

## Vermicompost as a micro - enterprise to improve the economic status of self – help group women

*R. Varalakshmi\**, *K. Aruna Kumari* and *E. Anangamathi*

Department of Home science, Sri Padmavathi Mahila Visva Vidyalayam,

Tirupati -517502 A.P., India

\*E-mail: profvaralakshmi@gmail.com

### ABSTRACT

The study on vermicompost as a micro enterprise to improve the economic status of Self-help group women was conducted at Guntur District in the State of Andhra Pradesh. The main aim of this study is to examine the economic status of Self-help group women. As majority of the women are in below poverty line, many Government and Non-governmental organizations, other agencies and banks come forward to give loans for starting micro enterprises, for improving their economic status. The number of enterprises initiated and run by women in the formal sector is small and women entrepreneurship has been a recent concern. The hidden potentialities of women have gradually been changing with the growing sensitivity to the roll and economic status in society. Overall development of women entrepreneurs and their enterprises depend upon the involvement of women in managing their enterprises. The implications and intrications of vermicompost as micro enterprise run by Self help groups' (SHG) women started to improve their economic status is discussed.

**KEY WORDS:** Entrepreneurial skills, economic status, micro-enterprises, vermicompost

### INTRODUCTION

Microenterprises are small scale income generating activities usually referring to small business activities with one to 4 employees engaged in by low and middle income persons. Today women are running ventures successfully and are called good entrepreneurs. Entrepreneur is the person who tries to create some thing new, organizes production and undertakes risk and handles economic uncertainty (or) potentially an enterprising individual, endowed with special ability to innovate and willing to assume the risk involved in it and thus by entrepreneurs, it is meant the function of creating some thing new, organizing, co-ordinating and undertaking rise in handling economic uncertainty. Economists have recognized entrepreneurship as one of the key factors of production. Schumpeter, 1961

defined, entrepreneur as a dynamic agent of change or a catalyst who transforms increasingly physical, natural and human resources into corresponding production possibilities.

Women entrepreneurs in India represent a group of women who have broken away from the beaten track and are exploring new vistas of economic participation. Their task has been full of challenges and yet they have steered to clear prejudice, opposition and constraints and have established themselves as successful entrepreneurs. These are often not registered operating in the informal economy quite likely starting or operating at home (Buzzard and Edgcomb, 1987). The informal sector provides the majority of new jobs in less developed countries (Asha, 1985). This also includes home based enterprises or any paid

work done at home. The enterprises started by women are so greatly influenced by the decisions and desires of the members of the family (Viswanathan 1994).

Vermicompost among the various organic manures, the compost produced by using earthworms is the significant one from the point of total nutrition it provides to the plant. Vermicompost not only helps to improve and protect fertility of top soil, but also helps to boost productivity by 40 percent at 20 – 60 percent lower nutrient inputs. It also enhances the quality of end products and keeping quality on storage. These effects have a significant impact on market price as it increases the storage time between harvesting and marketing. Continuous use of Vermicompost over the years has also resulted in reduction of pests and disease problems, besides building resistance in plants to pests and diseases.

The role of women in productive activities in India has been increasing over the years, however the total number of enterprises run by them is significantly small. Sarala Gopalan (1981) has stated that, they have a very low rate of participation in the workforce (around 28 percent of the female population and 13.6percent of the total population). They were employed mostly in the unorganized sectors (94percent) consisting of occupations like agriculture, agro based industries, and handicrafts cottage based industries, Vermicompost industry, handlooms and construction works.

Women entrepreneurship is one of the key elements of growth in any economy. New enterprises contribute to the creation of a dynamic business environment through economic growth, the opening of new job opportunities and innovations in production processes and products.

It is estimated that, women entrepreneur's presently comprise about 10% of the total number of entrepreneurs in India, with the percentage growing every year. If the prevailing trends continue, it is likely that in another five years, women will comprise 20% of the entrepreneurial force. With corporates eager to associate and work with women-owned business and a host of banks, non-governmental organizations keen to help them get going, there has rarely been a better time for women with zeal and creativity to start their own business.

