

Income generation methods and saving pattern adopted by Women entrepreneurs of Kota district

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Abstract

Indian women constitute nearly half of the entire population of which 35.12% of Rajasthan women accounts to be engaged in income generating activities and 60.2% among them are self employed. In spite of such high statistics, the economic status of women is very low and they are unable to achieve high living standard in the society. Thus analysis the income generation and saving pattern among women entrepreneurs would help us divulge into details about money earned by women entrepreneurs of Kota districts and various location it is being saved by them. The study investigates various activities with which women entrepreneurs are engaged in order to earn money and the saving techniques they employ to bank money earned by them. Study has been accomplished on randomly selected 60 women entrepreneurs engaged in various small scale industries in Kota district. Structured questionnaire was administered/posed enquiring type of entrepreneurial activities they are engaged in, months active in business, income generated per month, type of bank account they possess, mode opt for saving money, percentage of income saved, health security and health insurance along with demographic information. Research divulges that all women entrepreneurs are carrying out their entrepreneurial activities across the year, of which 45% of them were found employed in Handicraft work such as manufacturing of jewellery, bags, soft toys, wall hangings and other craft items. 60% of the total population found earning more than Rs.5000 per month while on enquiring about the saving pattern it was found that 75% of the women entrepreneurs save money and 55% were found more than saving 30-50% of their earning. However, in spite of possessing bank account women entrepreneurs are reported saving their income through non formal mode of saving such as piggy bank, kitty etc which seems to be a major concern.

Keywords: Women Entrepreneur, Self employed, Saving, Income Generation

Introduction

The word 'entrepreneur' has been taken from the French language where it cradled and originally meant to designate an organizer of musical or other entertainments. Oxford English Dictionary (in 1897) also defined an entrepreneur in similar way as "the director or a manager of a public musical institution, one who 'gets-up' entertainment, especially musical performance". In the early 16th century, it was employed to those who were engaged in military expeditions. It was extended to cover civil engineering activities such as construction and fortification in the 17th century. It was only in the beginning of the 18th century that the word was used to refer to economic aspects. As a result of industrialization, urbanization and democratization, the women in India are moving

towards emancipation and are coming out of their shells with the help of Self-Help Groups (SHGs) and are producing self employment for self and others in various endeavours. Thus with realignment of time, the term women entrepreneur came into existence where Women Entrepreneurs may be defined as the woman or a group of women who initiate, coordinate and manoeuvre a business enterprise by providing society with different solutions to management, organization and business. It was recapitulate that women entrepreneurs were much productive and efficient, not only in providing vital support to their families but also give a new direction to economic development of nation (Jasuja, 2005). Therefore Government of India has defined women entrepreneurs as an enterprise owned and controlled by a woman having a minimum financial interest of 51% of the capital and giving at least 51% of employment generated in the enterprise to women

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(Havinal,2009). The hidden entrepreneurial capabilities of women have gradually been revolutionizing with the growing sensitivity to the role & economic status in the society. Skill, Knowledge & adaptability in business are the main reason for women to take up entrepreneurship consequently contributing to the economic well-being of the family and communities and reducing poverty. .Women entrepreneur generally work in Self Help Group (SHG) The definition of Self help group (SHG) as approved by National Bank for Agriculture and Rural Development (NABARD 2016) as small voluntary, mutual association of 10-20 members belonging to same socio economic characteristics and residing in the same location, which can be all women group, all-men group or even a mixed group where micro-credit is provided by banks to make them enterprising through self employment (NABARD 2016). Women entrepreneurs are capable of undertaking any activity and generating income through self employment but the pattern of saving which is an important factor in determining the utility of money in productive area is considered to be weigh down among them. Women entrepreneurs are observed to be unaware of various modes and methods of accumulation and investment which yields higher returns thus making their saving ineffective with low rate of returns. In the study the diverse ventures women entrepreneurs are engaged in the average income and saving percentage of women entrepreneur, methods of saving adopted by women entrepreneurs has been studied The present research is designed to study the women entrepreneurs who may or may not engaged with Self Help Groups (SHGs) for employment in Kota district. The study would reveal the income generating activities women of this area undertake and the saving pattern which they employ to their income for the development of their venture. Further, based on the findings strategies can be plan

to provide training to such entrepreneurs to improve the investment and saving method on whole.

