



# ***Economic Empowerment of Tribal Women Through Entrepreneurship***

R. ANNAPOORANI AND G. GNANARUBI

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## **INTRODUCTION**

Women entrepreneurs are key players in any developing country particularly in terms of their contribution to economic development. As such, entrepreneurship development among women is regarded as a tool to economic empowerment of women. A woman as an entrepreneur is economically more powerful because ownership not only confers control over assets but also gives her the freedom to take decisions. This will also uplift her social status significantly.

The United Nations Development Programme report titled Human Development Report, 1995, stated that 'women are essential agencies of political and economic changes. Investing in women capabilities and empowering them to

examine their choices is not only valuable in itself' but is also the surest way to contribute to economic growth and overall development. The World Bank Report and the Fourth World conference on women declared that women are central to the success of poverty alleviation efforts. Hence the importance of women empowerment and their full participation is the basis of equality in all spheres of society.

In India tribal women occupy a significant place and the tribal women population was estimated as 4.6 million in 2001. In spite of many constitutional safeguards and economic protections, the position of women in tribal areas is in its lowest ebb. As a way of improving economic status of the family, tribal women are engaged in entrepreneurial activity. In India tribal women are taking up both traditional activities like handloom, knitting and embroidery, jam, jelly and pickle-making and also non-traditional activities like computer training, tours and travels, catering services, entertainment, fast foods, beauty parlour, etc. In this context a research study on *Economic empowerment of tribal women through entrepreneurship*, was undertaken. The *objectives* of the study were:

- (i) To study the socio-economic profile of tribal women entrepreneurs;
- (ii) To find out the factors motivating tribal women entrepreneurship; and
- (iii) To study financial performance of the entrepreneurial activities of tribal women.

## METHODOLOGY

The study was related to hundred tribal women entrepreneurs in Theppakadu area in Gudalur taluk and in Kallichal area in Pandalur taluk of Nilgiris district of Tamilnadu. The required data were collected by conducting an interview to the respondents

## TOOLS APPLIED

### (i) Chi-square Analysis

The study applied chi-square test to find out the

association between education, type of entrepreneurial activity and profit earned.

### (ii) Discriminant Analysis

The current study applied Discriminant analysis to find out the significant factors causing difference in the profit earned by tribal women entrepreneurs. In order to understand the effect of the selected variables on profit, the respondents were classified into two groups : (i) the respondents earning the profit less than the average profit termed as-group I, and (ii) the respondents earning profit more than the average profit-group II.

Using Discriminant analysis, an attempt was made to find out the variables, which significantly discriminated the profit earned by tribal women entrepreneurs. The variables chosen for the analysis were age of the respondent ( $X_1$ ), number of years of schooling ( $X_2$ ), number of labourers employed ( $X_3$ ), amount of capital invested ( $X_4$ ), year of establishment ( $X_5$ ), size of family ( $X_6$ ), marital status ( $X_7$ ) and type of family ( $X_8$ ).

When group I was compared with group II on the basis of measurement of several variables, a discriminant co-efficient function, which can discriminate between the two groups significantly was derived. To test whether there exists a significant difference between the two groups; the following 'F' tests were used.

$$F = \frac{N_1 + N_2 - (P - 1)}{P} \frac{N_1 + N_2}{(N_1 + N_2)(N_1 + N_2)} \times D^2$$

where,  $N_1$  = Number of cases in group I

$N_2$  = Number of cases in group II

$V_1$  =  $P \times$  (the number of variables included)

$V_2$  =  $N_1 + N_2 - (P - 1)$  and

$D^2$  = Mahalanobis D-square statistic

In order to find out the relative importance of variables that discriminate between the two groups, the relative share of different variables had been calculated.

