



“Socio-Economic Factors and Quantum of Income Generation Through Micro-Finance” – A Case Study Of Jorhat District Of Assam

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Sociologists think, since entrepreneurs are the natural products which impulsively come out of a society, their socio-economic status significantly influences the entrepreneurial traits and even the level of success in entrepreneurial practices in numerous ways. It is therefore, essential to study and develop the profile of the sample women entrepreneurs promoted through Micro Finance with regard to their socio-economic status. Keeping this fact in mind, the present study makes an attempt to depict a profile of the sample women entrepreneurs promoted through Micro Finance and operating in the district Jorhat, Assam as regard age, caste, educational background, and religious background of the entrepreneurs are examined.

Key Words: Socio-economic status, Micro-finance, Entrepreneurs, Success Level etc.

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Sociologists believe, since entrepreneurs are the natural products which spontaneously come out of a society, their socio-economic status significantly influences the entrepreneurial traits and even the level of success in entrepreneurial practices in numerous ways. It is therefore, imperative to study and develop the profile of the sample women entrepreneurs promoted through Micro Finance with regard to their socio-economic status. Keeping this fact in mind, the present study makes an attempt to depict a profile of the sample women entrepreneurs promoted through Micro Finance and operating in the district under the present study as regard age, caste, educational background, and religious background of the entrepreneurs are examined.

Now in order to examine as to whether there is any causal relation between the sizes of income generated by the sample women entrepreneurs from their business and the socio-economic factors to which the sample entrepreneurs and their enterprises are subjected, Tables 1.01 to 1.09 are compiled and presented here.

I. Objectives of the study:

1. To examine as to where there is any relation between the sizes of income generated by the sample women entrepreneurs from their business and age, caste background, educational background and religious background of the respondents.
2. To study the success level of the sample entrepreneurs with their age, caste background, educational background and religious background.

II. Methodology of the study:

There are 12405 SHGs in Jorhat district, out of which 11712 are women SHGs. For the purpose of the present study, breakup of all the SHGs and women SHGs according to their Development Block wise location is determined. Having done so, 5% of the women SHGs located under of each of the eight Development Blocks with minimum of 3 years standing and having linked to bank is calculated to draw the sample women SHG for intensive study. Thus, there emerged 206 women SHGs for intensive study. These 206 women SHGs have been randomly selected from each of the Development Blocks. The study is basically on primary data through direct personal interview with the help of structured questionnaire. For this purpose, two members (including one office bearer) of each of the sample groups have been interviewed to gather relevant information pertaining to the group as well as to the individual. Thus in all, 412 rural women doing any kind of business through

Microfinance have been interviewed to study retarding factors towards development of entrepreneurship among women in rural areas. Necessary rapport has also been established with the concerned banks to cross examine the information received from the sample SHGs and their members. The primary data has been supported by those of secondary sources wherever required. In analyzing the collected data, Chi-square test is used to examine the level of success attained by the sample women entrepreneurs promoted through Micro-Finance in doing with their business

TEST OF ENTREPRENEURIAL SUCCESS

This section of the study aims to examine the level of success attained by the sample women entrepreneurs promoted through Micro-Finance in doing with their business. For this purpose, the average income generated during the last three financial years of 2012-13, 2013-14 and 2014-15 is taken as yardstick. It is important to clarify that level of entrepreneurial success can be measured by use of various indices like level of installed capacity utilized, Return on Investment (ROI), Profitability Ratio, etc but considering the nature of the present study, the amount of money income generated by the sample women entrepreneurs (who hardly enjoyed any economic freedom prior to doing with their present business) is considered as more important factor in determining their level of efficiency or success in business. Within this framework, the “Success” of entrepreneurs for the instant study is categorized as follows:

Success Level	Annual Income (Rs.)
No Success	Annual Income Less than Rs.10, 000
Low Success	Annual Income in between Rs. (10,001 -- 40,000)
Moderate Success	Annual Income in between Rs.(40,001 – 60,000)
High Success	Annual Income in between Rs.(60, 001 – 100,000)
Exceptionally High Success	Annual Income more than Rs 1,00,000

Determination of Success level

On the basis of above classification, Success Levels of all the 412 sample women entrepreneurs are determined and presented in Table 1.01

Table 1.01
Number of Sample Respondents according to their Range of Annual Income and Success Level

Range of Annual Income (Rs.)	Success Level	Number of Respondents
Less than Rs.10, 000	No Success	44 (10.68)
Rs. (10,000 -- 40,000)	Low Success	164 (39.81)
Rs.(40,001 – 60,000)	Moderate Success	123(29.85)
Rs.(60,001 - 100,000)	High Success	59 (14.32)
Above Rs.100,000	Exceptionally High Success	22 (5.34)
Total	-----	412 (100.00)

Source:-Field survey

N.B: Bracketed figures represent percentage of column totals.