The role of women in productive activities in India has been increasing over the years, however the total number of enterprises run by them is significantly small. Samuiddin and Rehman (1989) elaborating this point stated that, economists too have shifted the emphasis from the rate of capital formation to the growth of high level man power i.e. entrepreneurs as the major determiners of the rate of economic growth.

Women have some strong qualities, desirable and relevant to entrepreneurship development, such as their ability to manage business activities, dedication to the work, they take up tolerance and kindness towards people. It is a misconception that, women can not make themselves good managers. Infact the complete manager in our society is the mother, as she plans budget, executes and shows results in the day-to-day life. This makes women as competent as men in managing self- enterprises.

Women entrepreneurs of India both prospective and practicing have tremendous potential and can contribute substantially to India's economic prosperity. However, there are some constraints, entrepreneurship and financial support is necessary for women entrepreneurs who are no longer confined to

conventional fields like embroidery, knitting and tailoring. They are venturing into the fields of computers, engineering and electronics. They have shown courage, will power, vision and tenacity in holding their business ventures. The enterprises started by women are so greatly influenced by the decisions and desires of the members of the family (Viswanathan 1994). Overall development of women entrepreneurs and their enterprises depend upon the involvement of women in managing their enterprises. So there is every need to explore how far women entrepreneurs were involved in the management of their enterprises to plan for appropriate interventions. Hence, the present investigations have been taken up to study the socio - economic background of Self Help Group women in Guntur District and study the various associated aspects of micro enterprises initiated by Self Help Group women.

## **MATERIALS AND METHODS**

The main aim of this study is to examine the role of Micro enterprises to improve the economic status of Self-help group women at Guntur, Andhra Pradesh.

### ***Design of the study:***

The study was conducted in Guntur district during 2009 by adopting Ex-post facto design using the purposive and random sampling procedure in three revenue administrative divisions, viz. Narasaraopet, Guntur and Tenali in the Guntur district of Andhra Pradesh.

The purposive and random sampling method among various methodological designs were preferred for the study as the data collected through this procedure paves the way for making appropriate generalizations about the universe of the study.

### ***Selection of the sample:***

The present study was conducted in the coastal Andhra Region of Andhra Pradesh State. Guntur district consists of 57 mandals and 3 revenue divisions namely Guntur, Narasaraopet and Tenali. Out of the 57 mandals, only 15 mandals were selected purposively because in these 15 mandals, women are practicing vermiculture activity and raise Biogardening. In these mandals Vermicomposting was promoted by Governmental organizations viz., Krishi Vignana Kendra (K.V.K) and Non governmental organizations viz., ASSIST (A Society for Integrated Rural Development) and N.E.S (Neelagiri Educational Society).

The present study was conducted in three phases.

### **I Phase:**

In pre-intervention programme, 300 SHG women respondents were selected purposively. Among these 300 SHG women, 100 women from K.V.K, 100 women from ASSIST and another 100 women from N.E.S were selected.

### **II Phase:**

In the II phase or post-intervention programme, it is very difficult for researcher to give training for all 300 respondents. Out of 300 respondents, 30 respondents were selected randomly, 10 respondents from K.V.K, 10 respondents from ASSIST and 10 respondents from N.E.S for intervention programme.

### **III Phase:**

In this phase the researcher analyzed the impact of training programme.

### ***Analysis of data:***

After the completion of fieldwork, the complete schedule had been checked to ensure that no information had been missed

from any one of the respondents. The researcher manually edited, coded and computer analysis was done. The data has been subjected to descriptive statistics and chi-square test.

***Selection of variables:***

The variables included in the study are, Socio-economic and demographic characteristics of the respondents, Micro enterprise, entrepreneurial skills and related aspects.

***Selection of Research tools and techniques:***

For the present study, information was gathered from the respondents through the following techniques.

The interview schedule was prepared with structured questions, which was translated into Telugu language and used to collect the data from selected 300 respondents.

***Pilot study:***

Before conducting the actual study, the researcher carried out pilot study, the interview schedule was administered for 20 selected women respondents. The questions were found to be feasible for the study and the items were found to be easily understood by the women. Based on the results obtained, the answers were qualitatively scrutinized for their effectiveness and modifications or changes where necessary were made and the schedule for the final study was thus put in to form. After pre-testing the interview schedule, information was collected from selected respondents by personal interview.