The relative share of each variable was calculated from  $DP^2$  which can be expressed as

$$DP^2 = \lambda_1 d_1 + \lambda_2 d_2 + \lambda_3 d_3 + \lambda_4 d_4 \dots\dots\dots + \lambda_p d_p$$

$\lambda_1$  is the co-efficient of first variable in the discriminant function separating the two groups and  $d_1$  is the difference in the mean value of the two groups for the first variable. In  $DP^2$ ,  $\lambda_i d_i$  gave the contribution of  $i^{\text{th}}$  variable to the total distance. The percentage of each variable to the total distance has been calculated to bring out the relatively more important variables in discriminating the two groups.

## FINDINGS OF THE STUDY

### A. General Information of the Respondents and Motivational Factors for Entrepreneurship

Majority of selected women (45 percent) were in the age group of 25-40. And only 11 percent of the elderly women take up entrepreneurial activities. One-fourth of the respondents were illiterate, and majority of the respondents (25 percent) have completed 8<sup>th</sup> standard. It is disheartening to note that only one respondent had finished the collegiate education. Majority of the selected respondents were belonging to nuclear family. This implies that in the absence that of elderly family members, women entrepreneurs have to take up dual responsibilities of looking after the family and the entrepreneurial units.

Table 1 represents the reasons for women entrepreneurship as stated by the respondents.

Women have been motivated to take up entrepreneurial activities through friends or by family members or through organizations. Table 2 represents the motivational factors for tribal women entrepreneurship.

### B. Analysis about the Entrepreneurial Activities done by Tribal Women

Table 3 represents the list of entrepreneurial activities done by selected tribal women.

TABLE I  
Reasons to Take up the Entrepreneurship

<i>Sl. No.</i>	<i>Reasons</i>	<i>Frequency</i>
1.	To earn money	37
2.	For education of the children	21
3.	To meet future needs	27
4.	For family welfare	15
Total		100

TABLE 2  
Motivational Factors for Tribal Women Entrepreneurship

<i>Sl. No.</i>	<i>Motivational factors</i>	<i>Frequency</i>
1.	Self-motivation	21
2.	Friends	12
3.	Family members	15
4.	Relatives	11
5.	Organisation	
	(a) Niligiris Adivasi Welfare Association (NAWA)	14
	(b) Udagamandal Social Service Society (USSS)	10
	(c) Rural Development Organisation (RDO)	9
	(d) Centre for Tribal Rural Development (CTRD)	8

According to Table 3 tribal women were prepared to take up entrepreneurial activities like basket-making, embroidery, telephone booth, etc. Majority of them (28 percent) were involved in embroidery work.

### Source of Finance

Women entrepreneurs were mobilizing fund from various sources own contribution, contribution from relatives, borrowing from bank and institutional support.

Table 4 helps to explain the source of finance for the selected women entrepreneurs.

TABLE 3  
Entrepreneurial Activities done by Tribal Women

Sl. No.	Entrepreneurial activities	Frequency
1.	Basket-making	9
2.	Tailoring	10
3.	Coir production	5
4.	Sale of fruits and vegetables	5
5.	Embroidery	28
6.	Preparation and sale of Medicines	5
7.	Mat-weaving	3
8.	Provisional stores	8
9.	Eucalyptus oil selling	8
10.	Winter oil selling	11
11.	Telephone Booth	8

TABLE 4  
Source of Finance for the Selected  
Women Entrepreneurs

Source	Below Rs. 10000	Rs. 10000- Rs. 50000	Rs. 50000- Rs. 1 lakh	Above Rs. 1 lakh
Own Fund	9	7	—	—
Bank	4	16	15	6
Institution Support	9	16	10	2
Relatives	4	2	—	—

According to Table 4 the average amount of contribution from bank was greater (Rs. 61585.37).

### C. Financial Performance of the Entrepreneurial Units

Financial performance of the enterprises run by the tribal women is analysed in terms of profit earned.

