entrepreneurs in economic development of their respective families

This section presents the contribution of women entrepreneurs in economic development of their respective families and shows picture on income of women entrepreneurs, financial supports to family, savings, investments and employment provided by women entrepreneurs of the study area. The following tables (tables 5.1 to 5.5) and bar diagrams (figures 5.1 to 5.5) show a clear picture of the changes in their economic status before and after becoming an entrepreneur.

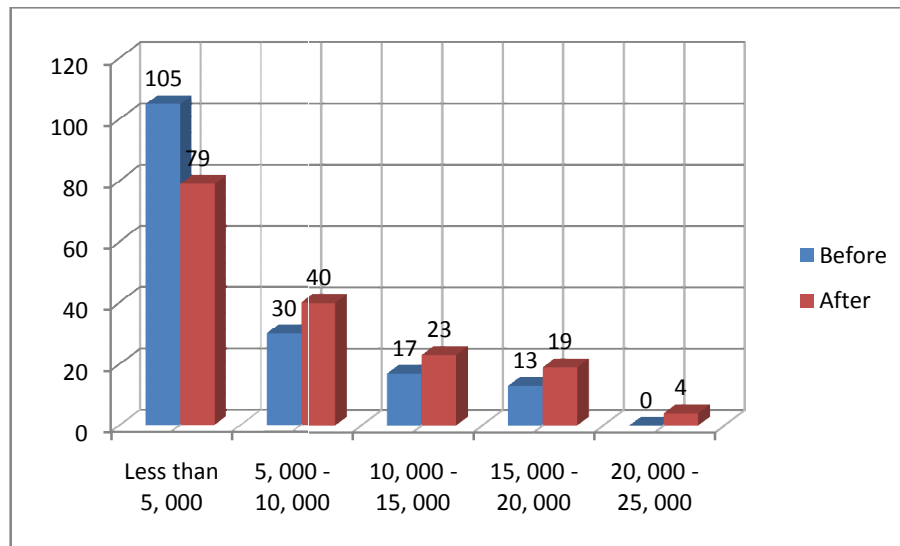
5.2.1 Changes in income of women before and after becoming an entrepreneur

Table 5.1: Income level of women before and after becoming an entrepreneur

Monthly income of women entrepreneur	Before		After	
	No. of women entrepreneur	Percentage	No. of women entrepreneur	Percentage
Less than 5000	105	64	79	48
5000 to 10,000	30	18	40	24
10,000 -15,000	17	10	23	14
15,000 - 20,000	13	8	19	12
20,000 -25000	Nil	Nil	4	2
Total	165	100	165	100

Sources: Field Study

Figure 5.1: Income level of women before and after becoming an entrepreneur



Findings from the field study, Table 5.1 and figure 5.1 reveal that before becoming an entrepreneur, out of 165 women, the monthly income of 64 percent was less than Rs. 5, 000; 18 percent and 10 percent women had their monthly income of Rs. 5, 000 to Rs. 10, 000 and Rs. 10, 000 to Rs. 15, 000 respectively; while, 8 percent of women had their monthly income of Rs. 15, 000 to Rs. 20, 000. Further, it is also found that there is no single woman who had their monthly income of above Rs. 20, 000 before becoming an entrepreneur. One of the main reasons of women’s low income is that many women engage themselves in household activities, and not in economic activities. In addition, the majority of women have not engaged themselves in any entrepreneurial activity to add income to their family.

However, for some, monthly incomes have increased considerably after engagement in entrepreneurial activities. It is clearly inferred from Table 5.1. It is also found that, 48 percent of women who had monthly income of less than Rs 5000 cannot increase their income even after becoming an entrepreneur. It means that in this category, only 25 percent ($26/165 \times 100$) of women could jump from their income level after becoming an entrepreneur. The Table (5.1) also reveals that 24 percent

women can earn Rs 5, 000 to 10, 000 monthly after becoming an entrepreneur. Further it is also revealed that 2 percent of women can earn Rs. 20, 000 to Rs 25, 000 after becoming an entrepreneur, which was absent among the respondents before taking up entrepreneurial venture.

