

Impact of Entrepreneurship on Physical Quality of Life Among Socially Back Ward People

***Dr. A.Bharathi Devi**, Assistant Professor, Department of Economics, Andhra Kesari Tanguturi Prakasam University, Ongole, Prakasam (Dist), Andhra Pradesh, India. bharatheanchula@gmail.com

****Dr.A.S.Jalandharachari**, Assistant Professor, Department of Education and Education Technology, University of Hyderabad, Hyderabad, India. mathjalan@gmail.com

ABSTRACT - Entrepreneurship enhances per capita income of the household, upgrading the physical quality of life of people and also escalating infrastructural facilities through the optimum utilisation of resources available in that land. This study focussed on the socio economic condition of entrepreneurs in Prakasam district of Andhra Pradesh state and to examine physical quality of life index of entrepreneurs. Simple statistical tools like percentages, averages and CAGR are used to analyse the data and also correlation and regression are used to analyse the entrepreneurial impact on physical quality of life of the people. The study observed that tremendous increase in entrepreneurs' per capita monthly income and monthly consumptions with almost three times each. After enter into the entrepreneurship, the income was increased about three folds and debts were decreased to 2.4 times. Households' consumption was increased in the domains of infrastructure, food, children education, health and insurance.

Key words: Entrepreneurship, households' monthly consumption, households' monthly income.

I. INTRODUCTION

Entrepreneurship is a way of life for the people of developing countries. It plays a significant role in the development of nation in general and economic and social status of people in particular. It enhances per capita income, upgrading the physical quality of life of people and escalating infrastructural facilities through the optimization of resources available in that land.

Sustainable economic growth requires inclusive growth. The inclusive growth approach takes a longer-term perspective, as the focus is on productive employment as a means of increasing the incomes of poor and excluded groups and raising their standards of living (Elena et al 2009). The central vision of the Eleventh plan is to build on our strengths to a development process which ensures broad-based improvement in the quality of life of the people, especially the poor, SCs/STs, Other Backward Castes (OBCs) minorities and women (GoI, 2008 p. 2 and H.Y Siddiqui 2008).

Entrepreneurship is the process of designing, launching and running a new business, which is often initially a small business (Bader Sultana and Narasimharao 2015). Recent research indicates that entrepreneurs are not only more satisfied in their business but also access to better physical quality of life for their family members. Hence it is intended to study the impact of entrepreneurship on physical quality of life among socially back ward people is more significant.

II. DESIGN OF THE WORK

This study has primarily focussed on the two objectives viz., to study the socio economic condition of entrepreneurs in the study area and to examine physical quality of life index of entrepreneurs. The data collected from primary as well as secondary sources of information. The primary data collected from the field survey and secondary data collected from government of India official reports, journals, books, working papers.

The sample of 100 households was selected through purposive random sampling method. Among them 33 households from Scheduled Tribes (STs), 33 from Scheduled Castes (SCs) and 34 from Backward Classes (BCs). They belong to micro enterprises under registered and/ or not registered in Prakasam district of Andhra Pradesh state during the three years period i.e., 2014-2015 to 2017-2018.

Simple statistical tools like percentages, averages and CAGR are used to analyse the data and also correlation and regression are used to analyse the entrepreneurial impact on physical quality of life of the people.

III. DISCUSSION

Annual growth of working enterprises in Prakasam district is recorded by 27.48 per cent and the index value increased more than four folds to 429. During the period from 2010-11 to 2015-16, the number of MSMEs has gradually increased from 113 to 485 except the year 2015-16. These details are presented in the table-1.

The mean value of growth of MSMEs is 255.17 per year. It is further observed that the variation in growth of MSMEs is more than 50 per cent. It shows there are significant fluctuations in the growth of MSMEs in the study area.