It is evident that Telephone Booth activity was found to more profitable since women entrepreneurs doing this activity

Sl. No. Activities	Below Rs. 5,000	Rs. 5,000- Rs. 10,000	Rs. 10,000- Rs. 15,000	Average
1. Basket-making	5	4	—	4722
2. Tailoring	3	4	3	7500
3. Coir production	5	—	—	2500
4. Sale of fruits and vegetables	2	3	—	5500
5. Embroidery	10	11	7	6964
6. Preparation and sale of medicines	—	3	—	7500
7. Mat-weaving	3	—	—	2500
8. Provisional stores	—	3	5	10625
9. Eucalyptus oil selling	—	5	3	9375
10. Winter green oil selling	—	3	—	7500
11. Telephone booth	—	—	2	12500

are able to obtain more profit. The average profit earned from this activity was estimated to be Rs. 12500.

### ***Identification of the Determinants of the Profit Earned by Selected Tribal Women***

With the help of discriminant analysis the current study tried to find out the variables, which significantly discriminated the significant factors influencing the profit earned by tribal women. The variables chosen the analysis were, age ( $X_1$ ), years of schooling ( $X_2$ ), number of labourers employed ( $X_3$ ), amount of capital invested ( $X_4$ ), year of establishment ( $X_5$ ), size of family ( $X_6$ ), martial status ( $X_7$ ) and type of family ( $X_8$ ). Table 6 shows Wilk's lambda, its equivalent univariate F-test and significant level of the variables that vary hypothetical to discriminate between the two groups under investigation

The current study applied chi-square analysis to find out the association between the type of activity and profit earned. It found that there was no association between type of activity and profit earned since the calculated chi-square value (1.47) was less than  $\chi^2_{0.05} = 3.54$ .

TABLE 6  
Wilk's Lambda and Relative Discriminating Power of the Selected Variables

<i>Variable</i>	<i>Wilk's lambda</i>	<i>Significance</i>	<i>Group I</i>	<i>Group II</i>	<i>Relative discriminating power</i>	<i>Contribution of the variable to discriminating power (in percent)</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)
X <sub>1</sub>	1.0	.019	44.0755	43.8085	0.42	3.006
X <sub>2</sub>	.624	59.117	1.3396	1.9362	.450	32.21
X <sub>3</sub>	.995	.456	2.5472	2.6596	.296	21.19
X <sub>4</sub>	.464	113.115	7037.74	11808.51	.337	24.12
X <sub>5</sub>	.998	.188	1998.02	1998.28	.065	4.65
X <sub>6</sub>	.980	1.982	3.5094	3.1915	.103	7.37
X <sub>7</sub>	1.0	.038	1.0943	1.1064	.038	2.72
X <sub>8</sub>	.993	.665	1.7547	1.6809	.066	4.72

### ***Contribution to the Family***

The current study found that all the respondents were spending the entire profit for the sake of family. Hence there was full contribution to family income by the selected tribal women.

### ***Amount of Savings***

Since savings is the source of fund, the current study tried to find out the mode and amount of savings. The study noted that of the total respondents 90 percent were saving through bank, post office, chits and the average amount of savings was estimated as Rs. 2980.

### **D. Problems Faced by Women Entrepreneurs**

Women entrepreneurs are facing many problems relating to finance, raw-material, labour, etc. Limited finance is the major constraint of the tribal women entrepreneurs. Since many of the tribal families are living below poverty line, the women entrepreneurs cannot mobilise the required finance. The second important constraint faced by selected tribal women entrepreneurs is irregular supply of raw materials. For the women to be effectively involved, shortage of raw material poses a difficulty. Further the respondents felt that they did not receive recognition and appreciation from the family members.

### ***Measures Recommended***

1. There is need for developing self-confidence in tribal women by having an interaction with the successful women entrepreneurs;
2. Literacy level of tribal women should be enhanced;
3. All women entrepreneurs should join and form cooperative societies to run their enterprises effectively;
4. Tribal women should be made aware of various credit facilities, financial incentives and subsidies; and
5. Non-Governmental Organisations who have a direct control and influence on tribal people should play a

vital role in shaping and guiding them in running entrepreneurial activities.

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