***Techniques:***

The following techniques were used

<i>Lecture Method</i>	:	Loans given by the banks with subsidy.
<i>Focus Group Discussion</i>	:	Role of Micro Enterprises
<i>Games conducted for the development of Entrepreneurial skills</i>	:	Ring toss, Tower Building, and Boat making.

Training was also given using visual aids i.e., charts, posters and flash cards.

**RESULTS AND DISCUSSION**

The study revealed the following observations (Table 1):

- ◆ Among the sample women, majority (41.3 percent) of them belonged to the age group of 26-30 years. This revealed that, even the child bearing and child-rearing women were working out side the home to meet their economic necessity. 88 percent of them married women. The reason for higher number of married women being self-employed was due to the fact that, they got assurance from their husbands, that they would help directly or indirectly in running the unit.
- ◆ Majority (50 percent) of the respondents belonged to schedule tribe because most of the developmental programmes are targeted to them and these sections are considered to be economically weaker in the society.
- ◆ Educational level of the respondent is one of the important variables in influencing the behaviour of the individual. Majority 32.3 percent of them literates, not having any formal

education but they could able to read and write, 28 percent of the respondent’s husbands had educated up to primary school level.

- ◆ The occupational background of the respondent’s husbands has also some bearing on promotion of the women. However, the occupation was mainly agriculture since the respondents hail from rural areas. Husband’s occupation is also an important indicator of socio-economic status of a woman and her family. Majority of the respondents (52 percent) engaged in agriculture and cultivation and 40.3 percent of the

respondents husbands engaged in agriculture and cultivation.

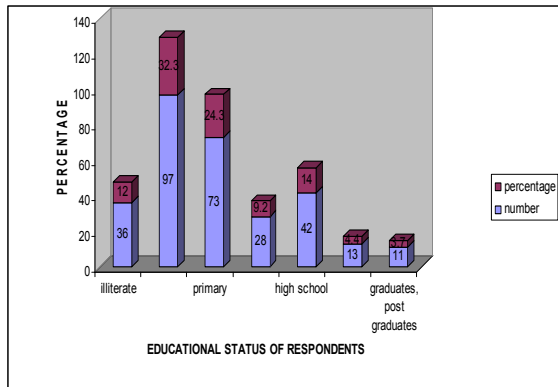
- ◆ Monthly income is one of the most important determinants of economic status of the family. The economic power determines the purchasing power, standard of living and quality of life. Majority 85.3 percent of the respondents earned up to a range of Rs. 1000 – 3000/- per month.
- ◆ Among 78.3 percent of the respondents had 1-3 acres of land and 72 percent of them joined as DWCRA members.

**Table 1: Percentage distribution of the respondents according to their Socio-economic and demographic characteristics**

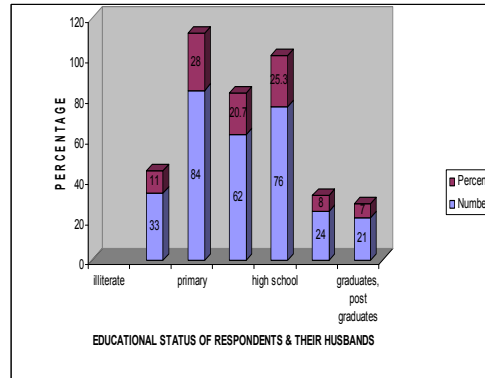
**N=300**

Socio-economic and demographic characteristics of the respondents	Number	Percentage
1.Age in Years		
a.20 – 25	64	21.3
b.26 – 30	124	41.3
c. 31 – 35	74	24.7
d. 36 – 40	38	12.7
2 .Marital Status		
a. Married	264	88.0
b.Unmarried	27	9.0
c.Widowed	9	3.0
3 .Caste		
a.Scheduled Tribe	150	50.0
b. Scheduled Caste	110	36.7
c. Backward Caste	25	8.3
d. Forward Caste	15	5.0