Table 1.01 brings home the fact that 44.17 per cent of the sample women entrepreneurs achieved Moderate to High Success Levels earning Rs. 40,000 to Rs. 1,00,000 annually; while only 5.34 per cent of the respondents achieved Exceptionally High Success Level by generating annual income of Above Rs. 1,00,000. It is disheartening to find that 10.68 per cent of the sample women entrepreneurs saddled down at No Success Level earning less than Rs. 10,000 annually; while 39.81 per cent of the entrepreneurs record Low Success Level having tied up within annual the income range of Rs. 10,000 to 40,000. Thus, majority (50.49%) of the sample women entrepreneurs show up No Success or Low Success Levels.

Age of the entrepreneurs and Size of Annual income

Table 1.02 depicts a picture on Average Annual income generated by the sample women entrepreneurs of different age groups.

Table 1.02

Breakup of the sample Entrepreneurs according to their Age Group and Average Income Generated

Age Group of the respondent (Years)	Respondent (No.)	Annual Income (Rs.)	
		Total	Average
<30	24 (5.83)	11,92,650	49,694
30-40	334(81.07)	1,62,99,550	48,801
41-50	33 (8.01)	14,91,244	45,189
51-60	15 (3.64)	7,95,100	53,000
>60	6 (1.46)	98,956	16,493
Total /Average	412 (100)	1,98,77,500	48,246

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

The table reveals that the entrepreneurs within the age group of 51-60 years generate the highest average annual income of Rs. 53,000, followed by those within the age group of less than 30 years (Rs. 49,694), as against Rs. 48,801 generated by those within the age bracket of 30 -40 years and Rs. 45,189 generated by those fall within the age range of 41-50 years. Remarkably, those within the highest age group of Above 60 years record the least average income of Rs. 16,493 annually.

Table 1.02 fails to show any definite trend in relation between age of the entrepreneurs and the size of income generated by them.

Entrepreneurs’ Age and their Success Level

In order to examine as to if the age of the sample entrepreneurs has any association with their level of business success, Table 1.03 is compiled and presented here.

Table: 1.03

Age group wise break up of sample women entrepreneurs according to their level of success

Success Level	Number of Entrepreneurs with Age Group					Total (No.)
	<30	30-40	41-50	51-60	>60	
No Success	3(12.5)	35(10.47)	3(9.09)	1(6.67)	2(33.33)	44 (10.68)
Low Success	10(41.67)	133(39.82)	12(36.36)	6(40.00)	3 (50.00)	164 (39.56)
Moderate Success	7(29.17)	100(29.94)	10(30.30)	5(33.33)	1(16.67)	123 (29.85)
High Success	2 (8.33)	49 (14.67)	6 (18.18)	2 (13.33)	0 (00)	59 (14.32)
Exceptionally High Success	2 (8.33)	17 (5.08)	2 (6.06)	1 (6.67)	0 (00)	22 (5.58)
Total	24(100.00)	334(100.00)	33(100.00)	15(100.00)	6(100.00)	412(100.00)

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

Table 1.03 vividly shows that more than 60.00 per cent of the sample entrepreneurs tied up in every age group achieved low to moderate level of success. High to Exceptionally high level of success is achieved largely (24.24 %) by those within 41-50 years of age followed by those within 51-60 years (20.00%). Contrary to this, 19.75 per cent of the sample SHG entrepreneurs forming the age group of 30-40 years in addition to 16.66 per cent of those tied up within the age group of Less than 30 years record such success levels.

Notably, a sizeable proportion (83.33%) of the sample women entrepreneurs Above 60 years of age remained tied up with No Success and Low Success Levels with none achieving High Success or Exceptionally High Success Levels.

It is thus crystal clear that:

- a) Majority of the sample women entrepreneurs promoted through Micro-finance achieve either Low Success or move up to Moderate level of success.
- b) Although High to Exceptionally High Levels of Success is achieved by entrepreneurs from almost all age groups to some extent or other, majority is to be found within the age group of 41-60 years.
- c) Those within the lowest age group of Below 30 years and the highest age group of Above 60 years record the lowest performance in term of business success.