Methods and Materials

The study investigates various activities with which women entrepreneurs are engaged in order to earn money and the saving techniques they employ to bank money earned by them. Study has been accomplished on randomly selected 60 women entrepreneurs engaged in various small scale industries in Kota district. Structured questionnaire was administered/posed enquiring type of entrepreneurial activities they are engaged in, months active in business, income generated per month, type of bank account they possess, mode opt for saving money, percentage of income saved, health security and health insurance along with demographic information.

Results and Discussion

Demographic Information

The result constitutes 60 women entrepreneurs as shown in Fig 3.1 who age above 18 years and up to 60 years where 57% of the sample lies above 30 years of age, also 90 % of the population was found married and 100% was reported education status up to at least high school where 60% of entrepreneurs possess at least graduate degree or above. The study shows coordination with previous studies which states that women entrepreneurs are forced to take entrepreneurship in the absence of any other means of contributing to family income (Karuna and Cruz 2003) other cited reasons are desire of self-employment by utilizing skills (Hookoomsing and Essoo, 2003), (Richardson et.al. 2004). Traditional concept of the entrepreneurship Women's reasons for starting business are not always often driven by positive factors but also due to negative circumstances such as low family income, lack of employment opportunities, dissatisfaction with a current job or the need for flexible work (Robinson, 2001), These factors tend to be most

Table:1 Saving Pattern among Women entrepreneurs at a glance.

Factors	Details and Percentage		
Number of active months in business	4 Months(10%)	4-8 Months(0%)	12 Months(90%)
Monthly Income of Women Entrepreneur (Rs.)	<2000(25%)	2000-5000(15%)	>5000(60%)
Inclination of Women Entrepreneurs towards saving money	Yes(75%)	No(25%)	N.A
Mode of saving adopted	Bank(80%)	Kitty(33.33%)	Home(40%)
Saving of money Per Month	<1000(15%)	2-3000(5%)	73000(55%)
Type of Bank account possessed	Saving(45%)	Open&FD(20*2=40%)	RD(30%)
Mediclaime Policy	Yes(15%)	No(85%)	

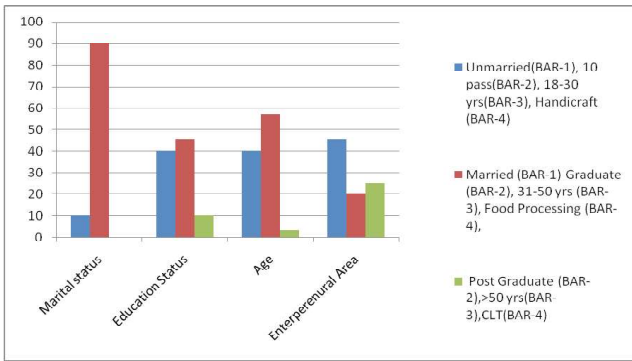


Fig. 1: Demographic information of Women Entrepreneurs

predominant among women within developing economies (Dhaliwal,19981) which shows relation with 60% of the entrepreneurs who are graduate and still opting entrepreneurship Sectors in which entrepreneurs are indulged.

Handicraft sector is considered to be the most prominent business opportunities among 45% of women entrepreneurs who manufacture bandhani, kota doria bag jackets, jewellery, bags, soft toys, wall hangings along with use of wood, stone, and metals like bronze, iron, steel to create handicrafts and handcrafted gift items, such as bangles, glass, utensils, cane and, clay for making statues of Indian deities, pots, vessels, other decorative pieces, making baskets from straw, ,and retailing etc. Hadoti is rich in Crops and Horticulture where Soyabean, Amla, Rice, Guava, Rice, Garlic are grown in large volume and thus the effect is visible in 25% of women entrepreneur’s small scale food processing industries. Whereas 20% of the sample is engaged in Clothing construction where variety of clothes and material is stitched and sell as the business run on minimum input and maximum output. On contrary only 10 % of the population was engaged in other activities apart from these three major sectors such as Bonsai, Masala packaging, Paintings etc.

