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## Entrepreneurial Activities and Demographic Variables in Micro Enterprises of Odisha: A Case Study of Women Entrepreneurs in Cuttack City

### Abstract

Entrepreneurship is the engine of economic growth. It is considered as an important pre-requisite for the economic development by creating wealth. Entrepreneurship not only creates employment opportunities but also helps in eradicating poverty. It gives support to big industries by supplying raw materials, basic goods, finished parts and components. Entrepreneurship is crucial for the development of society. Entrepreneurs however, cannot work in isolation; they need the right environment to thrive, the judicial system, the educational system, the financial system and general government policies should be such that it should encourage and promote entrepreneurship. Basic infrastructures such as power, water, and transport systems are necessary to boost entrepreneurship. The present study is an attempt made by the researcher to study the demographic variables and entrepreneurial activities of women entrepreneurs engaged in the micro enterprises of Cuttack city in Odisha. A total number of 120 women entrepreneurs were selected for personal interviews with the help of a structured questionnaire. Chi square test was used to study the association between demographic variables and entrepreneurial activities of the sample of respondents. It was observed that there was no association between demographic variables and entrepreneurial activities of women entrepreneurs engaged in the micro enterprises of Cuttack city. Evidence from the present study indicates that majority of women entrepreneurs have no formal education. The study suggests that government should give more importance on education. The study may help the government and policymakers in addressing the prevailing situation of women entrepreneurs belonging to backward classes to take actions in developing their performance and in turn to remove poverty from Odisha.

**Keywords:** Women Entrepreneurs, Micro Enterprise, Entrepreneurial Activities, Demographic Variables

### Introduction

Women constitute around half of the total world population. In traditional societies, they were confined to the four walls of houses performing household activities. In modern societies, they have come out of the four walls to participate in all sorts of activities. The global evidences show that women have been performing exceedingly well in different spheres of activities like academics, politics, administration, social work and so on. Now they have started plunging into industry and running their enterprises very successfully. The phenomenon of women entrepreneurship is largely confined to metro cities and big towns in India. Most of the women entrepreneurs operate small scale units. However, women entrepreneurs are also found in the backward state like Odisha. Among 30 districts of Odisha Cuttack district is much more suitable for business activities. Mostly, the women in Odisha especially in Cuttack city are engaged in home-made articles such as Tailoring, Beauty care, Snacks shop, Laundry, Readymade ladies Apparels, Grocery, Stationary, Food processing, Jewellery (imitation), Toy making, Vegetable shop, Dairy Firm, etc. Women have the potentiality and the will to establish and manage business of their own. What they need is encouragement and support in the form of various self employment generation programmes.

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## Importance of the Study

Entrepreneurship in micro enterprise is crucial for the socio-economic development of a backward state like Odisha. Among 30 districts, Cuttack district occupies an important place in the map of Odisha as a surplus district on the ground of both human and natural resources. According to 2011 census the total population of Cuttack is 26, 24,470 of which male and female are 13, 52,760 and 12, 71,710 respectively. Out of the total population of Cuttack district, total Population of Cuttack city is 6, 06,007; of which male and female are 3, 03,530 and 3, 02,477 respectively where woman represents 49.91% of Cuttack City and 48.46% of the total population of Cuttack district respectively. As per the statistics given by the District Industrial Centre, Cuttack a total number of 865 Micro, Small and Medium scale units have been registered up to the year 2014 with an investment of Rs.27, 387.89 lakhs. The district headquarter Cuttack is the business capital of the state and hub for the major business activities. Due to its locational advantage, availability of a good transportation network to other districts, availability of adequate resources, infrastructure and skilled manpower there is enormous scope for promoting and setting up home based micro enterprises in the Cuttack city.

## Review of Literature

Many research works have been done in different areas of entrepreneurship in India and especially about women entrepreneurship. A good number of literatures are available on the various aspects of women entrepreneurship in India. A few of these reviews are as follows.

**Antara Kirkire (2013)** in her research work 'A Study on opportunities For Micro Entrepreneurship Development in Indore and its Future Prospects' an attempt has been made to explore the possibilities for micro enterprise development in Indore city which is commercial capital of M.P. and a hub for major business activities. It has been depicted out that small scale units are bigger investors in the development of the state.

**Felix Adamu Nandonde and Pamela John Liana (2013)** in their article 'Analysis of Women Small Scale Entrepreneurs Practices during Business Negotiations in Tanzani Agribusiness' they wanted to evaluate women entrepreneur's business negotiations practices in Tanzania agribusiness. Purposive sampling technique was used for selection of the respondents to participate in the study. The findings have shown that most of women involved in business are those with low level of education and most of them have not attended formal education but have only experiences.

