A STUDY ON MICRO ENTERPRISES IN MADURAI DISTRICT – WITH SPECIAL REFERENCE TO ENTREPRENEURSHIP DEVELOPMENT.

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ABSTRACT--This Study gives a brief analysis of the respondents' role of DIC in Entrepreneurship Development. Entrepreneurship is the process of designing, launching and running a new business which is often initially a small business and selecting top managers for day to day operations of the enterprise. The main objectives of the study are to analysis the attitude of the respondents towards role of DIC in Entrepreneurship development. Data were collected from 175 respondents and a sample size of 25 each from of all the seven Taluks. The researcher used convenient sampling method to collect data from the sample respondents. Primary data were collected from the entrepreneurs of micro enterprises directly. Secondary data are collected from journal, magazine, newspaper and relevant books and website. Percentage analysis and chi-square test were used to analyze the data. The study in Madurai district from August 2019 to December2019.Finally Conclusions was drawn and suggestions were offered.

Keywords--Micro Enterprises, Entrepreneurship, Chi-Square.

I. INTRODUCTION

Micro enterprise plays an important role in employment creation, resource utilization and income generation and helps to promote change in a gradual and helps to promote change in a gradual and phased manner. It also removes the problems of unemployment, Poverty, Inequity of income etc. Schreiner and Leon (2001)[1] defined microenterprises as "Firms owned by the self employed poor that use microfinance " According to Schreiber and Leon complex definition of microenterprise

1. ***Schreiner.M1 and Leon.J(2001) " Micro finance for Micro enterprise: A Source Book for Donor" Savings and** Development**, 2002, vol.26(4), pp.329.***

should have there components ie type of activity, investment limits and number of employee. It is a small business that employs a small number of employees. A micro enterprise will usually operate with lesser than to people and is started with a small amount of capital. The entrepreneurs are important agents in the process of economic development. In most industrialized nations, entrepreneurship has been a key to growth in productivity and per capital income.

Statement of the Problem

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Micro enterprises forming part of 'Small and Medium Enterprises' (SMEs) Play a vital role in the economy of a developing country by providing employment and income generation opportunities on a sustainable basis and contributing significantly to the national income. With the economic reforms sweeping many of the developing countries, the focus is on countries like India, China, South Korea, Philippines. Indonesia, Pakistan, Taiwan, Thailand and the like. In India large, medium and small enterprises have grown under conducive industrial policies, followed by the Central and State government. While a number of large scale enterprises are in the public sector, almost all the small scale ones are in the private sector. we have in between medium enterprises overlapping in both the sectors. An entrepreneur is a qualified person with some innovative idea. He/ she has the will to implement his/her idea but lacks guidance and expertise. He/she may lack technical know-how, finance, marketing knowledge, guide lines, managerial techniques, and the like. In case of micro enterprises, the lack of awareness, exposure and opportunities are also added with the above problems. So, a micro level planning is very essential to improve the performance of micro- enterprises and the standard of living of the entrepreneurs. Therefore, there is a need for total change in the socio-economic, physical and psychological aspects of micro entrepreneurs. It is highly useful to the policy makers to frame a suitable policy to make the micro entrepreneurs perfect entrepreneurs.

II.   OBJECTIVES OF THE STUDY

The main objective of the study is to analyze the attitude of the respondents towards role of DIC in Entrepreneurship Development and to offer suggestions based on the finding of the study.

III.   REVIEW OF PREVIOUS STUDIES

1.   One of the important variant of self employment Programmed is micro enterprise development. In several countries micro and small enterprises constitutes a large part of the total work force. Interest in the promotion of micro enterprises as a engine of growth and as poverty alleviation tool in the developing world is gaining importance Pisanni and Patrick (2002)

2.   According to William Diamond, " Entrepreneurship is equivalent to enterprise Which involves the Willingness to assume risks in undertaking an economic activity, particularly a new one. It may involve an innovation, it always involves risk taking decision making although neither risk nor decision making may be of great significance

3.   Nanda (1999) conducted impact studies of 'Self Help' and found that the most outstanding impact of the linkage programme could be the socio – economic empowerment of the poor more particularly the woman

4.   Puhazhenthi and Satyasai (2000) found that the composite index of different socio – economic parameters rose from 40 to 65 betweenpre and post SHG situation[5].