5.2.2 Financial support to the family

Table 5.2: Financial support of women to the family before and after becoming an entrepreneur

Monthly Financial support of women entrepreneur	Before		After	
	No. of women entrepreneur	Percentage	No. of women entrepreneur	Percentage
Less than 5000	103	62	99	60
5000 - 10,000	35	21	34	21
10,000 - 15,000	16	10	20	12
15,000 - 20,000	11	7	10	6
20,000 -25,000	Nil	Nil	2	1
Total	165	100	165	100

Sources: Field Study

Figure 5.2: Financial support of women before and after becoming an entrepreneur

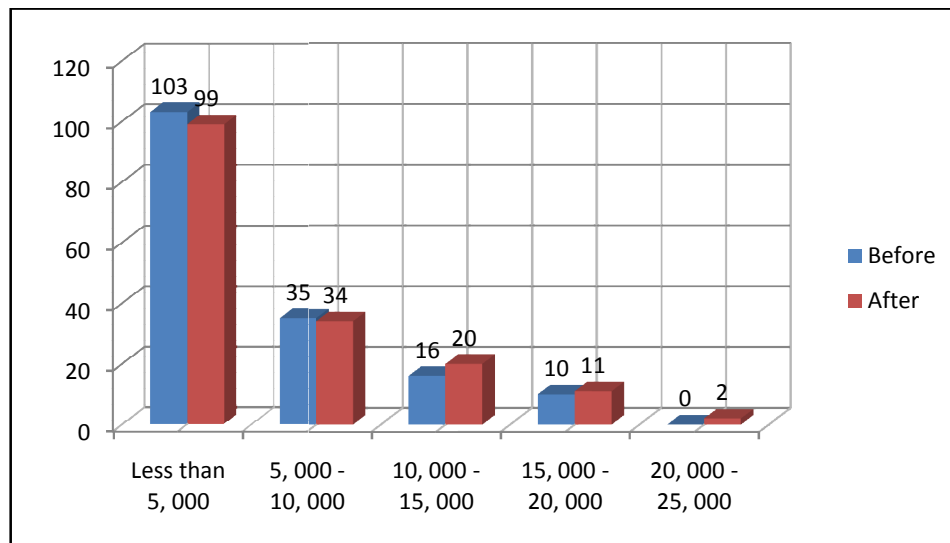


Table 5.2 depicts that, as women’s income increases, their financial support to their respective family also increases. However, the percentage change in the financial support is very less. Table 5.2 and bar diagram 5. 2 depicts that 62 percent women contributed financial support less than Rs 5, 000 before becoming an entrepreneur, whereas it has reduced to 60 percent after becoming an entrepreneur. It can also be revealed that there is no change in the percentage of women who contributed financial support to the family between Rs 5, 000 to Rs.10, 000 after becoming an entrepreneur. The table also reveals that between Rs 10, 000 to Rs 15, 000, there were 10 percent of women who lent financial support to their families before becoming an entrepreneur and it has increased to 12 percent after becoming an entrepreneur. In case of the financial support between Rs 15, 000 to Rs 20, 000, 7 percent women contributed financial support before becoming an entrepreneur and it has changed to 6 percent after becoming an entrepreneur. It is also revealed that before becoming an entrepreneur none of the women could support Rs 20, 000 and above to their family; whereas, a slight change of 1 percent is depicted in Table 5.2.

5.2.3 Annual savings of women entrepreneur

Table 5.3: Annual savings of women before and after becoming an entrepreneur

Amount of Savings	Before		After	
	No. of women entrepreneur	Percentage	No. of women entrepreneur	Percentage
Less than Rs. 5,000	132	80	127	77
Rs. 5,000 -10,000	26	16	30	18
Rs.10,000 -15,000	7	4	8	5
Rs.15,000 -20,000	Nil	Nil	Nil	Nil
Rs. 20, 000 -25,000	Nil	Nil	Nil	Nil
Total	165	100	165	100