**Sandhya Rani Mohanty, Bijaylaxmi Das and Trupti Moahanty (2013)** in their research work 'Empowerment of Women in Rural Odisha through Micro enterprises' they tried to study women empowerment through microenterprises in Cuttack district(Rural area) of Odisha. The result of the study revealed that microenterprises programmes have had greater impact on both social and economical aspects of the rural women in Odisha. The successful

functioning of microenterprises provides economic independence to women leading to their empowerment.

**Hina Shah (2013)** in her research paper 'Creating an enabling Environment for Women's Entrepreneurship in India' She was carried out the study with the aim to identify strategies and policies which could create an enabling environment for women entrepreneurs and/or would-be entrepreneurs in India. The study concludes with a wide range of recommendations to promote a more enabling environment for women's entrepreneurship in India.

**Brajaballav Kar (2014)** in his article 'Community-Based Women Entrepreneurship: Reappraisal of Self Help Group' he examined the Creation of Self Help Groups (SHG) and making them entrepreneurs is a historical opportunity and experimentation towards the objective of a financial successful, strengthened community. This will also ensure that socio- cultural issues of cooperation, trust can be revived. At the same time it may help starting an entrepreneurial tradition where subsequent generation picks up though experiential and experimental learning from the family and community.

**Jadhawrao Madhavi Sugaraj, Dr. Salve P.S.(2014)** in their research work 'A Study of Women Entrepreneurship and Their Problems in the Development in Western Maharashtra' they tried to examine the factors responsible for growth of women entrepreneurship in India. To enlarge their participation in small and medium segments a stronger coordinated role of Indian Government, financial institutions, voluntary agencies and educational institutions with an integrated approach is necessary.

**Ashok K. Pokhriyal, Rekha Rani, Jaya Uniyal (2014)** in their research paper 'Role of Micro - Finance in the Empowerment of the Women', they tried to study the role of microfinance intervention in promoting women empowerment in rural India. To check the various schemes under which the micro finance tool is apply and the progress of this program the help of various data provided by the government and other institutions is included in this study. Microfinance institutions should strengthen and expand their support to resource poor women.

**Dr. Haseena V. A. and Dr. Ajims P. Mohammed (2014)** in their research work 'Major problem of women micro Entrepreneurs: A case study of Kerela' they had tried to focus on major problem of women micro entrepreneurs of Kerela. Most of the women entrepreneurs in Kerala face the problems of high production cost, high labour absenteeism and demand problem. In Kerala, the major step taken to solve the marketing problem is the product differentiation. Relying on servants/parents is the first step taken by the women entrepreneurs in Kerala to solve the problems. The training problems faced by the women entrepreneurs in Kerala are lack of time to attend the training, huge training cost and long distance to the training centres.

**Neha Dangi, Ritika (2014)** in their article 'Women Entrepreneurship Growth and Performance

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of MSMEs in India' an attempt has been made to focus on the growth and performance in MSMEs in India and the problems and challenges which are faced by women entrepreneurs in India. It also focuses on initiatives taken by the government for women entrepreneurs. From this study it can be concluded that Micro, Small and Medium Enterprises are contributing to the economic growth and development of Indian economy. Women Entrepreneurs who were traditionally kept behind the four walls of their houses, now in modern society are capable of managing both their family and business.

**Mr.K.Harun, Dr.S.K.Chaudhury, Prof.**

**P.K.Padhy (2014)** in their research work 'Role and performance of Shgs on Promoting Women Leadership-A study on Selected Shgs In Chittoor District, AP' they wanted to analyse the role and performance of SHGs on promoting women leadership in Chittoor district Andhra Pradesh.

**Umakanta Tripathy (2015)** in his research article 'Socio-Economic Profile of SHGS on Women Empowerment: Case Study of three SHGS in Sambalpur District of Odisha', he tried to evaluate the Socio-Economic Profile of SHGS on Women Empowerment: A Case Study of three SHGS in Sambalpur District of Odisha, India". This study shows that the Self Help Group concept not only provides financial services to the rural poor but also acts as a launching pad for livelihood intervention. Therefore, proper capacity building and linkage of SHGs to mainstream organizations has really necessary to succeed in poverty alleviation and social upliftment. The success of micro enterprises depends on identification of enterprises with local talents and native capabilities.

### Research Gap

A good number of studies have been done in different areas of women entrepreneurship in India. After an intense review of related literature it was found that a few studies have been conducted to study the demographic variables of women entrepreneurs and their relationship with entrepreneurial activities in Odisha and especially in the Cuttack city where there is enough scope for the growth of women entrepreneurship because of available resources. Therefore, it is an attempt made by the researcher to fill the existing gap by conducting this study.