Thus, Table 1.03 precludes any causal relationship between age of the entrepreneurs and their level of business success.

The inference that the success level of women entrepreneurs and their ages are not inter related is also supported by Chi-square test result , where the calculated value of χ^2 (0.606308) is smaller than the table value of χ^2 at 5% level of significance for 10 degrees of freedom which is 18.3. Therefore, it may be concluded that there is no persuasive reason to judge that Age Background of the respondents and their level of success are interrelated. Mamoni Sharma (Sharma, 2013) in her study conducted in the Tinsukia district of Assam also finds that entrepreneurs’ age and their level of success are not interrelated.

Another study (Panda, 2002) conducted in four Indian states of Odisha, Andhra Pradesh, Bihar and West Bengal also finds that the age and success level of entrepreneurs are independent of each other.

However, finding of an empirical study (Nair and Pandey, 2006) made in the state of Kerala suggests that maturity in term of age favoured success in entrepreneurial ventures.

Caste background of the entrepreneurs and Size of Annual income

During the ancient age, economic activities of Indian Society used to be dominated by caste of the people. But with the passage of time, due to the complexities which spiraled our society, as also with the spread of education and modernization of life-style of the people, relation between occupation and caste of the people is gradually disappearing.

Studies observe that at a time, entrepreneurial activities in different regions of our country were dominated by some castes. Accordingly, business success was dominant within these groups of people. In view of the above, in the instant section an attempt is made to study as to how far the size of annual income generated by the sample entrepreneurs has relevance to their caste affiliations. Table 1.04 makes this point clear.

Table: 1.04
Sample Women Entrepreneurs' Caste Background and their Average Annual Income

Caste Affiliation	Respondent (No.)	Annual Income (Rs.)	
		Total	Average
General	15 (3.64)	6,02,055	40,137
Schedule Caste	67(16.26)	30,05,218	44,854
Schedule Tribe	121(29.37)	60,23,501	49,781
OBC	179 (43.45)	88,43,674	49,406
MOBC	30 (7.28)	14,03,052	46,768
Total/Average	412 (100.00)	1,98,77,500	48,246

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

Table 1.04 denotes that the sample women entrepreneurs belonging to Scheduled Tribe caste background generate maximum (Rs. 49,781) average annual income. This is followed by OBC (Rs. 49,406), MOBC (Rs. 46,768) and Scheduled Caste (44,854). Those belonging to the General Caste Category record the lowest average annual income of Rs. 40,137.

Thus, it can fairly be inferred that the sample women entrepreneurs belonging to lower caste categories are able to generate higher income as compared to those belonging to General Caste Category.

Caste Background of the Entrepreneurs and their Level of Success

In order to correlate the success level of the sample entrepreneurs with their caste background, Table 1.05 is compiled and presented here.

Table 1.05 reveals that not less than 50.00 per cent of the sample women entrepreneurs belonging to every caste category show up remarkably poor performance having tied up with No Success or Low Success Levels. It is

still grim to find that more than 68.00 per cent of the sample women entrepreneurs in every caste category are tied up with Low Success or Moderate Success Levels.

Table: 1.05

Caste Background wise breakup of the sample women entrepreneurs according to their level of success

Success Level	Number of Entrepreneurs from Caste Background					Total (No.)
	General	Schedule Caste (SC)	Schedule Tribe (ST)	OBC	MOBC	
No Success	2(13.33)	7(10.45)	12(9.92)	20(11.17)	3(10.00)	44(10.68)
Low Success	6(40.00)	27(40.29)	48(39.67)	71(39.66)	12(40.00)	164 (39.81)
Moderate Success	5(33.33)	20(29.85)	37(30.58)	52(29.05)	9(30.00)	123(29.85)
High Success	2(13.33)	10(14.93)	18(14.88)	25(13.96)	4(13.33)	59(14.32)
Exceptionally High Success	0(00)	3(4.48)	6(4.96)	11(6.14)	2 (6.67)	22 (5.34)
Total	15(100)	67(100)	121(100)	179(100)	30(100)	412(100)

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

From Table 1.05 it also becomes evident that the largest number (20.10%) of sample entrepreneurs having tied up with the High Success and Exceptionally High Success Levels is to be found from among OBC caste category. This is followed by MOBC (20.00%), ST (19.84%) and SC (19.41%). Remarkably, only 13.33 per cent of the General Caste category of entrepreneurs has achieved High Success Level with none having achieved Exceptionally High Success Level.