5.   5.Tandon (1975) stated that the rate of entrepreneurial change was a function of human factor and one could bring about a change in the effectiveness of an enterprise by improving the human factor

IV.   METHODOLOGY OF THE STUDY

This study is an empirical research. Primary date were collected from the entrepreneurs of micro enterprises directly by the researcher with the help of an interview schedule. Secondary data are collected from journal, magazine, newspaper, and relevant books and web site.

V. PERIOD OF STUDY

Period of the study ranged from August 2019 to December 2019.

VI. TOOLS OF ANALYSIS

Chi-square test was used to find out the relationship the level of attitude towards service rendered by DIC in development entrepreneurship.

2. pisanni and Patrick (2002) " A Conceptual Model and propositions for bolstering Entrepreneurship in the informal sector", The case of Central America Journal of Developmental Entrepreneurship vol.7, PP-95-111.

3. William Diamond, "Development Banks", The Jhon Hopkins press, Baltimoce, 1957,p.5.

4. Nanda Y.C., " Linking Banks and Self Help Groups in India and Non-Governmental Organisation: Lesson Learned and Future Prospects", National Bank News Review.15(3), 1999.PP.1-9

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Sampling Size :-

Madurai District consist of seven taluks namely Madurai south, Madurai North, Melur, Vadipatti, Thirumangalam, Peraiyur and Usilampatti. Date were collected from 175 respondents and a sample size of 25 each from of all the seven taluks. The researcher used convenient sampling method to collect data from the sample respondents.

Factor influencing the level of Entrepreneurial Traits:-

The Chi-square test is used to analyze the earning members,

Income and nature of business. Chi-square test is a statistical tool used to test

the distribution of observed data with assumed theoretical distributions. Through this test, the researcher is able to find out the deviations between the observed values and the expected Values. The test is done by comparing the computed value with the table of X^2 for the desired degree of freedom. When the researcher compares the compound value, the degree of freedom is evident. The X^2 may be define as :

Chi-square test (X^2)

$\sum = (O-E)^2 / E$

Where, O = Observed Frequency; E= Expected Frequency

Expected Frequency = (Row Total X Column Total) / Grand Total

Degree of freedom = (C-1) (R-1)

Where,

C= Column; R= Row

Steps :

i) A hypothesis is established along with the significant level.

ii) Compute deviation between observed value and expected value $(O-E)^2$

iii) Square the deviations calculated $(O-E)^2$

Divide the $(O-E)^2$

iv) Add all the values obtained in step iv

v) Find the Value of X2 from X2 table at certain level of signification usually at 5 per cent level. If the calculated Value of X2 Is greater than the table value of X^2 at certain level of significance, the researcher rejects the hypothesis. If the calculated value of X^2 is lesser than the value X^2 at certain level of significance, the researcher accepted the hypothesis.

Classification of Respondents on the Basis of level of Attitude:-

The sample respondents are divided into three categories based on their respective scores. The classification of respondents according to their level of attitude is presented in Table 1

Table 1: Level of Attitude of the Respondents

S.No	Category	No.of.Respondents	Percentage of Total
1.	High Level	50	29
2.	Medium Level	95	54
3.	Low Level	30	17
	Total	175	100

Source: Primary date

It could be seen from the above table that out of 175 respondents, 54 percent of them experienced medium level satisfaction. They are followed by 29 percent and 17 Percent with high level and with low level satisfaction respectively.

Relationship between Number of earning Member and Level of Attitude of the Respondents.

The earning members per family reveal the family income and the standard of living of the family members. It is included as an important variable since it may also influence the enterprise involvement among the respondents. The number of eaming members per family among the respondent is illustrated in the table. Number of earning member is as one of the variables that may have no .significant relationship with level of opinion of the respondents and the same in presented in table 2.

Table 2: Number of earning Members and Level of Attitude of the Respondents**.**

S.NO	Number of Earning Members	Level of Attitude			Total	x^2 value	Table value at 5% Significant
		High	Medium	Low			
1.	One	10 (19)	34(63)	10(18)	54		
2.	Two	12(32)	21(55)	5(13)	38	7.47	12.6
3.	Three	10(26)	20(51)	9(23)	39		
4.	Four	18(41)	20(45)	6(14)	44		
	Total	50	95	30	175		

Source : Computed from primary data

The table 2 shows that majority of the respondents have one number of earning members in their family. among them 63 percent of respondent have medium level of satisfaction. It is also evident from the table majority of the respondents (95) have medium level of attitude, few have high level attitude and low level attitude. In order to find out the relationship between number of earning members and their level of attitude of the respondents does not have any significant relationship with the level of attitude of micro enterprises. Since the calculated Value of x2 (7.47) is less than the table value (12.6) There the null hypo there is accepted. So It is concluded that number of earning of the respondents has no significant a relationship with the level of attitude of the micro enterprises.