Sources: Field Study

Figure 5.3: Annual savings of women before and after becoming an entrepreneur

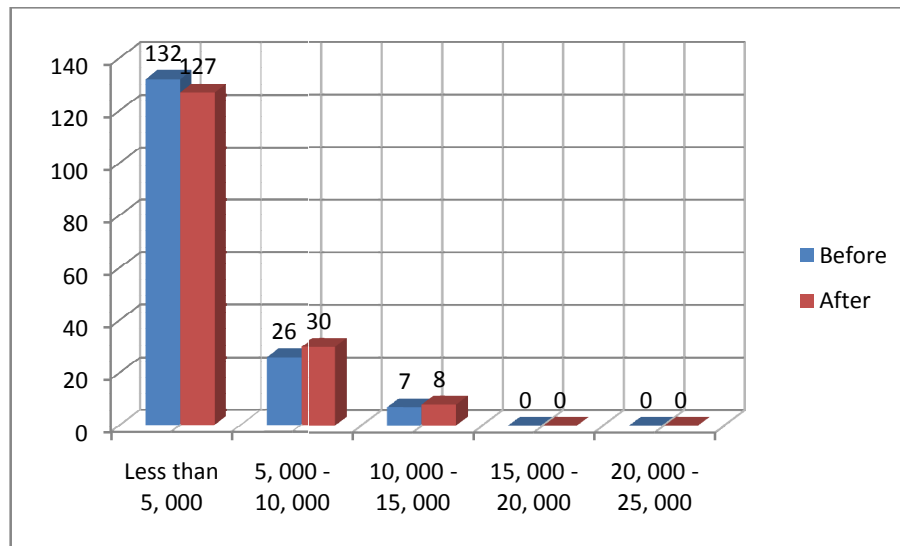


Table 5.3 depicts about annual savings of women before and after they became entrepreneurs. From the primary data, it is found that through the participation of income generating activities, the women are able to open savings accounts with the Banks. The women who have registered with the District Industry & Commercial Centre (DICC) are encouraged to open bank accounts with the Banks. Savings account helps the women to save their money securely, insure against risk, and also helps them to protect in times of financial needs and crisis to meet unexpected expenses. The table 5.3 shows a little difference of monthly savings before and after becoming entrepreneurship.

The table 5.3 and figure 5.3 depicts that 80 percent women had their annual savings of less than Rs. 5, 000 before becoming an entrepreneur; whereas, it has decreased to 77 percent after becoming an entrepreneur. The table also reveals that between Rs 5, 000 to 10, 000, there were 16 percent women who had a savings before becoming entrepreneurs and has increased to 18 percent after becoming an entrepreneur. It is also revealed that between Rs.10, 000 to Rs.15, 000, there were 4 percent before becoming an entrepreneur and it has increased to 5 percent women

after becoming an entrepreneur. Further, it can also be revealed that not a single woman of the study area had their annual savings between Rs. 15, 000 to Rs. 20, 000 and Rs. 20, 000 and above – both before and after becoming an entrepreneur. Therefore, it is inferred from the table that women engaging in entrepreneurial activities can make a slight increase in their annual savings.

5.2.4 Annual Investment in terms of financial assets

Table 5.4: Annual Investment in terms of financial assets by women entrepreneurs before and after becoming entrepreneurs

Annual Investment in terms of financial assets	Before		After	
	No. of women entrepreneur	Percentage	No. of women entrepreneur	Percentage
Less than Rs 5000	124	75	115	70
Rs 5000 - 10,000	29	18	32	19
Rs 10,000-15,000	8	5	10	6
Rs 15,000- 20,000	4	2	6	4
Rs 20,000 -25,000	Nil	Nil	2	1
Total	165	100	165	100

Sources: Field Survey

Figure 5.4: Annual investment in terms of assets by women entrepreneur before and after becoming entrepreneurs