From analysis of Table 1.05 it is evident that there exists no association between level of business success achieved by the sample women entrepreneurs and their caste affiliations.

The result of the Chi-square Test also supported the inference that there is no skewed relationship between the level of success achieved by a women entrepreneur and her caste background. It is found that the calculated value of χ^2 (1.216137603) is smaller than the tabulated value of χ^2 at 5% level of significance for 10 degrees of freedom which is 18.3. Therefore, it may be concluded that there is no association between Caste Background of the respondents and their level of business success.

However, study (Sharma, 2007) conducted in Tinsukia district of Assam observed that the levels of success and caste background of the entrepreneurs are mutually related.

Educational Background of the entrepreneurs and Size of Annual income

There is a general perception that people with higher educational background generate high income as compared to their counterparts with low level of education. But in practice, it is not always found to be so.

Table 1.06

Sample Women Entrepreneurs' Educational Background and their Average Annual Income

Educational Level	Respondent (No.)	Annual Income (Rs)	
		Total	Average
Just Literate	27(6.55)	13,09,700	48,507
Under-Matric	143(34.71)	60,48,900	42,300
Matriculate/ Intermediate	120(29.13)	60,12,000	50,100
Under Graduate	100(24.27)	53,25,000	53,250
Graduate and above	22(5.34)	11,81,900	53,723
Total/Average	412(100.00)	1,98,77,500	48,246

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

In view of this, an attempt has here been made to examine as to how far the income generated by the sample women entrepreneurs is related to their level of education. For this, Table 1.06 is presented here.

Table 1.06 clearly shows that the sample women entrepreneurs with high level of education as Graduate and Above generate the highest average annual income of Rs.53,723, followed by Under Graduate (Rs. 53,250), Matriculate/ Intermediate (Rs. 50,100) and Just Literate (Rs. 48,507). Those with Under-Matric Level of educational qualification earn the least average annual income of Rs. 42,300.

Table 1.06 reflects that the sample women entrepreneurs in general with higher level of education are able to generate higher amount of income as compared to others.

Educational Background of the Entrepreneurs and their Level of Success

It is often argued that level of business success of an entrepreneur is skewed towards his/her level of educational attainments. But there are instances that people with even low level of education attained incredible business success as compared to those with higher educational level. Therefore it becomes imperative to examine as to whether there exists any causal relationship between the success level and educational background of the sample women entrepreneurs. Table 1.07 makes this point clear.

Table 1.07 reflects that in every block of educational level more than 60.00 per cent of the sample women entrepreneurs achieved Low Success to Moderate Success Levels; wherein the share of Low Success is more prominent. It is interesting to find that largest proportion (27.97%) of Under-Matric women entrepreneurs achieve High to Exceptionally High Level of Success, followed by those with Under Graduate (21.00%), Just Literate (18.51%) and Graduation & Above (18.18%) Incidentally, only 9.16 per cent of those with educational background of

Matriculate/Intermediate has succeeded in achieving High to Exceptionally High Levels of Success.

Table: 1.07
Educational Background wise break up of sample women entrepreneurs according to their level of business success

Success Level	Number of Entrepreneurs with Education Background of :					Total (No.)
	Just Literate	Under-Matric	Matriculate/ Intermediate	Under Graduate	Graduate and above	
No Success	3(11.11)	16(11.19)	13(10.83)	9(9.00)	3(13.64)	44 (10.68)
Low Success	11(40.75)	50(34.97)	54(45.00)	41(41.00)	8(36.36)	164 (39.81)
Moderate Success	8(29.63)	37(25.87)	42(35.00)	29(29.00)	7(31.82)	123 (29.85)
High Success	4(14.81)	32(22.38)	4(3.33)	17(17.00)	2(9.09)	59 (14.32)
Exceptionally High Success	1(3.70)	8(5.59)	7(5.83)	4(4.00)	2(9.09)	22 (5.34)
Total	27(100)	143(100)	120(100)	100(100)	22(100)	412 (100)

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

From analysis of Table 1.07 association between level of business success and educational background of the sample women entrepreneurs cannot be established.

However, this observed indifference between educational background and success level of entrepreneurs is not found to be statically correct. The Chi-Square Test shows that the calculated value of χ^2 (20.72888441) is greater than the table value of χ^2 at 5% level for 11 degrees of freedom which is 19.7, therefore it may be concluded that there is significant relationship between Educational Background of the respondents and their level of success.