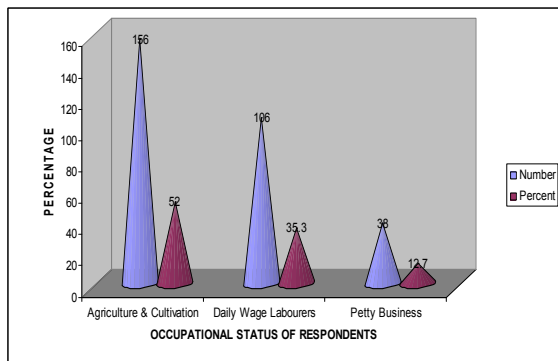
4.Educational Status (Respondents)		
a.Illiterate	36	12.0
b.Read and Write	97	32.3
c.Primary	73	24.3
d.Middle	28	9.3
e.High School	42	14.0
f.Intermediate	13	4.4
g.Graduates and PostGraduates	11	3.7
Educational Status (Husbands)		
a.Illiterate	--	--
b.Read and Write	33	11.0
c.Primary	84	28.0
d.Middle	62	20.7
e.High School	76	25.3
f.Intermediate	24	8.0
g.Graduates and Post Graduates	21	7.0
5. Occupational Status (Respondents)		
a.Agriculture and Cultivation	156	52.0
b.Daily wage labourers	106	35.3
c.Petty business	38	12.7
Occupational Status (Husbands)		
a.Agriculture and Cultivation	121	40.3
b.Daily wage labourers	102	34.0
c.Business	31	10.4
d.Skilled labourers	46	15.3
6.Family Income per month in Rs		
a.1000 – 3000/-	256	85.3
b.3000 – 5000/-	28	9.3
c.Above 5000/-	16	5.4
7.Land (Acres)		
a.1 – 3	235	78.3
b.4 – 6	47	15.7
c.7 – 9	14	4.7
d.Above 9	4	1.3
8.Social participation		
a.DWCRA group leaders	84	28.0
b.DWCRA group members	216	72.0
Total	300	100



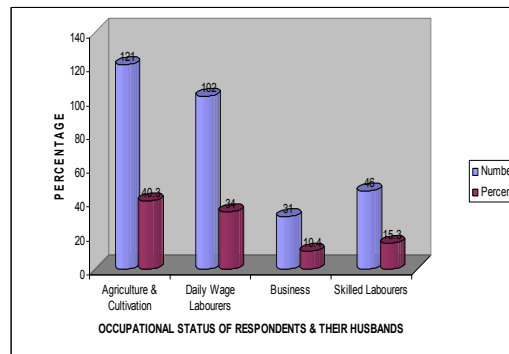
**Fig.1: Educational status of respondents**



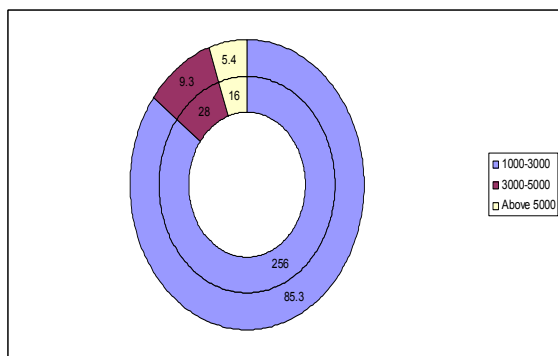
**Fig.2: Educational status of respondents & their husbands**