Relationship between Income per month and level of Attitude of the Respondents.

The income of the respondents is the income of the respondents earned from all possible sources within a period of one month cloning the study period. The personal income has more influence on the   standard of living, enterprise involvement and perception on the constraints experienced among the respondents. In the present study, the personal income among the respondents has been categorized in up to – Rs.10,000/- Rs.20,000/- Rs.30,000/- Rs.40,000/- above 40,000/- The distribution of the respondents according to their personal income is illustrated in table 3

Table 3: Income per Month and their level of Attitude of the Respondents.

S. No.	Income per Month	Level of Attitude			Total	x2	Table value at 5% significant
		High	Medium	Low			
1.	up to 10,000	12(27)	26(59)	6(14)	44		
2.	20,000– 30,000	08(22)	20(56)	8(22)	36		
3.	30,000-40,000	10(36)	12(43)	6(21)	28	3.30	12.6
4.	Above 40,000	20(30)	37(55)	10(15)	67		
	Total	50	95	30	175		

Source: Computed from primary data

Table 3 Shows that a majority of the respondents have earnings up to 10,000 among them 59 percent of respondents have medium level of satisfaction. It is also evident from the table majority of the respondents (95) have medium level of attitude, few have high level attitude and low level attitude. In order to find out the relationship between income per month and level of attitude the null hypothesis the income per month of the respondents does not have any significant relationship with the level of attitude of micro enterprises is framed. since the calculated value of x2 (3.30) is less than the table value (12.6) so the null hypothesis is accepted. It is concluded that the level of income of the respondents has no significant relationship with the level of attitude of the micro enterprises.

Relationship between Nature of Business and Level of Attitude of Respondents

Nature of business is considered as an important factor influencing the attitude. the relationship between nature of business of the respondents and their level of attitude is presented in table 4.

Table 4: Nature of business and level of Attitude of respondents

S. No	Nature of Business	Level of Attitude			Total	x2 value	Table value at 5% Significant
		High	Medium	Low			
1.	Manufacturing	12(43)	10(36)	6(21)	28		
2.	Trading	10 (30)	15(45)	8(24)	33	7.906	9.46
3.	Serving	28(25)	70(61)	16(14)	114		
	Total	50	95	30	175		

Source: Computed from primary data

The Table 4 shows that a majority of the respondents from servicing category. among them 61 percent of respondents have medium level of satisfaction. It is also evident from the table majority of the respondents (95) have medium level of attitude, few have high level attitude and low level attitude. In order to find out the relationship between nature of business and level of attitude the null hypothesis the nature of business of the respondents does not have any significant relationship with the level of attitude of micro enterprises. Since the calculated value of x2 (7.906) is less than the table value (12.6) so the null hypothesis is accepted. It is concluded that the nature of business of the respondents has no significant relationship with the level of attitude of the micro enterprises.

VII.   SUGGESTIONS

1. The College and Universities may take necessary steps to other training to students to know about the entrepreneurial activities.

2. The institutions may take necessary steps to conduct seminars and conferences for the students with existing successful entrepreneurs.

3. Skill Development programmes may be organized to provide training to micro entrepreneur by government institutions and NGO's.

4. Management development programmes may be conducted to impart, state of the art learning in the emerging management techniques so as to help the micro entrepreneurs in developing their trait.

5. A separate cell should be formed in DIC exclusively to cater to the needs of micro enterprises.

6. Initiative should be taken by DIC so that it commands more respect. The objective of training is to provide more number of budding entrepreneurs.

7. Exclusive marketing programmes may be formulated by DIC in order to help the micro enterprises market their produces easily and profitably.

8. Skill development training may be provided periodically to the micro entrepreneurs so as to update their knowledge in their respective fields

9. Institutions may arrange industrial visits in inter state level.

VIII. CONCLUSION

The role of micro enterprises in solving unemployment problem in India is commendable. It is for this reason the government is extending its helping hand in the development of these micro enterprises. In this competitive world, these enterprises should ensure their continuous existence. In this regard, micro enterprises doing similar businesses should from clusters at the district level so that these units may take unified and concerted efforts in marketing of their products. The government should recognize these clusters which will give micro enterprises good leverage in availing bank loans. These measures in the long run may give competitive edge in facing competitions from bigger units.

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