Table -1 Details of MSMEs in the study area

S. No	Year	No of Units	Annual growth rate	Growth Index
1	2010-11	113		100
2	2011-12	163	44.24	144
3	2012-13	222	36.19	196
4	2013-14	274	23.42	242
5	2014-15	274	00.00	242
6	2015-16	485	77.00	429
	Mean	255.17		
	SD	129.10		
	C V (%)	50.59		
	CAGR	27.48		

Source: DIC, Prakasam District

From the above table-2, it is very clear that before entry into the entrepreneurship, dominant household's monthly income was up to Rs.5000 only with 48.00% followed by Rs.5001 to Rs.10000, Rs 10001 to Rs15000 and Rs.15001 to Rs.20000 with 24.00%, 17.00% and 2.00% respectively. It is also clear that 9% of households did not even earned money and household per capita monthly income was Rs.6852.50.

Table – 2 House holds monthly income before and after enter into the entrepreneurship

S.N o	Monthl y Income (In rupees)	Before enter into entrepreneurship (f)	%	After enter into entrepreneurship (f)	%
1	NIL	9	9.00	-	-
2	Up to 5000	48	48.00	-	-
3	5001-10000	24	24.00	-	-
4	10001-15000	17	17.00	17	17.00
5	15001-20000	2	2.00	33	33.00
6	20001-25000	-	-	18	18.00
7	25001-30000	-	-	11	11.00
8	30001-35000	-	-	12	12.00
9	35001-40000	-	-	8	8.00
10	Above-40001	-	-	1	1.00

Total	100	100.00	100	100.00
Average Per capita monthly income	6852.50		22945.00	

Source: Field survey

After enter into the entrepreneurship, dominant house holds monthly income is in between Rs.15001 to Rs.20000 with 33.00% followed by Rs.20001 to 25000, Rs.10001 to 15000, Rs.30001 to Rs.35000, Rs.25001 to Rs.30000, Rs.35001 to Rs.40000 and above Rs.40001 with 18.00%, 17.00%, 12.00%, 11.00%, 8.00% and 1.00%.

The investigators found that half of the house holds monthly income was above Rs.20000 and households' per capita monthly income was Rs.22945.00 and also a tremendous change in households' per capita monthly income which was increased about three folds during the study period.

Table: 3 House holds monthly consumption before and after enter into the entrepreneurship

S.N o	Monthly Consumption (In rupees)	Before enter into entrepreneurship (f)	%	After enter into entrepreneurship (f)	%
1	NIL	0	0.00		
2	Up to 5000	54	54.00		
3	5001-10000	38	38.00	11	11.00
4	10001-15000	8	8.00	42	42.00
5	15001-20000			15	15.00
6	20001-25000			16	16.00
7	25001-30000			13	13.00
8	30001-35000			3	03.00
9	35001-40000				
10	Above-40001				
	Total				
	Average Per capita monthly Consumption	6040.00		17962.00	

Source: Field survey

Table-3 explains the houses holds monthly consumption before and after enters into the entrepreneurship. It is evident from the table that before enter into the entrepreneurship, dominant household's monthly consumption is up to Rs.5000 with 54.00% followed by Rs.5001 to Rs.10000, Rs 10001 to Rs15000 with 38.00%,

and 8.00% respectively and household per capita monthly consumption is Rs.6040.00.

After enter into the entrepreneurship, dominant house holds monthly consumption is in between Rs.10001 to Rs.15000 with 42.00% followed by Rs.20001 to Rs.25000, Rs.15001 to Rs.20000, Rs.25001 to Rs.30000, Rs. 5001 to Rs.10000 and Rs.30001 to Rs.35000 with 16.00%, 15.00%, 13.00%, 11.00% and 3.00%. The investigators found that half of the house holds monthly consumption was above Rs.15000 and households per capita monthly consumption was Rs.17962.00. Further they observed that tremendous change in households' per capita monthly consumption which was increased about three times.

The table-4 explains the House holds monthly income consumption relation before and after enter into the entrepreneurship.