However, Mamoni Sharma’s study (Sharma, 2007) does not find any significant relation between the level of education and success level of the entrepreneurs.

Another study (Panda, 2002) conducted in the states of Odisha, Andhra Pradesh, Bihar and West Bengal does find any convincing reason to believe that there is significant relation between educational attainment and entrepreneurial success.

Religious Background of the entrepreneurs and Size of Annual income

Table 1.08 presents breakup of the sample women entrepreneurs according to their religious background and size of average annual income generated. The table also shows that among the four religious groups, “Others” consisting of Buddhist, Jain & Sikh forming 7.28 per cent of the total sample generate the highest annual average income of Rs. 50,698.

Table: 1.08
Sample Women Entrepreneurs' Religious Background and their Average Annual Income

Religious background	Respondent (No.)	Annual Income (Rs)	
		Total	Average
Hindu	357(86.65)	1,72,33,463	48,273
Muslim	18(4.37)	8,34,684	46,371
Christian	7(1.70)	2,88,428	41,204
Others (Buddhist, Jain & Sikh)	30(7.28)	15,20,925	50,698
Total/Average	412(100.00)	1,98,77,500	48,246

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

Next in order is the Hindus constituting as high as 86.65 per cent of the total sample, record average annual income of Rs. 48,273, followed by Muslim (Rs. 46,371) and Christian (Rs. 41,204).

Religious Background of the Entrepreneurs and their Level of Success

The level of business success achieved by the sample women entrepreneurs as presented in Table 1.09 shows that more than 60.00 per cent of the sample women entrepreneurs belonging to every religious group remain tied up within the Low to Moderate Levels of success with majority tilted towards Low Success Level in every group of entrepreneurs. Further, More than 10.00 per cent of the every religious group of entrepreneurs is tied up with No Success Level achievement. The table also exhibits that the highest proportion (20.00%) of “Others” religious group consisting of Buddhist, Jain and Sikh achieved High to Exceptionally High Levels of Success. This is followed by Hindus (19.89%) and Muslim (16.67) per cent. Those belonging to Christian community record the lowest achievement of 14.29 per cent tied up with Exceptionally High Success Level only with none achieving High Level of Success.

In view of the above analysis it can fairly be inferred that there exists no causal relation between Religious background and Success Level of the sample entrepreneurs.

Table: 1.09
Religious Background wise breakup of the sample women entrepreneurs according to their level of success

Success Level	Number of Entrepreneurs with Religious Background of :				Total (No.)
	Hindu	Muslim	Christian	Others (Buddhist, Jain & Sikh)	
No Success	37(10.36)	2(11.11)	1(14.29)	4(13.33)	44(10.68)
Low Success	143(40.06)	7(38.89)	3(42.86)	11(36.67)	164(39.81)
Moderate Success	106(29.69)	6(33.33)	2(28.57)	9(30.00)	123(29.85)
High Success	53(14.85)	2(11.11)	0(00)	4(13.33)	59(14.32)
Exceptionally High Success	18(5.04)	1(5.56)	1(14.29)	2(6.67)	22(5.34)
Total	357(100)	18(100)	7(100)	30(100)	412(100)

Source: Field survey

NB: Bracketed figures represent percentage of column totals.

Finding under the Table 1.09 is also statistically supported. The Chi-Square calculation reveals that calculated value of χ^2 (1.048678774) is smaller than the table value of χ^2 at 5% level for 7 degrees of freedom which is 14.1. Therefore, this makes the ground to conclude that the Religious Background of the respondents and their level of success are not mutually associated.

Analysis made under Tables 1.01 to 1.09 reveals that:

- Educational backgrounds of the entrepreneurs are not significantly related to their level of business success.

- Women entrepreneurs’ demographic features like age, caste and religion have no relevance to their level of entrepreneurial success.
- This means to say that whether the women entrepreneur is young or old, whether she belongs to upper or lower caste and whatever religious faith she cherishes; the success level of entrepreneur has nothing to do with all these.

Mamoni Sharma (Sharma, 2013) in her study conducted in Tinsukia District of Assam rightly observed that “----- a successful entrepreneur does not specifically belong to any class ----- efficient entrepreneurs are to some extent or other evenly mixed up with their inefficient counterparts in various demographic strata.”

Another study (Ummah & Gunapalan, 2012) conducted in Sri Lanka observes that “family background, personality factors and institutional supports are predictor of entrepreneurial success of women entrepreneurs among women headed families”.

It can therefore fairly be concluded that a successful entrepreneur requires certain level of education.

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