Number of active months in business

90% of women were found active across the years in Handicraft Clothing & construction and Food Processing industry and have privilege to run their activity throughout the year whereas 10% of women entrepreneurs in various food processing pursuits can only run their venture in a particular season due to the acceptability of products in specific season such as squashes in summer and chaywanprash in winters and also on availability of raw material such as guava, amla, soybean etc in winters and mango, oranges, lemon etc

in summers

Monthly Income of Women Entrepreneur

It is one of the greatest achievements for any entrepreneur to establish any industry especially small scale industry and women are no exception with 70% of the population engaged in business since 5 years. As the business grows it leads to increase in income, 60% entrepreneurs found earning 10,000 Rupees on an average per month where some of them were in sprouting stage of business as well, and however as the time elapse satisfaction with income found increased among them.

Inclination of Women Entrepreneurs towards saving money

Due to high literacy level among entrepreneurs, it was found that 75% of them are aware about significance of savings and its future prospects and the rest 25% who have no proper savings as they are in preliminary stage in business and therefore in no profit and no loss situation they were unable to save money.

Mode of Saving adopted by Entrepreneurs

80% of women entrepreneurs prefer saving their money in formal way i.e. in Bank, as it is considered to be a reliable source among them, but along with formal saving they were found saving informally as well within their Self Help Group in the form of Kitty and as an individual household saver. Reasons behind choosing informal saving methods were the requirement of investing money in business such as purchase of raw material, various payments and sudden household requirement.

Savings of women entrepreneurs per month

In Kota district which is urban cum rural region, 60 % of entrepreneurs were found saving >3000 Rupees in marginal earning of 5000 to 7000 Rupees per month. High savings in entrepreneurs shows association with their educational status as 100% of them are Higher Secondary and 60% are graduate or above, indicating significance of saving in their attitude.

Type of account entrepreneurs possess

Study reveals that about half of entrepreneurs possess and prefer Saving Account with 45% of population, followed by Recurring Deposits choose by 30% the sample, whereas Open Account and Fixed Deposit fancied by 20% population each. Result shows linkage with monetary security entrepreneurs derive from Saving Account as they have access to their money throughout the year along with the interest which is also being added in their account than Fixed Deposit, Recurring Deposit and Open Account which either doesn’t provide access to money for a particular period of time or the interest derived on the capital.

15% of the sample owns mediclaim policies which show association with better future planning.

Recommendations

- Food Processing considered to be an emerging sector in entrepreneurial area. Thus it has been proposed that training on various processed foods such as amla, soybean products etc which are found in abundance in Kota region shall be provided to the budding entrepreneurs so that inclination towards promising and profitable industry would take place. Various governmental and nongovernmental projects such as Krishi Vigyan Kenrda (KVK), Ajivika Mission, Agricultural Technology Management Academy (ATMA), Rural Development and Self Employment Training Institute (RUDSET) Rashtriya Krishi Vikas Yojana (RKVY), etc are steering food processing projects in the vicinity.
- Entrepreneurs who are already engaged in food processing sector can be taught about Value Added Products which enhance the nutritive value of food by making particular food more desirable such as soya paneer, amla candy, amla squash etc.
- Kota is world famous for hand-woven industry of Kota Doriya, therefore it has been suggested that entrepreneurs can be prepared to make Kota Doriya more interesting through handicraft and current aesthetic sense of fashion and this can be serve as new entrepreneurial sector for creative women.
- There is a huge need of education and guidance for women entrepreneurs in accountancy, profitability and management of money in terms of reinvestment and savings.
- Last but not the least, it has been advised that Training or Awareness programme on banking facilities like small term fixed deposit, recurrent deposit, micro finance etc should be provided to Small Scale Entrepreneurs (SSEs) so that they can generate profit of such facilities

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