### Objectives of the Study

The main purpose of this paper is to study the demographic variables of women entrepreneurs and their relationship with entrepreneurial activities engaged in the micro enterprises of Cuttack city. However, the specific objectives of the study are as follows.

1. To study the demographic variables of women entrepreneurs engaged in the micro enterprises of Cuttack city.
2. To examine the relationship between entrepreneurial activities and demographic variables of the women entrepreneurs engaged in the micro enterprises of Cuttack city.

### Hypothesis

The null hypothesis of the present study is:

**H<sub>0</sub>** There is no significant relationship between entrepreneurial activities and demographic variables of the sample of respondents.

### Research Methodology

The data has been collected from the women entrepreneurs engaged in the micro enterprises of Cuttack city. The sample consists of 120 women entrepreneurs. On the basis of convenience sampling method 120 women entrepreneurs have been selected for this present study. A well structured questionnaire was used to collect data from the respondents. The study was carried out in the month of March, 2016. The present study is mainly based on the primary data. The analysis of data has been carried out by using percentage analysis and testing of hypothesis has been done by using chi square test.

### Demographic Variables of the Respondents Social Class of the Respondents

The social class represents the caste of the respondents. The caste is also an important social factor that influences entrepreneurship. The caste of the respondents leads the respondents to have some knowledge on enterprises and willing to start and manage the enterprise. In the present study, the caste is grouped into General, OBC, SC/ST.

**Table 1.1**

#### Community Wise Distribution of Respondents

Sl. No	Community	No. of Respondents	Percentage
1	General	83	69
2	OBC	22	18
3	SC/ST	15	13
4	Others	Nil	Nil
	<b>Total</b>	<b>120</b>	<b>100</b>

**Source: Primary Data**

Table 1.1 represents that 18 percent of the total respondents belong to OBC and 13 per cent belong to SC/ST class. The most dominant class among the women entrepreneurs is general class which is 69 per cent of the total respondents.

### Educational Background

The level of education may facilitate to enrich the personality of the respondents in all aspects. The entrepreneurs are not an exception. By the education, the respondents may wider their scope of operation, aware of the economic opportunities, etc. In the present study, the level of education is confined into high school, higher secondary, degree and others.

**Table 1.2 Educational Background**

Sl. No	Status of Education	No of Respondents	Percentage
1	Illiterate	53	44
2	Up to high	40	34
3	Higher Secondary	17	14
4	Graduate/technical/Professional	10	8
	<b>Total</b>	<b>120</b>	<b>100</b>

**Source: Primary Data**

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Table 1.2 represents that 44 per cent of the total respondents have no formal education while only 34 per cent have school education. The numbers of respondents who have higher secondary education constitute 14 per cent. Only 8 per cent of the respondents have other educational qualifications such as diploma and technical education.

### Marital Status

The marital status of the respondents reveals the social status of an individual. In general, the need and commitment of the married person is greater than the unmarried. Similarly, the status like separated and widowed determines different requirements in life. The marital status of the respondents is shown in the table 1.3.

**Table 1.3 Marital Status of the Respondents**

Sl. No	Marital Status	No of Respondents	Percentage
1	Single	24	20
2	Married	70	58
3	Divorced/Separated	5	4
4	Widow	21	18
	<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary Data

Table 1.3 shows that of 58 per cent of the respondents are married whereas 20 per cent are unmarried. The numbers of respondents who are widow constitute 18 per cent of the total respondents and only 4 % of the respondents are divorced. The table 1.3 reveals that all most 58 % of the women entrepreneurs in Cuttack city are married. This shows that married women are involved in the entrepreneurial activities.

### Monthly Family Income

The family income represents the total income earned by all earning member in the family through all sources per month. The higher family income leads to better standard of living and better education to the family members. The higher the family income

### 2:2 Relationship between Entrepreneurial Activity and Educational Qualification of the Respondents

Nature of Business	Marital status				Total
	Single	Married	Divorced	Widowed	
Trading	5	40	1	4	50
Service	15	13	1	4	33
Manufacturing	4	17	3	13	37
<b>Total</b>	<b>24</b>	<b>70</b>	<b>5</b>	<b>21</b>	<b>120</b>

Value of Chi-Square = 33.5240,  $v = (r-1) (c-1) = (3-1) (4-1)$

The calculated value of chi-square (33.52) is much greater than the tabulated value (Tabulated value=12.6 at 5% level of significance). Hence the hypothesis is rejected. We, therefore, conclude that