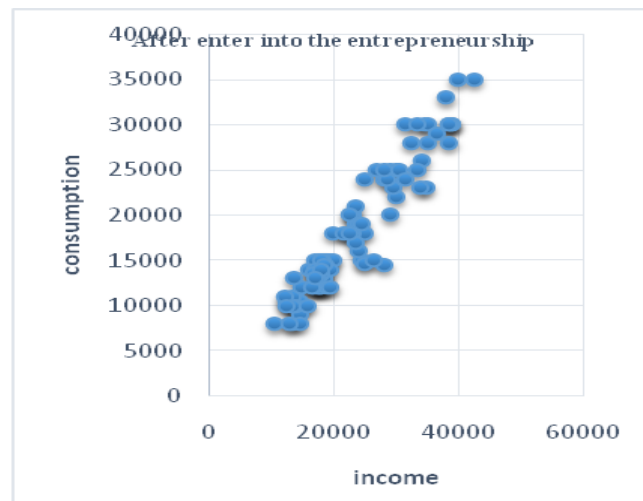
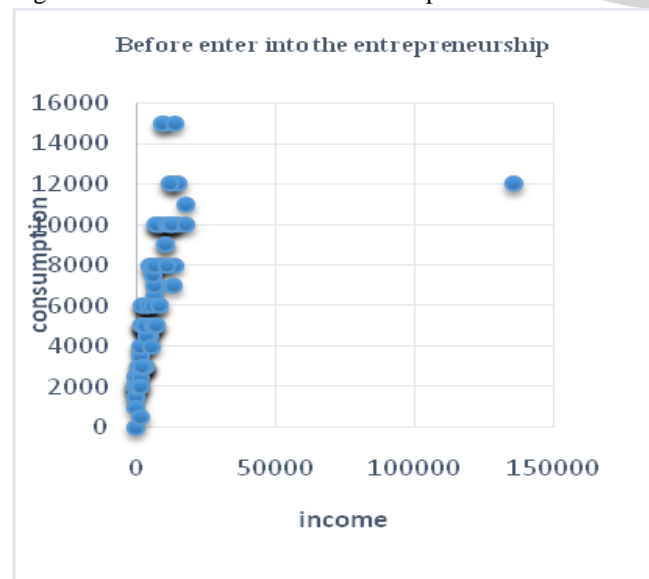
Table: 4 House holds monthly income consumption relation before and after enter into the entrepreneurship

Income consumption relation	r - value	
Before enter into the entrepreneurship	0.43785	Low degree positive
After enter into the entrepreneurship	0.952024	High degree positive

Source: calculated values

Before and after enter into entrepreneurship, households' income consumption correlation values were 0.43785 and 0.952024 respectively. These values indicate households' income consumptions are positively correlated but degrees are different. Before enter into the entrepreneurship, households income consumptions are positively correlated with low degree and after enter into the entrepreneurship, households income consumptions are positively correlated but with high degree. This relation was shown in the below figure -1.

Figure -1 Households' income consumption relation



The below formula is framed to identify the value of one unit of monthly consumption for one unit of households' monthly income.

$$Y_b = A_0 + B_1 X$$

$$Y_a = A_0 + B_1 X$$

Y = Monthly per capita Consumption in rupees

a = After enter into the Entrepreneurship

b = Before enter into the Entrepreneurship

0 & 1 = Are Regression coefficients

X = Monthly per capita Income in rupees

$$Y_b = -0.93 + 1.19 (\text{Income})$$

$$Y_a = 1.20 + 0.83 (\text{Income})$$

Before and after enter into the entrepreneurship house holds' per capita monthly consumption from their per capita monthly income of Rs.100 is Rs. 110.87 paisa and Rs.83.12 paisa respectively. It is very evident that households' monthly consumption is greater than the monthly income.

The table-5 shows the percentage details of households' per capita monthly consumption on physical quality of life parameters as food, children education, health, infrastructure facilities, loan or dept repayment, insurance and savings and others from their monthly per capita income before and after enter into entrepreneurship.

Table-5 Households' per capita monthly consumption from their per capita monthly income

Economic status - Parameters	Before	After
Food	10.11	19.68
Children Education	14.33	22.06
Health	1.55	3.40
Infrastructure facilities*	16.53	21.42
Loan or debt repayment	57.07	26.77
Insurance	0.23	2.92
Savings and other	0.18	3.75