**Fig.3: Occupational status of respondents**



**Fig.4: Occupational status of respondents & their husbands**



**Fig.5: Distribution of respondents according to their family income**

- ◆ In pre – intervention programme, 38.7 percent of them reported that, starting of enterprise was an innovation, 31 percent of them viewed that, money was the most important requirement to start an enterprise and 31 percent of them expressed that, high motivation was the most important quality of an entrepreneur.
- ◆ About 35 percent of them viewed that business plan was a perfect planning, 33 percent of them viewed that, decision-making ability and creative skills are required to manage the enterprise, 34.3 percent of them were said that, risk taking was the main important function of entrepreneurs and 32.7 percent of them expressed that, lack of finance was the main important problem, faced by women entrepreneurs.
- ◆ Majority (44.6 percent) of them opined that, earning money is the main reason, which prompted them to become an entrepreneur, 88.3 percent of them, did not know about banks which give loans for women to start an enterprise 71.3 percent of them were not visited the venture which were running successfully by women and 69.4 percent of them, had not got encouragement for this activity because women have less education and they stood under below poverty line.
- ◆ In post-intervention programme, 90 percent of them said that, starting of enterprise was an adventure involving uncertainty and risk, under taking and innovation, 80 percent of them viewed that, every thing (money, manpower, land and machinery) was required to start an enterprise and 93.3 percent of them expressed that, every thing (risk taking, highly motivation, and intelligence) was required for an entrepreneur.
- ◆ About 76.7 percent of them viewed that, business plan was like a blue print and they gave a detailed information that it was a perfect planning of an enterprise, 83.4 percent of them expressed that, marketing, sales, production skills etc are required for managing the enterprise and 96.6 percent of them viewed that, risk taking, innovation and management are required to run the venture successfully.
- ◆ Majority (86.7 percent) of them expressed that, due to lack of finance, knowledge and support, women entrepreneurs faced problems and 96.6 percent of them knew that banks give loans for women to start an enterprise.



**Table 2: Percentage distribution of the respondents according to their knowledge on Micro enterprise and entrepreneurial skills and related aspects**

Variables	N=300			
	Pre-intervention		Post intervention	
	Number	Percentage	Number	Percentage
1. Concept of enterprise				
a. Adventure involving uncertainty and risk	114	38.00	-	-
b. Under taking	70	23.3	3	10
c. Innovation	116	38.7	27	90
2. Requirements to start enterprise				
a. Land	71	23.7	-	-
b. Machinery	59	19.7	-	-
c. Man power	57	19.0	-	-
d. Money	93	31.0	6	20
e. Every thing	20	6.6	24	80
3. Qualities of entrepreneurs				
a. Risk taking	46	15.3	-	-
b. Leadership and hard working	60	20.0	-	-
c. High motivation	95	31.7	-	-
d. Intelligence	87	29.0	2	6.7
e. Every thing	12	4.0	28	93.3
4. Business plan				
a. Blue print	96	32.0	-	-
b. Detailed information	99	33.0	7	23.3
c. Perfect planning	105	35.0	23	76.7
5. Management of skills and competencies				
a. Decision making ability and creative skills	70	33.0	-	-
b. Communication and negotiation skills	64	21.3	-	-
c. Accounting and financial skills	56	18.7	-	-
d. Marketing, sales, production skills, administration and control	61	20.4	5	16.6
e. Every thing	19	6.6	25	83.4

6.Functions of entrepreneurs				
a.Innovation	97	32.3	-	-
b.Risk taking	103	34.3	1	3.4
c.Management	73	24.4	29	96.6
d.Every thing	27	9.0		
7.Knowledge on Problems faced by women entrepreneurs				
a.Lack of finance				
b.Lack of knowledge	98	32.7	-	-
c.Lack of support	88	29.3	-	-
d.Every thing	85	28.3	4	13.3
	29	9.7	26	86.7
8.Reasons which prompted to become an entrepreneur				
a.Wanted to create something	64	20.7		
b.Wanted to be own boss	56	18.7	-	-
c.Bored at home	48	16.00		
d.Want to earn money	134	44.6		
9.Knowledge on banks				
a.Known	35	11.7	29	96.6
b.Unknown	265	88.3	1	3.4
10.Visiting of ventures run by women				
a.Visiting	86	8.7	-	-
b.Not Visiting	214	71.3		
11.Encouragement given to start an enterprise				
a.Family members	208	69.4		
b.Relatives	22	7.3	-	-
c.Husband	28	9.3		
d.Friends	25	8.3		
e.Self interest	12	4.0		
f.None	5	1.7		
Total	300	100	30	100