### 1:3 Relationship between Entrepreneurial Activity and Monthly Family Income of the Respondents.

Nature of Business	Family income of Respondents (Rs.)				Total
	Up to 5,000	5,000-10,000	10,000-15,000	Above 15,000	
Trading	16	17	12	5	50
Service	6	16	7	8	37
Manufacturing	17	10	6	0	33
<b>Total</b>	<b>39</b>	<b>43</b>	<b>25</b>	<b>13</b>	<b>120</b>

Value of Chi-Square = 15.58874  $v = (r-1) (c-1) = (3-1) (4-1) = 6$

provides a base for finance to start the enterprises also. The respondents with better financial base may take risk in the enterprises

**Table 1.4 Monthly Family Income of Respondents**

Sl. No	Family income (Rs.)	No of Respondents	Percentage
1	Up to 5,000	37	31
2	5,000 – 10,000	43	36
3	10,000 - 15,000	24	20
4	Above 15,000	16	13
	<b>Total</b>	<b>120</b>	<b>100</b>

Source: Primary Data

Table 1.4 shows that 31 % of the total respondents earn up to Rs. 5000.00 as monthly family income on an average. The number of respondents having monthly family income between Rs. 5000-10000 is 36 % and between Rs.10000-15000 is 20% while only 13% of the total respondents earn more than monthly family income of above Rs. 15000.

### Data Analysis and Interpretation

#### 2:1 Relation between Entrepreneurial Activity and Community of Respondents.

Nature of Business	Community			
	GENERAL	OBC	SC/ST	TOTAL
Trading	49	5	5	59
Service	13	4	6	23
Manufacturing	21	13	4	38
<b>Total</b>	<b>83</b>	<b>22</b>	<b>15</b>	<b>120</b>

Value of Chi-Square = 15.8822

$v = (r-1) (c-1) = (3-1) (3-1) = 4$

The calculated value of chi-square (15.88) is much greater than the tabulated value (Tabulated value = 9.49 at 5% level of significance). Hence the hypothesis is rejected. We, therefore, conclude that there is no significant relationship between entrepreneurial activity and community of the respondents.

The calculated value of chi-square (15.59) is much greater than the tabulated value (Tabulated value=12.6 at 5% level of significance). Hence the hypothesis is rejected. We, therefore, conclude that there is no significant relationship between entrepreneurial activity and monthly family income of the respondents.

## Findings

1. The most dominant class among the women entrepreneurs is general class which is 69 per cent of the total respondents.
2. All most 44 per cent of the total respondents have no formal education while only 48 per cent have school education.
3. The study finds that 58 percent of the total respondents are married which indicates that women prefer to enter into entrepreneurship after their marriage.
4. The study also reveals that 31 % of the total respondents earn up to Rs. 5000.00 as monthly family income on an average. The number of respondents earning monthly family income between Rs. 5,000-10,000 is 36 % and between Rs.10,000-15,000 is 20% while only 13% of the total respondents earn more than monthly family income of above Rs. 15,000.
5. There is no significant relationship between entrepreneurial activity and community of the respondents.
6. There is no significant relationship between entrepreneurial activity and educational qualifications of the respondents.
7. There is no significant relationship between entrepreneurial activity and marital status of the respondents.
8. There is no significant relationship between entrepreneurial activity and monthly family income of the respondents.

## Conclusion

A women entrepreneur accepts a challenging role to meet her personal needs and become economically independent in the family. Many women have this quality but they have never got a good platform to show their talents and hence they don't know their real abilities. Although the women in India are considered as source of power, but they are still in the weaker sections of the society and always depend on men. Women in India are taking more household responsibilities in bringing up their children and maintaining a better home with love and affection. At the family level, the task of coordinating various household activities in a much effective manner, without any bad feelings is being carried out by women. Results of the analysis indicate that the number of women entrepreneurs belonging to Scheduled Tribe, Scheduled Caste and other backward classes in Odisha are not so encouraging as compared to general category women entrepreneurs. Due to lack of knowledge and skill women entrepreneurs belonging to Scheduled Caste and Scheduled Tribe are not interested to become entrepreneurs. It is the proper education system which can motivate people to earn livelihood

independently. A women Entrepreneur can engage her and can become a role model by giving employment opportunities to others also. Lack of updated knowledge and modern technology cannot help the women entrepreneurs to earn more income. The state government should come forward to work for the benefits of women entrepreneurs who can change the economic scenario of a backward state like Odisha. The study may help the government and policymakers in addressing the prevailing situation of women entrepreneurs belonging to backward classes to take actions in developing their performance and in turn to remove poverty from Odisha.

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