Source: Primary Data

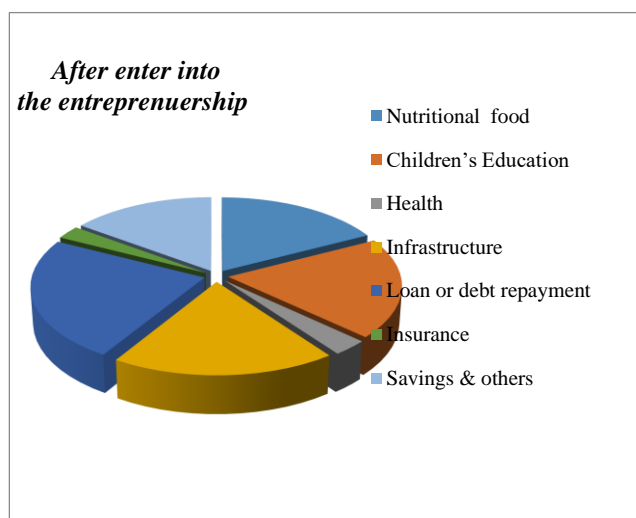
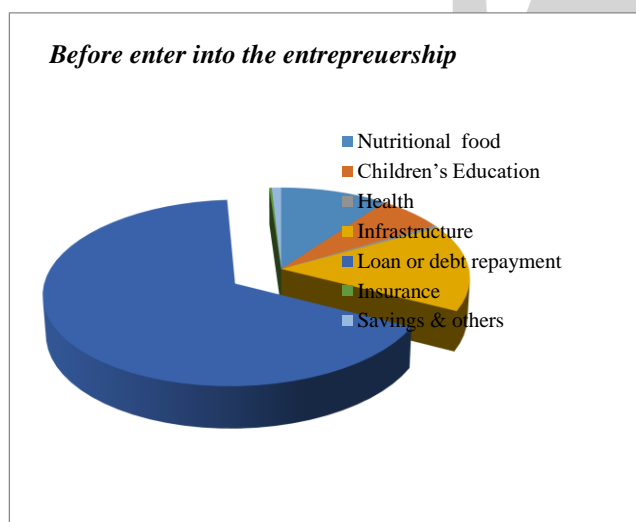
* House rent, Power usage, petrol & Diesel usage, Consumption on Communications.

Table -5 shows that before enter into the entrepreneurship house holds' were spending their per capita monthly income more on loan or debt repayment with 68.12% and followed consumption on infrastructure facilities, children education, food, health and insurance with 16.53%,14.33%, 10.11%, 1.55% and 0.23% respectively.

After enter into the entrepreneurship house holds' per capita monthly consumption more on loan or debt repayment with 26.77% followed by children education, infrastructure, food, health and insurance with 22.06%,21.42%,19.68%,3.40% and 2.92% respectively.

Finally the study found that consumption on food was increased nearly to double; children education was increased to above 1.5 times ; health is increased to more than double; infrastructure facilities were increased to 1.3 times; on loan or debt repayment was decreased to above 50 per cent ; insurance was gone up to 12.5 folds and savings and other is increased to nearly 20 folds. These details are showing in the below figure-2.

Figure-2 Households' per capita monthly consumption from their per capita monthly income



IV. CONCLUSIONS AND FINDINGS

Entrepreneurship plays a significant role in the development of nation in general and economic and social status of people in particular. It enhances per capita income, upgrading the physical quality of life of people and escalating infrastructural facilities through the optimization of resources available in that land.

Annual growth of working enterprises in Prakasam district of Andhra Pradesh state was recorded by 27.48 %. The study observed that tremendous increase in entrepreneurs' per capita monthly income and monthly consumptions with almost three times each. But before enter into the entrepreneurship, households' per capita monthly consumption had increased but identically low when compare to increase in per capita monthly income and after enter into the entrepreneurship, households' per capita monthly consumption had increased with identically when compare to increase in per capita monthly income.

Before enter into the entrepreneurship, due to debt trap, households' per capita monthly consumption was high when compare to after enter into the entrepreneurship. It might be the reason for the households' who were paid above 68% of their monthly income to loan or debt repayment. Due to this reason, their consumption was low on food, children education, health, infrastructure facilities etc.

But after enter into the entrepreneurship the income was increased about three folds and debts were decreased to 2.4 times. Households' consumption was increased in the domains of infrastructure, food, children education, health and insurance. The investigators concluded that entrepreneurs were quality of leading life with good economic status.

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