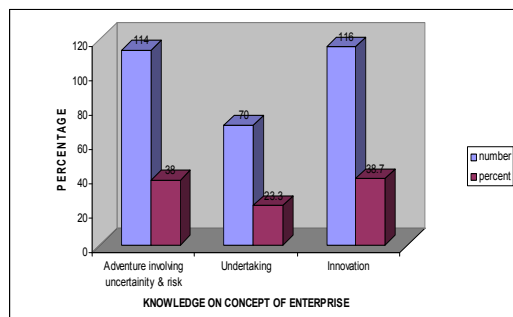


Fig.6: Knowledge of respondents on concept of enterprise

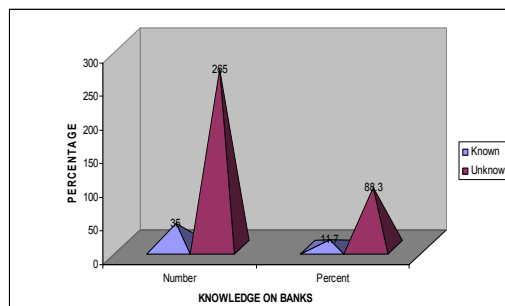


Fig.7: Knowledge of respondents on banks

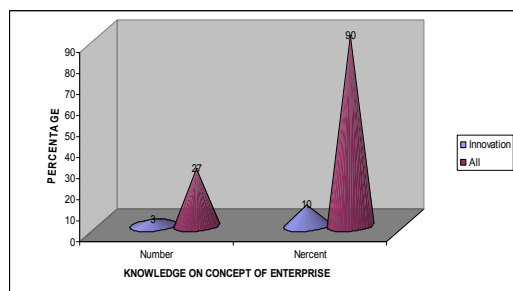


Fig.8: Knowledge of respondents on concept of enterprise after intervention

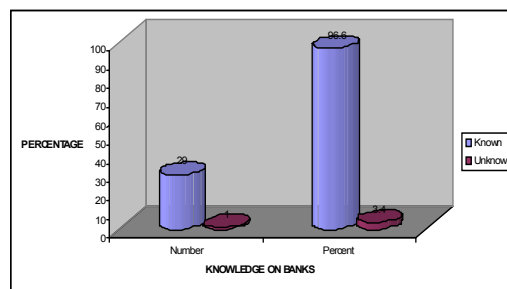


Fig.9: Knowledge of respondents on banks after intervention

There is association between pre and post-intervention knowledge on microenterprises. The knowledge of the respondents was better in post-intervention than pre-intervention programme. There is a high significant difference between the knowledge scores of microenterprises in pre and post-intervention programme. The table 3, represents the  $\chi^2$  test, showing that, there

is no association between pre and post-intervention knowledge on enterprise. The  $\chi^2$  value is calculated as 28.86, which is greater than the  $\chi^2$  table value (5.99). So we reject  $H_0$ . As shown above, it is clear that, there is an association between pre and post-intervention knowledge on enterprise.

Table 3: Association between pre-intervention and post-intervention knowledge on Enterprise

$H_0$	$\chi_0^2$	$\chi_t^2$	Inference
There is no association between pre-intervention and post-intervention knowledge on enterprise.	28.86	5.99	$\chi_0^2$ is greater than $\chi_t^2$ So we reject $H_0$ , there is an association between pre and post-intervention knowledge on enterprise.

The Table 4 represents the  $\chi^2$  test, showing that, there is no association between pre and post - intervention knowledge on qualities of entrepreneurs. The  $\chi^2$  value is calculated as 49.56 which is greater than  $\chi^2$  table value

(7.81). So we reject  $H_0$ . As shown above, it is clear that, there is an association between pre and post - intervention knowledge on qualities of entrepreneurs.

**Table 4: Association between pre-intervention and post-intervention knowledge on qualities of entrepreneurs**

$H_0$	$\chi_0^2$	$\chi_t^2$	Inference
There is no association between pre-intervention and post-intervention knowledge on qualities of entrepreneurs.	49.56	7.81	$\chi_0^2$ is greater than $\chi_t^2$ So we reject $H_0$ , there is an association between pre and post – intervention knowledge on qualities of entrepreneurs.

**CONCLUSION**

Managing a business involves considerable risk and effort on the part of the entrepreneur. Management process include perception, market opportunities, gaining command over scarce resources, purchasing inputs marketing of the product and responding to competitions. Success of any development programmes especially at the grass roots level depends on people’s participation. It is essential to sensitize and motivate the public in general to participate in the developmental programmes. So the

overall development of women entrepreneurs depends upon the involvement of women in managing their enterprises. With the help of this education intervention programme the self help group women improved their entrepreneurial skills and it shows that it gives a path to start an enterprise with the above entrepreneurial skills and also towards the sustainable management of Biodiversity by using vermicompost.

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