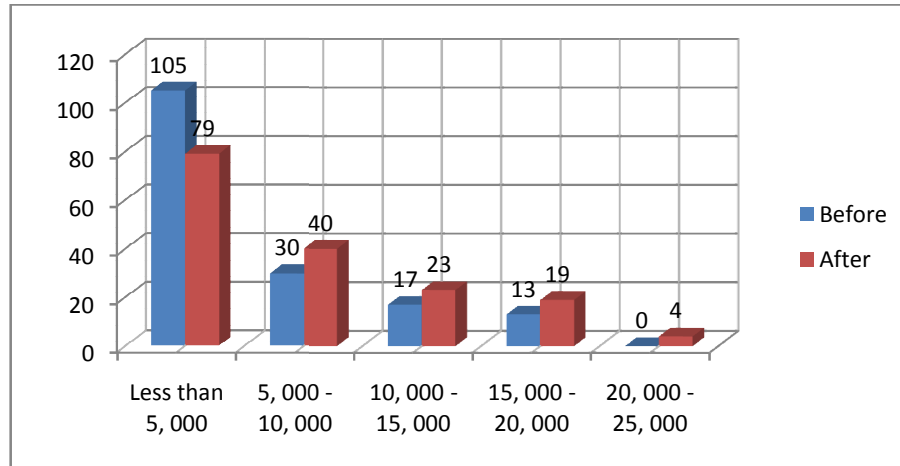


Table 5.4 and figure 5.4 depicts about annual investment made by women in terms of financial assets. From the collected primary data, it has found that the women, through their engagement in entrepreneurial activities, they are able to deposit recurring from the available financial institutions and can also open an LIC with a minimum amount.

The table 5.4 shows that out of the 165 women, 75 percent women have the investment of less than Rs. 5, 000 before becoming entrepreneurs, whereas, it has reduced to 70 percent women after becoming an entrepreneur. The table reveals that 18 percent women who can make an investment between Rs. 5, 000 to Rs.10, 000 before becoming an entrepreneur has increased to 19 percent women after becoming an entrepreneur. It also reveals that before becoming an entrepreneur, there are 5 percent women who can make investment of Rs. 10, 000 to 15, 000 has increased to 6 percent women after becoming an entrepreneur. Furthermore, 2 percent women whose investment between Rs. 15, 000 to 20, 000 before becoming an entrepreneur has increased to 4 percent after becoming an entrepreneur. The table also shows that not a single could make an investment of Rs. 20, 000 and above before becoming an

entrepreneur; however, after becoming entrepreneur, 1 percent women could make an investment of Rs. 20, 000 and above.

Table 5.5: Employment provided by women entrepreneur after becoming entrepreneurs

Number of employment provided	No. of women entrepreneur	Percentage
1 – 3	130	79
4 – 6	27	16
7 – 9	5	3
10 and above	3	2
Total	165	100

Sources: Field Survey

Employment generation is one of the important variables to measure economic growth of a country. In this regard, table 5.5 and figure 5.5 clearly shows the numbers of employment provided by women after becoming an entrepreneur of the study area. The table reveals that 79 percent women could provide employment – between 1-3 people after becoming entrepreneur. The data in the table reveals that 16 percent women could provide employment between 4-6 people after becoming an entrepreneur. Further, it also reveals that 3 percent women could provide employment between 7-9 people and 2 percent women could provide employment to 10 and above people after becoming an entrepreneur. Thus, there is a slow pace of providing employment or employment generation after engagement of entrepreneurial activities by women of the district.

5.3 Hypothesis Testing

The two tables (table 5.6 and 5.7) results shows that the working hypothesis “Contribution of women entrepreneurs of Karbi Anglong district for economic development of their respective families (measured in terms of income generating and contributed to the corpus of the family income) is very less are accepted.

Table 5.6: Showing changes after becoming entrepreneur

Attributes	Range	Change after becoming entrepreneur	
		Change in number*	Percentage change*
Income	Less than Rs 5000	79-105=-26	48-64=-16
	Rs 5000 to 10,000	40-30=10	24-18=6
	Rs 10,001 to 15,000	23-17=6	14-10=4
	Rs 15,000 to 20,000	19-13=3	12-8=4
	Rs 20,000 -25000	4-0 = 4	2-0=2
Financial support/ contribution to the family	Less than Rs 5000	99-103=4	60-62= -2
	Rs 5000 -10,000	34-35= -1	21-21= 0
	Rs 10,000 -15,000	20-16 = 4	12-10= 2
	Rs 15,000 -20,000	10-11 = -1	6-7 = -1
	Rs 20,000 -25,000	2-0 = 2	1-1= 0
Saving	Less than Rs 5000	127-132 = -5	77-80 = -3
	Rs 5000 -10,000	30-26 = 4	18-16 =2
	Rs 10,000-15,000	8-7 = 1	5-4 = 1
	Rs 15,000- 20,000	0-0 = 0	0-0 = 0
	Rs 20,000 -25,000	0-0 = 0	0-0 = 0
	Less than Rs 5000	115-124 = -9	70-75 = 5

Investment	Rs 5000 - 10,000	32-29 = 3	19-18 = 1
	Rs 10,000 – 15,000	10-8 = 2	6-5 = 1
	Rs 15,000 – 20,000	6-4 = 2	4-2 = 2
	Rs 20,000 – 25,000	1-0 = 1	2-0 = 1

*reference to Table 5.1 to 5.5

Table 5.7: Showing differences of income and financial support before and after becoming entrepreneur

Attributes	Difference in Median Value	Remarks
Income before and after becoming entrepreneur	(2065.22-1333.00) 733.22	Since the change is very less, the working hypothesis is accepted
Financial support before and after becoming entrepreneur	(2650-2145) 505	Since the change is very less, the working hypothesis is accepted.

Note: The differences of value are calculated through median.

Further, testing is done with other descriptive statistics with the help of Statistical Package for the Social Sciences (SPSS). It is shown in Table 5.8. Here the differences in mean and standard deviation value with regard to income before and after are 0.3394 and 0.18313 respectively. With regard to financial contribution to the family income, it is 0.0606 and 0.0672 respectively. Though there is change in the variations in income before and after becoming entrepreneurs, the variations are very small. Hence, it clearly indicates that *contribution of women entrepreneurs of Karbi Anglong district for the economic development of their respective families, which is*

measured in terms of income generated and contributed to the corpus of the total family income is very less. Hence, the hypothesis is accepted.

Table 5.8 Descriptive Statistics result in income and financial support to the family by sample women before and after becoming entrepreneur

	N	Range	Minimum	Maximum	Mean		Std. Deviation	Variance
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Statistic
Income Before	165	3.00	1.00	4.00	1.6242	.07463	.95860	.919
Income After	165	4.00	1.00	5.00	1.9636	.08888	1.14173	1.304
Financial Support Before	165	3.00	1.00	4.00	1.6182	.07166	.92045	.847
Financial Support After	165	4.00	1.00	5.00	1.6788	.07689	.98765	.975
Valid N (list-wise)	165							

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Income Before	165	1.364	.189	.626	.376
Income After	165	.943	.189	-.222	.376
Financial Support Before	165	1.356	.189	.748	.376
Financial Support After	165	1.375	.189	1.039	.376
Valid N (list-wise)	165				

5.6 Conclusion

Many evidences show that economic strength is the basic of social, political and psychological power in the society. The process of development will be incomplete unless there is a full participation of women in the developmental activities. The real meaning of economic growth can be said when there is an inclusive growth. Growth cannot be considered as an end in itself until it translates

into income generation and empowerment irrespective of sectors and areas. Inclusive Growth is possible only when a person undertakes any livelihood activities and earns some income.⁹

From the above discussions, it is revealed that there is a close relationship between economic contribution of women entrepreneurship and women empowerment. Economic Empowerment of women helps towards capital formation, small savings, eradicating poverty, illiteracy and unemployment.¹⁰ It means that, women entrepreneurship is an important means of women empowerment. Though there are many studies which show the drastic change in income and savings of women after becoming entrepreneur, the findings of the study, however, contradicts that there is little change in the income and savings of women after becoming an entrepreneur. The hypothesis testing tables reveals that there is very little change in income and financial support to family even after becoming entrepreneur.

⁹ Mayuree, Maitreyee (2013), “Economic Empowerment through Self Help Groups: A Way to Inclusive Growth” in Doley, Satya Ranjan (ed.), *opcit*, p. 91.

¹⁰ Dutta, Biraj: Das, M.N.; Senapoti, Bristi (2013), “Economic Empowerment of Women through Self Help Groups (SHGs) in Dibrugarh District of Assam” in Doley, Satya Ranjan (ed), *opcit*, p. 191.